



The President's Daily Brief

26 September 1972

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Top Secret

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

26 September 1972

PRINCIPAL DEVELOPMENTS

Philippine President Marcos has used his martial law powers to decree a reorganization of the executive branch that he believes will strengthen him politically. (Page 1)

In West Germany, the resignation of former economics and finance minister Schiller from the Social Democratic Party is another electoral windfall for the opposition Christian Democrats. Chancellor Brandt, however, hopes to counter this by concluding a general treaty with East Germany. (Page 2)

Chile [redacted]

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[redacted] (Page 3)

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[redacted]

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[redacted] the fedayeen. (Page 4)

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PHILIPPINES

In his first decree under martial law, President Marcos has enacted a reorganization plan, long-stalled in Congress, for the executive branch. The plan consolidates many of the more than 100 executive offices, creates a public information department, and establishes 11 regional organizations between cabinet level officials and the 66 provincial governments.

Although billed as a decentralization, the action gives Marcos greater opportunity to influence local administration by reducing the number of officials with whom he must deal. Marcos apparently has decided that the shortcomings of his administration and his own loss of popularity result from bureaucratic ineptness, and that by taking firm personal control he can regain public confidence.



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This suggests that Marcos has not abandoned his plans to extend his rule by becoming prime minister, and that he intends to use his martial law powers to assure his ultimate election.



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WEST GERMANY

The resignation of former economics and finance minister Karl Schiller from the Social Democratic Party is another windfall for the opposition Christian Democrats. Schiller's resignation and his open criticism of government economic policy give the opposition additional ammunition for the election campaign.

The government will attempt to blunt these attacks on its domestic record by emphasizing foreign policy and seeking new success in that field. Chancellor Brandt hopes to go before the electorate with a general treaty with East Germany ready for signature.

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Government leaders have also decided to play up the forthcoming EC summit as a step toward economic stability in Europe

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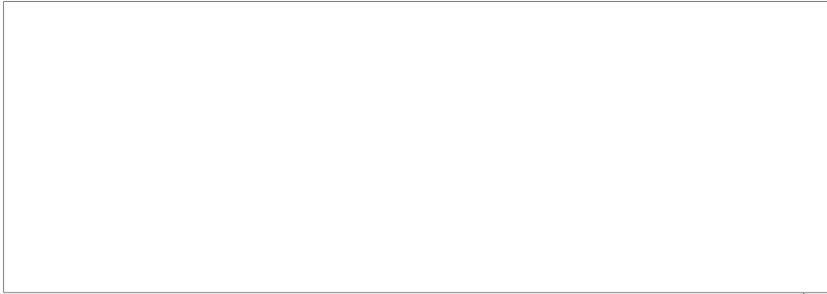
The East Germans, for their part, have also indicated the desire to conclude a general treaty as soon as possible--in part to help Brandt in the election.

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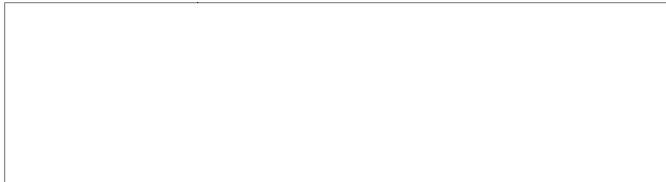
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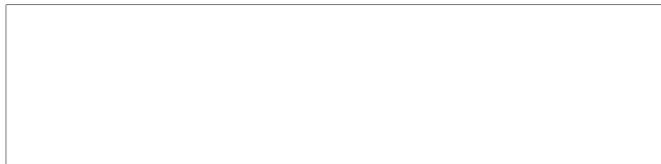
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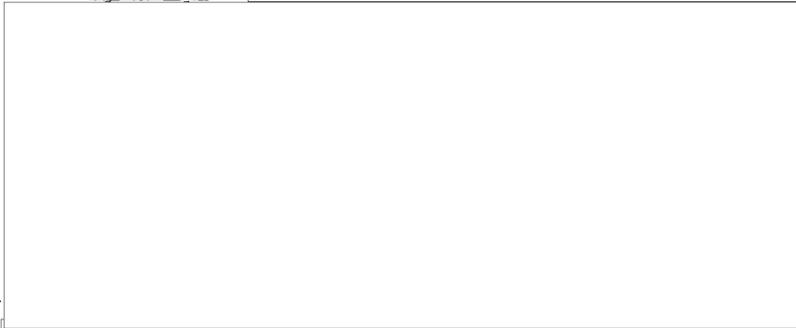
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NOTES

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Norway: Norway has rejected membership in the European Communities by roughly a seven-percent margin in a two-day referendum that ended yesterday. Prime Minister Trygve Bratteli may announce the resignation of his minority Labor government in the wake of the defeat. He had said earlier this month that he would resign if the vote were negative. Although the referendum was only advisory, the significant margin against EC membership is expected to preclude further consideration of the EC treaty by the Norwegian parliament. A new government will presumably try to negotiate a free trade arrangement with the EC similar to agreements concluded by Sweden and Finland.

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