



The President's Daily Brief

19 January 1973

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

19 January 1973

PRINCIPAL DEVELOPMENTS



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French President Pompidou's electoral coalition is still trailing the Communist-Socialist alliance in the opinion polls. (Page 2) At Annex we examine the current state of the campaign.

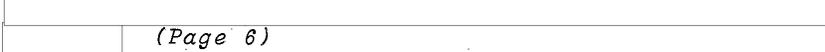
On Page 3, we report on Chancellor Brandt's second inaugural address.

The implications of the Soviet and East European response to the Western invitation for talks on force reductions are examined on Page 4.

Moscow is still trying to enhance its influence in Laos. (Page 5)

Singapore 

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 (Page 6)

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Peru may begin buying Soviet military equipment on generous credit terms. (Page 7)

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NORTH VIETNAM



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FRANCE

With the first round of the National Assembly elections little more than six weeks away, the polls still show the Pompidolian coalition behind the Communist-Socialist alliance. The governing coalition--though outwardly confident--is off to a slow start as it casts about for ways to improve its prospects.

At this stage, it looks like President Pompidou will get something less than the clear-cut personal affirmation which a strong coalition victory would bring him.

[redacted] he is resigned to the loss of some hundred seats in the Assembly, which would leave the coalition with only a small majority. He fears that a last-minute "whim" of the voters could even result in defeat for the coalition. At Annex we examine the current state of the campaign.

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WEST GERMANY

Chancellor Brandt made his second inaugural address yesterday, stressing that the Atlantic Alliance remains the basis of West German security and that a US presence is indispensable for Europe. Brandt turned aside strong pressures to criticize American conduct in Vietnam, but confirmed that he is prepared to aid both parts of Vietnam after a cease-fire.

The Chancellor would like to see the powers of the European Parliament broadened, and suggested that his government will work for full European political union. Brandt prophesied that with "tenacity and a sense of purpose" detente could become a reality. In this context, he said that West Germany will improve relations with the USSR and Eastern Europe, placing priority on reconciliation with Czechoslovakia, Hungary, and Bulgaria, but also seeking new areas of cooperation with East Germany.

Brandt listed European inflation and international monetary reform as two international problems having a serious domestic impact. He avoided offering specific solutions to these problems or to any others, perhaps recalling his first inaugural speech, when he offered specific legislative proposals that later failed to pass in the parliament.

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USSR

The USSR and its allies, in agreeing to take part in talks on force reductions in Europe, have added that the talks should be open to "other European states that indicate an appropriate interest." The Hungarian official who presented his government's note made it clear that this formulation does not exclude neutrals.

This position, reached during the Warsaw Pact meetings earlier this week, should meet Romania's desire for broad participation in the talks and places the burden on the West for excluding any interested European state.

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The Warsaw Pact proposals on participation apply, as do the Western proposals, only to the forthcoming preparatory talks, not the actual negotiations planned to get under way next autumn.

The Pact countries proposed Vienna as the site for the preparatory talks whereas the West had put forward Geneva.

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Most Western countries are not likely to object to Vienna, and some prefer it because other disarmament talks are being held in Geneva.

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LAOS

Following the latest Lao negotiating session on 16 January, Soviet Counselor Grushin called at the US Embassy for a review of the talks. He said that Moscow expects a Vietnam "settlement" to be announced in the near future and that this would lead to "an early cease-fire" in Laos. He noted the absence of an attack on Prime Minister Souvanna Phouma in the latest Communist statement at the talks, and he implied that his embassy had something to do with this. Grushin also suggested that it would be useful for the US and Soviet embassies in Vientiane to maintain substantive contact, "now that the contest is being transferred from the battlefield to the negotiating table and eventually into the political arena."

The Soviets recently have been seeking to improve their relations with both the government and the Communists. They apparently see fresh opportunities in the current situation to enhance their limited influence in Laos vis-a-vis that of the Chinese and the North Vietnamese.

Meanwhile military activity is continuing at approximately the same level of the past several weeks. On Wednesday, enemy ground attacks and shellings dispersed two government battalions from positions some 15 miles southeast of Thakhek, a provincial capital.

This action may be designed to divert government attention while other North Vietnamese forces to the east complete their preparations for a push along Route 9 to retake Muong Phalane.

Farther south, lead elements of a 3,000-man government force are moving back toward the provincial capital of Saravane, from which they were ousted last week. Opposition has been light so far, but is likely to increase as the government force nears the town. Despite heavy air strikes, the North Vietnamese 968th Division and an anti-aircraft regiment remain in the area and there are indications that another regiment recently arrived there from North Vietnam.

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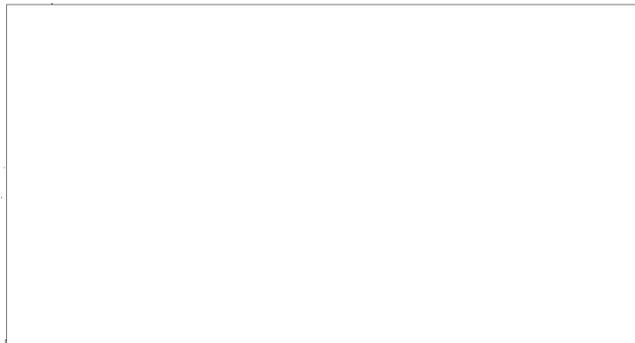
SINGAPORE - SOUTHEAST ASIA



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PERU-USSR

The Soviets are making a strong pitch to sell military equipment to the Peruvian Government. Prospects are strong that the Peruvians will buy four Soviet MI-8 helicopters. The Soviets are said to be offering generous credit terms for this and other military equipment in a bid to conclude their first military sales in South America.

Soviet interest in Peru is also evident in the impending signature of contracts for new Soviet economic aid and the recent Soviet agreement to assist in preparatory work for the huge Olmos hydroelectric and irrigation project in northern Peru.

Peru's access to US military equipment has been thrown in doubt since 12 December, when the seizure of a US fishing boat caused suspension of Peru's eligibility under the Foreign Military Sales program. Since then Peru seems to have declared open season on US tuna boats operating within its claimed 200-mile territorial sea.

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THE FRENCH ELECTION CAMPAIGN

The Gaullist party, faced with its first campaign without de Gaulle, confronts a real challenge from the Communist-Socialist-left Radical alliance in the National Assembly elections scheduled for 4 and 11 March. Except for inflation, on which the government is clearly vulnerable, neither side has been able to find a campaign issue that has caught fire with the electorate. The government, plagued by 18 months of scandals and internal dissension and now handicapped by lackluster campaigning, is off to a slow start. The left, in contrast, has put on a good show of unity in the last several months and has managed to capture the headlines on more than one occasion. These factors, coupled with the news that retail prices rose in November at the highest rate since January 1969, drove the Pompidolians to a new low--and the left to an eight-point lead--in polls taken early last month. While the most recent poll shows the gap has narrowed, the governing coalition has a number of difficulties to overcome in retaining control of the National Assembly.

The Gaullist Coalition

President Pompidou's ouster of controversial Jacques Chaban-Delmas as premier last June in favor of Gaullist purist Pierre Messmer gave the coalition a greater sense of cohesion, but rifts remain and sometimes come into the open. In December, for example, it became clear that relations among the heads of the three parties--the Gaullist Union of Democrats for the Republic, the Independent Republicans, and a small centrist party--were growing more acrimonious. Gaullist party chief Alain Peyrefitte came under heavy fire for his inability to make decisions and his lack of vision in planning election strategy. Pompidou was forced to intervene personally to warn party leaders against narrow partisanship in the face of growing support for the united left. Despite this admonition, it took weeks of semi-public wrangling for the coalition to agree on single candidates in most of the election districts. While the lion's share of those selected are members of the Gaullist party, the lineup represents a more equitable distribution than in previous years. More importantly, the agreement means the right will pose a single opponent to the left in some 433 electoral districts out of 490.

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Sticky charges of corruption among the Gaullists are another cause of friction within the coalition. In early September, the latest scandal broke--one of a series that has surfaced almost continuously since mid-1971 explicitly or implicitly involving Gaullists in fraud, abuse of public confidence, influence peddling, extortion, or outright theft. The government has been able to dampen publicity on the latest incident, but the scandals have compromised the party's image after 11 untainted years under de Gaulle. While their impact has been blunted by official moves to investigate and correct the irregularities, additional revelations could surface at any time with damaging electoral repercussions.

The government clearly is in trouble over inflation. With prices increasing at the highest rate in ten years, the Pompidolians have reason to remember that the French electorate traditionally votes its concerns on bread-and-butter issues. Paris announced new measures aimed at slowing inflation in December, but they are not likely to have much effect--certainly not before the election. Pompidou feels he must avoid anything so unpopular as wage controls, which might be more effective. Government leaders are attempting to minimize the political impact of the price increases by stressing that other industrialized nations also suffer from inflation, some to a greater extent than France, and that the competitive position of French exports thus far has not been imperiled. These explanations have not impressed the voters, and the opposition is getting a lot of campaign mileage out of the "alarming" economic situation.

Voter apathy may also be a problem for the Gaullists and their partners. The elections will in no way be a rerun of 1968, when public reaction to the mid-year student and labor crisis helped swell the Gaullist vote to record proportions. A high rate of abstention would tend to hurt the Pompidolians because the leftists--in particular the Communists--are highly efficient in getting their voters to the polls. Because there is no issue on which the left and right are presenting clear-cut opposing programs, the government coalition has had a tough time demonstrating the superiority of its policies. Finding the opposition an elusive target, it has resorted to the time-honored campaign theme of the dangers of giving power to the left. Although government spokesmen loudly trumpet that only an anti-Communist regime can maintain France's special, but independent, relationship with the USSR, polls show that the left no longer appears as a bogey to the middle-of-the-road voter.

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The United Left

Having gotten off to a slow and discordant start after signing a precedent-setting "common accord for governing" last spring, the leftists had by November shown they could give the government a good run for its money. More tightly organized than the ruling coalition, the leftist alliance--composed of the Socialists, the Communists, and the left Radicals--has been better able temporarily to submerge deep-seated differences in the interest of the campaign.

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Although there appears to be no personal rivalry between Communist leader Georges Marchais and Socialist chief Francois Mitterrand, most French Communists regard the Socialist leader with deep suspicion. Moreover, his obvious aspiration to the presidency in 1976 must cause some tension. Mitterrand is recognized by the French electorate as a shrewd opportunist, but also as the man who gave de Gaulle a close run in the 1965 presidential race and pulled the left together last year.

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Twice in the past five months, Mitterrand has put the Communists on the spot while gaining publicity for himself. A regional meeting of the Socialist International in Paris last weekend, which Israeli leader Golda Meir attended, increased Mitterrand's stature as a national and international figure. Earlier, in August, Mitterrand publicly exchanged insults with the Soviet ambassador over Jewish emigration from the USSR and Soviet policy toward Czechoslovakia. In both cases the French Communists, boxed in by their own ambiguous position and their conflicting loyalties, came off a poor second.

Mitterrand is anathema to the Soviets, who see him as personally ambitious rather than devoted primarily to the course of leftist unity. For Moscow, the alliance of the French Communists with such a person illustrates the underlying inconsistency of their current position. The Communists must keep their ideological fences mended with Moscow while emphasizing at home their willingness to abide by the rules of democracy if they win. They must sustain their opposition to the governing coalition while struggling against Moscow's clear preference for a continuing relationship with the Gaullists.

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The speech of Kremlin ideologist Suslov at the French Communist Congress last month implied Soviet reservations about the joint leftist program. Soviet party chief Brezhnev subsequently met with Marchais in Moscow, but there is no indication that the Soviets will go out of their way to assist the leftist campaign. In fact, by continuing to cite Franco-Soviet relations as a model for other West European nations and by scheduling the Brezhnev-Pompidou meeting for last week, Moscow is making it clear that it would prefer to deal with a Gaullist government.

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President Pompidou will attempt to exploit his Russian trip as an indication of his government's ability to deal with the USSR, but since the visit centered on foreign policy issues, he may not get much campaign mileage out of it. The timing of the visit irritated the French Communists, who were still smarting from the recent official visit to France of Marshal Grechko, which they also thought ill-timed.

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Center Split

The key to the March elections may rest with centrist politicians who have remained outside the government fold, and with middle-of-the-road and uncommitted voters. The present grouping of the electoral field into two major alliances may result in more winners in the first round than in the last election. In districts in which no candidate gains an absolute majority of first-round votes, however, centrists who choose to run in the second round could drain votes from the governing coalition and thereby indirectly aid the leftists. Where centrist voters are faced with a choice between a Pompidolian and a leftist candidate, a decision will be difficult for many of them.

If Pompidou loses a significant portion of his legislative majority, he will have the option of formally inviting centrists into his coalition or of developing an informal working relationship with some centrist legislators. Anticipating this possibility, the centrists are pulled in two directions. Although they could attempt to form a center-left bloc, most would prefer to enter the present governing coalition--a move which would reunite the old centrist bloc. Some, however, still have lingering hopes of translating into reality their dream of a true centrist government and are hesitant about being co-opted into the Pompidolian fold.

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*FOR THE PRESIDENT ONLY*Polls Not Prophecy

Preferences measured in the polls do not necessarily forecast the French voting pattern. In the latest poll, for instance, although 43 percent favored the opposition, only 17 percent of those questioned thought the left alliance would actually win a majority. Fifty-one percent predicted the Gaullists and their partners would continue to govern in a coalition enlarged to include the centrists, who have been receiving about 14 percent of the votes in the polls. The French traditionally vote in the first round against their grievances and in the second against their fears. This could work in favor of the governing coalition if it can arouse latent, though evidently diminishing, public fears that victorious leftists would radically change the French system. If the campaigning gets rough, the governing coalition will be tempted to exploit allegations that Marchais and Mitterrand were Nazi collaborators, but these charges are hard to prove. The leftists would likely respond to this with sharpened attacks on the more immediate issue of corruption among coalition officials.

The central theme of the ruling coalition's campaign is support for President Pompidou and his policies. Pompidou of course would like a clear personal affirmation, which would cancel the less than enthusiastic response to his referendum in April on enlargement of the European Communities. He is not de Gaulle, however, and the length of his coat-tails will be measured on 4 and 11 March.

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