



The President's Daily Brief

25 April 1973

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

25 April 1973

PRINCIPAL DEVELOPMENTS

Canadians are becoming more and more skeptical of their participation in the ICCS. (Page 1)

The chief Lao Communist negotiator appears ready to resume talks with Prime Minister Souvanna. (Page 2)

The EC Commission has proposed changes in tariff arrangements that would be welcome to the US. (Page 3)

President Tito has failed to announce--as expected--that he would begin withdrawing from direct management of Yugoslav affairs. (Page 4)

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India [redacted] (Page 5)

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Cambodia's new four-man council faces its first test in cohesiveness with the selection of a cabinet. (Page 6)

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SOUTH VIETNAM - CANADA

The Canadian Government is becoming more and more skeptical that its participation in the ICCS is worth the political costs at home. Ottawa is particularly disillusioned by the helicopter incident earlier this month. The Trudeau government is under fire in parliament because of the increased hostilities, including US bombing, in Indochina. Moreover, some Canadian politicians are now voicing doubts that a withdrawal will harm relations with the US. The government will make its decision on whether to pull out by the end of May. Meanwhile, the Canadian teams in Vietnam are compiling a record to show that their efforts were frustrated by Polish and Hungarian obstructionism.

Reports that the Canadians may withdraw are bound to have a negative impact on the Indonesians. Officials in Jakarta are hinting that Indonesia will have to reconsider its position unless the situation in Vietnam improves.

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LAOS

Phoumi Vongvichit, the high-ranking "special adviser" to the Lao Communist negotiating team, left Sam Neua for Vientiane on April 24, presumably to resume direct private discussions with Prime Minister Souvanna.

During Phoumi's absence, his subordinates continued talks with government officials, but they were not empowered to reach any binding agreements. The Communists showed some flexibility on political matters, but stuck to their tough proposals on supervision, cease-fire demarcation, and other military matters.

Phoumi and Souvanna worked out all important details of the peace agreement signed last February. Phoumi probably now has instructions on how the Communists would like to implement the agreement.

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EUROPEAN COMMUNITIES

The EC Commission has proposed that less-developed associates of the EC be permitted to offer third parties the same tariff advantages in their markets which these associates now grant to EC members. The proposal has picked up strong support in the community. The British, Dutch, and Germans are willing to go a step further and eliminate the special advantages to EC exports--the so-called reverse preferences to which the US has long objected. The French do not want to go beyond the Commission's proposal, however.

The French oppose any more drastic changes in community policies largely because they fear it could lead to eventual elimination of the special relationship between the EC and its African associates. Although the French concede that reverse preferences are of little material benefit to French exports, they believe the relationship is particularly important now that France's bilateral ties with its former African colonies are under strain.

The Council will discuss the EC's association policy in May or June. Given the French position, the British may try for community agreement to leave open the question of reverse preferences until negotiations with the Africans and others begin. It is doubtful that any of the members will push for elimination of these preferences with respect to such countries as Spain and Israel, which are regarded as developed enough to offer the EC meaningful reciprocal concessions.

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YUGOSLAVIA

President Tito devoted a large part of his major policy address on Monday to calming Western fears that nationality problems are tearing Yugoslavia apart and that it is slipping back into the Soviet orbit. He reaffirmed Yugoslavia's "non-aligned" policy and, in contrast to his explicit denial of closeness to the USSR, avoided criticism of the West, even omitting his usual objections to the US role in Southeast Asia.

There had been hints that Tito, who will be 81 next month, would use the occasion to announce that he would begin withdrawing from direct management of Yugoslav affairs. If so, he apparently judged that now, in the wake of his purges of the Communist Party, is not the time.

In his speech, Tito pressed ahead with his program for tightening central party control over the contending nationalities and decentralizing the government apparatus. Perhaps when these things are done to his satisfaction, he will feel confident enough to transfer some of his burdens onto the shoulders of those in the institutions he has created.

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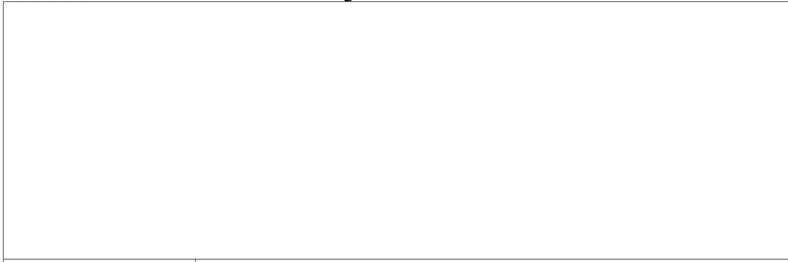
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NOTES

Cambodia: The initial task of the ruling four-man "high political council," which was officially established yesterday, presumably will be to select a new cabinet. The process will be important not so much in terms of who is chosen, but because it will be the first test of how well the new leaders can work together.

Romania-USSR: Soviet Defense Minister Grechko left Romania yesterday after disagreeing with his hosts about Romania's place in the Soviet orbit.

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CSCE: The fourth round of talks preparatory to a Conference on Security and Cooperation in Europe begins in Helsinki today. If these talks are successful, the conference could convene as planned in June. There will have to be some compromise, however, on such complex issues as broadening human contacts between East and West and the declaration on inviolability of frontiers. The Soviets are pressing the West, saying that unless a firm date for CSCE is reached, the USSR "probably" will not be willing to set a date for talks on European force reductions.

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