



# The President's Daily Brief

13 September 1973

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

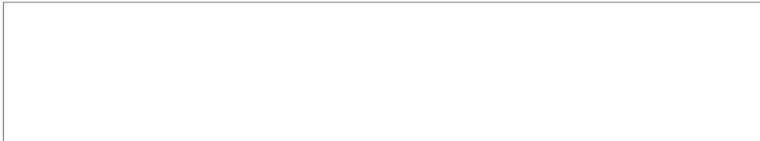
13 September 1973

PRINCIPAL DEVELOPMENTS

The chiefs of the Chilean armed services and carabinieri formally took the oath of office last night and named a military cabinet. The junta has not yet been able, however, to overcome all armed resistance, which has been particularly stiff in industrial sections of the capital. (Page 1)

The decision by EC foreign ministers to pursue preparations for an EC-US declaration was made possible by a more positive French attitude. The West Europeans will now accelerate efforts to work out common positions on a number of issues. (Page 3)

The Soviets have asked Japan to help them finance further oil exploration efforts in the Tyumen area. The request adds to suspicion that there is not enough oil there to keep the Japanese interested in the pipeline project. (Page 4)



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The pressure is temporarily off Kompong Cham as Cambodian insurgents regroup to fight another day. (Page 6)

Moscow's recent overture to establish relations between CEMA and the EC has met a cool reception from the West Europeans, who see in it another Soviet attempt to keep the wraps on Eastern Europe. (Page 7)

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CHILE

The chiefs of the armed services and carabineros formally took the oath of office last night and named a military cabinet. Army commander Pinochet is President of the governing junta.

Pinochet will probably remain President for at least a year, according to a message from the US Embassy in Santiago. He has indicated privately that the junta has a "fundamental desire" to improve relations with Washington, and he has already made general requests for food, military equipment, and debt relief.

In its effort to quash all opposition, the junta reportedly plans to outlaw the parties that supported Allende. The military has already assumed control over all public administration and the judiciary, and is moving quickly to organize transportation so as to facilitate delivery of critically scarce food and other commodities. The leader of the truckowners confederation has endorsed the coup and announced an end to the transportation strike.

Despite military efforts to play down continued opposition to the coup, it is clear from some of the junta's own radio broadcasts that it ran into considerable armed resistance yesterday and expects more trouble today. Armed groups occupying factories in industrial sectors of Santiago have made effective use of rocket launchers, mortars, and machine guns against military attackers, and there have been more casualties on both sides than the military is prepared to admit. Yesterday the junta shortened the deadline for surrendering arms and decreed summary execution of those who do not comply.

Last night the junta extended the curfew until after midday today to facilitate continuing military operations against the leftist holdouts. [redacted]

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[redacted] it may take two more days to put down  
resistance by well-armed groups in the capital.

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[redacted]

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Meanwhile, the junta has obtained statements of backing--notably from the Christian Democratic Party and the President of the Supreme Court--and expects further pledges of support from other Chilean parties and institutions soon.

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WESTERN EUROPE

The EC foreign ministers' decision in Copenhagen to pursue preparation for an EC-US declaration was achieved because the French took a more positive attitude.

*Although Paris continues to be wary of establishing a permanent dialogue between the community and the US, it probably felt uncomfortable when faced with the desire of its partners to produce a forthcoming response to Washington's initiative. The French may also have been concerned that continued stubbornness on their part might work against their overriding desire to keep the Germans contained within a West European framework. This lends credence to reports that President Pompidou may take some positive initiative, presumably on European political cooperation. The Nine will, in any event, now accelerate their political consultations toward developing a distinct "European identity"-- common positions on a wide variety of foreign policy questions.*

In NATO, meanwhile, Secretary General Luns this week tried to use the EC agreement to spur efforts of the North Atlantic Council to produce a draft NATO declaration on Atlantic principles. The French are clearly in no hurry in this forum, however. During a discussion of deadlines for national contributions to the NATO drafting effort, the French ambassador said that as far as he is concerned, "the later the better."

**FOR THE PRESIDENT ONLY****USSR-JAPAN**

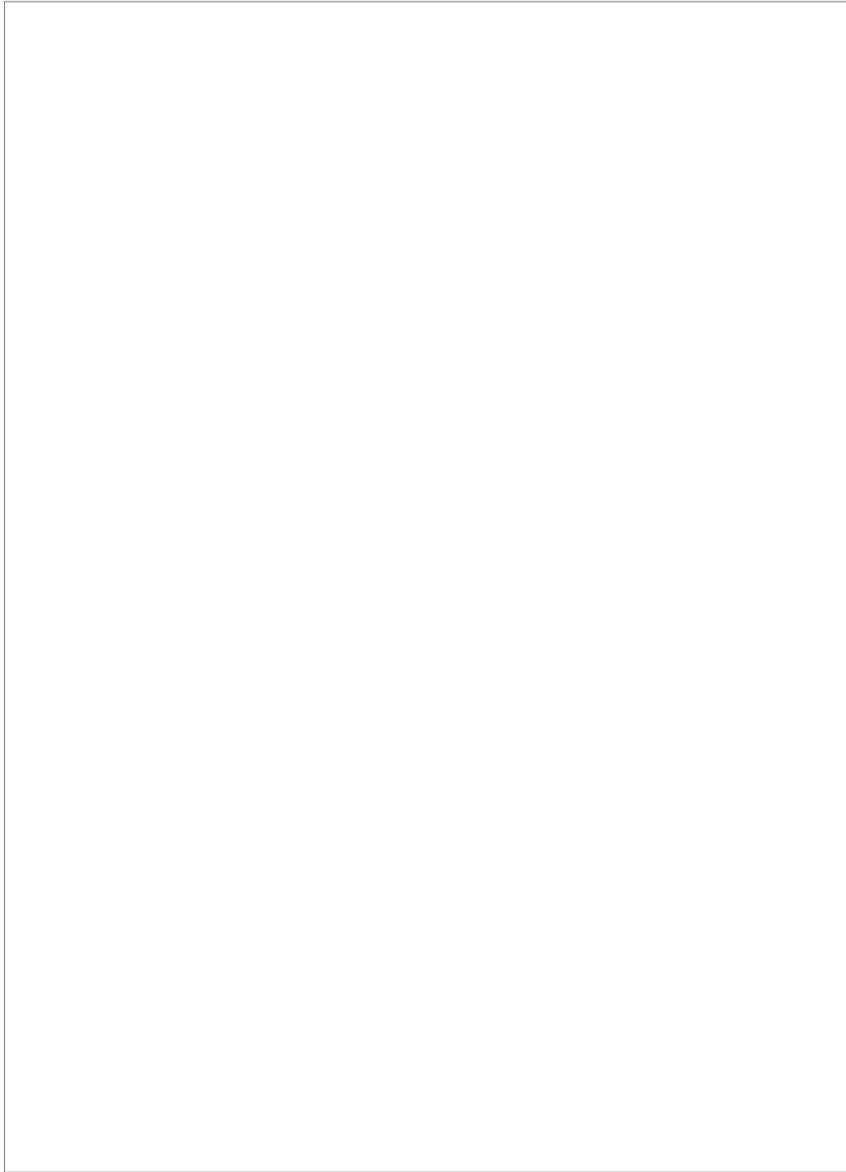
The Soviets, who have just been warned publicly by Prime Minister Tanaka that progress on the Northern Territories issue must precede any serious economic discussions, have asked the Japanese for an additional \$300 million credit to finance oil exploration efforts in the Tyumen area. Japanese oil interests say that the Soviets believe that this additional exploration should not interfere with the construction of the proposed 2,500-mile pipeline from Tyumen to the Far East. Occidental Petroleum's Armand Hammer claims that the Soviets actually prefer to delay construction to the pipeline, however, at least until more reserves are confirmed at Tyumen.

*It appears that Dr. Hammer's reading of Soviet intentions is the correct one. Rising Soviet and East European oil consumption may require full use of Tyumen oil for the next 20 years. Soviet Deputy Foreign Trade Minister Ossipov said recently that this is the basis of some opposition in the Soviet leadership to any foreign participation in the development of Siberian oil resources.*

*For their part, the Japanese are still shocked by the recent Soviet proposal to reduce exports from Tyumen from 40 to 25 million tons a year. Moreover, the Soviet request for additional exploration credits further feeds their doubts about the size of exploitable reserves at Tyumen and thus about the overall economic viability of the projected pipeline.*

*In fact, estimates of Soviet oil and gas reserves frequently are exaggerated, and exploitable reserves often are not as extensive as claimed.*

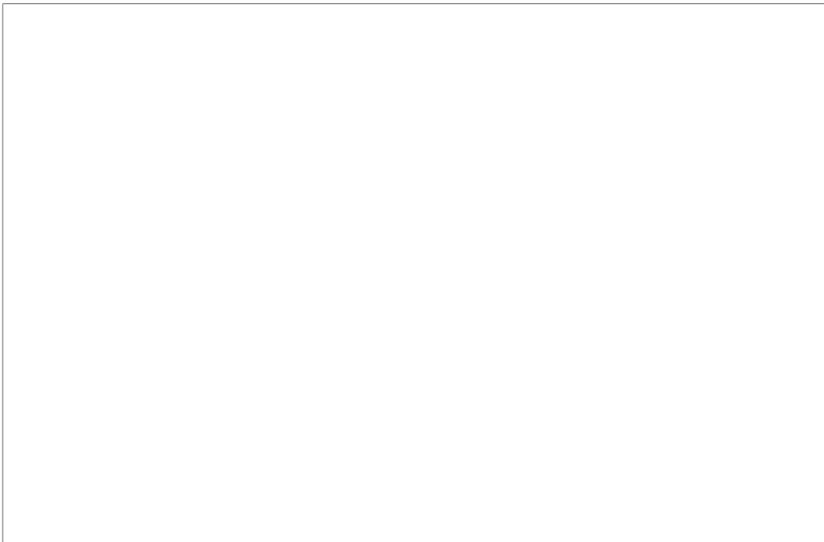
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USSR



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**CAMBODIA**

The pressure on Kompong Cham has eased over the past few days. The insurgents have confined their actions to sporadic shellings of government positions, and have offered little resistance to government operations south and southwest of the city.

*These operations have given the government maneuvering room. In addition, over 2,000 reinforcements have arrived since last week, and Mekong River convoys have brought in badly needed munitions. The last convoy ran into heavy shore fire as it approached Kompong Cham, however, and future resupply efforts may be more difficult.*

*The Communists are regrouping. They still have a considerable force in the vicinity of Kompong Cham, and continue to stress in their propaganda their intention to "liberate" the city.*

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NOTES

EC-CEMA: Senior British and EC officials are reacting coolly to the recent Soviet move to establish relations between the EC and CEMA. In a conversation with a US official, the British Ambassador to the EC has said that both his government and the French are dubious about responding to the Soviet proposal because they believe its bloc-to-bloc approach would act as a constraint on the Eastern European countries. The British Ambassador predicted that the Nine are likely to move slowly, neither re-buffing the CEMA initiative when they discuss it at next week's EC Council meeting nor doing anything to promote its success.

China: The harvest of early rice--the first of three rice crops harvested in China each year--is disappointing. The acreage planted declined this year, and yields were depressed because of low temperatures, flooding, and insect infestation throughout much of south China. Any substantial increase in rice output will have to come from the intermediate and late rice crops, which together account for about 60 percent of the annual output.

South Africa: The clash on Tuesday night between rioting black miners and the police, in which ten workers were killed and a dozen wounded, was the bloodiest racial incident in South Africa since the "Sharpeville massacre" of 1960. The violence contrasts sharply with restrained police handling of strikes by black workers in recent months, but there is no indication that the Vorster government has shifted to harsher methods against strikers. Nonetheless, the incident is certain to trigger a new round of strong foreign attacks on Pretoria's racial policies, especially by other African countries.

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