



The President's Daily Brief

25 June 1969

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I. MAJOR PROBLEMS

EUROPE

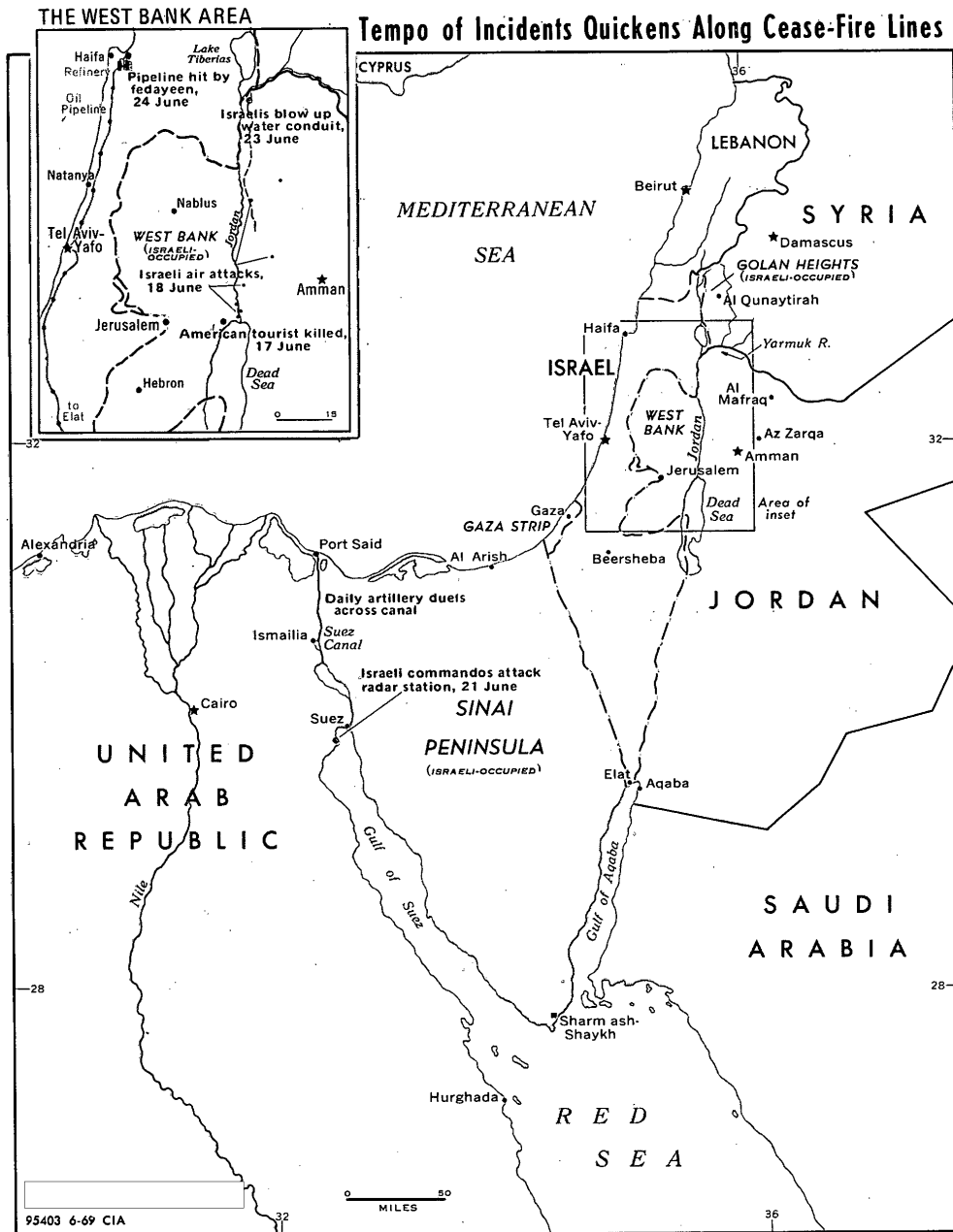
The center-left coalition government of Italian Premier Rumor is once again threatened by the factionalism within its two major parties.

The Christian Democrats will hold a national congress starting Friday, at which a primary issue will be the desire of left-wing leaders to gain a role in the party leadership, now in the hands of the center and conservative factions. If this problem is resolved by major shifts in the party leadership, it could lead to a government shake-up as well.

The Socialist Party central committee is scheduled to hold a meeting on 2 July which could lead to a walkout by the conservative wing over an effort to exclude it from the controlling group of the party. If they take a walk, the conservatives may re-form the Social Democratic Party, which merged with the Socialists in 1966.

Another issue, which is divisive for both parties, is whether the Communist Party is worthy of eventual consideration as a coalition partner. This has become particularly crucial following the Italian Communists' relatively independent stand at the recent international conference in Moscow.

In recent months the Rumor government has made important progress on domestic programs. It put a new Social Security



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pension law into effect and has gone forward on other legislation ranging from university reform to a divorce bill. An early government crisis would slow the momentum Rumor has developed and bring into sharper relief the problem of the Christian Democrat - Socialist party relations with the Communists.

SOVIET AFFAIRS

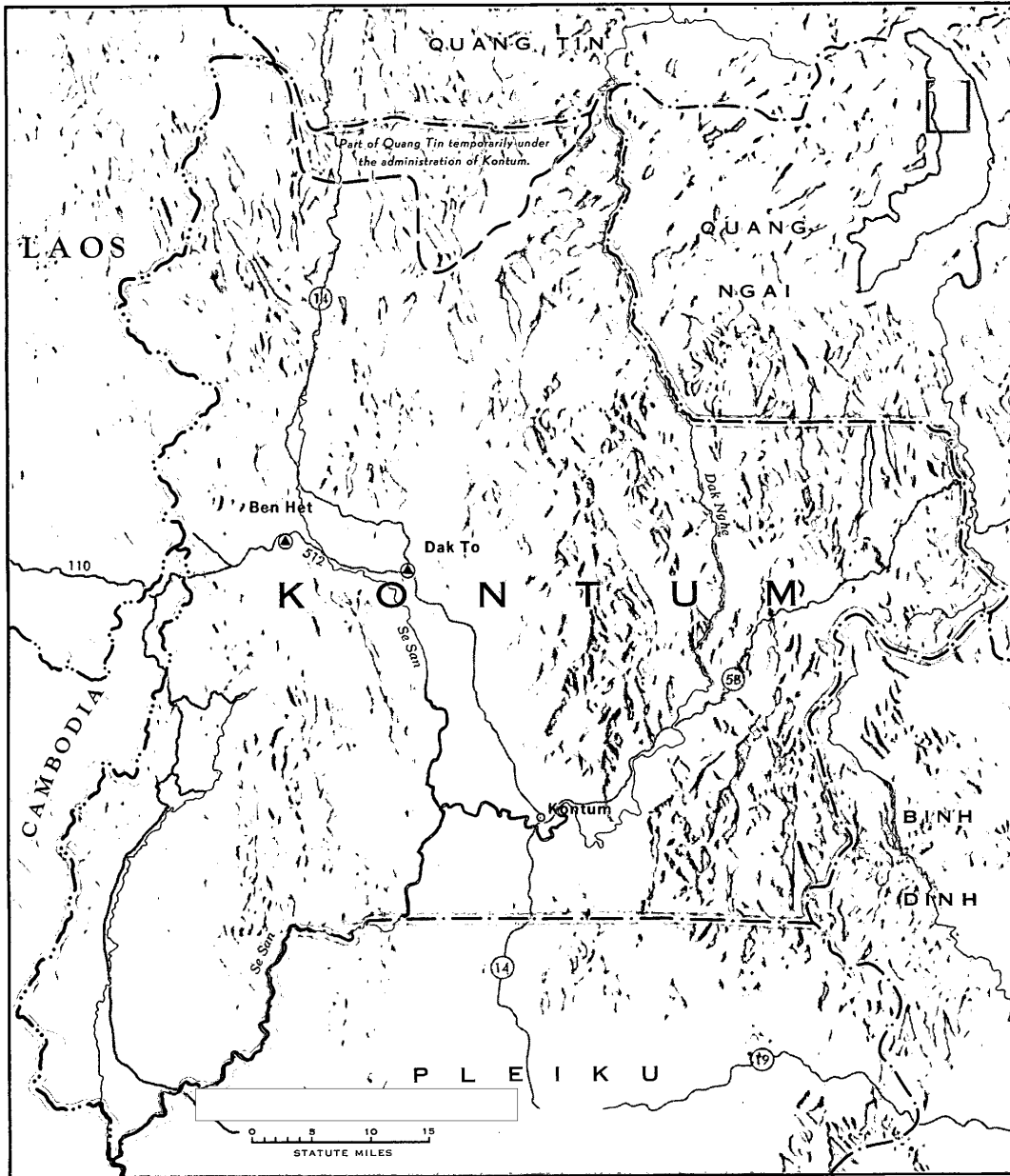
A striking example of Moscow's current disinclination to stir up trouble with the US is the low-key Soviet reaction to a Black Sea visit by two US destroyers last week. Although the ships were subjected to air and surface surveillance, Moscow did not lodge a diplomatic protest with Washington or Ankara as it has in the past. Also missing were the usual propaganda broadsides.

MIDDLE EAST

The rhythm of provocation and retaliation across the cease-fire lines between Israel and its neighbors has quickened. Artillery duels with Egypt are occurring daily, and recently both countries have resumed commando raids across the Suez Canal. Incidents on the Jordanian border have increased in number and severity after a brief cooling off period in early June.

The Arabs have little to gain militarily from such operations--Israeli retaliation is almost always greater than the provocation--but they are unlikely to forgo attacks for

Kontum Province



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more than a short period. The Egyptians not only want to satisfy the militants in their midst, but probably also feel the continuation of military action will stimulate the peace-making efforts by the great powers.

Against a background of frustration over the unlikelihood of a peace settlement satisfactory to them, the Israelis have toughened their policy of retaliation. Always sensitive to any movement in their own casualty rate, the Israelis are currently irked at the new aggressiveness of the regular Jordanian forces. Last week they mounted heavy air attacks exclusively against Jordanian Army positions.

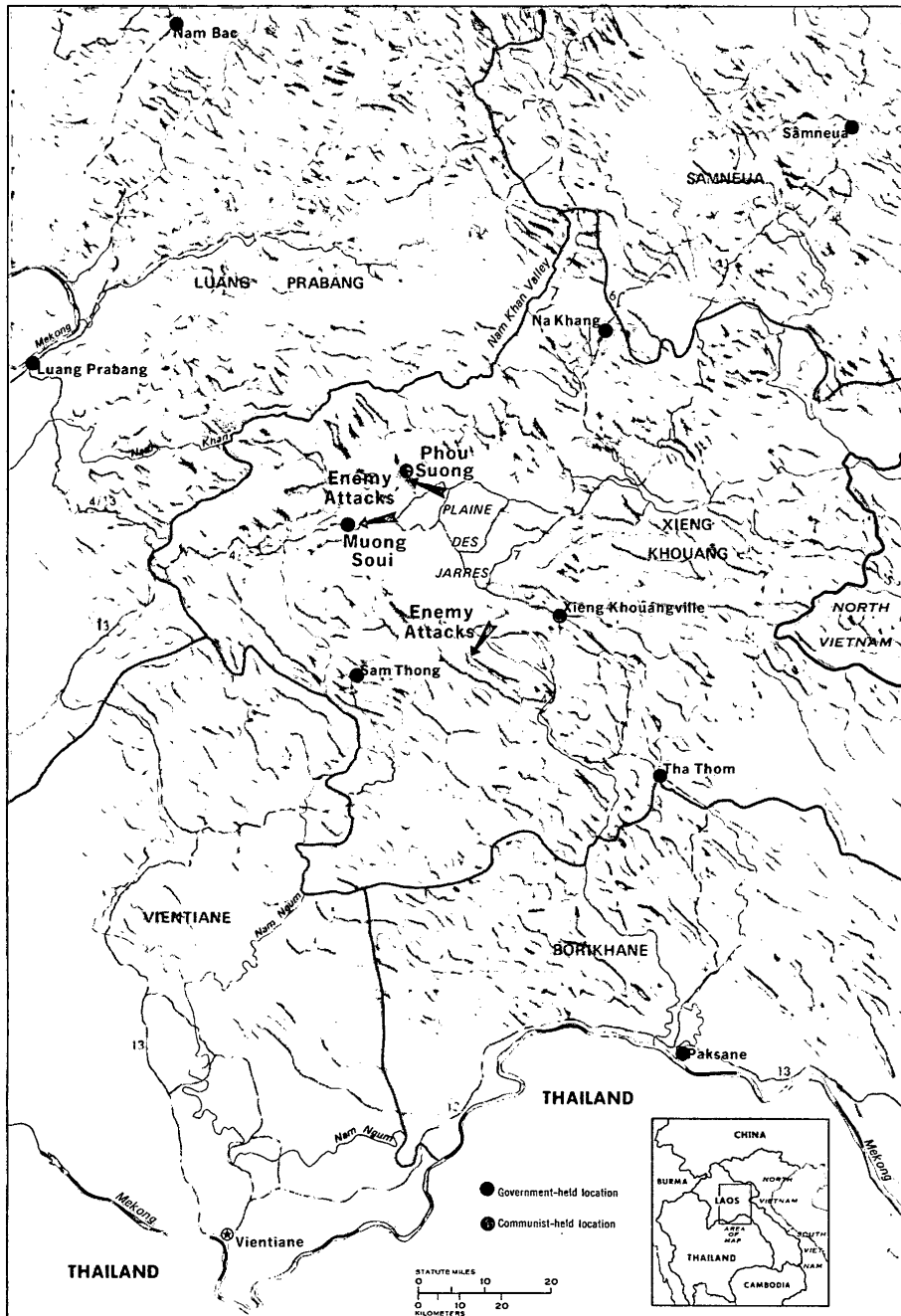
VIETNAM

The enemy offensive against the allied Special Forces camp at Ben Het this week has included some of the heaviest actions of a campaign which began in early May, including the first direct ground assault against the camp.

The camp and its neighboring base at Dak To are largely defended by South Vietnamese regular and paramilitary troops. Prisoners captured during recent engagements in this area claim their units' mission was to encircle and attack South Vietnamese Army units exclusively. The Communists may thus be seeking to force a major test of strength with the South Vietnamese in a region in which they enjoy advantages of terrain and easy access to cross-border sanctuary.

Moreover, there is evidence that the enemy intends to maintain pressure for a considerable period against these

Communists Launch Ground Attacks Near the Plaine des Jarres



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South Vietnamese bases in western Kontum, which it may consider vulnerable, perhaps with an eye toward an eventual thrust against the provincial capital of Kontum city. Such a course of action is suggested by reports that the Communists have, over the past few months, engaged in the highly unusual practice of pressing large numbers of infiltrated replacement personnel directly into battle rather than gradually absorbing them into existing units in base areas distant from the combat zone.

II. OTHER IMPORTANT DEVELOPMENTS

LAOS

Communist forces have launched a series of ground attacks against government positions near the Plaine des Jarres.

The action was highlighted by a sharp attack on 24 June against the neutralist headquarters at Muong Soui. At least two battalions of Communist troops supported by tanks overran a number of the base's outlying defense positions and inflicted light casualties on government defenders. The airstrip, however, remains in government hands and the situation was quiet as of noon local time today.

The attack on Muong Soui, the first major action against that position in five years, may have been intended as a commensurate response to the government's capture this spring of the once inviolate Communist base of Xieng Khouangville. It may also have been launched for political reasons. The

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Communists and Souvanna Phouma have long contended for control of the neutralist faction, which has split and declined in influence over the past few years. The capture of the progovernment neutralist headquarters at Muong Soui would strengthen the Communists' claim that their "neutralists" were the real representatives, but there is some feeling that since the defenders were successful in withstanding the enemy attacks during the night of 24-25 June their chances of holding Muong Soui have improved though another enemy effort will probably be made tonight. They now have a better assessment of the enemy force and have the opportunity to organize a systematic defense.

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