



The President's Daily Brief

21 December 1970



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FOR THE PRESIDENT ONLY

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PRINCIPAL DEVELOPMENTS

The change in the Polish leadership is discussed on Page 1.

A new COSVN directive summarizes plans for the Communists' 1970-71 winter-spring campaign. (Page 3)

The South Vietnamese Army has a contingency plan to intervene if Lon Nol's government appears in serious jeopardy. (Page 4)

Moscow and Peking concluded their annual river navigation talks on Saturday. (Page 5)

Allende plans to take a step today toward completing the process of nationalizing the copper companies. (Page 6)

Pankow's latest harassment of autobahn traffic will probably end today, but it is likely to occur periodically between now and West Berlin elections in March. (Page 7)

In Brazil, the government is softening its "no-negotiation" approach on the kidnaping. (Page 7)

The Soviet vessels that left Havana Friday are now southwest of Cienfuegos. (Page 7)

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Wladyslaw Gomulka



Edward Gierek

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POLAND

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These remarks suggest that both the Soviets and Gierek believed concessions were necessary and that Gomulka may have been eased out after trying to hold the line.

Gierek, as party leader in Silesia the last 13 years, is probably not well known personally to some of the Soviet leaders but he is thought to have a good reputation in Moscow and the Soviets most likely welcome his appointment. He is a moderate, pragmatic leader who compiled a solid record of achievement in Silesia, winning considerable popularity in the process. In any case, Moscow will be pleased by the choice of some of the other new leaders, including the defense minister, who are strongly pro-Soviet. Gierek leads a politburo that seems to embrace all shades of party opinion, but the pressing current need for unity is likely to hold any tendency toward factionalism in check for the moment.

In his speech yesterday, Gierek did not rescind the consumer price increases which touched off the disturbances last week but he promised early assistance for families with the lowest earnings and a large number of children. He undertook to re-examine the 1971 economic plan and the new five-year plan as well. While blaming "badly thought out conceptions in economic policy" for current troubles, he warned that resources for improving the consumer's lot were sharply limited.

(continued)

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There are no indications of how the Polish population has reacted to the speech or to the changes in party leadership. Port workers in Szczecin, the last center of disorders, are apparently back to work, and shipyard employees have agreed to return today. Yesterday, even before the political changes, the country was generally quiet.

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INDOCHINA

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directive issued by the Central Office for South Vietnam (COSVN) in mid-October summarizing plans for the 1970-71 winter-spring campaign. For South Vietnam it reiterates orders that have been in effect for over two years: to strengthen the party's political and paramilitary apparatus, to step up guerrilla warfare, and to destroy the allied pacification effort. The directive orders Communist military units to avoid costly, large-scale engagements but to keep up smaller attacks. No prospect is offered of achieving significant results any time soon.

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The directive almost ignores Cambodia, even though COSVN is responsible for most military operations there. [Redacted]

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[Redacted]

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[Redacted] the Viet Cong are not aiming for a quick triumph in Cambodia either. South Vietnam, [Redacted] will be liberated first, apparently because the Cambodian Communists would be too weak to govern their country if Vietnamese and Cambodian Communist troops conquered it. The directive nevertheless states that half the main force units in the COSVN area are to be used in Cambodia.

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The directive confirms other indications that the Communists expect further allied actions against their supply lines from North Vietnam. It predicts that during the current dry season the US and the South Vietnamese will launch an offensive in the Laos - Cambodia - South Vietnam triborder area that will be larger than the allied operations last spring. Breaking up this offensive is one of the priority tasks enumerated.

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SOUTH VIETNAM - CAMBODIA

The South Vietnamese Army, [redacted]

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[redacted] has developed a contingency plan to intervene in Cambodia if the government there is threatened seriously by Communist troops or if the Cambodians--under heavy pressure--begin moving toward some kind of accommodation with the Communists.

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[redacted] Saigon does not think the Cambodian situation is on the verge of serious deterioration, but it wants to prepare for the worst. Saigon is said to believe that the viability of Lon Nol's government rests on outside support, mainly US, and it is uncertain how much aid will be forthcoming and for how long.

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President Thieu, by all accounts, is still wary of becoming overcommitted in Cambodia and wants the Cambodians to maintain the burden of fighting there. The delays and soul-searching in Saigon before troops were sent across the Mekong to help defend Kompong Cham city bears this out. Saigon nevertheless appears to have decided that the Communists must be stopped in Cambodia, and is preparing to back up this decision with considerable force if necessary.

* * *

In Cambodia, government forces continued over the weekend to consolidate defensive positions on Route 7. They were harassed by scattered enemy attacks, but on Saturday a 22-truck convoy carrying supplies from Phnom Penh to Kompong Cham city reached Prey Totung without incident.

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USSR-CHINA

Moscow announced Saturday that the annual Sino-Soviet river navigation talks had ended. The only agreement reported was to meet again next year.

Statements by Soviet diplomats [redacted] indicate that the normally technical talks were prolonged by injection of the territorial dispute, particularly the question of ownership of certain islands. This year's session took five months, in contrast to only several weeks last year when the talks resumed after a year's hiatus.

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It is possible that some technical agreement was reached as a part of recent mutual efforts to prevent more fundamental differences from interfering in normal state-to-state relations. In the Peking political talks, however, Moscow and Peking have failed to make any progress toward resolving the border dispute. These talks apparently have been in recess since 5 December when the two top Soviet diplomats returned home.

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CHILE

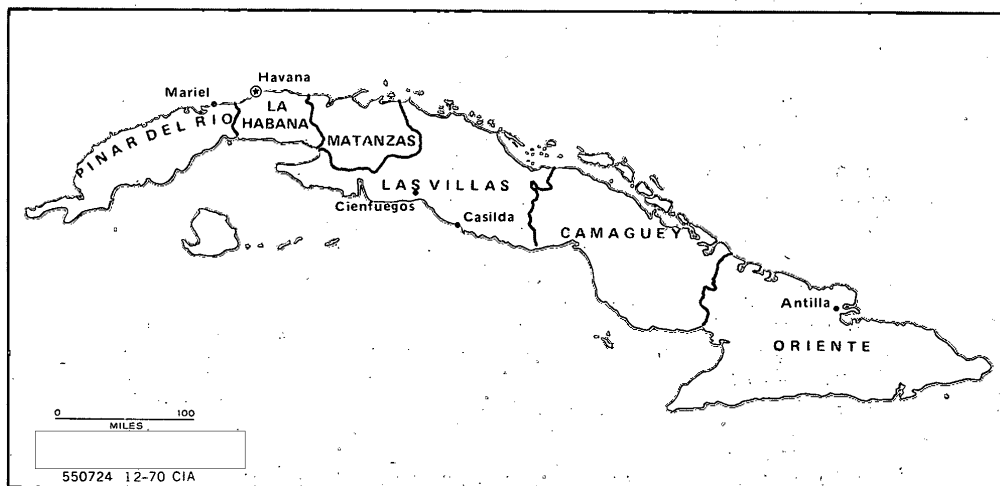
In a public rally this evening, Allende plans to sign a proposal that will be sent to Congress for amending the constitution to permit completion of the process of nationalizing the copper companies. Initial notification of further nationalization was presented to Anaconda's Chilean subsidiaries Friday. The US Embassy has noted that the amendment is vague and confusing, particularly with respect to compensation.

According to Senator Volodia Teitelboim, a top Communist Party leader, Allende will use the same occasion to announce plans to nationalize steel, nitrate, and the mining industry in general, as well as banks, insurance companies, and foreign commerce. At least some of the nationalization will be retroactive to 3 November, the day of Allende's inauguration.

Teitelboim also predicts that Chile will establish relations with Communist China, East Germany, North Vietnam, and North Korea before the end of the year.

Early this month Santiago announced that discussions were under way in Paris on opening relations with Communist China. Dealings with the other states mentioned have centered on commercial ties; but negotiations on diplomatic links as well are known to be proceeding with East Germany and North Korea, and arrangements could well be surfaced in the next 10 days.

SOVIETS CONTINUE PORT VISITS IN CUBA



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NOTES

Berlin: East German harassment of West German autobahn traffic--apparently being done with Soviet backing--is likely to end when the Social Democratic Party meeting in the city concludes today. Harassment may occur periodically, however, between now and the West Berlin elections in March as Pankow reacts to the increasing number of West German politicians and groups that will visit the city to campaign. Bonn fears the increased political activity may help the East Germans undermine the Berlin talks, but West German leaders continue to be reluctant to intervene with the political parties to have them curtail their activities.

Brazil: The government has decided--in principal--to exchange prisoners for Swiss Ambassador Bucher, following the kidnapers' decision to drop all demands except the release of 70 prisoners.

[redacted] the softening of the government's "no-negotiation" approach was brought about largely by pressure from the Foreign and Justice ministers, the two civilian cabinet members involved in the case.

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USSR-Cuba: The four Soviet vessels that left Havana Friday--a guided missile frigate, an F-class diesel attack submarine, a submarine tender, and a naval oiler--are currently operating southwest of Cienfuegos. The force appears to be continuing the round of port visits that Radio Havana announced earlier this month would occur between 7 and 23 December. Soviet naval units, some of which have been in Cuban waters since September, have also visited Mariel, Antilla, and Casilda. Recent U-2 photography showed that the Soviet rescue tug and two nuclear submarine support barges were still in Cienfuegos.

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