

The President's Daily Brief

26 August 1972

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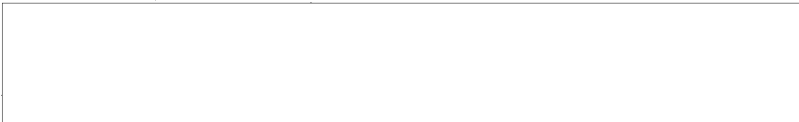
FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

26 August 1972

PRINCIPAL DEVELOPMENTS

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In Cambodia, enemy elements appear to be strengthening their hold over a 14-mile stretch of Route 5. A combined Cambodian and South Vietnamese force, however, has retaken the town of Kompong Trabek on Route 1. (Page 3)

In Laos, the Communists are continuing to take a hard line on possible peace talks. (Page 4)



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Prime Minister Gandhi is going to delay withdrawing troops from Pakistani territory in the hope of pressuring Pakistan's President Bhutto to recognize Bangladesh. (Page 6)

Argentine President Lanusse has reaffirmed his decision to hold elections next March. (Page 7)

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VIETNAM

Government troops are making progress in the coastal lowlands of Quang Nam Province. Yesterday, lead elements of the counteroffensive met only light opposition when entering Que Son District town, but encountered stiff Communist resistance about two miles east of the town.

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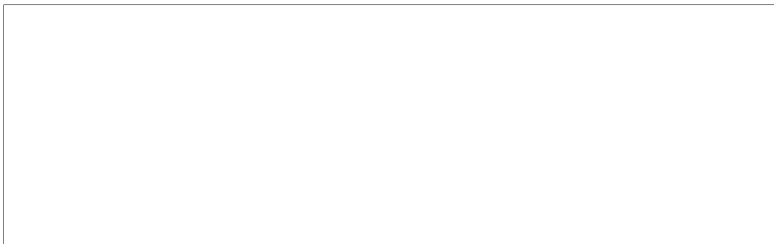
two regiments of the North Vietnamese 711th Division have been tasked with holding off Saigon's moves in Quang Nam, while the division's third regiment conducts operations against the government's staging area at Fire Support Base Baldy and against nearby villages and lines of communication.

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Fighting has intensified around Quang Tri City. Several clashes occurred north of the city and near the southeastern corner of the citadel, although Marine units have not yet succeeded in reaching the citadel's west wall. The government advance continues to be hampered by intense enemy artillery fire. On 24 August the Communists directed almost 5,000 artillery and mortar rounds at Marine positions around the city. Considering the volume of fire reported, Marine casualties have been fairly light.

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CHINA

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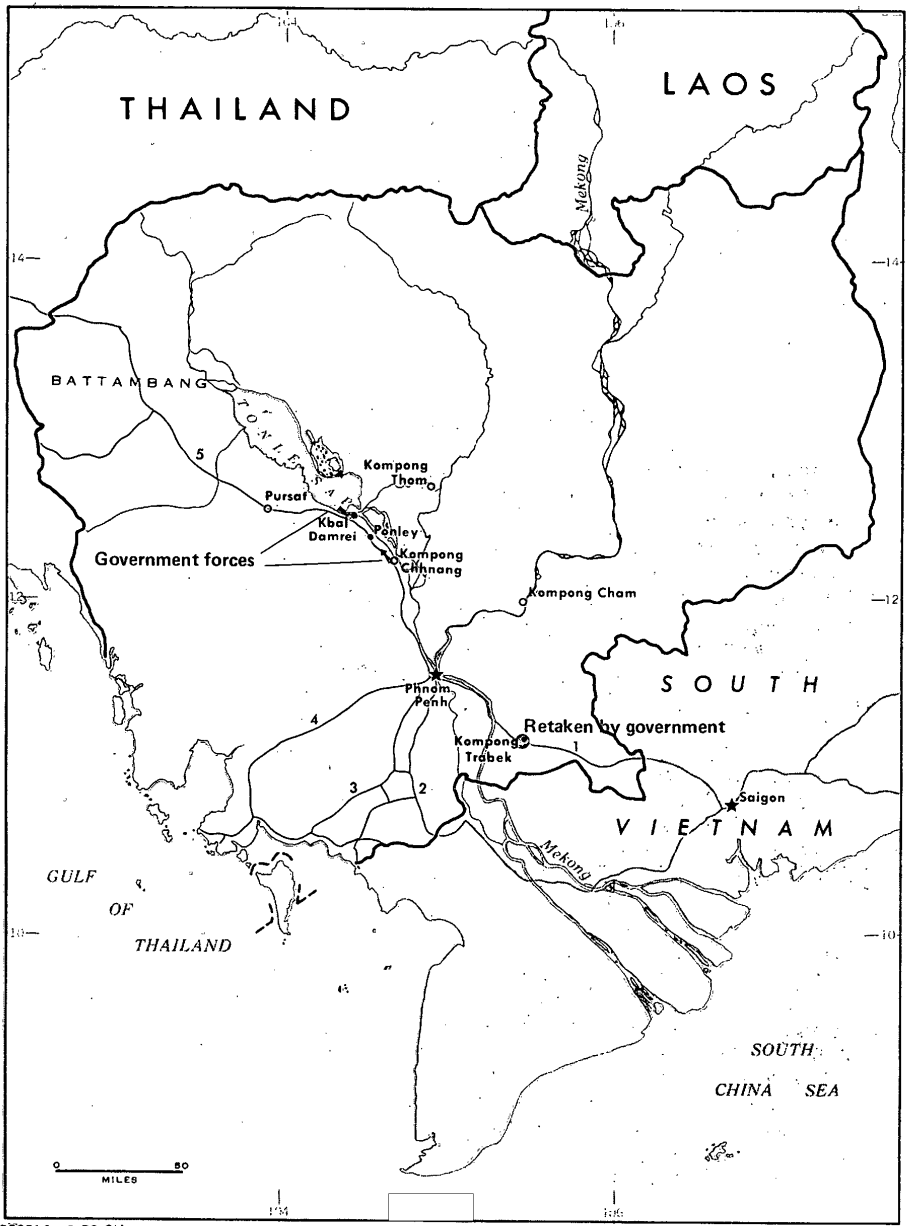
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CAMBODIA



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CAMBODIA

Enemy elements appear to be strengthening their hold over a 14-mile stretch of Route 5 which they seized a week ago. In the past, the Communists have made only minor hit-and-run attacks along the highway, but this time they seem to be preparing for a protracted campaign.

Thus far, government efforts to clear Route 5 have been thwarted by heavy enemy resistance. Government commanders in the area have said that the road cannot be reopened without heavy air support and massive reinforcements from Phnom Penh.

Enemy pressure against the highway comes at a bad time. Phnom Penh receives most of its rice supplies from Battambang Province via this route. The government is seeking increased rice imports from the US, Japan, and Thailand.

Elsewhere, a combined Cambodian and South Vietnamese force has retaken the town of Kompong Trabek on Route 1. The highway is now open from the Cambodian capital to this point.

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LAOS

The Communists are continuing to take a hard line on possible peace talks. Lao Communist leader Souphanouvong's response earlier this week to Prime Minister Souvanna's letter of 24 July consists largely of a reiteration of preconditions for peace talks, including a total and unconditional US bombing halt throughout Laos. Souvanna dismissed the message as "nonsense," but he nevertheless intends to try to sustain his present dialogue with the Lao Communists. In his draft response, which is to be reviewed by the cabinet next week, Souvanna makes no new proposals and reiterates his call for a general cease-fire with adequate controls.

These messages indicate that the prospects for substantive talks on peace in Laos remain poor. Well before he received Souphanouvong's letter, Souvanna told the US Embassy in Vientiane that he was mindful of the need to continue the interdiction of the Ho Chi Minh trail. Souvanna has also indicated that he intends to take as much territory as possible before peace talks begin. The Communists may also see Vang Pao's current offensive in this light.

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INDIA-PAKISTAN

[redacted] Prime Minister Gandhi is going to delay withdrawing Indian troops from Pakistani territory--in contravention of the Simla Agreement--in hopes that President Bhutto, who is under considerable domestic political pressure to regain most of this occupied territory, will move toward recognition of Bangladesh. 25X1

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[redacted] Their understanding at Simla was that the two sides would simply pull back their troops. 25X1

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Bhutto has refused to recognize Bangladesh until he has had a chance to meet with Prime Minister Mujibur Rahman. Mujibur, however, insists that recognition must come first. In light of Bhutto's domestic political pressures, he may decide that he will be best served by allowing the present stalemate to continue. Indian and Pakistani delegates are meeting now in New Delhi in an attempt to reconcile their differences.

FOR THE PRESIDENT ONLY**ARGENTINA**

President Lanusse has reaffirmed his decision to hold elections next March. In a speech on 24 August Lanusse promised the nation that the elections would be completely fair. He said that Juan Peron had excluded himself by not returning to Argentina by 25 August, the deadline the government has imposed for all candidates to be in the country. At the same time he declared that neither he nor the other two armed services commanders would stand for election. Lanusse announced a reform of the constitution to reduce the presidential term from six to four years and to allow for the direct popular election of the president and congress.

President Lanusse also defended the action last Tuesday of the military guards in Trelew who, during an alleged escape attempt, gunned down 16 of the 19 terrorists recaptured after a prison break and airliner hijacking a week earlier. The so-called massacre has prompted public demonstrations against the government, but the military has moved quickly to put down disorders. The army has taken control of several interior cities to prevent the trouble from spreading.

The President's speech demonstrates his determination to maintain control despite mounting problems. There is some indication that his tougher approach to terrorism will, temporarily at least, mollify some of his critics in the military. The Peronists and many other civilian politicians, however, are likely to become even tougher in opposing Lanusse's political and economic moves. The political parties have been nearly unanimous in opposing any military tinkering with the constitution. The Peronists, furthermore, argue that the arbitrary setting of the 25 August deadline was a deliberate attempt to prohibit Peron's candidacy. They claim they will not accept such an exclusion and that Peron is planning to return to his homeland by 17 October--the date on which marching crowds of workers forced the release of Peron from military detention 27 years ago. Because Peron knows he would

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be a target for assassination should he return home in October, we do not put much stock in the Peronist claim.

On the international scene, the good relations between Argentina and Chile--carefully nurtured by both presidents--could be in jeopardy. Last night, Allende announced that the ten Argentine terrorists who escaped to Chile on a hijacked plane will be permitted to travel on to asylum, presumably in Cuba.

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Nationalist China:

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