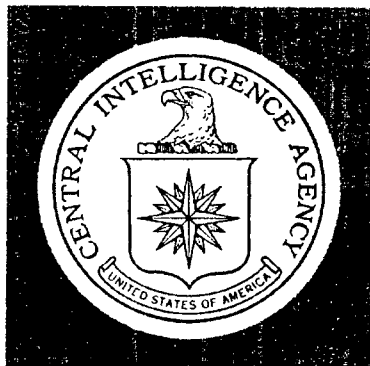


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The President's Daily Brief

Top Secret 19 March 1968

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DAILY BRIEF
19 MARCH 1968

1. Vietnam

We have new evidence that the Communists have been continuing a high rate of infiltration into South Vietnam since Tet. Another group of radio stations controlled by the High Command in Hanoi has been identified in the infiltration communications network. The Communists are also adding rapidly to their land-line communications link from North Vietnam to their forces in the South.

Hanoi has meanwhile moved at least one--probably two--more of its IL-28 bombers from South China to Phuc Yen airfield. It already had two of them there.

2. Poland

For the first time in the current crisis, uniformed soldiers armed with automatic weapons are being seen in the streets of Warsaw. Armed police are also coming in from other cities.

Rumors abound that Gomulka is shortly to deliver a major speech, perhaps today. The Italian ambassador thinks this may be the occasion for announcing changes in the party leadership. The security reinforcements in the capital may be to help control the crowds that would be rounded up for a Gomulka speech.

Unrest continues in other Polish cities.

3. France

The French are moving ahead with preparations to resume atmospheric nuclear testing in the Pacific this June. If they stick to schedule, this year's series will include their first true thermonuclear shot.

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4. USSR-Space

Something must have gone wrong with the re-entry of the Soviets' latest unmanned spacecraft on 9 March. The details are not clear,

the same day that Soviet officials were concerned and jumpy about events surrounding the re-entry.

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A high space official telephoned Dmitri Ustinov, the party's watchdog on space, to brief him on the trouble. Ustinov tried to calm his colleagues, implying that the outcome of the mission had given everyone some anxious moments.

In the next breath, the space official was insisting to Ustinov that "we should not miss the 23rd under any circumstances." Presumably he was referring to another launch schedule, possibly the 23rd of March or April.

5. Israel

The Israelis are grim in the wake of yesterday's terrorist incident near the southern port of Eilat. At last word, two adults were dead and 27 children wounded after a school bus hit a mine. This surely raises the chances of a bigger than usual Israeli retaliation against Jordan.

6. Egypt

Nasir is to get six more medium bombers today from the Soviets. This is the second such delivery since the June war and raises the number of these jet bombers in Egypt to twelve, compared to 26 before the war.

7. Nepal

Only fragmentary information is available on King Mahendra's condition following his heart attack on Friday. He has been an autocratic ruler and the lid will stay on even during a fairly long convalescence. His death, however, might bring problems. The King's son and heir, now a 22-year-old Harvard student, would have a hard time of it.

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8. Iran

The Shah is putting the squeeze on the Western oil consortium, and this time he is deadly serious. He insists that it must increase production over the next five years at a rate far greater than the consortium can entertain. He has given it until 20 April to come up with a solution. If it does not, he may well seize consortium territory, including producing oil wells, so Iran can produce more on its own. He says he must have the income for Iran's development program.

9. Panama

General Vallarino, still walking the tightrope, has decided not to issue the formal declaration of support for Robles which the President asked him for. Instead, he intends quietly to tell Arnulfo Arias that the National Guard will refuse to uphold a guilty verdict against Robles if the verdict comes before the resumption of the Supreme Court session on 1 April.

On the face of it, this looks like a clever move to put the monkey on the court's back. But no one is neutral in Panama, and the Supreme Court is packed with Robles' friends. This is why Arias has been--and will continue--pressing hard for an assembly verdict before 1 April.

10. Chile

President Frei does not have the muscle to fight hard for his vital anti-inflation program. His able new finance minister resigned in protest last weekend over the President's failure to back him up in the face of heavy political fire. The result could well be a new surge of inflation and more budgetary problems. This would only benefit the Communist-Socialist coalition in the coming congressional elections, now only a year away.

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