

The President's Daily Brief

Top Secret 20 December 1968

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THE PRESIDENT'S DAILY BRIEF 20 DECEMBER 1968

1. Vietnam

Intercepted messages have revealed that the North Vietnamese are deploying up to company-size units back into the Demilitarized Zone. So far, enemy troops in the Zone have engaged mainly in patrol and reconnaissance activities, but the possibility exists that Hanoi is planning new offensive operations into areas immediately south of the Zone.

2. Egypt

As they did in 1968, Egyptian officials are again scurrying around trying to find for next year the two million tons of wheat the country needs to import annually. The French have contracted to supply about half a million tons of wheat flour by September of 1969. We believe the Soviets, who reluctantly supplied Nasir with over half his wheat imports in 1967, have again warned the Egyptians that they must look elsewhere next year for the great bulk of their wheat imports.

3. Laos

The government appears to have won, at least temporarily, the battle of Ban Thateng. Latest reports indicate the North Vietnamese, after suffering at least 300 killed, have withdrawn from the area. Laotian troops have reoccupied most of the town, meeting only occasional sniper fire. The victory will be a big morale booster for Souvanna's government and his troops. It should stiffen their resolve to hold other outposts likely to come under attack in the near future.

In the north, government forces have retaken Phou Pha Thi, the radar site overrun last March.

4. Soviet Union

on 12 December during an antiballistic missile firing from the test site (previously noted in the Brief for 12 December) suggests that the operation probably was connected with modification of the Galosh antiballistic missile. This is the system currently being installed around Moscow.

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5. Soviet Union - Common Market

The Soviets are showing increasing interest in the European Common Market after years when they first ignored and then attacked it. For the second time in recent weeks, a Soviet diplomat has called on a Common Market official in Brussels and expressed concern that Soviet trade with the member countries would suffer as a result of Common Market commercial policies. We believe the Soviets, who have long opposed an increase in trade between Eastern European states and the Market, may hope to use these contacts in Brussels to keep tabs on dealings involving East Europe.

6. Peru

A government-sponsored mass demonstration protesting US action is slated for Lima tonight. The rally is designed to show popular support for Velasco in his current dispute with the US over compensation for Peru's expropriation of holdings of the International Petroleum Company. The US Embassy is only a short distance from the site of the demonstration and Peruvians, whipped into nationalistic frenzy by recent government propaganda and speakers at the rally, may prove to be more than the security forces can handle.

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7. Guinea

An army coup, similar to the one recently pulled off in Mali, may be in the works against Sékou Touré. Touré, obviously nervous over this possibility, recently called a mass meeting of troops in the Conakry area and promised he would make them "full participants" in his socialist revolution, whatever that means.

If coup plotting is under way, we believe it involves the older French-trained officers, who are appalled at the chaotic state of the economy and fearful that Touré means to dilute the army's military mission by assigning troops to civic action and economic development programs.

8. West Germany - Berlin

Bonn finally announced on 18 December that the West German presidential election will be held in Berlin in March. The consequent Soviet warnings have thus far been in low key. Even Pankow has confined its reaction to a veiled threat that East Germany might retaliate by tightening up travel restrictions.

Indicative of a generally relaxed Communist posture was Berlin Mayor Scheutz's unhampered auto trip from West Germany to Berlin on 19 December. Scheutz was turned back when he tried to make the same trip in April 1968.

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FOR THE PRESIDENT'S EYES ONLY

- 1.) Special Daily Report on North Vietnam
- 2.) North Vietnamese Reflections of U S
 Political Attitudes

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Special Daily Report on North Vietnam for the President's Eyes Only

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I. NOTES ON THE SITUATION

US Prisoners in the North:	50X1
Hanoi plans to use	50X1
US prisoners held in North Vietnam to obtain what	
it wants on other matters.	50X1
TO HOLD OIL OUT MOUSTER	50X1
Hanoi would permit rela-	50X1
tives of the captives to visit them in North Viet-	00/(1
nam if the Paris talks result in a "lessening of	
hostilities."	•
North Vietnam holds more	50X1
than 500 US prisoners, including some captured in	00/(1
South Vietnam. Many wounded prisoners have died,	50X1
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but they have been buried with proper	30X I
identification markers and their remains will be	
sent home when the war is ended.	•
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While details of the information may	50X1
be questionable, the North Vietnamese are quite pre-	•
pared to use US prisoners to make a political point	
or two. It seems reasonable to expect further man-	
euvers by Hanoi or the Liberation Front involving US	
captives, including hints that relatives would be	
permitted to enter North Vietnam or that additional	
prisoners would be released.	
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and the control of th	
Repair of Bomb Damage in Hanoi: By 22 November	
most of the damaged transportation facilities in the	
Hanoi area had been repaired	50X1
Repair and reconstruction work	50X1
on roads, rail lines, bridges, and canals began in	
earnest in the late spring and early summer of this	
year, presumably when the North Vietnamese became	
convinced that the partial US bombing halt would be	
prolonged. Restoration efforts were concentrated	
and have desired to the state of the state o	

on key bridges linking Hanoi with Haiphong and areas

to the south.

major damage to rail yards south of the capital in Gia Lam and Hai Duong had not been repaired. However, truck transport was used extensively in these areas. Rail yards and roads in the capital itself had never been seriously damaged.

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destroyed or damaged buildings within Hanoi have been cleaned up to avoid the danger of collapse or falling debris, but most bombed-out areas remained vacant.

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II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL ATTITUDES ON THE WAR

There is nothing of significance to report.

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