



The President's Daily Brief

~~Top Secret~~ 2 March 1968



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DAILY BRIEF
2 MARCH 1968

1. Vietnam

Enemy military activity is down almost to the pre-Tet pace at the moment, but there are mounting indications that attacks are planned against cities in the western highlands. Pleiku, Ban Me Thuot, and Kontum appear to be key targets for an offensive that could begin as early as tomorrow.

2. Laos

Fighting remains at a relatively low level. Recent Communist gains, however, have rekindled southern separatist tendencies.

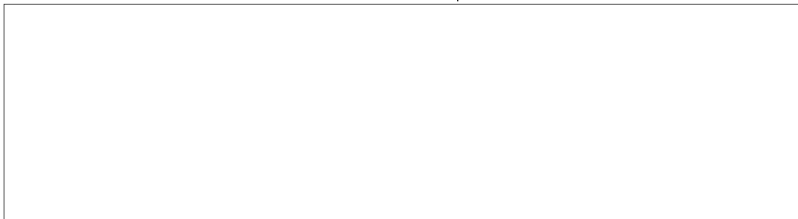
Prominent southerners are jumpy about the way the government is handling the threat. They are talking about going on their own to ask the Thais for help. Ambassador Sullivan has proposed instead that friendly guerrilla units be brought down from the north. The ambassador also has urged the southerners not to talk with the Thais behind Souvanna Phouma's back.

3. Panama

The move to impeach Robles may be gaining some ground. A special session of the National Assembly is expected to convene on Monday to hear charges. Arias and his allies probably control enough votes to swing an impeachment.

Robles could dissolve the assembly, but, if he does, there is a good chance for a clash between Arias backers and the National Guard.

4. Soviet Union



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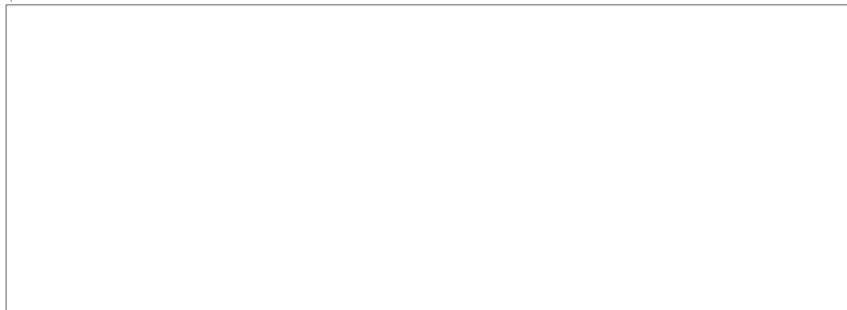
5. Budapest Conference

The Soviets have adopted a stand at the conference that amounts almost to a demand that the parties present accept Moscow's position on the issues dividing the Communist movement or get out. The Rumanians chose to get out.

The Soviets are ready to press their position knowing full well this will further alienate the Rumanians and others. Suslov, who heads the Soviet delegation, called for the creation of a temporary commission to prepare draft documents for a world conference next November or December. This is the first time Moscow has publicly committed itself to a specific time schedule since Khrushchev's abortive campaign four years ago.

The sharpened split between the Soviets and Rumanians will raise more uncertainties in Eastern Europe and intensify factional differences in East European parties. Moscow's iron-jawed stand, in short, is tending to open, not heal, the sores besetting world Communism.

6. Egypt



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There is no doubt that the Soviets are actively involved in Egyptian air defense activities and that some Soviet pilots are now flying with operational Egyptian units.

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[redacted] but we have no clear evidence on this point. We also cannot find any evidence that ferrying of more Soviet fighters is imminent.

We doubt that Moscow wants its pilots eyeball to eyeball with the Israelis. Indeed, [redacted]

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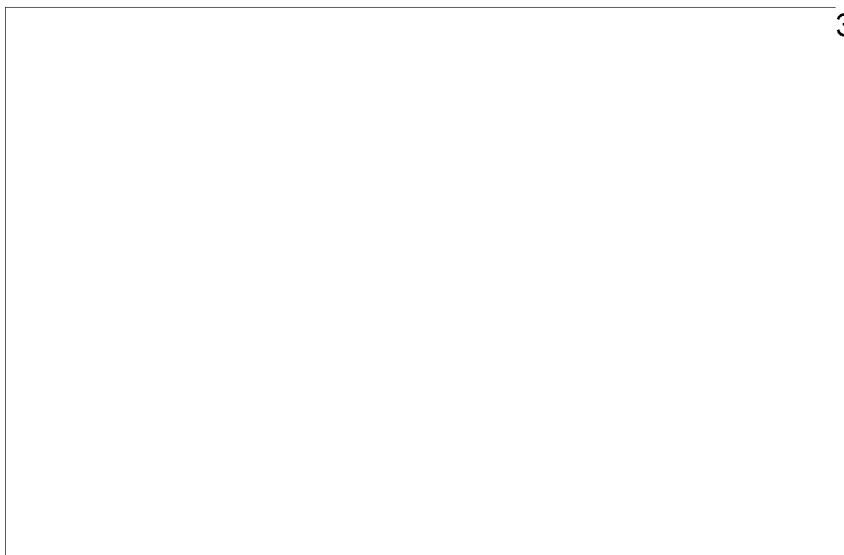
[redacted] the Soviet presence is likely to act as a brake on any wild Egyptian schemes to reconquer lost territory.

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7. France-Canada

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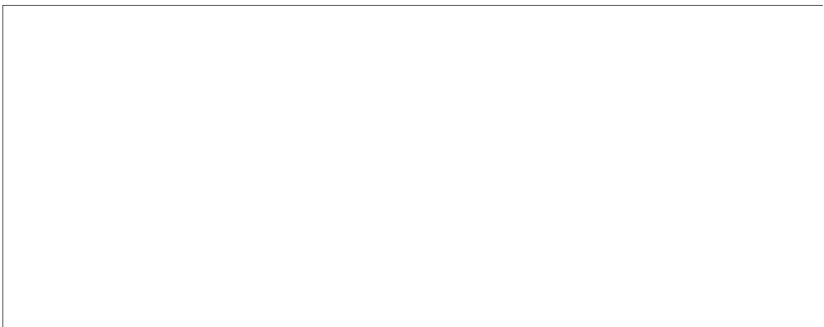


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Growing nervousness on the part of speculators led to a rise in the price of gold yesterday. Sales rose to about \$20 million. Normal sales have run around \$5 million a day, but on peak days during the November-December gold rush, daily sales on the London market exceeded \$100 million. The European gold markets are closed for the weekend.

8. Cuba -
Soviet Union

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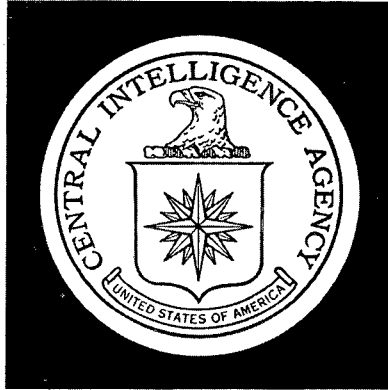
9. Soviet Union



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FOR THE PRESIDENT'S EYES ONLY

Special Daily Report on North Vietnam



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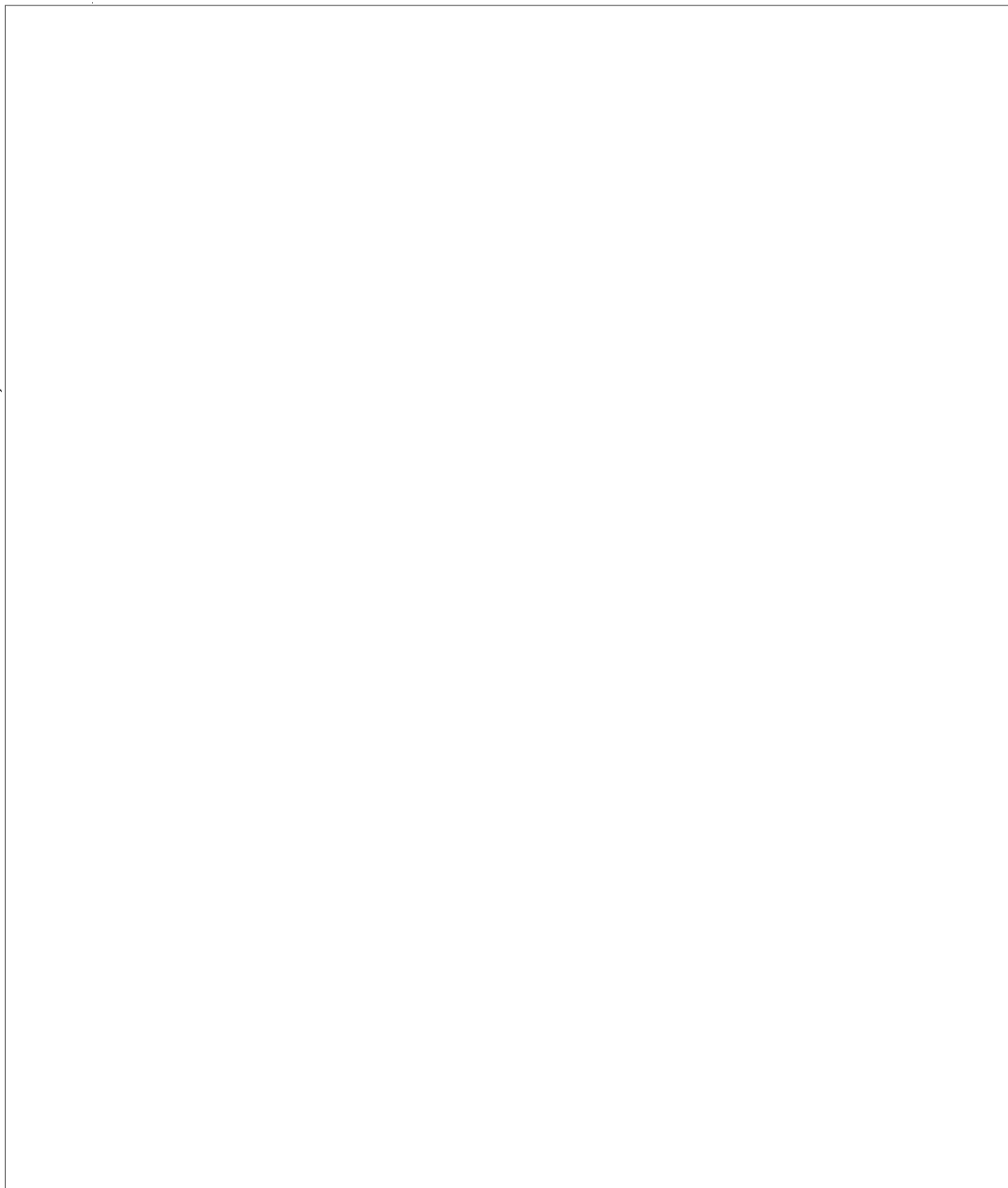
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Special Daily Report on North Vietnam
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I. NOTES ON THE SITUATION



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Hanoi Seeks Reaction to Pilots' Release: [redacted]

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[redacted] Tran Ngoc Duc, the North Vietnamese press officer in Laos, claimed he was interested in learning about popular reaction to the release of the three American flyers. [redacted]

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[redacted] Duc replied that the release was a "generous gesture" by Hanoi on the occasion of Tet and that it was designed to demonstrate that the North Vietnamese are "peace loving" and have nothing against their prisoners as individuals.

In addition, Duc denied that flying the pilots from Vientiane by military plane had prejudiced the chances for more releases. (The two US pacifists to whom the prisoners were released had made this charge.) He said that the pilots had been released unconditionally and that the transportation question would not affect the release of others.

Hanoi's treatment of the release has been unusually low-keyed, suggesting that the North Vietnamese wished to avoid charges that they were making a major propaganda play with it.

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Hanoi has not taken public note of Cambodian charges of Communist subversion, nor has it responded to Sihanouk's public attacks on both the North Vietnamese and Viet Cong for "threatening" his regime. Vietnamese Communist propaganda concerning Cambodia has dropped off sharply since interest in the "hot pursuit" issue has waned.

* * *

Winter-Spring Crop Problems: The Hanoi party daily on 25 February discussed current agricultural work in generally pessimistic terms, although it did not present any data usable for estimating what shortfalls may have developed. The journal stated that the war, cold weather, labor problems, late transplanting, and "some shortcomings in directives" had all affected crop prospects. The piece strongly suggested that rice acreage had not met the current goals.

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Liberation Front Warns of Retaliation Against Captured Americans: The Liberation Front has accused the US and Saigon governments of "exceedingly savage acts" against the people and property of the Vietnamese people, and has warned that such actions will be answered with "appropriate measures against the US aggressors captured by the Liberation Armed Forces." The statement was issued by the Saigon - Gia Dinh Liberation Front Committee and broadcast by the Front radio on 29 February.

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

Nothing of significance to report at this time.

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