MEMORANDUM FOR THE PRESIDENT

FROM: Henry A. Kissinger

INTELLIGENCE ITEMS

-- Vietnamese Developments Yesterday: The Vietnam experts around town are almost unanimous now in their view that the Communists hope to throw a major military effort at the allies sometime in the next two weeks. Signs of it now abound in all types of intelligence from the war zone.

This week's field reports, for example, list innumerable accounts of preparations for military and paramilitary action soon by enemy cadre. These range from the stockpiling of supplies and the movement of military units into jump off positions, to planning for an upsurge in political agitation in an attempt to create the impression of a popular rebellion against the government.

The focus for the offensive still seems to be in the III Corps area in the provinces west of Saigon, and perhaps in the capital itself. There is a lot of evidence of planning in all other areas of the country, however, and the Communists are capable of setting off a widespread and relatively sustained rounds of shellings and light ground probes just about anywhere in South Vietnam.

Action outside III Corps might follow largely the pattern of yesterday's attack on the provincial town of Cheo Reo in the central highlands. Here, the Communists hit a major military installation on the town's outskirts with a heavy mortar and rocket attack and followed with a guerrilla raid which caused a good deal of damage along with a substantial number of civilian casualties among South Vietnamese present at the base.

It is possible that the intensive allied preemptive action, which has dealt the Communists some severe losses as they try to maneuver their units into attack positions, will more or less pull the teeth of the enemy offensive. There is a wide range of opinion among the experts on this score; the only consensus seems to be that the enemy is not strong enough to cause the damage that he managed to inflict last year at Tet.
French Foreign Minister Debre stated in a speech yesterday that it was not surprising the Paris talks should move slowly. Asked what France could do to get the talks moving he said he did not think it was up to France, unless the parties asked her to depart from the role she fixed for herself. "A certain secrecy, however, is sometimes needed for things to go well," he added. (Tab A)

Aircraft down in Cambodia: A U. S. Army aircraft (U-1 Otter) was shot down early Wednesday morning in Cambodia. The location is just over the border, 14 miles south-southeast of Tay Ninh, in the Parrots Beak area. (Map at Tab B). Preliminary reports indicate that the crew members were captured. The aircraft has been destroyed by U. S. tactical aircraft.

The aircraft was carrying four crew members when it crashed. Aircraft of this type is used for in-country radio direction finding. It is not known presently in Washington whether he had strayed over the border or was directed there. The area of the crash, however, is heavily infested by North Vietnamese on both sides of the border and it is possible the aircraft was hit on one side and crashed on the other.

A message has been sent to the Australian Embassy in Phnom Penh for delivery to the Cambodian Government (RKG). As has been past practice, the message briefly states the location of the downed aircraft and informs the RKG that an investigation of the incident is now in progress. We have stated that, in the meantime, the U. S. Government would appreciate receiving any information available to the RKG on the incident and on the fate of the crew.

We have not yet heard from the Cambodians concerning the incident, but expect that there will be a sharp reaction. We may be able to form some estimate as to whether the RKG is interested in pursuing improved relations with the U. S., from the level and tone of the protest and from the manner in which the RKG treats the four Americans who were probably captured by the Cambodians.
-- Berlin: The East German Foreign Minister publicly stated yesterday that his government plans new measures to prevent the holding of the Bundesversammlung. (Tab D)

-- West Germany: A Foreign Ministry official told Embassy Bonn that State Secretary Duckwitz informed the Soviets the West Germans could no longer back down on holding the Bundesversammlung in Berlin now that the East Germans have announced travel restrictions. The same source reported that Bundestag President Von Hassel will inform the Bundestag that he is sending the invitations to convene the Bundesversammlung in Berlin. (Tab E)

-- Moves to Recognize Communist China, and UN Implications: The Chinese Communists apparently have not yet responded to the Canadian démarche in Stockholm. Italy is deferring any initiative at contact, probably to see how the Canadians fare. Uncertainty remains as to what the Belgians will do, though they seem to have told others that they will refuse a Chinese Communist demand to break relations with the GRC. The Belgians have told us that their Government may have to make some sort of statement in answer to Parliamentary questions. The GRC expects a statement about February 21 and fears that it may force the GRC to break relations. Our Ambassador in Brussels believes, on the other hand, that the Belgians are seriously concerned about the status of the GRC, and urges the latter to keep calm and avoid an impulsive reaction.

-- Interrogation of Chinese Defector: Reports are becoming available of the preliminary interviewing of the Chinese diplomat who sought asylum in Holland. So far, there are no surprises. Liao (the defector) does not expect a significant new Chinese démarche at Warsaw on February 20, but he is not privy to inside information. He believes that the Chinese Communists are sincerely convinced of the reality of U. S. - USSR collusion against China.

On the internal side, the Cultural Revolution Group has gained steadily in power, but derives its real authority from Mao, whose own power vis-a-vis resistance within the elite has grown steadily. The Ninth Party Congress is expected to convene this year to set the stamp on a Maoist-dominated new Party, but Liao can only guess when. The Central Bureaucracy will send only three members, presumably to make room for more worker and peasant delegates. The Ministry of Foreign Affairs has been in such turmoil that even personal mail is not being regularly forwarded to Embassies.
Four-Power Talks: Ambassador Yost has reported the results of his first talks at the UN on the French proposal for a four-power meeting on the Near East.

The British want a precise prior agreement on what will come out of the four-power talks. They hope to avoid a discussion of the substance of a Near East settlement, but they think we should submit some proposal to offset the Soviet peace plan. Yost proposes a four-power statement which would urge the parties to cooperate more fully with Jarring and to avoid actions which would inhibit peacemaking. (Tab F)

U Thant suggests a four-power statement asking the parties to accept the UN resolution "with a view to its implementation." Comment: this could be difficult for the Israelis to accept because, in the special vocabulary that has developed during the Jarring Mission, "implement" implies a pro-Egyptian solution without negotiations. (Tab G)

Jarring wants an early four-power meeting because he feels that if nothing happens soon he will lose momentum. He questions whether Yost's limited consensus statement will be enough and would like the four powers to agree on the meaning of the UN resolution and the way in which it is to be implemented. (Tab H)

Views of North Vietnamese in Paris: North Vietnamese delegates to the Paris talks are reported to be uneasy about the effects on the talks by the change in administration. Although they have no doubt whatsoever that you really wish to reach a peaceful settlement, they believe there is now less domestic pressure than under President Johnson. They believe, therefore, that the US government is now working under far less pressure of time and is less desperate for a speedy settlement.

The North Vietnamese also find it difficult to adjust to the personality and methods of Lodge. Although they considered Harriman a tough negotiator they were used to his style but have not yet accustomed themselves to that of Lodge. (Tab I)

Secretary of State Roger's Evening Report is at Tab J.
-- Lima: A delegation from Peru has departed on a two week trip to Communist China for the purpose of purchasing rice to bolster Peru's rice supply which has been hard hit by drought. This marks the first time rice sales have been conducted directly with the Chinese on government to government basis. (Tab K)

-- West Germany/USSR: An experienced Soviet journalist in Bonn stated that he thought the USSR will not make a big issue over the meeting of the Federal Assembly. The journalist said the USSR will register a formal protest and will permit the East Germans to take some measures in the form of increased toll on the Autobahn. The journalist was convinced that the USSR would not now be seeking a confrontation with the Nixon administration. (Tab L)