The President's Daily Brief

Top Secret 18 December 1967
DAILY BRIEF
18 DECEMBER 1967

1. France

The French, having fanned the flames on the international gold market, are now becoming afraid that they themselves may get burned. Opinion is divided among top economic officials in Paris, but some are pressing for temporary cooperation with other powers to halt the run on gold. They are also even thinking of devaluing the franc.

2. Common Market

Tempers are likely to run high as the Six meet today and tomorrow to debate British entry. London is still insisting on a yes or no answer to its bid for talks leading to full membership--and nothing less.

The French say talks with the British should be deferred until all six members have agreed on the "substance" of London's bid. The other five members agreed last week to force France to state openly its opposition to negotiations.

Whether the Five will stand firm is still an open question. Kiesinger told Governor Romney last Thursday that he will work hard for British entry but that in the final analysis he will avoid a confrontation with De Gaulle. The Chancellor still says a "middle ground" can be found. Significantly, however, he told Romney that the dispute may approach "serious proportions" within the next two weeks.
3. Australia

John McEwen is expected to be sworn in as interim prime minister today or tomorrow. Australian leaders, still recovering from the shock of Harold Holt's presumed death, have not yet worked out the next steps.

No important changes in government policies are expected.

4. Greece

Strongman Papadopoulos said privately on Saturday that so much "bad evidence" is now turning up against King Constantine that it may be some time before other junta members can be convinced that the King should be invited to return. Papadopoulos stressed, however, that he still thinks the King is a "practical necessity."

5. Uruguay

President Pacheco Areco has taken hold of the government quickly and with a firm hand. Very shortly after assuming office, he announced that he will continue Gestido's economic reform program. He shows every sign of following through effectively.

The new President has also moved with unexpected force against several small but disruptive groups on the extreme left.

6. Algeria

Boumediene, having crushed the most serious threat of his two and a half years in power, will now be able to move more confidently against other dissidents in his regime.
7. Yugoslavia

8. Yemen

The Soviet effort to salvage Nasir's investment in Yemen continues unabated.
Special Daily Report on North Vietnam

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for the President's Eyes Only

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I. NOTES ON THE SITUATION

Results of Most Recent US Air Strikes: Preliminary photographic reports indicate that one span of the bridge over the Canal des Rapides has been dropped and that the Paul Doumer Bridge is unserviceable to both rail and road traffic.
More on Negotiations: North Vietnamese officials have also expressed a hard-line position on negotiations to Indonesian diplomats in Hanoi.

According to the North Vietnamese, the only basis for settlement is the Geneva Agreement. Hanoi's position was made clear by the Four Points, the foreign minister's statement of 28 January, and the Viet Cong's new political program.
II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL ATTITUDES ON THE WAR

There is nothing of significance to report today.