

The President's Daily Brief

1 October 1969

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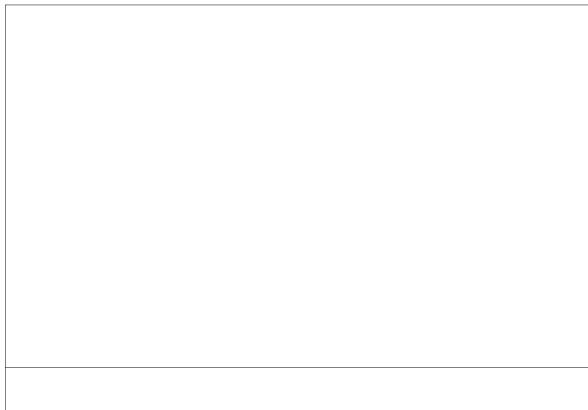
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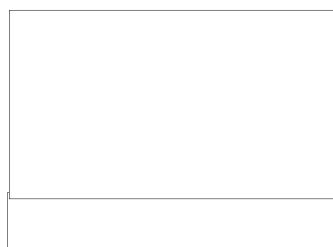
FOR THE PRESIDENT ONLY

WEST GERMANY



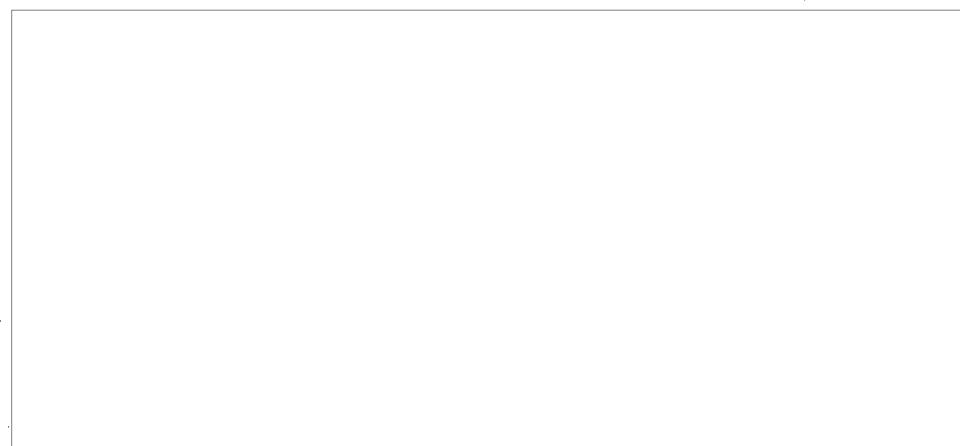
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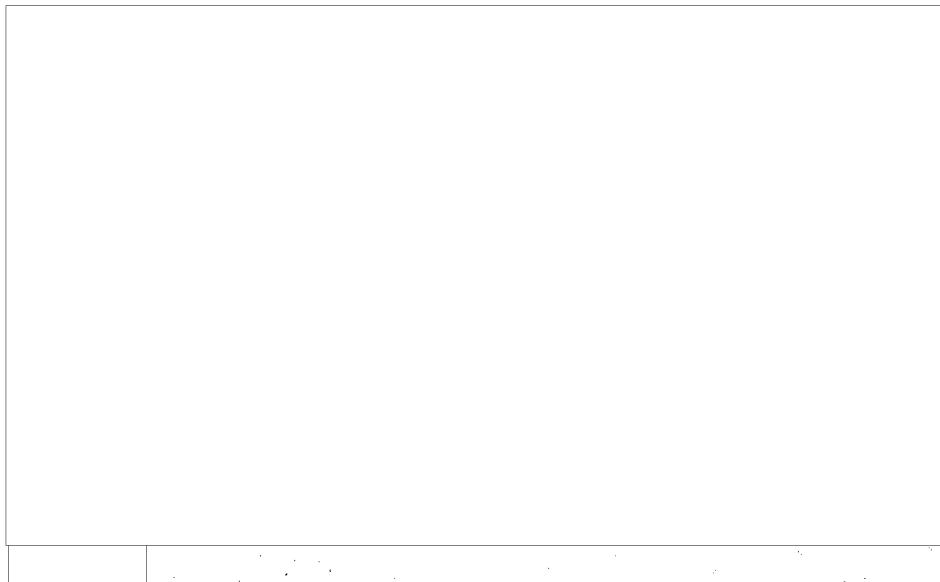
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ISRAEL

What promises to be a fairly quiet Knesset election campaign opened Sunday. Quiet or not, it is bringing to light some significant developments. We believe, for instance, that the elections may mark the end of the slim parliamentary majority now held by the Labor Party/MAPAM alignment. Mrs. Meir will doubtless stay on as premier, but the Labor Party's hope of attaining an absolute majority may have gone aglimmering. With it will go the prospect of constitutional reforms designed to eliminate the smaller parties from the legislature.

Widespread fear of domination by a "monolithic" Labor Party has in fact been one of the factors contributing to the recent decline in the party's following. There are two more

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Soviet



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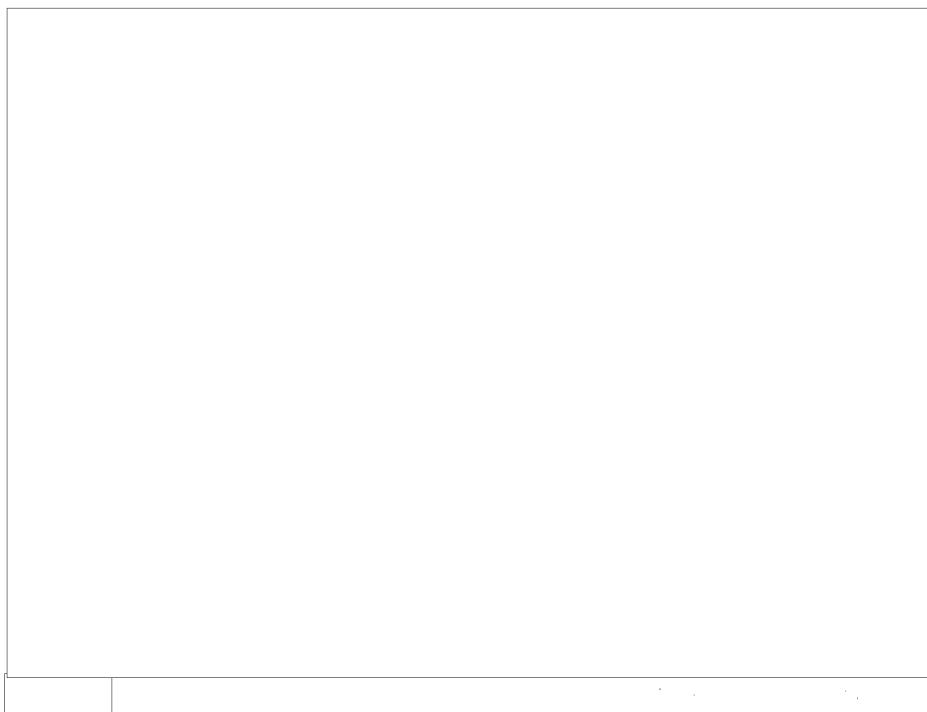
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immediate reasons, however: a growing feeling in the electorate that the present government is not sufficiently militant toward the Arab states or sufficiently assiduous in promoting Israel's security, and a general failure by the Labor Party's old guard to appeal to the younger generation. In an effort to minimize the losses on both these latter scores, Dayan is being pushed more and more to the front. We note, for example, that he is in the fourth spot on the list of the alignment's candidates; earlier reports had him occupying a place in the twenties or thirties.

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SOVIET UNION



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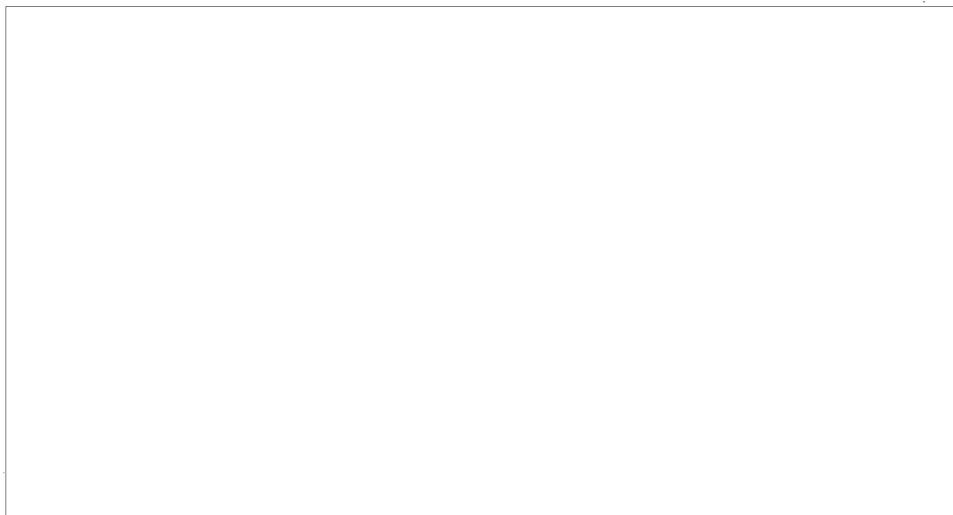
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COMMUNIST CHINA



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Preliminary accounts of the anniversary observance in Peking today, broadcast over Peking Radio's domestic service, include the announcement that both Mao Tse-tung and Lin Piao were present. Neither had appeared in public since mid-May. Mao was described as being "in excellent health and full of vigor;" Lin was said to be "also in good spirits."

PANAMA

The Panamanians are again making noises about the canal issue after some months of relative quiet. The controlled

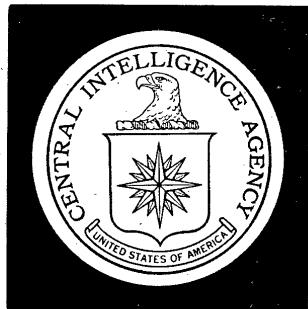
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local press is emphasizing Foreign Minister Pitty's recent remarks at the UN that the "unjust" 1903 treaty must be abrogated. This may be followed, according to a knowledgeable source of the US Embassy, by similar criticism of the 1967 draft treaty. By this two-pronged tactic the government hopes to rally popular support both for itself and for renegotiating the old treaty.

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WEST GERMANY

Brandt is pulling out all the stops in his pursuit of the chancellorship. He has sent a personal message to Prime Minister Wilson, asking London's help in his fight to get full voting rights for the West Berlin Bundestag delegation. Wilson could find it hard to say no to a fellow socialist, even though until now his government has opposed such a change in the status of Berlin's deputies.

For what it is worth, a long-time East German contact of the US Mission in Berlin says the East Berlin delegates in the East German Volkskammer were allowed to vote and had their votes counted "for the first time" when the Nonproliferation Treaty was voted on. This was "our gift to Brandt," he added.

USSR

The Soviets are preparing for a manned space flight which may involve two Soyuz spacecraft in near-earth orbits.

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The Soyuz mission last January involved the rendezvous and docking of two manned spacecraft and the transfer of crew members from one craft to another. The upcoming mission may include further progress toward establishing a near-earth space station.

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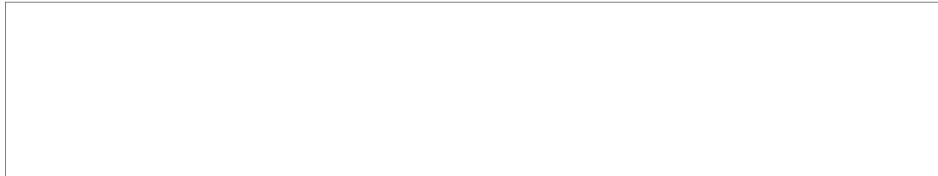
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USSR - COMMUNIST CHINA

The tone of Soviet treatment of China's 20th anniversary dramatizes earlier evidence that Moscow wants talks on border problems. In contrast, for example, to last year's cold and terse message to the Chinese people on their national day, this year's congratulations are conciliatory, asserting a desire for normalization of relations and settlement of vexing problems by means of negotiations. The Soviets may even intend such phrases to signal anticipation of talks.

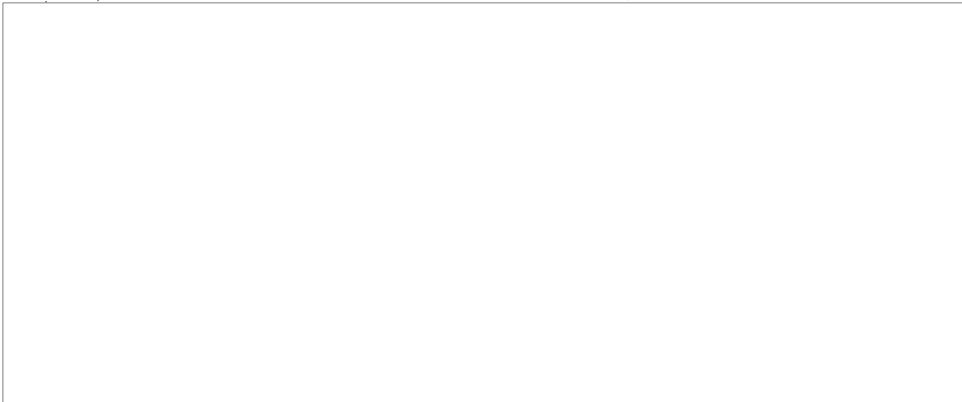
For their part, the Chinese yesterday published an authoritative editorial referring to their desire for settlement of border disputes through negotiations. This merely reiterates China's official position, but its timing could be an indicator that talks are in prospect.

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LEBANON-USSR

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BOLIVIA

The Bolivians are continuing to talk of the need for an "ideological confederation" with Peru. They are getting very little encouragement indeed from Lima, and Foreign Minister Mercado is on record as saying that the "Peruvian revolution is not for export." Apparently the Peruvians fear that too close an identification with Bolivia will hinder their own efforts to appear more respectable.

ARGENTINA

The Onganía government has been finding itself caught more and more often between the only two political forces that matter in Argentina: labor and the military. Over the last four months there has been a series of strikes, including three general strikes, and each time the government has had trouble keeping the situation in hand. Last weekend it headed off yet another general strike, but it did so only by threatening to move against the unions if the strike came off and then by offering them a substantial wage increase.

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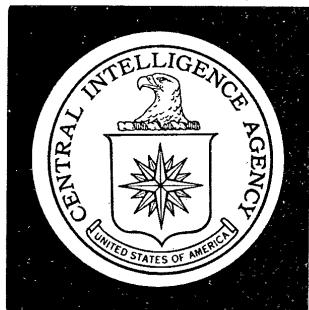
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The military is watching this sparring with increasing distaste--a distaste enhanced by the fact that it has occasionally been called on to perform unpalatable police work against the strikers. The unions of course are still strongholds of Peronism, and labor's new militancy would raise the army's hackles for this reason alone. But in addition, labor unrest could jeopardize the economic reform dear to the hearts of the generals.

Onganía still has a good deal going for him; things are not really out of control, and in any case there is nobody at the moment of comparable stature to whom the military could turn. If he cannot keep the unions in line, however, the army is likely to start looking a bit harder for a replacement.

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WEST GERMANY.

The speed with which the Socialists concluded an agreement with the Free Democrats means that the Federal Republic may soon have its first left-of-center government. The Christian Democrats appeared ready for drawn-out negotiations, but not for this contingency, and their last-minute offers were too late. Many Christian Democrats already appear resigned to an opposition role for their party.

Assuming no last-minute hitches develop between the negotiating parties, a vote on Brandt's candidacy for chancellor could be taken as early as 20 October, when the newly elected Bundestag convenes. For election, however, Brandt must obtain an absolute parliamentary majority, or 249 votes. With a total coalition strength of only 254, the absence or defection of only six deputies would mean his defeat.

Such a narrowly based coalition would be unstable and possibly short-lived. Many basic differences over economic and labor policy have probably been papered over and will crop out again when the parties get down to serious lawmaking.

If by some mischance the Socialist - Free Democrat coalition fails to achieve election in the Bundestag, it will be difficult to put together another. The stability of any other coalition, even a resumption of the grand coalition, would be shaky and there would be a good chance of new elections in a year or two.

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There has been no official comment from Moscow on the election or the formation of a coalition. Soviet press reporting and commentaries have been sparse, cautious, and non-committal, although there is a continuing tendency to play up the Socialists' foreign policies as relatively "realistic." Moscow is keeping its options open, however. One of the recurrent themes being played in public is that no major policy changes are likely in West Germany regardless of whatever coalition government is formed.

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USSR - MIDDLE EAST

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Moscow may very well have changed its stance toward the fedayeen, and for good tactical reasons. The irregulars are becoming increasingly popular and politically more effective. By jumping on this bandwagon, the Soviets would again demonstrate support for the Arab cause and gather whatever glimmering credit there may be for fedayeen successes.

The Soviets probably hope that their support would give them a limited measure of control over the fedayeen, and also would tend to overcome Chinese influence among the guerrilla bands. Moscow may also see this step as a way of activating the Arab Communist parties in conjunction with the fedayeen.

It is doubtful that Moscow's methods of supplying arms will change significantly. Heretofore, the Soviets have consigned arms to the guerrillas through an Arab government. The direct supply of arms to the fedayeen would cause political complications for Moscow with various Arab governments already concerned over the independence of the guerrilla organizations, even though these governments themselves have been compelled in recent months to take a more tolerant stance toward the fedayeen. Should Moscow decide to send arms directly to the fedayeen, it almost certainly will be with the consent of the involved Arab governments.

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If the Soviets go through with this change in policy, it would mark a tactical, rather than a strategic shift. Moscow probably does not view this as inconsistent with its role in the talks toward a political settlement in the Middle East, and we expect it will continue working along these lines.

LEBANON-USSR

The Soviets are embarrassed by the exposure of their plot to steal a Mirage aircraft from Lebanon. They vigorously protested the violation of their diplomat's immunity

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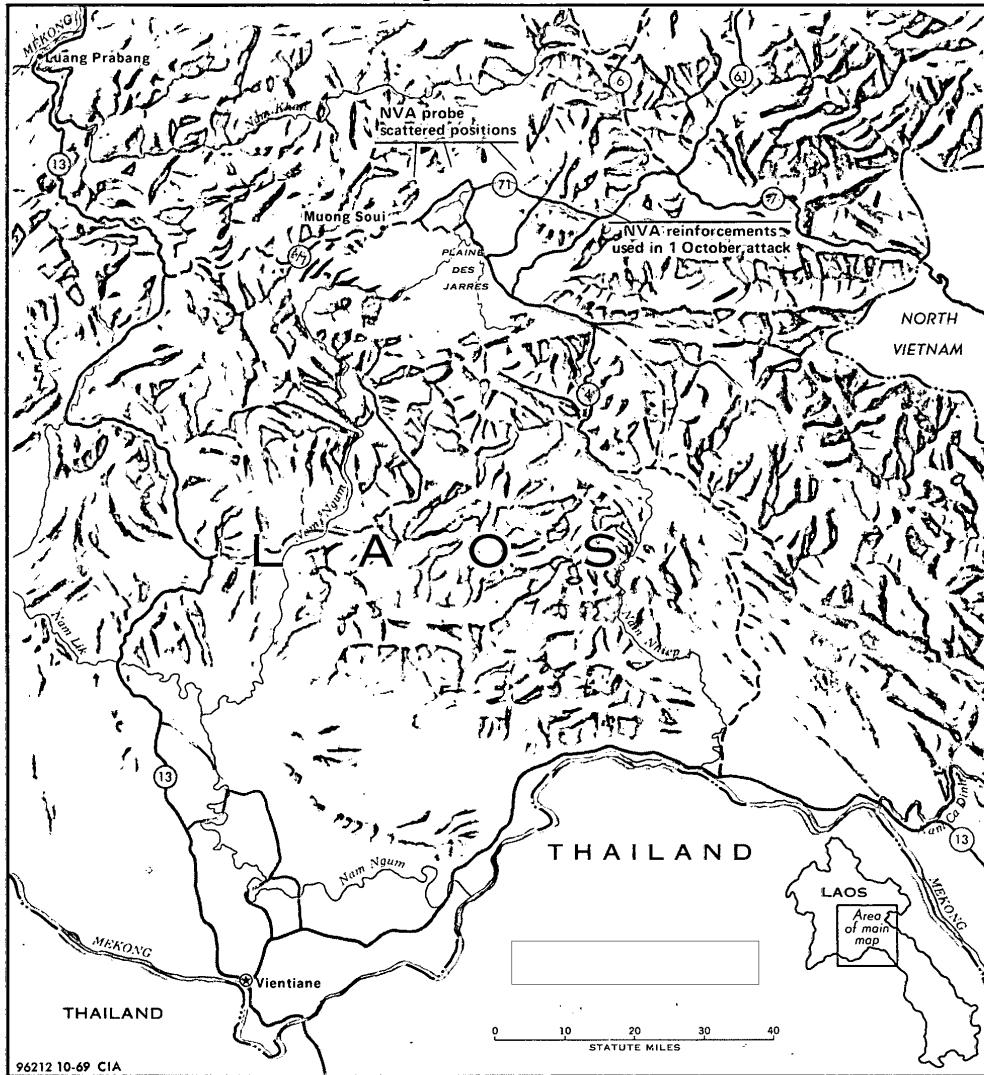
[they worked hard to have their people expelled from Lebanon without being formally declared persona non grata. One has already been deported. The other will depart as soon as his condition permits.]

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North Vietnamese Reinforcements Begin to Move Into Action



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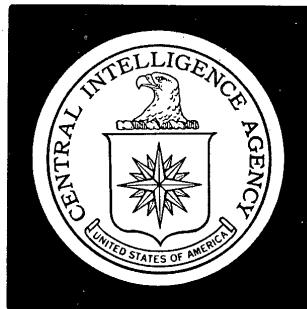
LAOS

Fresh North Vietnamese reinforcements attacked government positions on the Plaine des Jarres on 1 October, but were beaten off. At the same time, North Vietnamese also hit scattered positions on the northern fringes of the Plaine. These probes seem to comprise a coordinated effort to put Vang Pao's forces on a defensive footing while major elements of the North Vietnamese forces are still en route to Laos.

Whether this flurry of activity marks the opening round in the anticipated North Vietnamese counteroffensive has yet to be determined. At the least, it indicates the North Vietnamese intend to clear the pathway for forces arriving from the east and prepare to turn the tables on Vang Pao as soon as their logistic problems are sorted out.

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SOVIET UNION - COMMUNIST CHINA

We have nothing to confirm Radio Belgrade's assertion on Wednesday that "the evacuation of the Soviet and Chinese units stationed in the immediate vicinity of the border... has started," but we consider a significant pullback by regular forces unlikely. On the Chinese side there are simply not many regular troops stationed near the border. The Soviets do have large troop concentrations in the border region, but are tied to the Trans-Siberian Railroad, which supplies them and which they are assigned to defend. The two sides may, however, have worked out an agreement whereby their border guard units would operate a bit farther from the frontier.

Satellite photography in August did disclose that a Soviet motorized rifle regiment had been withdrawn from an exposed position in a small salient on the Sinkiang border. This almost certainly was an example of military prudence, however, and not an effort to lessen tensions. (See The President's Daily Brief of 5 September.)

The Belgrade report is quoting Soviet sources. All the stories about a reduction in border tension, in fact, have come out of Moscow; the Chinese, except for their brief announcement of the Chou-Kosygin meeting, have been completely silent on the subject.

SOVIET UNION - NIGERIA

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LIBYA

Newsweek's Armand de Borchgrave, after trying for days, finally managed to interview a member of Libya's Revolutionary Command Council late Thursday night. His interlocutor refused to give his name and had removed his badges of rank, but he said he was 25 and had been a lieutenant. He gave the following glimpses of the regime's attitudes and policies:

--The government's first priority is to "join the Arab world." This will mean a more militant policy in general and might include sending a contingent to the Suez Canal.

--The second priority is economic diversification, better utilization of oil revenues, and agricultural improvement.

--Third is a 50 percent cut in the bureaucracy.

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--When asked if the Wheelus base agreement would be terminated, the council member said, "That is so obvious it is not worth discussing." He said, "Maybe, could be" when asked if the agreement would be terminated before it expires in December 1971.

--He refused to say how big the council was, but indicated it had fewer than 15 members. Their average age, he said, was 28.

--The ban on liquor is permanent, as is the Arabization of Libyan street signs. The council member praised the curfew as a device to restore family life, but he said it will not last much longer.

De Borchgrave told the US Embassy that his interlocutor was "obviously bright, sincere, and fairly sophisticated." He comments that the council obviously has not worked out some of its positions fully, but it has very firm convictions on a good many subjects.

BRAZIL

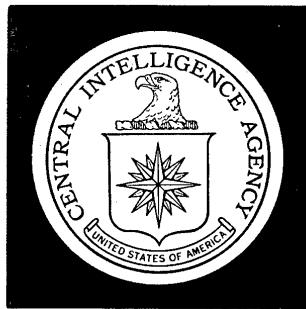
The army high command has selected General Emilio Medici to succeed President Costa e Silva, and Medici has agreed to accept. The next step in the process is the approval of the joint high command of the armed services. This is expected to come on Monday. The designation will then be subject to approval by the reconstituted congress, but under the circumstances that is little more than a formality.

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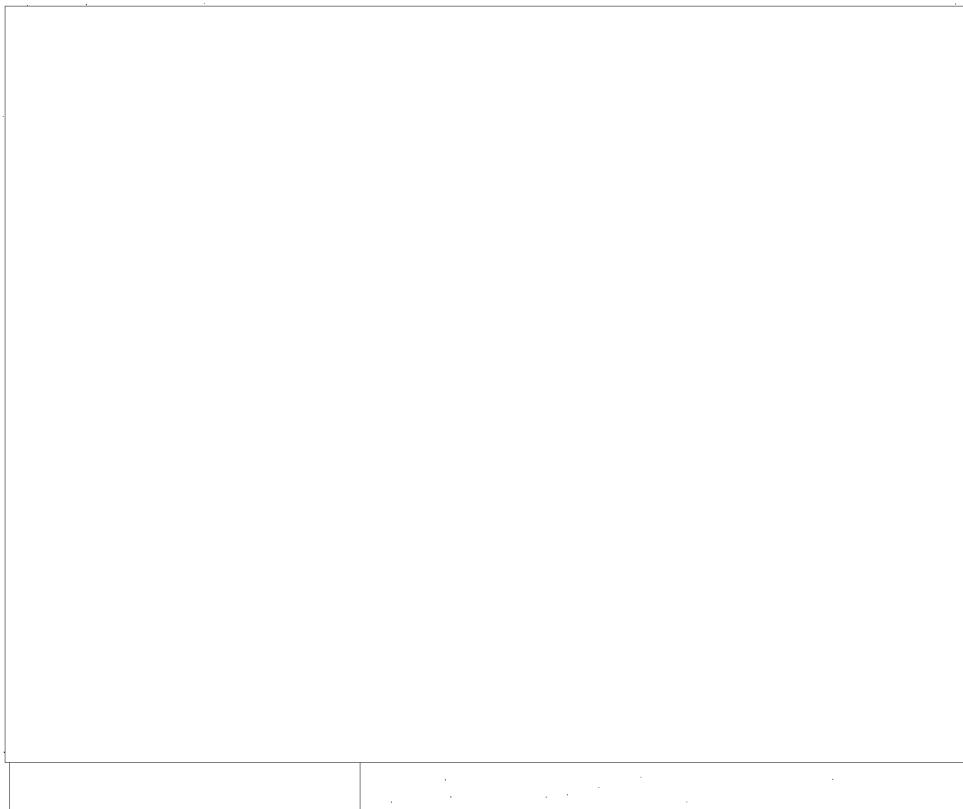
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VIETNAM

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Military activity increased significantly over the weekend in the delta, where the Communists launched rocket and mortar attacks in at least ten of the 16 provinces. Action was light elsewhere in the country.

COMMUNIST CHINA

The Chinese on Saturday

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nuclear tests

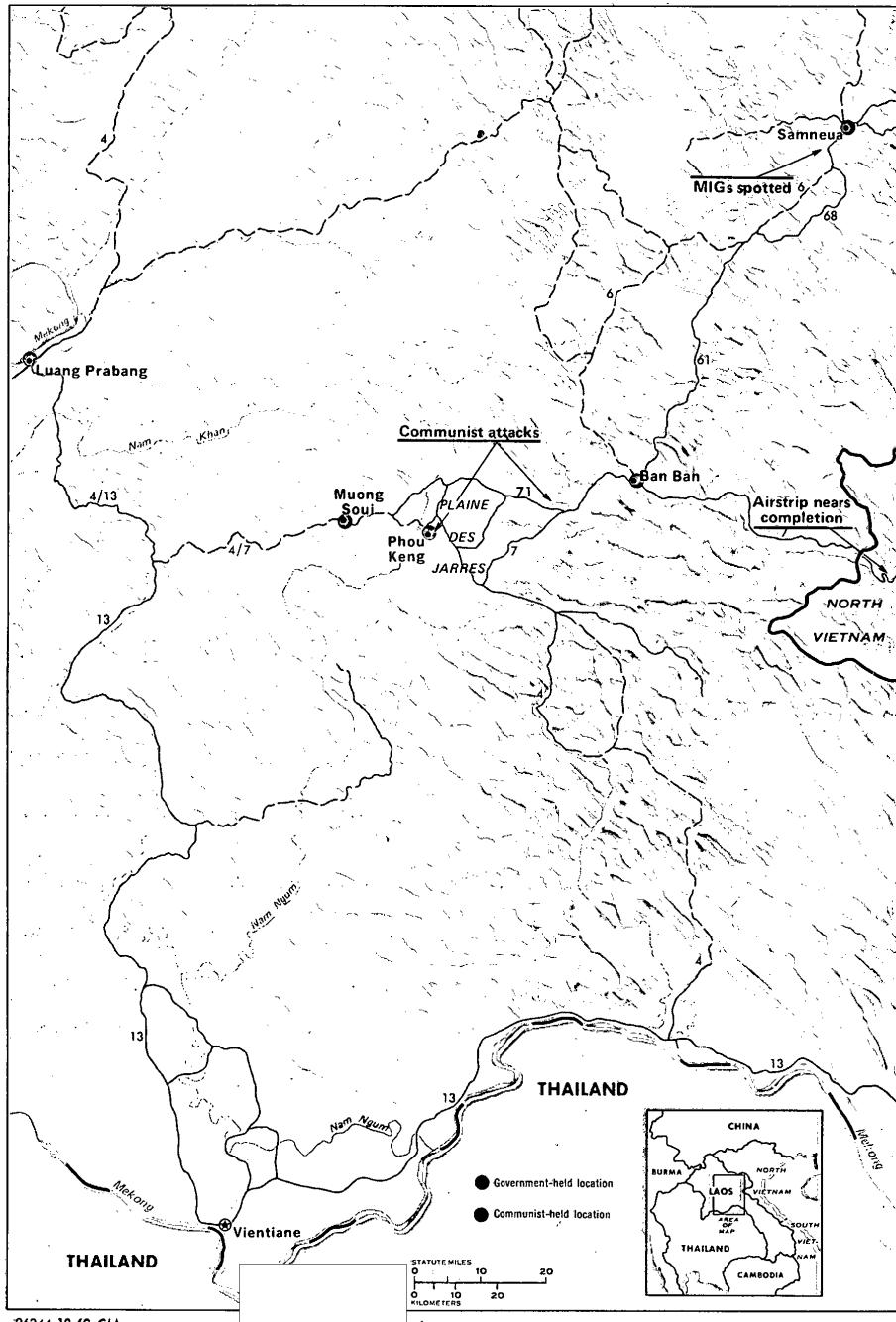
The announce-

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ment is very low-key, doubtless to harmonize with the nonaggressive image both the Chinese and the Soviets are trying

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Laos: Current Situation



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to convey at the moment. Chou's earlier assurance that China will not be the first to use nuclear weapons is emphatically reiterated.

LAOS

The Communists are continuing their buildup on the north-west and eastern fringes of the Plaine des Jarres, and are harassing government outposts, but they have not yet counter-attacked. (See The President's Daily Brief of 3 October.) They may be awaiting the arrival of additional members of the North Vietnamese 312th Division and associated elements, totaling about 12,000 men.

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There are signs, including the hurrying to completion of an airstrip close to the Laotian border, that the enemy may seek to provide some air cover and faster logistical support to its forces near the Plaine. This would be a shot in the arm for Communist troops who have been sorely pressed by Laotian and US air strikes.

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THE PRESIDENT'S DAILY BRIEF

7 October 1969

PRINCIPAL DEVELOPMENTS

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The background to South Vietnamese [redacted]

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Soviets [redacted]

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Israel [redacted]

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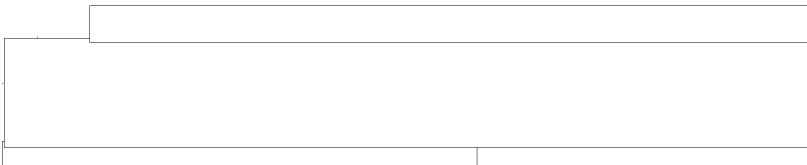
Italy's effort to establish diplomatic relations with Communist China is stymied. (Page 5)

General Emilio Medici will be Brazil's next President.
(Page 6)

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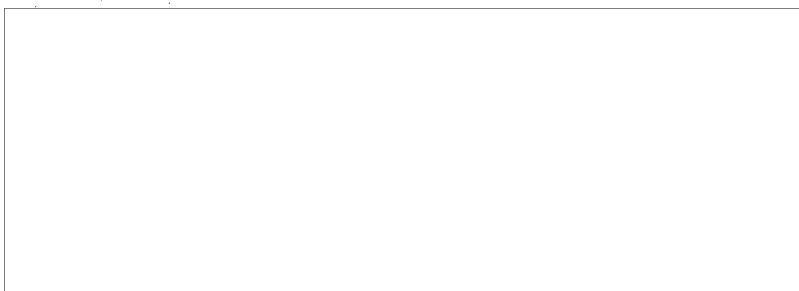
VIETNAM



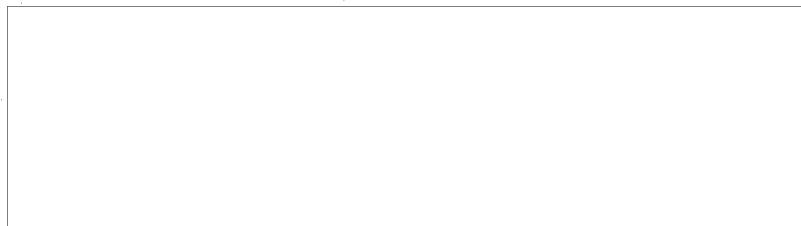
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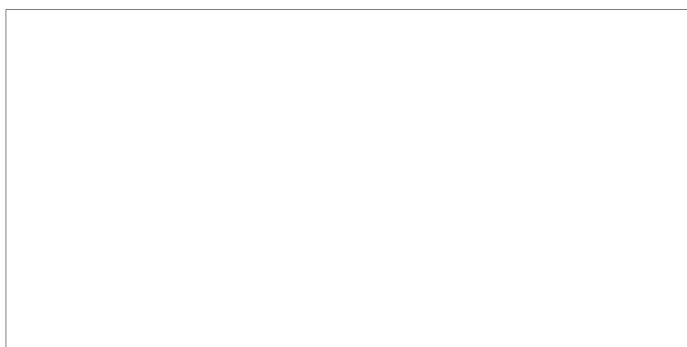
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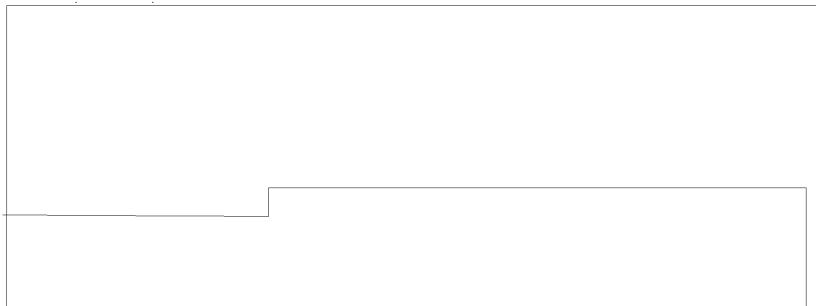


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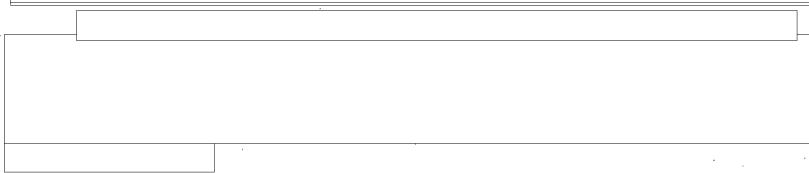
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LIBYA-USSR

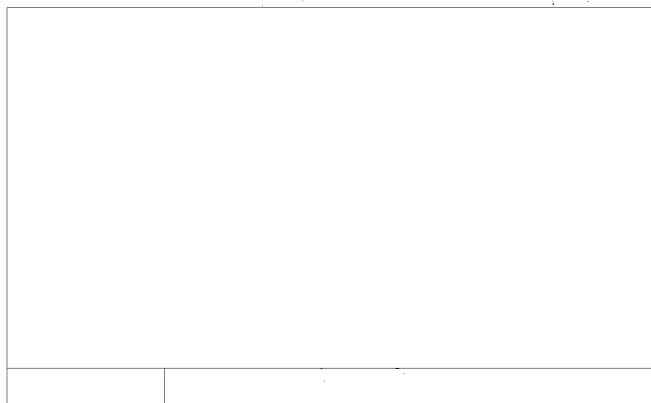


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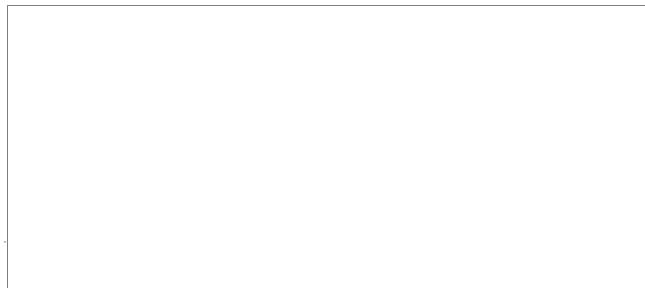
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SOVIET UNION

The latest satellite photography shows a new group of six SS-9 ICBM silos under construction at the Imeni Gastello complex.



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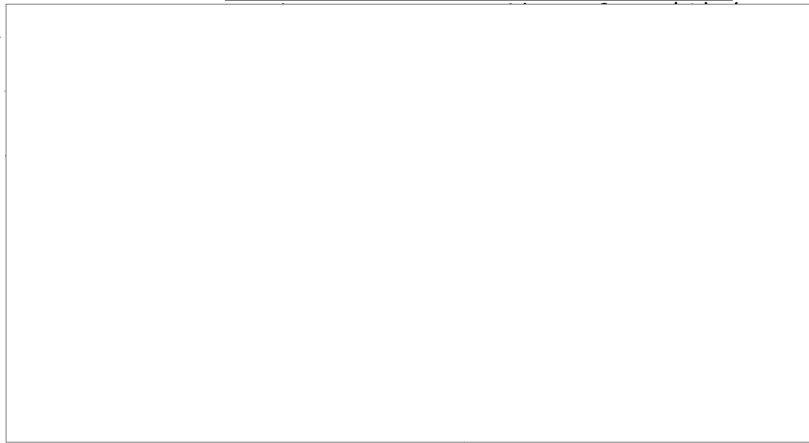
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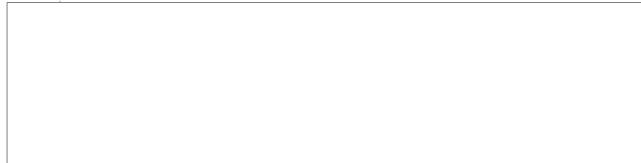
ISRAEL-FEDAYEEN

In spite of stringent countermeasures by Israeli security forces, fedayeen guerrillas are an increasing threat in the occupied territories and within Israel itself. [redacted]

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CHINA-ITALY

Italian efforts to establish diplomatic relations with Communist China have been stalled. According to a sensitive State Department report from Rome, the Chinese insist that the Italians must first publicly endorse Peking's claim to sovereignty over Taiwan.

A similar Chinese demand also has stalled Sino-Canadian negotiations on recognition. So far Peking has shown no inclination to compromise with either country, clearly believing that time is on its side.

For their part, the Italians and the Canadians are reluctant to meet China's demand. They hope to be able to maintain trade and other informal contacts with Taiwan even after they recognize Peking. It looks as if these negotiations will be protracted.

FOR THE PRESIDENT ONLY

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BRAZIL

The joint high command of the armed services yesterday selected General Emilio Medici to succeed ailing President Costa e Silva. Reportedly, he will be inaugurated on 15 November.

The 63-year-old Medici is a firm supporter of Costa e Silva. During the President's first two years in office, Medici was one of his closest advisers as well as head of the National Intelligence Service. Medici is generally well regarded among his contemporaries as a career soldier and as a political moderate, but some younger officers have been concerned by his lack of dynamic qualities. He strongly backed the executive's assumption of sharply increased authoritarian powers last December, but he apparently also agreed with Costa e Silva's more recent intention to permit a slight return to political normalcy.

Medici is an advocate of good relations with the US.

The long delay in choosing Costa e Silva's successor had been generating criticism and discontent among the military. Even now the armed forces are by no means united. Many officers are opposed to the presidential ambitions of General Albuquerque Lima, who may not yet be resigned to defeat, and whose younger officer supporters have been making known their unhappiness.

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LATIN AMERICA

[redacted] leftist terrorists in almost all Latin countries may attack US personnel and installations this week in commemoration of the capture and death of Che Guevara, observed generally about 8 October. In Mexico, for example, the embassy has learned that extremists have discussed plans to kidnap Ambassador McBride or another US official--to be exchanged, as in Brazil, for political prisoners. Less specific threats in Venezuela have caused a military alert, and in violence-prone Ecuador the security forces are bracing for disorderly demonstrations by students and others. Other countries lack precise information, but most have instituted extra precautions.

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Yesterday's bombings of branch offices of several US firms in Argentina may have been linked only to wage negotiations now in progress, but the burning of the USIS library in Buenos Aires last night was probably the work of extreme leftists.

It also appears that terrorists may be seeking easier targets than US officials. The son and the secretary of the honorary Swiss Consul in Cali, Colombia, who also manages a large US business there, were kidnapped on Monday, and were being held for \$300,000 ransom.

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NOTES

USSR-Egypt:

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USSR: The next Soviet manned space shot could be launched at any time. Soviet space support ships have now reached positions in the Atlantic and Pacific from where they will support the upcoming Soyuz mission (see *The President's Daily Brief* of 2 October 1969).

East Germany: Brezhnev and leaders of all the Warsaw Pact states (save Romania, which sent a lower level representative commensurate with East Germany's treatment of its own recent festivities) are gathered in East Berlin, but it does not appear that a summit conference is in progress. The activities of the visitors and the strenuous schedules of the East German leaders tend to indicate that the primary purpose of this turnout is to demonstrate solidarity with Pankow on the occasion of its 20th anniversary. East German party boss Ulbricht was looking fit and natty for his 76 years; apparently he is fully recovered from his indisposition of July and August.

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8 October 1969

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THE PRESIDENT'S DAILY BRIEF

8 October 1969

PRINCIPAL DEVELOPMENTS

Moscow's willingness to discuss the border problem may take some of the sting out of the propaganda blast that accompanied Radio Peking's announcement.
(Page 1)

The Soviet Government, through its mouthpiece, *Pravda*, has accused the US of "bad faith" in the Middle East negotiations. *(Page 2)*

The NATO allies have some serious reservations about the US - Soviet draft treaty on seabeds arms control.
(Page 3)

India

[Redacted] *(Page 4)*

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COMMUNIST CHINA - USSR

According to a UPI report from Moscow, Vasiliy Kuznetsov, First Deputy Foreign Minister, will go to Peking on 20 October to discuss the border problem. By responding promptly to Communist China's radio broadcast announcing the talks, and by naming a top-level diplomat as negotiator, the USSR may minimize the impact of the propaganda that accompanied the Chinese announcement.

Radio Peking's statement attempted to place the onus for the present border situation on Moscow and stressed China's constant quest for a peaceful settlement of the dispute. Peking's concern over the situation, however, was highlighted by further allusions to "nuclear war threats" by Moscow and a disavowal of any Chinese intent to launch a nuclear attack.

Peking renewed its contention that the present boundary is based on "unequal treaties" imposed on China, but stressed that it "had never demanded" the return of territory lost to Russia--the least provocative presentation of China's basic position to date. The statement then urged that, in the absence of a final settlement, the "status quo of the border" be maintained and such steps as troop withdrawals be taken to avert further armed conflict.

The Chinese announcement is the latest step in a process begun last month at the meeting between Kosygin and Chou En-lai.

[redacted] the two men reached a tentative agreement on border discussions. Since then Peking and Moscow have continued a dialogue on the border situation, although Peking initially failed to reciprocate Moscow's stand-down on propaganda after the Kosygin-Chou talks. More recently the Chinese softened their attacks against the USSR during their National Day ceremonies on 1 October, and there has been a sharp drop in Peking's domestic anti-Soviet propaganda.

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The proposed border talks will not resolve the fundamental political differences between the two states. Nevertheless, given the tactical flexibility suggested by the Chinese statement, the talks will probably result in steps to reduce the level of tension now existing on the frontier.

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USSR - MIDDLE EAST

The Soviet press has accused the US of "bad faith" in the Middle East peace negotiations. On 2 October a *Pravda* editorial signed "Observer"--an indication of high-level authorship or approval--charged that the US had agreed to give Israel more arms at the same time it was carrying on negotiations with the USSR for a Middle East settlement. The editorial also blamed the US for Israel's refusal to implement UN resolutions on withdrawal and its rejection of efforts to arrange a settlement.

The charge of US bad faith has been picked up by other Soviet media. In addition to radio and television commentaries, both *Pravda* and *Izvestiya* have warned that Prime Minister Meir's visit to the US has made a peaceful settlement more difficult than ever, accusing the US of "duplicity" and "sabotage."

These articles are clearly intended to keep up pressure on the US and Israel for concessions. There is also a chance, although it is still too early to be certain, that they reflect a new and more gloomy Soviet appraisal of the prospects for a diplomatic settlement.

FOR THE PRESIDENT ONLY

NATO

At the North Atlantic Council meeting on Monday the allies expressed substantial reservations about the US-Soviet draft treaty on seabeds arms control. They did not object to the US offering the document at Geneva, but some members were displeased with the short time afforded them for study. None would endorse the substance of the proposal in its entirety. The allies reserved the right to discuss the treaty further at the NAC and the UN.

The attitudes evident at the NAC meeting indicate the allies will be pressing for a fuller voice in future arms control talks. Those who are also members of the disarmament conference probably will raise substantive objections at Geneva.

NOTES

West Germany: [REDACTED]

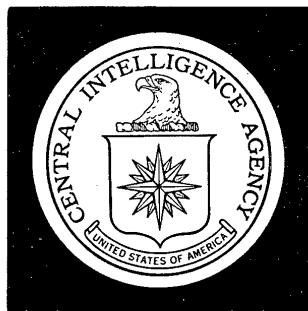
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India - North Vietnam: [REDACTED]

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THE PRESIDENT'S DAILY BRIEF

9 October 1969

PRINCIPAL DEVELOPMENTS

The Soviets appear almost ready to conduct their next space mission; [redacted] 50X1
[redacted] (Page 1) 50X1

In the Middle East, Israeli forces have carried out operations against islands near an Egyptian naval base. (Page 2) [redacted] 50X1
[redacted] (Page 3) 50X1

Panama's military government plans to mark its first anniversary on Saturday with major policy statements. (Page 4)

The Soviets have established an airlift capability for troops at two installations near the Sino-Soviet border. (Page 5)

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USSR

Preparations appear nearly complete for the forthcoming manned space mission, and the operation probably will start within the next few days.

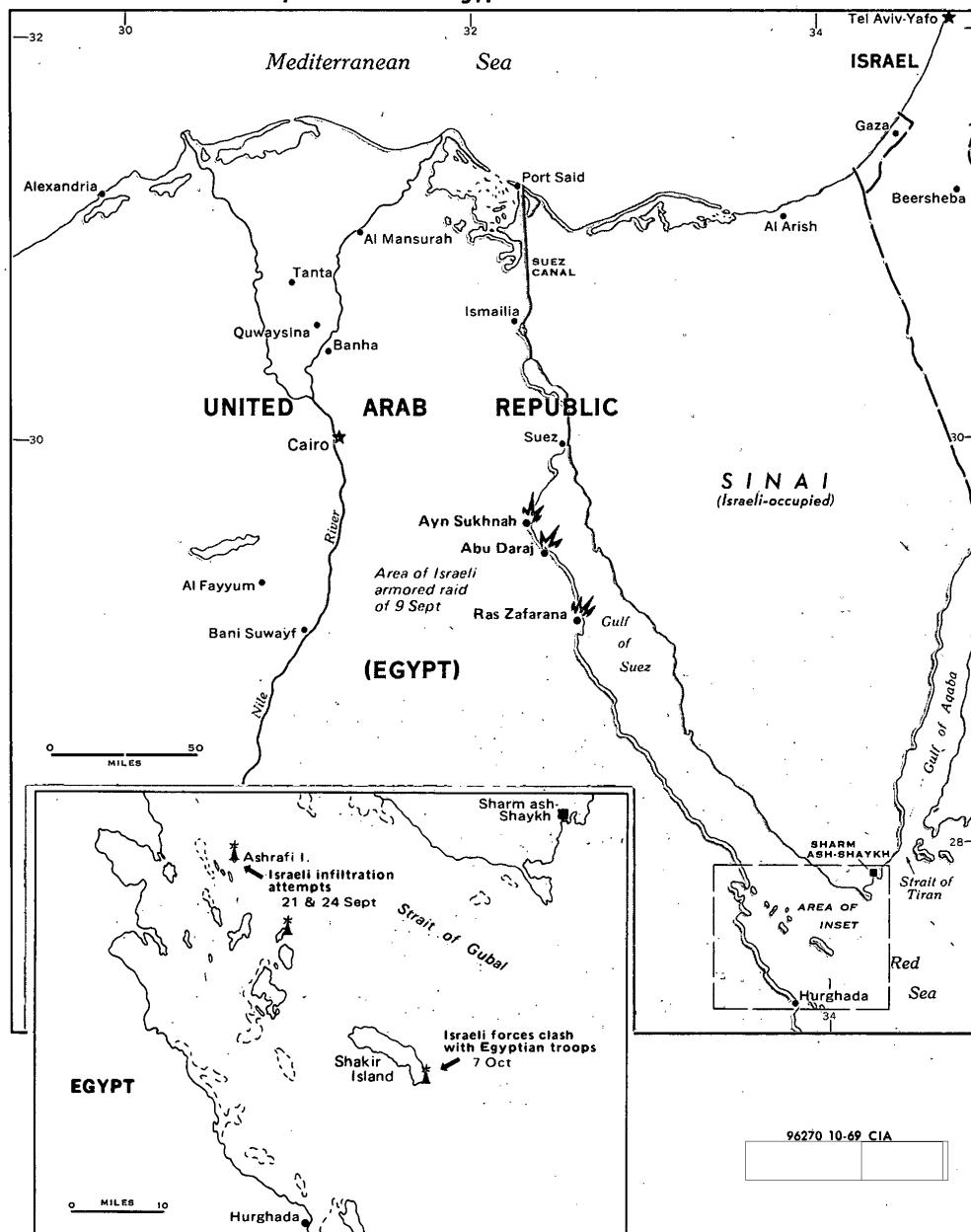
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The Soviets probably intend this flight to make further advances toward the establishment of a permanent manned space station. The planned duration of the mission is not known, but the Soyuz spacecraft is believed capable of supporting its crew in orbit for about 30 days.

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Israel Continues Military Pressure on Egypt



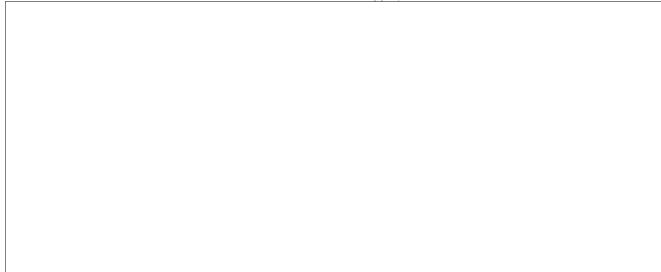
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FOR THE PRESIDENT ONLY

ISRAEL-EGYPT

Intercepted Egyptian messages on Tuesday night indicated that Israeli forces were clashing with Egyptian troops on an island near the Egyptian naval base of Hurghada. Other Egyptian intercepts of 21 and 24 September reported Israeli infiltration attempts on another island in the same region.



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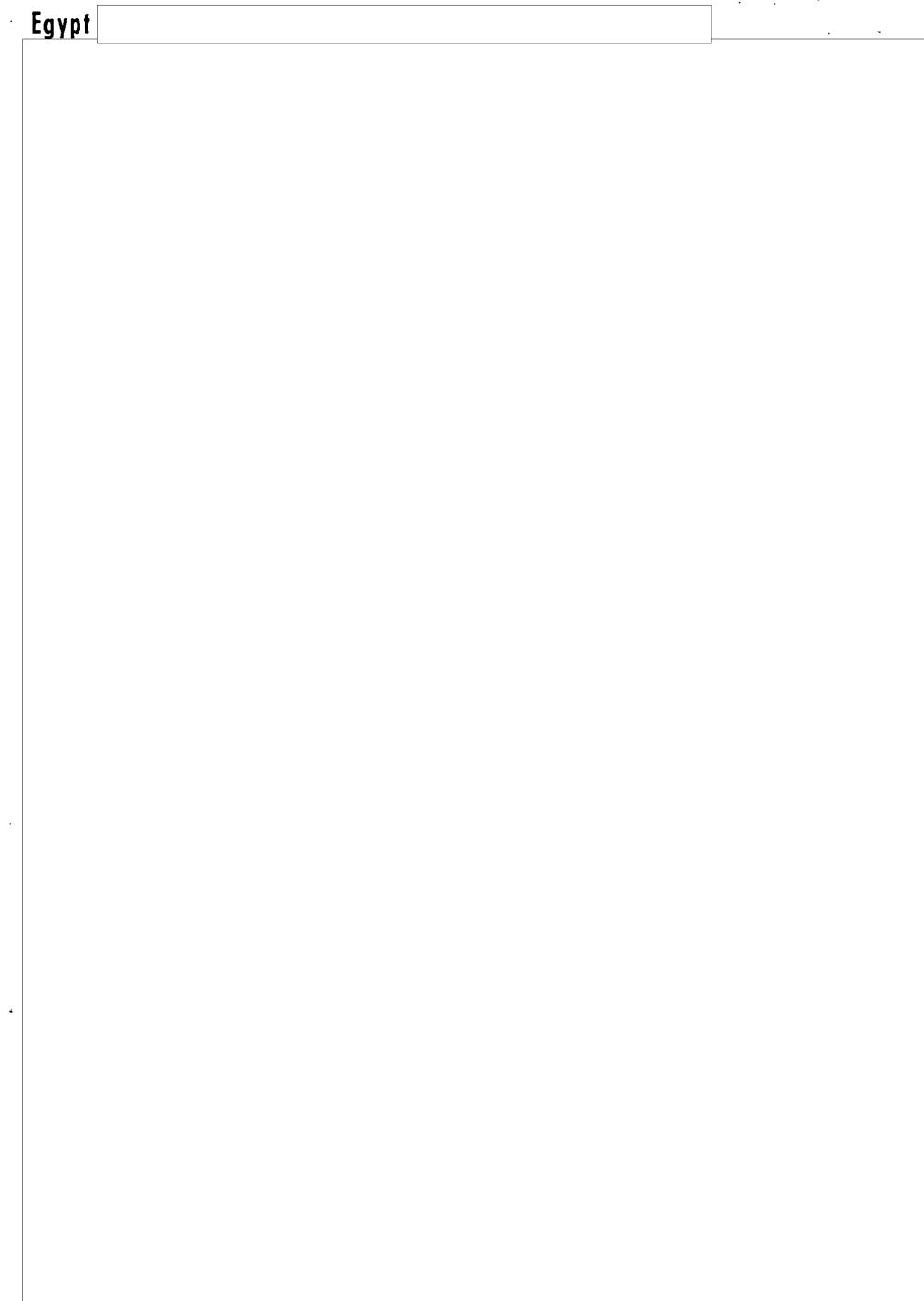
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Egypt

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EGYPT



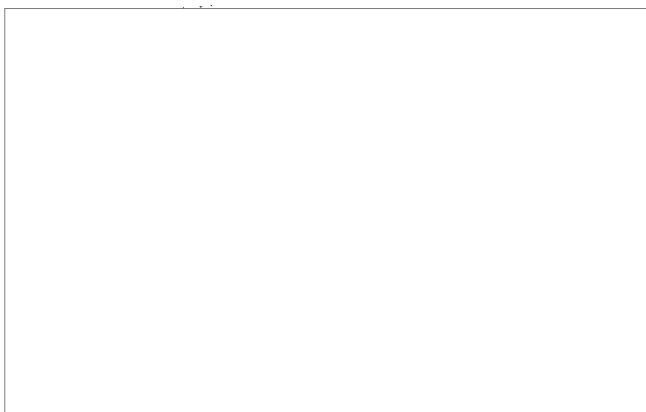
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Three [redacted] TU-16s have been moved temporarily from Aswan to Jiyanklis airfield, according to intercepts.

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PANAMA

The provisional junta government is planning to make three major policy pronouncements on Saturday, the first anniversary of the military coup. [redacted]

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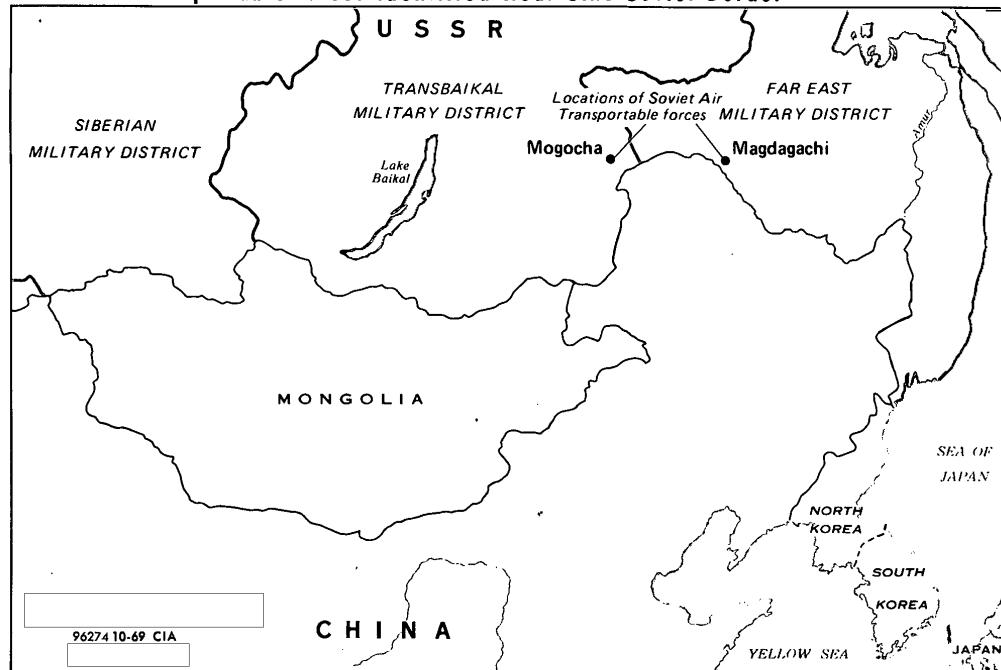
[redacted] the government will announce the immediate restoration of constitutional guarantees, including freedom of the press. All political prisoners except suspected guerrillas will be released, and election of a constitutional assembly--to be charged with revising the constitution and ratifying a new canal treaty with the US--will be scheduled for October 1970.

These initiatives apparently are designed to alleviate major popular grievances, but it seems clear that the present leaders have no intention of relinquishing power in the near future. All political parties have been dissolved and the government is organizing in their place a broadly based unitary political organization patterned on the Mexican example.

Torrijos apparently is also going to push for a new set of canal treaties more favorable to Panama than those so carefully negotiated and drafted in 1967. He hopes thereby to strengthen his position; ultimately he wants to compete for power "constitutionally."

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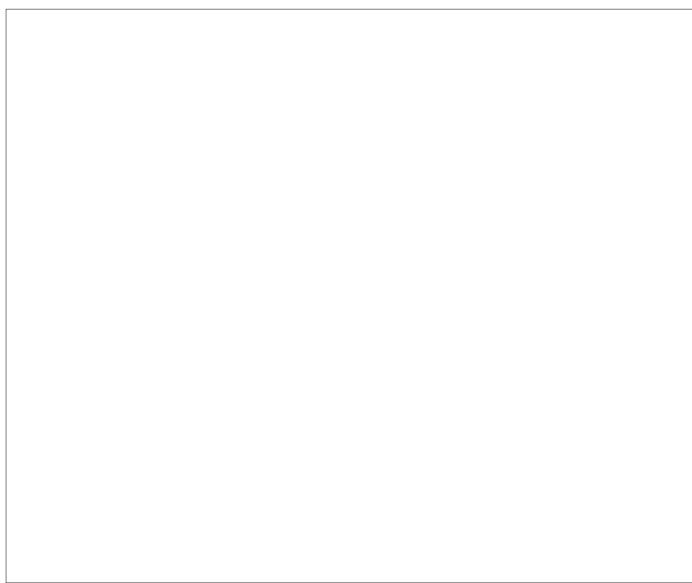
Soviet Air Transportable Forces Identified Near Sino-Soviet Border



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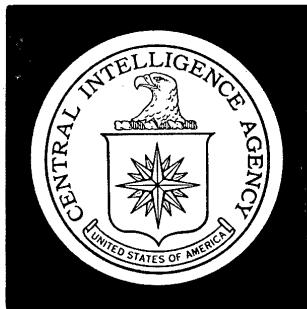
NOTES

USSR - Communist China: Recent satellite photography shows air transportable equipment and vehicles and some 90 helicopters at two Soviet installations near the border opposite Manchuria. The installations do not have the transports or jump training equipment of airborne units, however, or the heavy combat equipment of conventional ground force units. This airlift capability almost certainly was established to permit the Soviets to react quickly to border incidents in rugged terrain. Additional units of this type probably will appear in other areas along the border.

USSR: The annual Northern Sea Route convoy, which left for the Soviet Far East early last month, did not include any combat ships this year. Combat ships are being transferred to the Pacific Fleet via the Cape of Good Hope and the Indian Ocean, and we suspect this may be the rule in the future. The southern route is a good deal longer, but the ships will be able to show the flag and gain valuable operational experience en route.

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PRINCIPAL DEVELOPMENTS



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The Chinese Communists may be preparing to resume roadbuilding in northern Laos. (Page 2)

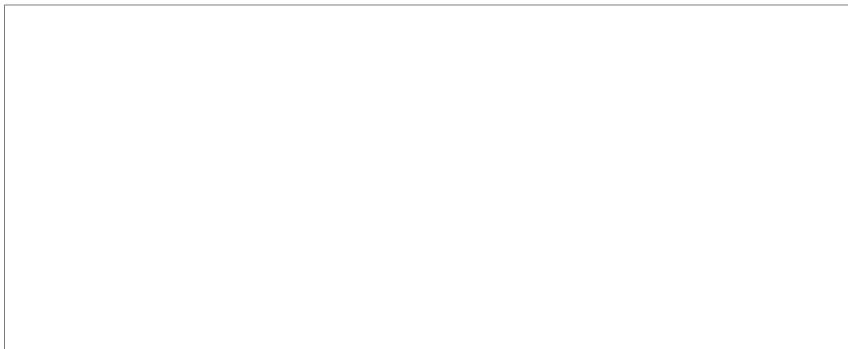
Xuan Thuy is on his way back to Paris. (Page 3)

King Husayn is again taking a tougher attitude toward the fedayeen. (Page 5)

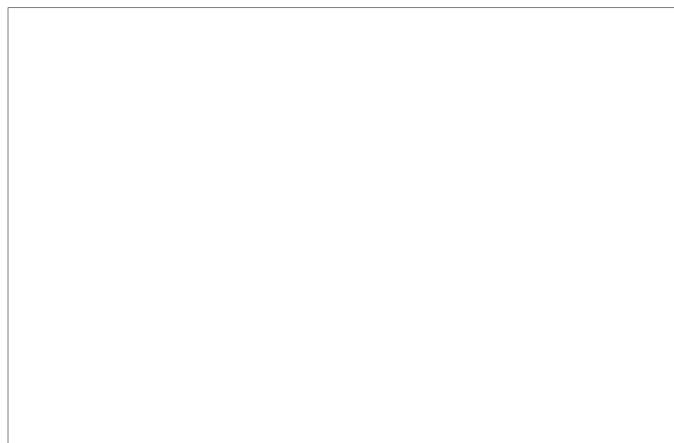
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CAMBODIA-VIETNAM

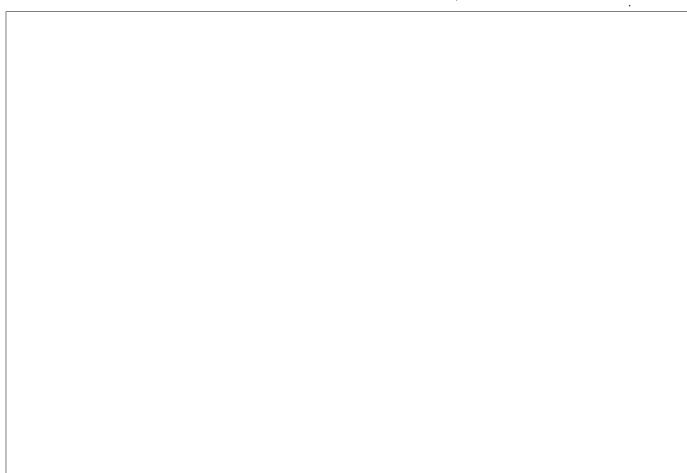


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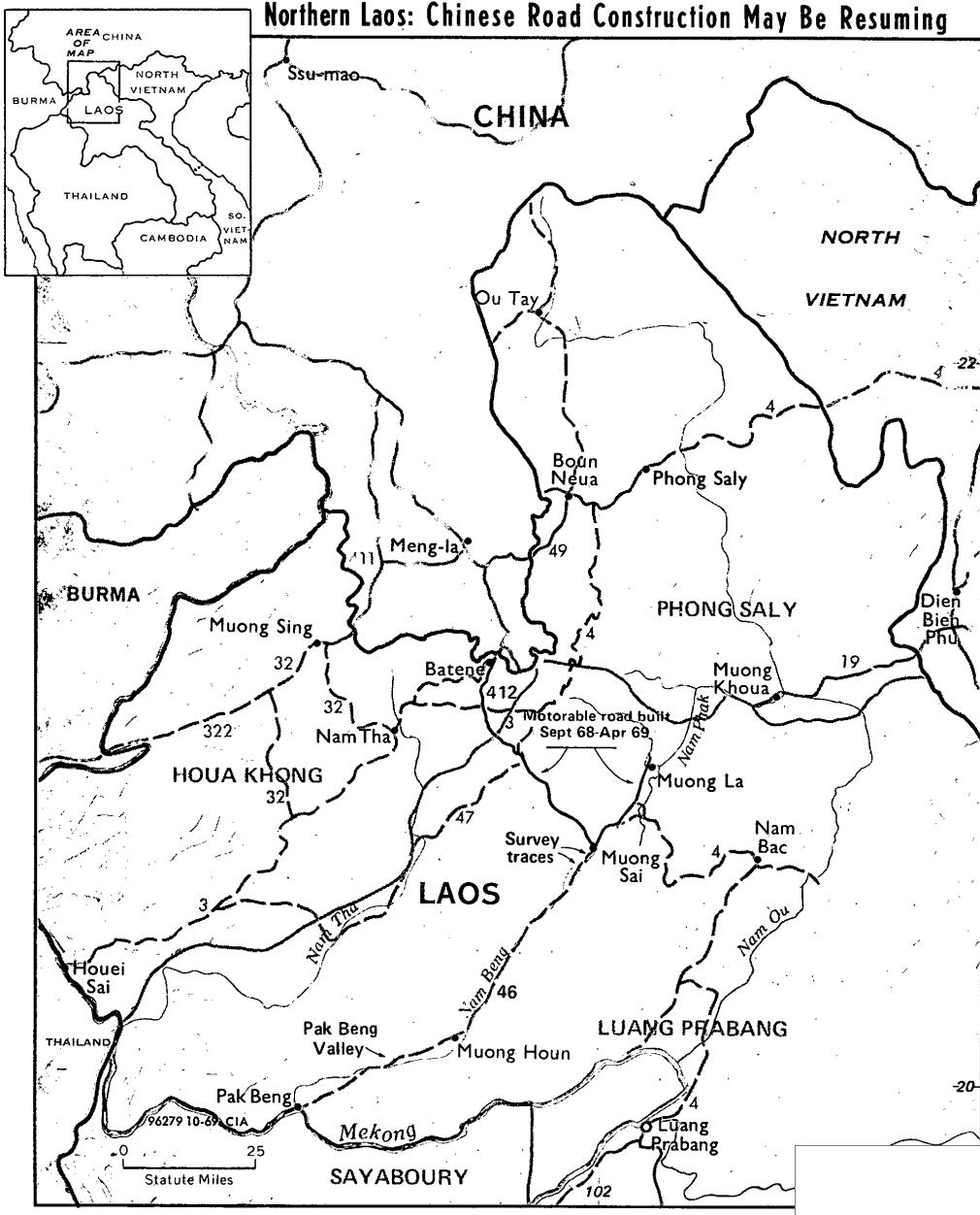
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LAOS - COMMUNIST CHINA

The Chinese may be getting ready to resume roadbuilding in northern Laos after the long rainy season stand-down. Recent aerial photography shows road survey troops some five miles south of Muong Sai, a major Pathet Lao military and administrative center.

This is the first hard evidence of possible future road construction activity south of Muong Sai, although reports from villagers [redacted] have indicated that it would eventually be undertaken.

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The Chinese may be calculating to reopen an old French logging trail that at one time linked Muong Sai with Muong Houn and Pak Beng on the Mekong River. This would give them a head start southward.

A road southward into the Pak Beng Valley would be of use in the support of Pathet Lao and North Vietnamese units fighting government guerrillas in Sayaboury and Luang Prabang provinces. It would also facilitate Chinese support for Communist elements in northern Thailand, although the armed insurgents there, who are not very numerous, probably do not need a motorable supply route from China.

Before moving into a new area, the Chinese who have about 6,000 engineer and support troops in northern Laos, may first finish the work they began last year. Until construction slowed in early May, they were building a road north from Muong Sai toward Muong Khoua, the terminus of a motorable road from North Vietnam. Once completed, this road will, for the first time, enable the North Vietnamese to directly support their units in northwest Laos.

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VIETNAM

Xuan Thuy arrived in Moscow Thursday on his way back to Paris, according to TASS. The news is out in Paris, but Hanoi has yet to publicize his return, and the Chinese as usual ignored his passage through Peking.

We do not think Thuy brings any new initiatives back with him. Such a change might be anticipated if Le Duc Tho were noted on his way back to Paris, but he remains in Hanoi.

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BRAZIL

The US embassy in Brasilia has received three threatening letters in the last day or so, and anonymous callers have told the city's radio and television stations that the embassy's principal officer is to be killed. The embassy in cooperation with local security officials is taking all practicable precautions.

These threats may be related to earlier reports from the Brazilian security service that terrorist leader Carlos Marighella, whose principal lieutenant was one of the men behind Ambassador Elbrick's kidnaping, is planning further actions. Marighella also is said to be preparing to establish a rural guerrilla force.

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NOTE

Jordan: Last Saturday's abortive coup which involved some fedayeen has prompted Husayn to adopt more stringent internal security measures, particularly toward the terrorists. While it seems unlikely that he will extend this effort to the point of challenging the major fedayeen organizations, a period of increased tension, with overtones of martial law, seems to be in the offing.

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THE PRESIDENT'S DAILY BRIEF

11 October 1969

PRINCIPAL DEVELOPMENTS

The Soviets are professing a renewed interest in helping the Paris peace talks along. (Page 1)

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The new travel restrictions in Czechoslovakia will not only close off an escape hatch for harried Czechoslovak liberals, but will also keep foreigners from coming in--at least for the next few months. (Page 4)

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VIETNAM

The Soviet Union seems ready to play a role in the Vietnam talks again. Soviet Minister Tcherniakov took the initiative with Ambassador Sullivan on 8 October. He said the USSR was interested in being as "active as ever" in the negotiations, and he asked if there was "any area in the field of military de-escalation" where the Soviets could be helpful.

Tcherniakov promised to seek an answer to Sullivan's question about Hanoi's military intentions. He also suggested that many obstacles in the talks could be surmounted by working through "subordinate" US and Soviet officials, especially in Paris. In closing, Tcherniakov said that it was Moscow's impression that Ho's death had produced a period of "indecision" in Hanoi in which new, long-term policies were still under review. The USSR, he said, wanted to influence the direction of future North Vietnamese decisions.

If Moscow indeed follows through on Tcherniakov's offers, it will be the first significant Soviet initiative regarding Vietnam in months.

Pham Van Dong's recent visit to Moscow could have been the occasion for the formulation of new instructions to the Soviet mission in the US, although we have no hard evidence to this effect.

Assuming the Soviet approach is genuine, it is possible to speculate that Hanoi is preparing to get down to business again in Paris.

Tcherniakov's comment that the North Vietnamese are undecided about how to proceed, and his suggestion that Moscow can influence the regime's future course should not be taken at face value. The North Vietnamese probably have set their immediate course, both in the war and the talks, and have once again rung in the Soviets to sound out US intentions. A

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deeper probing of North Vietnamese intentions could lead to the tentative hypothesis that they may have asked the Soviets to bring up military de-escalation on the assumption that this topic is of special interest to the US.

Progress through these circuitous channels would be slow at best, and Tcherniakov probably would come back with only some vague formulation of Hanoi's intentions. Nonetheless, when the Soviets stepped into the picture last year, it almost always could be taken as a sign of seriousness on the part of the Vietnamese Communists. This was most readily apparent in June 1968; only two days after Le Duc Tho passed through Moscow on his first trip to the Paris talks the USSR began playing a much more active part on the sidelines of the negotiations.

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THAILAND



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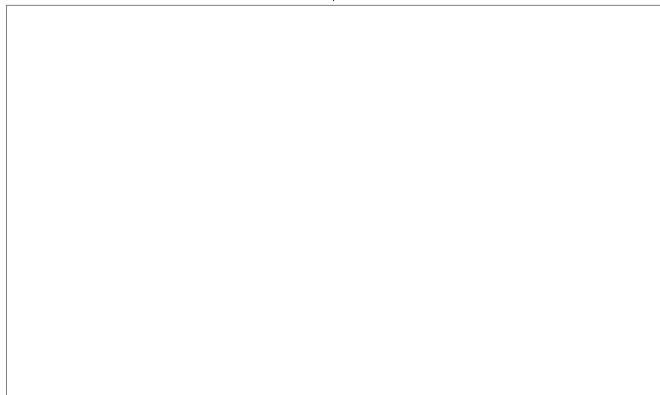
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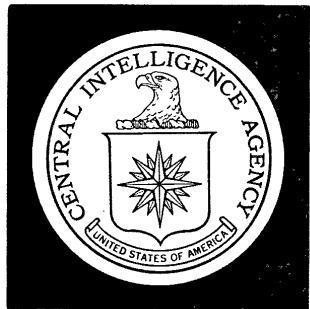
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NOTE

Czechoslovakia: The severe travel restrictions suddenly imposed by the regime have long been pushed by the ultraconservatives. They will close off an escape hatch for liberals fearing retribution for their activities last year and might lead some of them to stop opposing the Husak regime. One little noticed feature of the new regulations is their inclusion of "temporary" restrictions on foreigners trying to enter Czechoslovakia. These will probably last at least until next spring when the government may take another look at them because of tourism's importance as a source of hard currency.

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THE PRESIDENT'S DAILY BRIEF

13 October 1969

PRINCIPAL DEVELOPMENTS

Nasir has made it clear that Egypt will not participate in any Rhodes-type negotiations with Israel.
(Page 1)

Prime Minister Gandhi is again openly challenging her opponents in the Indian Congress Party. *(Page 2)*

Bolivia's President says his country would accept Cuban readmission to the OAS. *(Page 3)*

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EGYPT-ISRAEL

The Cairo newspaper Al Ahram, doubtless at Nasir's behest, has made it clear that Egyptian participation in any Rhodes-type negotiations with Israel is out of the question. Nasir has thereby undercut recent statements by Foreign Minister Riad, among others, which seemed to signify a willingness to consider a Rhodes formula.

We can only guess what is behind this apparent reversal. Some or all of the following may have figured in Nasir's decision:

- A desire to maintain an uncompromising image in the eyes of the Palestinians and other militant Arabs.
- A need to mollify domestic critics.
- The public stress the Israelis have been putting on the "direct" as opposed to the indirect aspects of negotiations under the Rhodes formula.

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INDIA

The running battle between Mrs. Gandhi and the Congress Party bosses has broken into the open again. She and five associates have sent an open letter to party president Nijalingappa, charging him with "arbitrarily" removing some of her supporters from important party posts. Nijalingappa has denied that he has forced her supporters out, but he was in fact planning to do so.

Mrs. Gandhi apparently intends to move against her opponents at the next meeting of the Working Committee, scheduled for 30 October. Presumably she thinks she now has a majority of that body on her side. A noteworthy addition to her forces is the powerful home minister, Y. B. Chavan, who is one of the signers of the letter to Nijalingappa. Chavan opposed her during her contest with the bosses over the presidential election two months ago. He has subsequently tried to act as peacemaker between the two factions.

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BOLIVIA

Ovando told a press conference on Thursday that his country would accept Cuba back in the OAS. Since Bolivia respects national self-determination, he said, the Cubans' approval of Castro is sufficient reason for readmission to the organization.

This is the most positive statement from a Latin American head of state on the subject of Cuban readmission to the OAS since Havana was expelled in 1964. Ovando's logic is a natural outgrowth of his own attempts to obtain international recognition since his coup last month.

Ovando left it unclear whether Bolivia would re-establish diplomatic relations with the Cubans. He did express the hope that although Cuba had "until recently" interfered in internal Bolivian affairs, such interference might cease now that his country had a new government.

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PRINCIPAL DEVELOPMENTS

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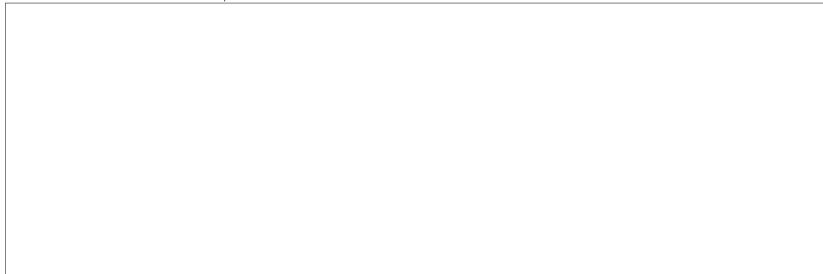
Husak reportedly goes to Moscow next Monday.
(Page 3)

The Portuguese military is pressing Prime Minister Caetano to return to more rigid policies at home and in Portuguese Africa. (Page 4)

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EAST GERMANY - WEST GERMANY



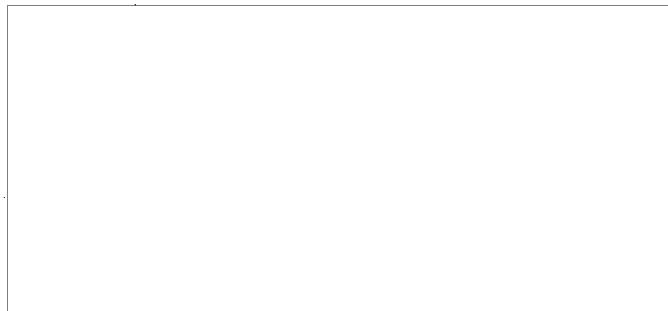
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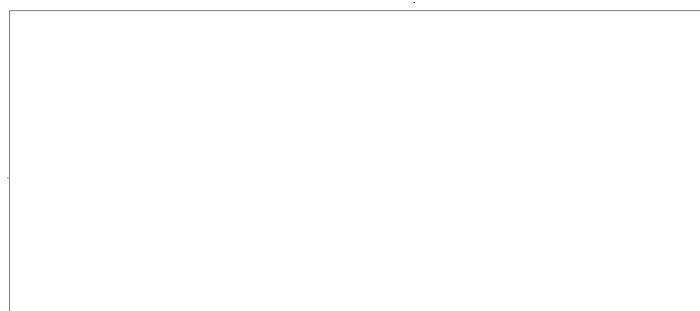
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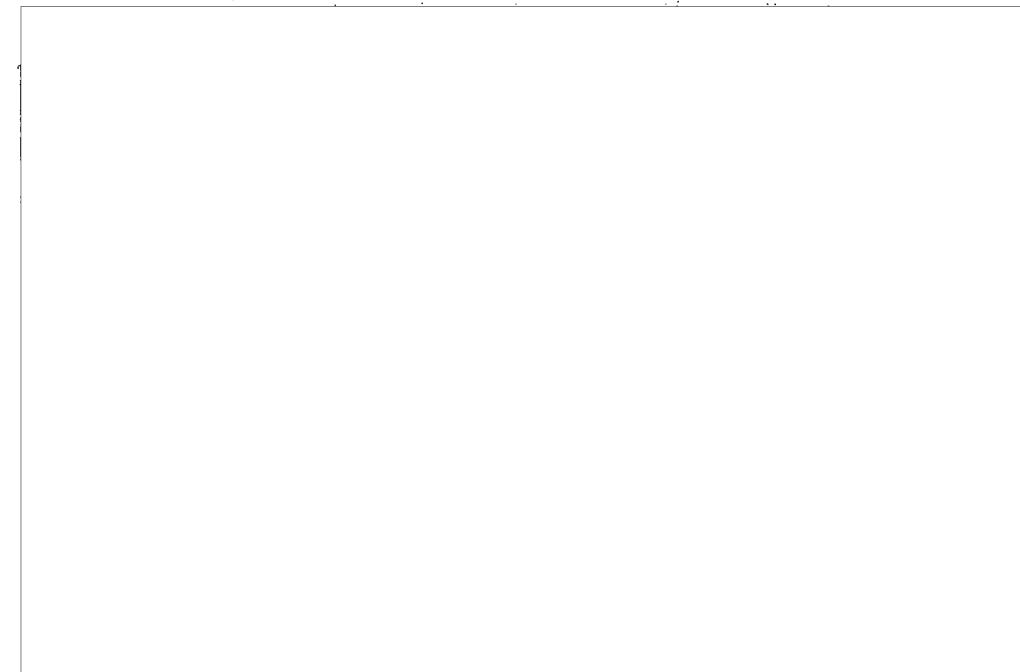
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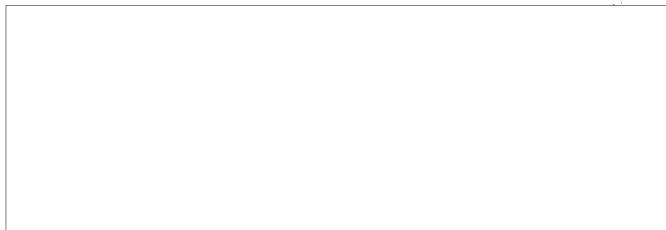


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SOVIET UNION

Recent satellite photography shows additional SS-11 strategic missile silos under construction at the Pervomaysk IRBM complex and the Derazhnya MRBM complex in the western USSR. So far four ten-silo groups have been identified under construction at Pervomaysk, and three at Derazhnya. One of the groups at Pervomaysk probably is operational, and two at Derazhnya soon will be. The others will take up to one year to complete.

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CZECHOSLOVAKIA

Husak will head a delegation of the country's top leaders to Moscow next Monday for a one-week visit, according to a reliable source of the US Embassy in Moscow. The high-level composition of the group suggests that the talks will review what has been accomplished toward "normalization" and what needs to be done in the next few months.

The most pressing issues are factionalism within the Czechoslovak party, the holding of a party congress next year, the holding of national elections, and a long-deteriorating economy.

Husak, challenged by the growing influence of conservatives within his regime, will seek and probably will get a more open and direct endorsement of his leadership. If he succeeds, Czechoslovak leaders may also request a large credit from the USSR and more freedom to work out domestic problems in their own way.

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PORtUGAL

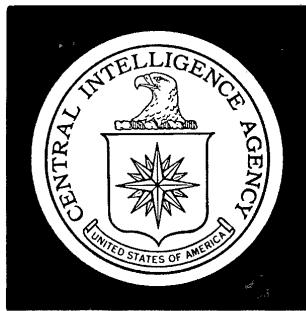
Prime Minister Caetano's small modifications of his government's hard-line policy in Africa and his slight relaxation of tight control during the election campaign this month have caused concern among the military. Our defense attache reports that Army Chief of Staff Deslandes, speaking for the armed forces, has warned President Thomaz that future government policy must include determination to hold the African territories as an integral part of Portugal, higher budget appropriations for military pay and equipment, and a tight rein on student or opposition demonstrations.

The military means business, and Caetano will have to defer, at least temporarily, his plans for gradual domestic autonomy for Angola, Mozambique, and Portuguese Guinea and his hope for better relations with black Africa.

The Portuguese are likely again to seek US backing for Lisbon's policy in Africa. If Azores base negotiations, in abeyance since the early 1960s, are reopened as suggested by Lisbon, they will provide a lever.

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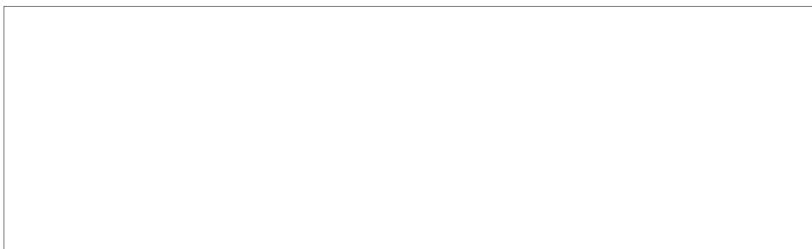
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THE PRESIDENT'S DAILY BRIEF

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PRINCIPAL DEVELOPMENTS



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In Laos, there has been little change in the military situation around the Plaine des Jarres, but in the south, Communist forces are beginning to put pressure on government guerrillas near Tchepone.
(Page 3)

The Seoul government is getting help from an unexpected quarter--the recent bumbling efforts by the North Koreans to send in agents--in its campaign for a favorable vote in Friday's referendum on President Pak's third term. *(Page 4)*

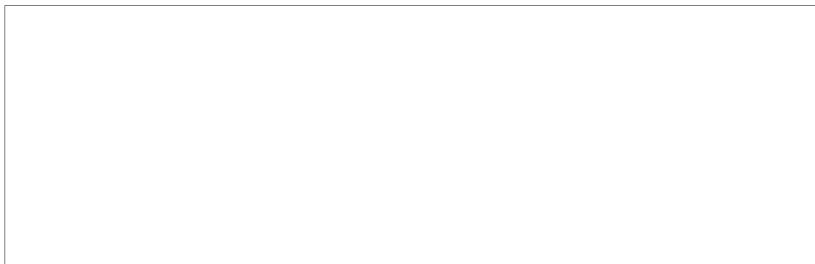


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WEST GERMANY - EAST GERMANY



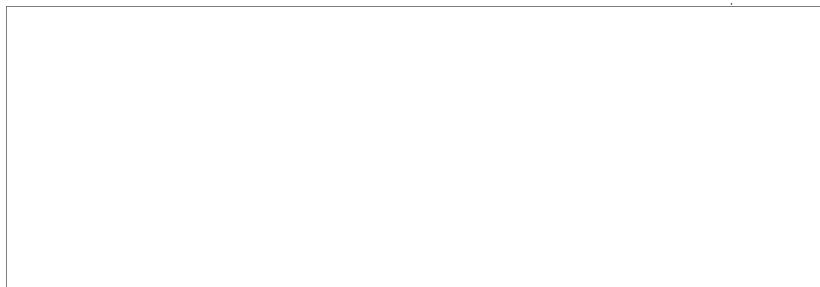
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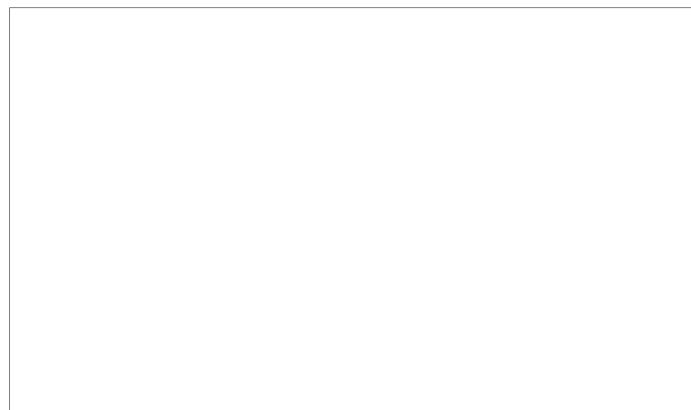
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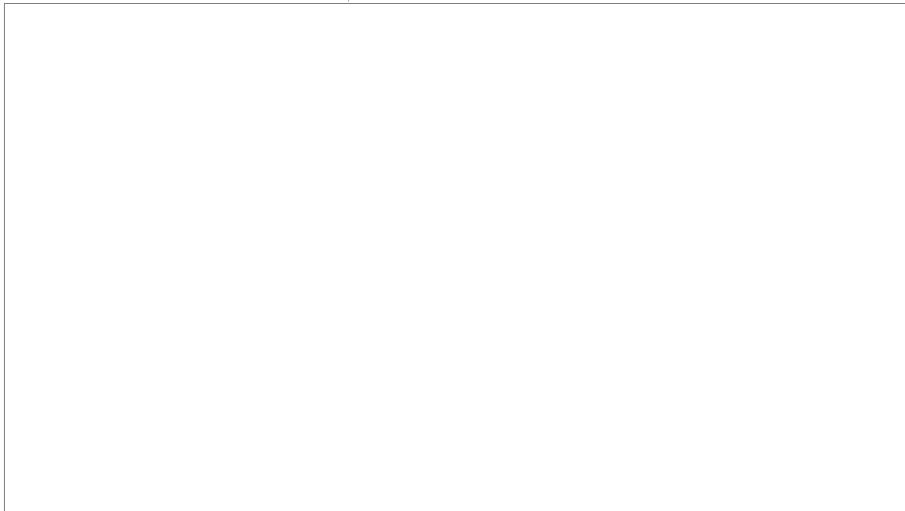


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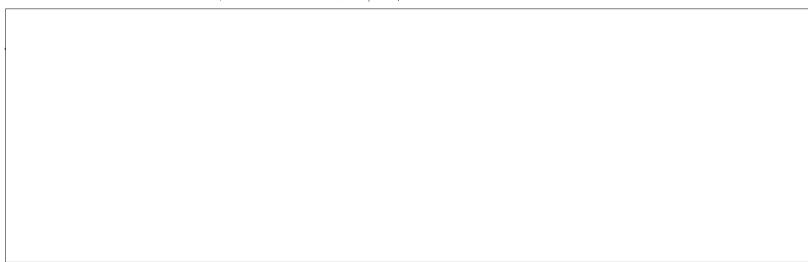
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SOVIET UNION - COMMUNIST CHINA



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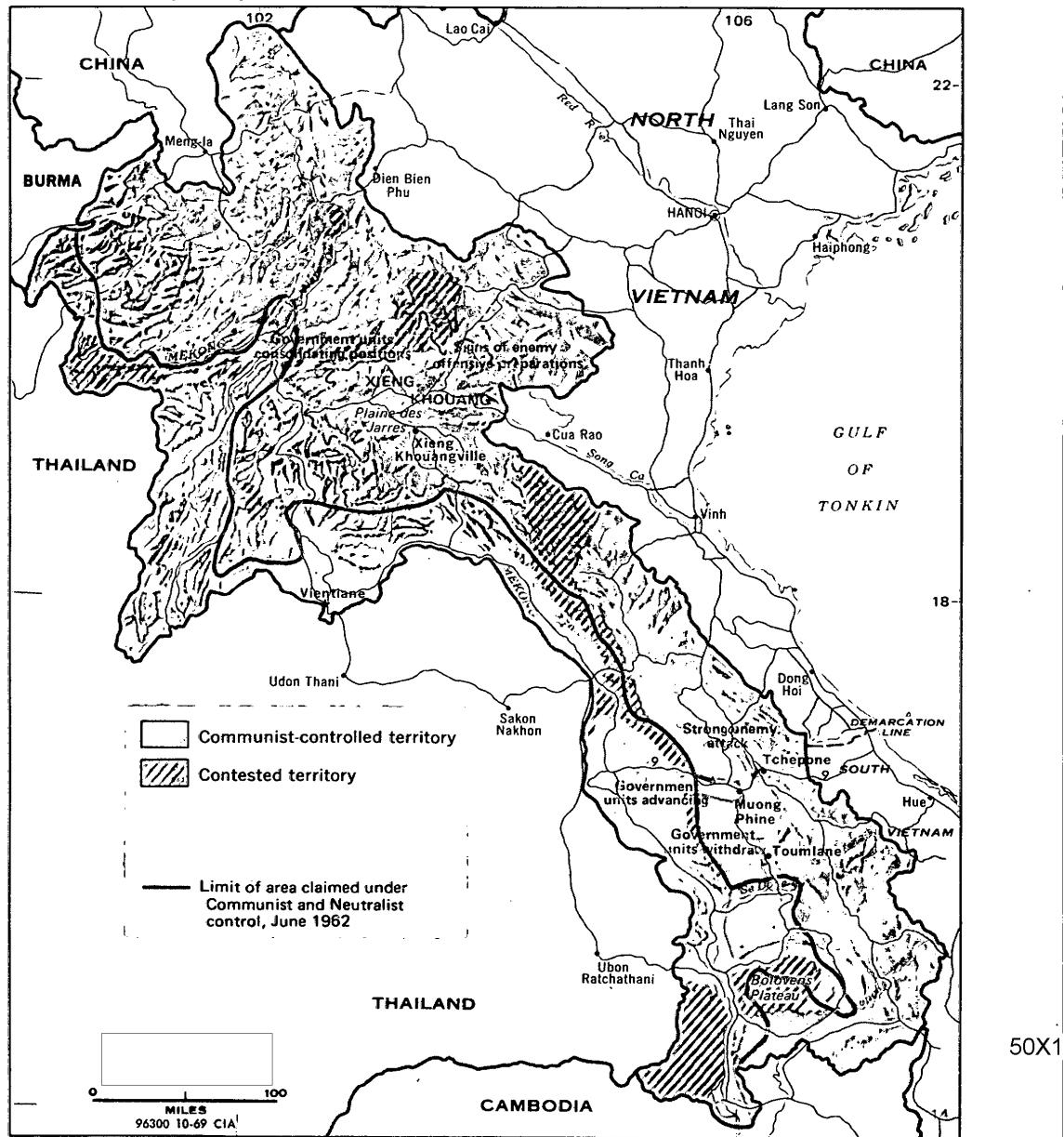


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Laos: Current Situation

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LAOS

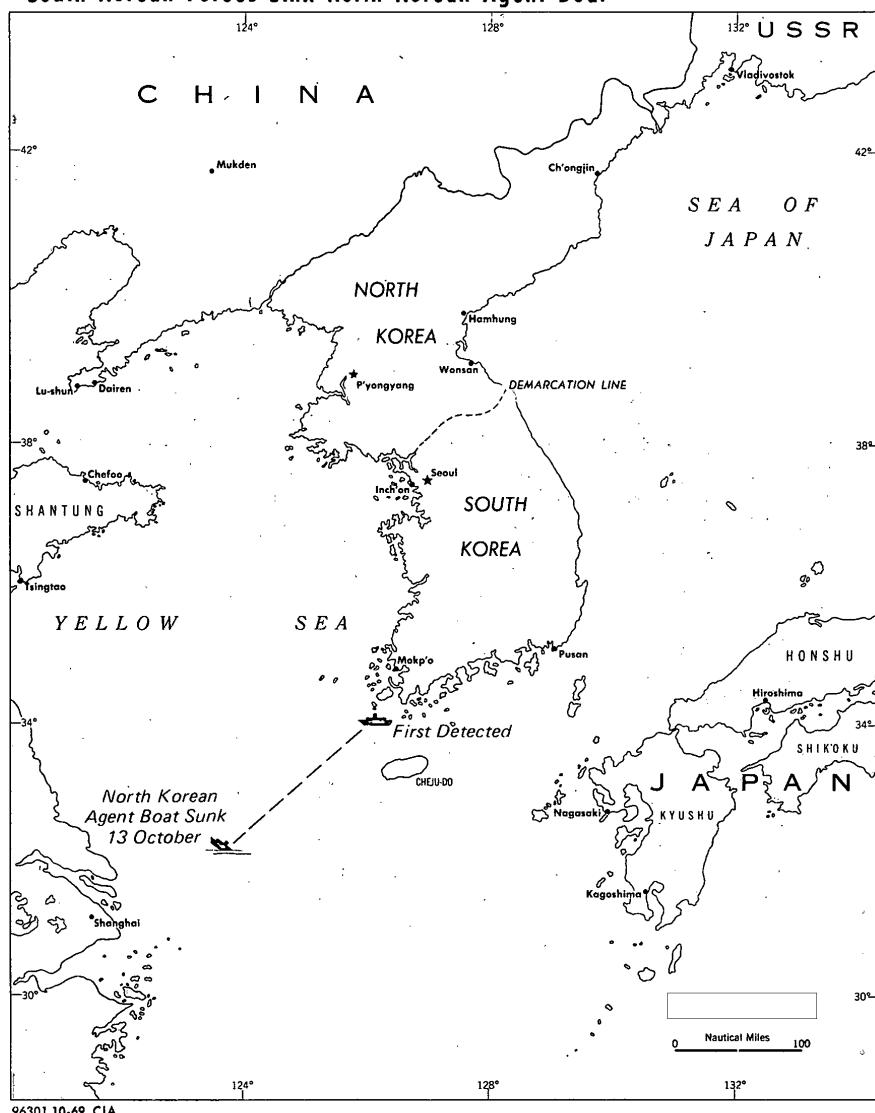
General Vang Pao's guerrillas are making some progress in their offensive in Xieng Khouang Province, but the military situation in northern Laos remains generally static. Communist forces seem to be sticking essentially to defensive tactics, although they have become a bit more active in their patrolling and small-scale raids.

We still expect an enemy counteroffensive. North Vietnamese intercepts continue to speak of new troop deployments and logistic planning.

In southern Laos, the picture is less favorable for the government. Friendly units have been forced to withdraw southward from the recently captured town of Toumlane, and several companies of irregulars have been driven off their high ground position overlooking Route 9, just southwest of Tchepone. Reinforced government elements have begun moving from the northwest toward Muong Phine in an effort to regain the initiative there.

FOR THE PRESIDENT ONLY

South Korean Forces Sink North Korean Agent Boat



FOR THE PRESIDENT ONLY

SOUTH KOREA

Pak's supporters are playing up yesterday's sinking of the 75-ton North Korean agent boat and other recent successes against Communist infiltrators to push their case for a yes vote in next Friday's referendum on a third term for Pak. They are using the incidents to paint [redacted] picture of the threat from the north and to point up the administration's ability to defend the country.

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[redacted]
the government has also released details of five agent arrests or sightings in the rear areas in the last two weeks. [redacted]

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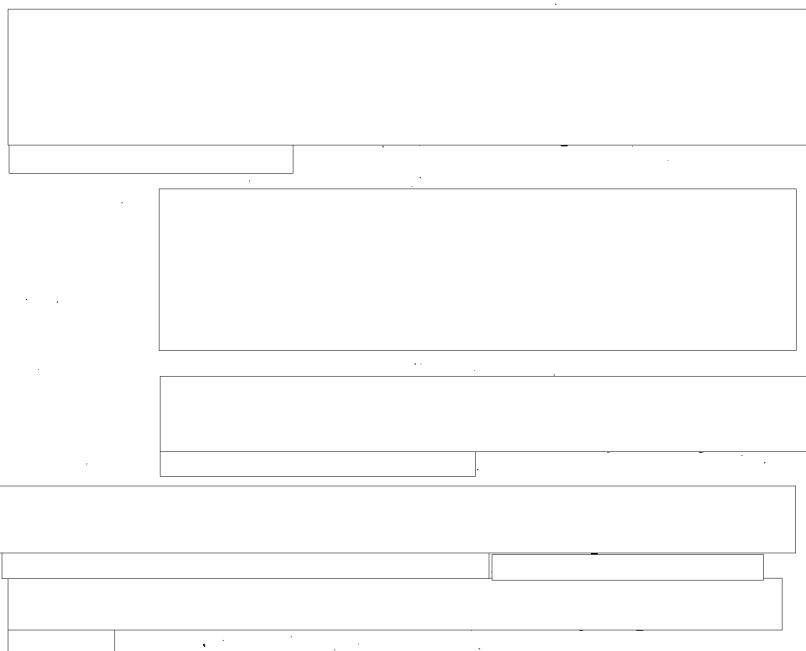
Another facet of the government's highly organized campaign has been to concentrate on the rural vote to offset the negative vote expected in Seoul and in other towns.

All indications are that Pak's third term aspirations will be supported by a comfortable majority.

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SOVIET UNION



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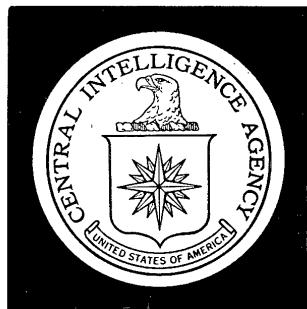
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PRINCIPAL DEVELOPMENTS

Moscow announces a new aid agreement with North Vietnam for 1970. It is much like the program for 1969.
(Page 1)



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Biafra is exploiting its capability to attack Nigerian oil installations. (Page 3)

India wants to improve its relations with East Germany but at the same time wants to retain its present good relations with West Germany. (Page 4)

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USSR - NORTH VIETNAM

The two nations have worked out a new aid agreement, according to a brief announcement on 15 October from Moscow. It is chiefly a public declaration of Soviet intent to continue furnishing military materiel, to provide short range economic aid to meet current North Vietnamese needs, and to program longer term aid for rehabilitation of the economy.

The language used is remarkably consistent with the announcement of July 1968 that set up the 1969 program. Neither of the agreements indicates the magnitude of aid to be supplied.

In 1970 the USSR presumably will follow the pattern of reduced military deliveries and expanded economic assistance that has prevailed since the US halted the bombing of North Vietnam.

Military deliveries began to fall off in 1968 as the Vietnamese need for air defense equipment was reduced. In that year Soviet military aid was cut by more than one third, from the \$500 million granted in 1967 to about \$290 million. During the same period economic assistance rose by \$40 million to \$240 million, largely to meet increased needs for food and agricultural items. Most of that aid was gratuitous.

It is likely that North Vietnamese demand for assistance in rehabilitation and reconstruction will increase considerably in the coming year. References to repayable credits in the aid agreements for 1969 and 1970 indicate that although the USSR will be a major source of support for this program, Moscow is attempting to insure that the economic feasibility of projects under such a program be clearly established.

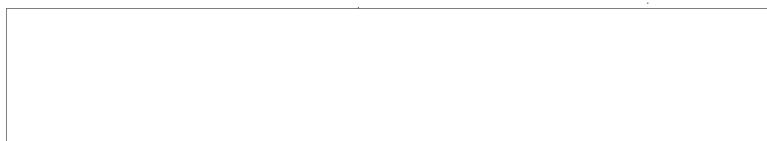
FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

LAOS



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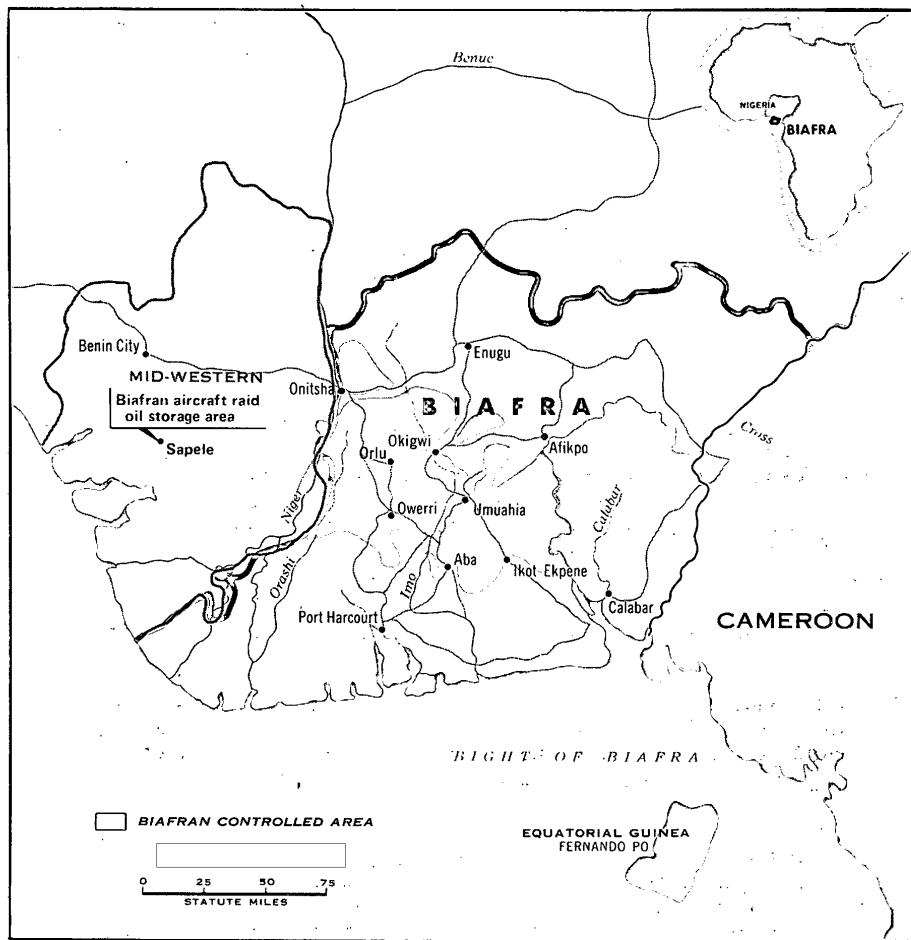
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The timing of the 312th's current deployment to Laos is a clear sign that the move was in reaction to the government's summer offensive in the Plaine des Jarres. It also is additional evidence that Hanoi does not necessarily deploy forces in Laos according to a predetermined schedule, but often makes such decisions on the basis of the tactical situation.

FOR THE PRESIDENT ONLY

Biafran Raids Continue to Disrupt Nigerian Oil Production



96314 10-69 CIA

FOR THE PRESIDENT ONLY

NIGERIA

Biafran aircraft struck a Mobil oil storage area on 14 October--the first raid on a Mobil facility. Shell-BP and Gulf have undergone six air attacks since last May.

Nigerian oil production was expected to be 1,000,000 barrels a day by the end of this year, but has fallen to about 500,000 barrels a day after reaching a peak of 600,000 barrels a day in April.

The decrease is only partly attributable to Biafran air and ground attacks. Marketing problems have also restricted production. The main reason for the failure to expand production is that oil producers are holding back because of the Biafran threat.

The Biafrans are convinced their campaign against oil facilities is the best way to hurt the Nigerians.

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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

INDIA - EAST GERMANY

The Indian Government is again considering diplomatic recognition of East Germany, but is fearful of losing West German aid. In London recently, Foreign Minister Dinesh Singh told a group of Indian journalists that recognition "will come some time," but later in New Delhi he would say only that relations were "developing."

The Indians are probably waiting for Bonn's reaction to those statements before taking any further action.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NOTES

Hungary - West Germany: Bonn and Budapest have agreed to give their respective trade missions authority to grant visas. This is the first positive political move toward improved relations since Soviet and East German opposition blocked Hungary's plans to recognize West Germany in 1967. The new agreement falls short of a full consular arrangement, but will facilitate future steps in that direction--if the USSR is willing.

Arab States: [redacted]

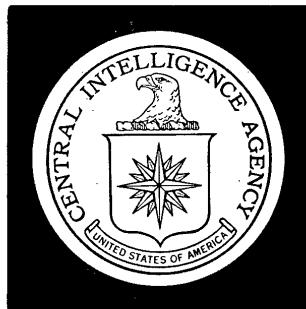
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USSR: [redacted]

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The President's Daily Brief

17 October 1969



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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

17 October 1969

PRINCIPAL DEVELOPMENTS

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West German financial officials are recommending a revaluation of the mark in the 8 to 10 percent range.
(Page 2)

The Communist Chinese are strengthening their air defenses along the Soviet and Mongolian borders.
(Page 3)

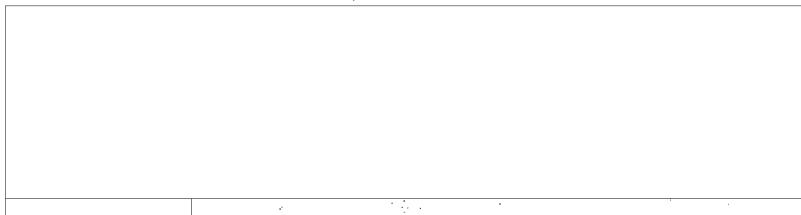
La Paz is considering a plan for nationalization of Bolivian Gulf Oil. (Page 4)

Japanese Prime Minister Sato is moving adroitly to line up wide political support for his handling of the Okinawa issue. (Page 6)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

VIETNAM

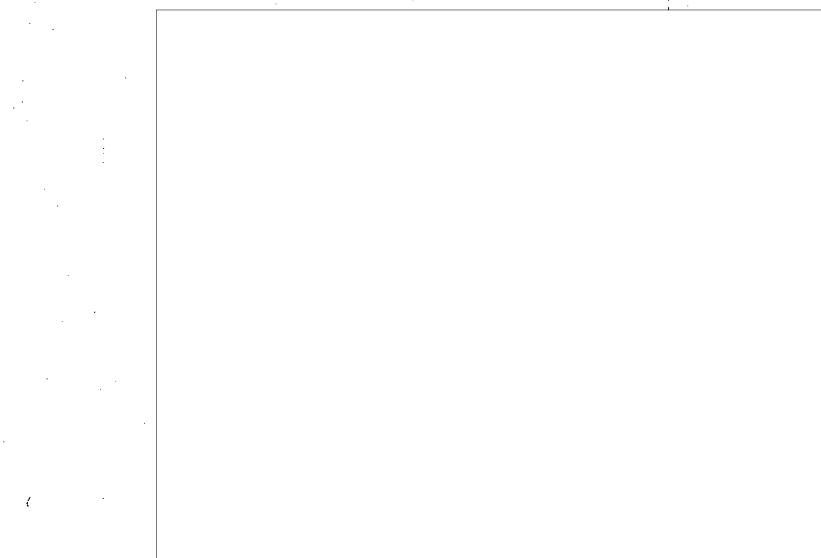


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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

WEST GERMANY

[redacted] at a meeting on 9 October, Germany's Central Bank Council at the urging of Bundesbank President Blessing recommended an 8-10 percent revaluation of the mark. Blessing had earlier preferred a revaluation of about 6.5 percent; this new recommendation presumably reflects the views of the incoming Brandt government. The German Council of Economic Experts has recommended a similar revaluation. The new exchange rate is to be set during the weekend of 25 October, after the new cabinet takes over.

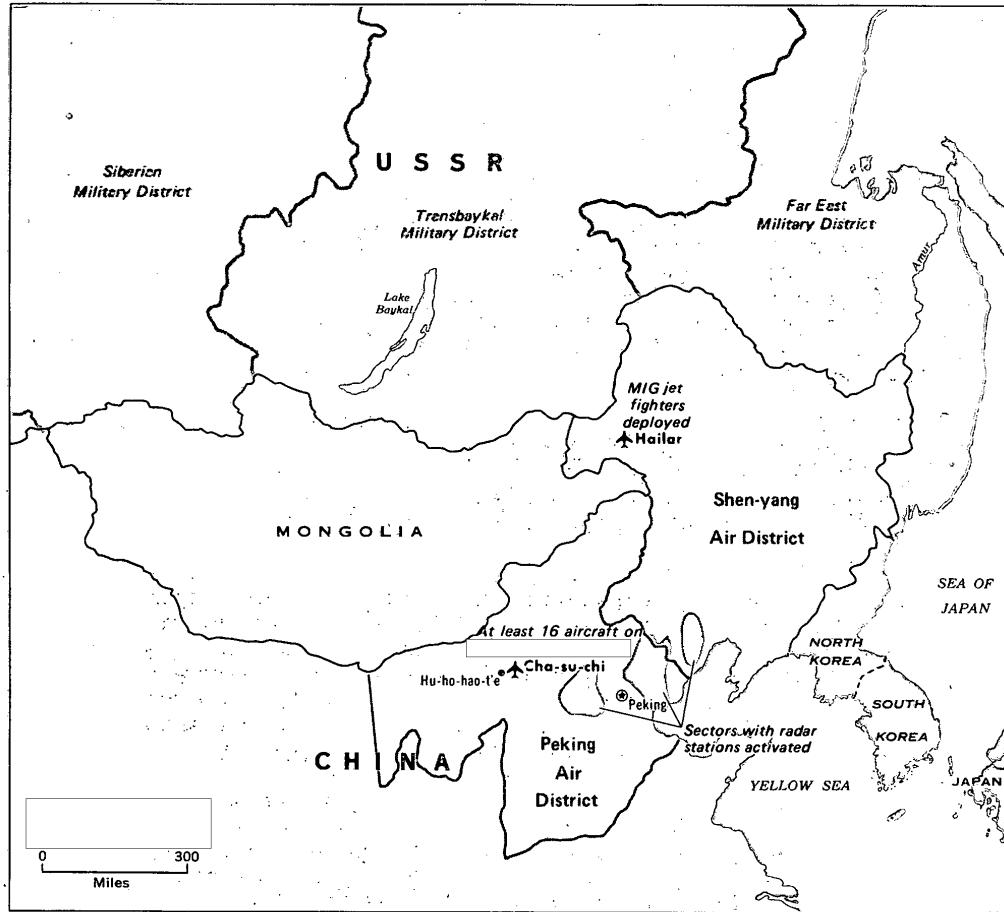
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Revaluation of this magnitude is not likely to have an immediate adverse effect on the West German economy. Industry is operating at full capacity, and orders already on the books guarantee a high level of production and employment for several months. There will probably be a permanent repeal of the four percent border tax measures, thereby reducing the effective rate--as far as German industry is concerned--to no more than 4-6 percent.

Brandt, by making his first major decision one in the economic area, will fulfill his previously announced intent to concentrate on domestic issues. This tactic serves to remove the spotlight from the realm of foreign policy, where the government's approach, particularly its more activist line toward the East, could prove controversial.

FOR THE PRESIDENT ONLY

China Strengthens Air Defenses



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FOR THE PRESIDENT ONLY

CHINA-USSR

Satellite photography of August showed that Chinese jet fighters had been deployed to Hailar airfield for the first time. Hailar is about 65 miles from the Mongolian border in northeastern Inner Mongolia. The most recent satellite photography [redacted] showed 16 aircraft at another airfield near Hu-ho-hao-t'e, also in Inner Mongolia. The planes appear to be jet fighters. The airfield--Cha-su-chi--was started 14 months ago and was rushed to completion only last month.

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These developments fit a pattern we have noted for some time: the gradual improvement of China's air defenses along the Soviet and Mongolian borders to close large gaps.

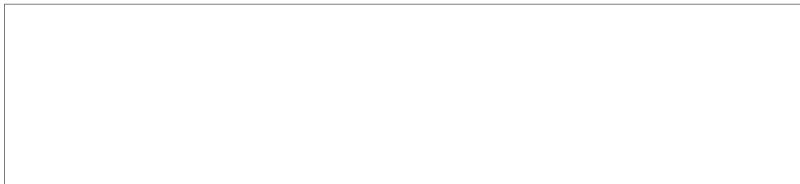
During the past several months the Soviets have been strengthening the western and central sectors of the frontier where their forces are weakest. Earlier they had deployed ground and air units to border positions opposite Manchuria, where the Chinese have also been strengthening their air defenses.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

BOLIVIA

The cabinet, under pressure from its ultranationalistic members, is now considering a plan for nationalization of Bolivian Gulf Oil. Somewhat unrealistically the ministers are discussing a scheme whereby Bolivia would receive aid from Europe and Japan that would enable it to operate the company's holdings profitably.



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Since Ovando took over the government on 26 September, there has been a growing outcry for the nationalization of the company. Demands of students, labor, and leftist political groups for expropriation were encouraged and given respectability by Ovando's own nationalistic statements. Ovando declared recently that such a drastic move is "unnecessary," but he may be unwilling or unable to withstand the pressure for nationalization from both within and outside the government.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY**BRAZIL**

Interior Minister Costa Cavalcanti has told the US Embassy in Rio de Janeiro that President-designate Medici plans to make a number of cabinet changes. The shift of Labor Minister Passarinho to the education ministry, replacing ineffective Tarso Dutra, raises the possibility of reforms in this long-neglected field. The designation of Ambassador to the US Mario Gibson to replace Foreign Minister Magalhaes Pinto could be a boost for US-Brazilian relations. Some improvement is also likely in the ministries of Health and Agriculture, whose present heads--along with Dutra--are considered the least effective men in the cabinet. Finance Minister Neto will be retained.

[redacted] the new minister for that service will probably be General Orlando Geisel, currently chief of the armed forces joint general staff. Medici also plans to name retired Admiral Rademaker Grunewald as vice president and to appoint Alfredo Buzaid as justice minister.

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These shifts indicate that the general policy lines of Costa e Silva will be retained but that the over-all competence of the cabinet will rise noticeably. The appointments of Rademaker Grunewald and Buzaid could be unpopular among Brazilians desirous of reform. The admiral does not have the united support of the navy, and some officers of the other services, particularly the air force, strongly oppose him. Buzaid is greatly disliked by students and liberals for his heavy-handed purge of professors at the University of Sao Paulo last year.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

JAPAN

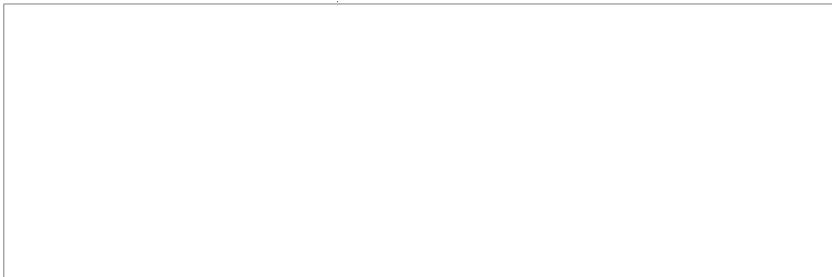
Sato met this week with opposition leaders from the middle-of-the-road Komeito and Democratic Socialist parties to reaffirm the government's commitment to get reversion of the Ryukyus by 1972. The party leaders urged the prime minister to press the US for "homeland level" reversion, which calls for removal of nuclear weapons from Okinawa and placing US forces there under the same restrictions that apply in Japan. They also reaffirmed that friendship between Japan and the US was basic policy in their respective parties.

Sato, looking toward his talks next month in Washington, is missing no opportunity to prove that his policies represent bedrock national consensus, and is moving skillfully to harness support above party lines for his handling of the Okinawa issue. The timing of his own party's announcement this week that it supported continuation of the Japan-US security treaty "for a considerable length of time" suggests that it too was intended to strengthen his hand in the forthcoming talks.

FOR THE PRESIDENT ONLY

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NOTE



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The President's Daily Brief

18 October 1969



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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

18 October 1969

PRINCIPAL DEVELOPMENTS

A member of the Soviet disarmament delegation in Geneva has asked for the US delegation's assistance in persuading Ambassador Roshchin to recommend joint US-Soviet ratification of the NPT. (Page 1)

The Chinese Communists have issued their first comprehensive economic statement in three years. (Page 2)

The head of the Libyan junta has called for the evacuation of US and British bases. (Page 3)

The Ovando government nationalized Bolivian Gulf Oil yesterday. (Page 5) 50X1

[Redacted] 50X1
The Soviets are improving their early warning radar coverage of the Mediterranean. (Page 7)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

SOVIET AFFAIRS

The Soviet delegation to the Geneva disarmament talks is urging Ambassador Roshchin to recommend to Moscow that the US and the Soviets jointly ratify the NPT "very soon," according to Timerbaev, the number two man in the delegation. Timerbaev said last Tuesday that it would be "extremely helpful" if the US delegation could make its own pitch for joint ratification, and if in addition the delegation could explain that Soviet ratification would be encouraging to the new West German government.

Timerbaev claimed that failure of the treaty would be used by the Soviet military to justify more effort against the West Germans. He said last week, in fact, that failure would give powerful ammunition to those Soviets who were not interested in joint arms control efforts and would thereby reduce the chances for meaningful cooperation in other areas of disarmament, including SALT.

Timerbaev strongly implied that he and the delegation had developed this initiative themselves, but there is little doubt that a good many Soviets are concerned about the NPT's prospects. The Soviets have two inter-related worries: first, that the West Germans (who in Soviet eyes have always been the most important people to be brought into the fold) will continue to withhold their agreement; and second, that the US is no longer pushing the treaty as hard as Moscow would like. Timerbaev seems to be trying to get some movement in both these areas, and he is holding out the possibility of earlier Soviet ratification in order to do it.

We have no way of knowing whether any such recommendation from Roshchin would get very far in Moscow, but it is hard to believe that the Soviets would ratify the treaty before Bonn even signed it. The new West German Government is almost certain to sign the NPT in relatively short order; formal ratification will take a bit longer, however.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

COMMUNIST CHINA

The first comprehensive statement on the Chinese economy in three years, broadcast on 13 October, urged the simultaneous development of heavy industry, light industry, and agriculture. There is no suggestion of any change in the emphasis now being given to development of modern weapons.

The statement is essentially pragmatic in tone. Private plots and other material incentives are not condemned, for example, and the continuation of the 1969 small-plant construction program is stressed. The promulgation of the statement--it was also published in the theoretical journal Red Flag--suggests the national leaders believe the domestic situation has quieted down enough to permit the resumption of systematic economic planning.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

LIBYA

Junta leader Lt. Col. Qaddafi, in his first public speech on 16 October, called for the evacuation of UK and US military bases. The colonel's speech was highly emotional, including a threat to use force to "liberate" the bases if they were not evacuated voluntarily.

Qaddafi's fiery speech may only have been a ploy to generate popular support--denouncing foreign bases is a time-honored crowd pleaser in the Middle East. The omission of a time limit seems to fit such a pattern. The junta's control of the public is not very firm, however, and Qaddafi may discover his rhetoric coming back to haunt him. If the pressure becomes great enough, the Revolutionary Council may be forced to renege on its previously announced intention to allow the US to remain at Wheelus until the expiration of the base agreement in 1971.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

AUSTRALIA

Prime Minister Gorton's coalition has been losing ground in public opinion polls since August, and next Saturday's election could go either way. Gorton, however, has resumed the outspoken, no-holds-barred political style that has served him so well during most of the past twenty years. As always, local issues and personalities will affect the outcome--factors that are generally unpredictable.

The continuation of Australia's present foreign policy is perhaps the major issue in the campaign. Gorton is forcefully defending the allied presence in Vietnam and the "forward defense" policy in Malaysia and Singapore. If the Labor Party takes over we can expect a reduction--if not the complete withdrawal--of Australia's contribution to the defense of Southeast Asia. We can also expect a more querulous approach to US-Australian relations and a more questioning attitude toward US activities that affect Australia.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

BOLIVIA

The military seized the offices, installations, and local manager of Bolivian Gulf yesterday afternoon, and Ovando issued a decree nationalizing the company last night. The action followed a statement issued earlier by Minister of Mines Marcelo Quiroga which showed him to be incensed by the government's indecisiveness on the issue.

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[redacted] Quiroga had said, "The government must decide between proving its nationalist essence or being forced to retreat."

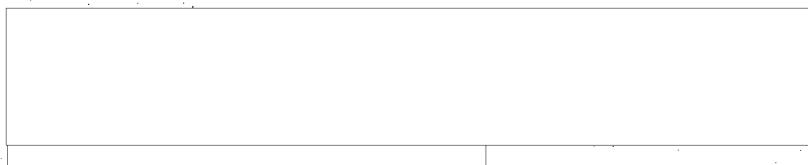
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Quiroga is one of the cabinet's most vehement nationalists. When he went over Ovando's head and appealed to popular sentiment on the issue, Ovando apparently lost whatever remained of his reluctance to go ahead with nationalization.

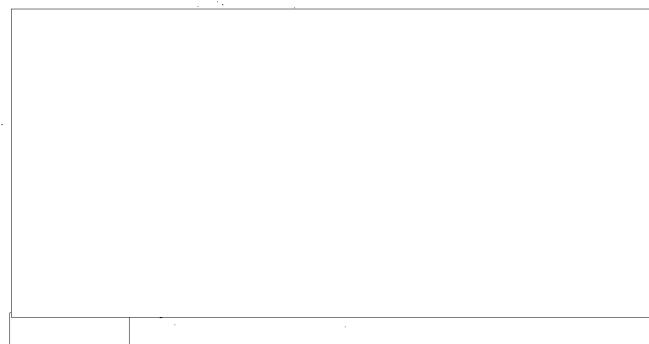
FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

FRANCE



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FOR THE PRESIDENT ONLY

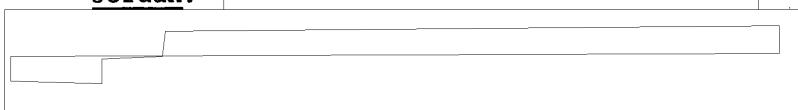
FOR THE PRESIDENT ONLY

NOTES

USSR: The Soviets are expanding their early warning radar system to cover the Polaris threat from the Mediterranean. Satellite photography shows a new "Hen House" radar under construction near Sébastopol in the Crimea. The control building appears complete, and construction has begun on the antennas. The radar probably will be operational by 1972, about the same time as the new Hen House radars at Sary Shagan and Mishelevka, which are located in the central and Far Eastern USSR respectively.

Jordan: [redacted]

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20 October 1969

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

20 October 1969

PRINCIPAL DEVELOPMENTS

President Thieu's cabinet discusses the Vietnamization program. Also, Thieu reportedly favors forming a new party. (Page 1)

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Japanese police are braced for "International Antiwar Day." (Page 5)

Anti-American sentiment is sweeping Bolivia in the wake of the nationalization of Gulf Oil. (Page 6)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

VIETNAM

50X1

Widespread uneasiness about Vietnamization in lower echelons of the South Vietnamese Government clearly is shared by some of the men at the top. Thieu seems to be fairly confident about US intentions concerning Vietnam, but he is apprehensive about the effects of domestic American sentiment against the war. Instead of simply wringing his hands, however, he seems to be trying hard to come to grips with the realities of Vietnamization and to implement programs of his own which could help it to succeed.

* * *

Minister of State Phan Quang Dan is hinting that President Thieu has blessed his idea of forming a "government party." Dan recently told the US Embassy that he believes the only way to generate popular support for the government is to form a political party from the bottom up.

(continued)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

The party would extend to government functionaries at the hamlet level. Dan observed that Thieu had had "bitter experiences" in his efforts to broaden the government's base by working through the leadership of existing political parties. Dan charged that South Vietnam's politicians are "constitutionally incapable of acting in concert."

Although it is not clear where Dan's proposal fits into Thieu's political planning, there is evidence that the President has for some time been thinking along similar lines. He has brought back into the government some former members of the Diem Government's elite Can Lao Party.

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Thieu also seems to be giving short shrift to the politicians in the progovernment National Social Democratic Front.

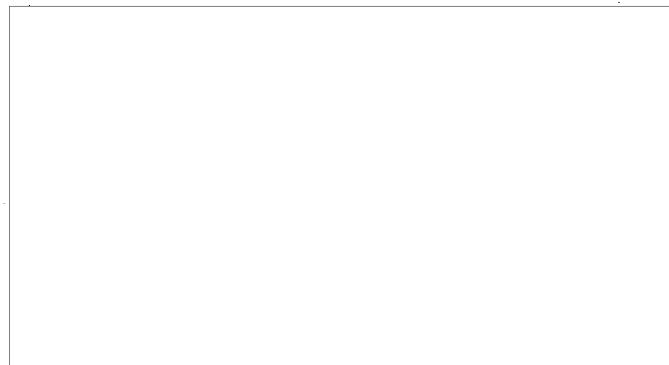
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USSR



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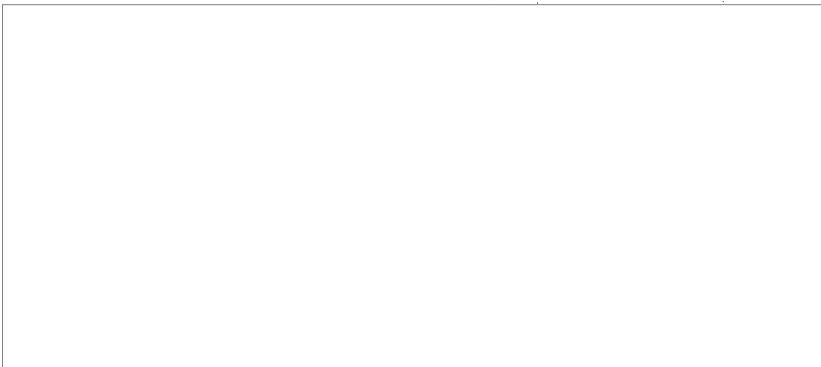


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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

USSR - MIDDLE EAST



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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

JAPAN

Japanese police are bracing themselves for a massive turnout of demonstrators on "International Antiwar Day" tomorrow. The demonstrations will be focused, as in the past, against the US-Japan security treaty. A countrywide total of more than 300,000 is expected, the largest since the antitreaty rallies of 1960, with about 80,000 in Tokyo.

Although the majority will be nonviolent members of the traditional left, there will also be sizable numbers of student and labor extremists, against whom the police will have to concentrate most of their resources. Security authorities expect these radicals to mount hit-and-run attacks on rail stations, government offices, and the US Embassy.

As a warmup for Tuesday's demonstrations, radical students staged a series of raids in Tokyo over the weekend. One group threw molotov cocktails onto the grounds of Sato's residence; another temporarily occupied one floor of the headquarters of the prime minister's party.

The radical left views its nonviolent demonstrations earlier this month as an experiment that failed because significant numbers of uncommitted Japanese did not rally to the antitreaty cause. It apparently hopes that this time, by returning to violent tactics carried out by widely dispersed groups, it can stretch the capabilities of the police to the fullest. The outcome of tomorrow's trial of strength will have an important bearing on the scope of leftist protests when Sato leaves for Washington in November.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

BOLIVIA

Bolivians generally are overjoyed at their government's decision to nationalize Gulf--so much so that editorialists and political leaders are calling for the nationalization of other US-owned industries. A wave of anti-American sentiment has swept the country, accentuated by some attacks on official US installations. Army guards have been provided to prevent further damage.

The government is already seeking aid to operate the Gulf facilities. Diplomatic relations were established with Romania within hours of the expropriation, and we have reports that agreements for technical aid were signed almost immediately.

Ovando is the kind of leader who finds out where the parade is going and then gets in front of it. In spite of his previously expressed reluctance to nationalize Gulf, he could not resist pressure from the militant leftists in the government. Now that Ovando has taken his first step, the leftists, under the leadership of anti-American Minister of Mines Quiroga, can push him along faster and farther than he wants to go. Quiroga wants to be president, and

[redacted] the leftists have a scheme to take over altogether if Ovando resists being their front man.

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NOTE

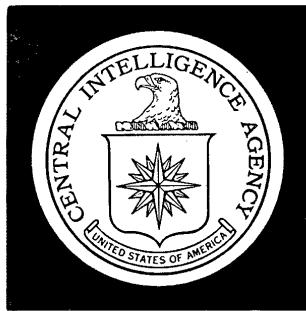
Guatemala: [redacted]

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21 October 1969

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

21 October 1969

PRINCIPAL DEVELOPMENTS



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Bolivian Gulf is to be compensated only for its physical plant and equipment, according to Minister of Mines Quiroga. (Page 2)

Shootdowns and accidents have taken a heavy toll of Egyptian pilots and aircraft since the war of June 1967. (Page 3)

Czechoslovak officials are hoping that their current visit to Moscow will result in Soviet economic and political gestures that will shore up their position on the home front. (Page 4)

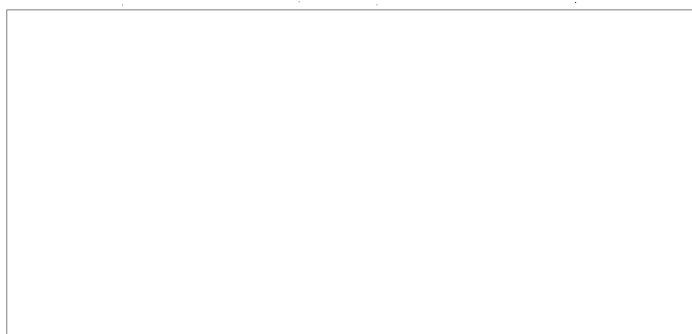
FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

VIETNAM



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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

BOLIVIA

Minister of Mines Quiroga has said that Gulf will be paid only for its physical plant and equipment. He has specifically ruled out payment for gas and oil currently stored in Bolivia. Moreover, except for fixed assets, there will be no compensation for "investments that the company made in the country because what it might have spent does not interest us."

Quiroga also seems to be preparing the way for a claim, as Peru did in similar circumstances, that Gulf owes a debt to the state that will at least partially offset any compensation that might be decided on. He said that an audit to establish the amount to be paid the company may also show "possible fraud in the area of royalties."

According to the US Embassy in La Paz, if only fixed assets are paid for, the compensation would amount to no more than \$85 million even with the most favorable appraisal. Gulf's total investment in Bolivia is approximately \$140 million, all brought in since 1956.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

EGYPT

Air losses through shootdowns and accidents are cutting deeply into Egypt's pilot strength and aircraft inventory. Since the June 1967 war, the Israelis, [redacted] say they have downed more than 50 of Egypt's fighter aircraft. In addition, the Egyptian Air Force has an extremely high accident rate.

50X6

50X1

The total number of pilots lost cannot be accurately determined, but between 35 and 45 is a good estimate.

50X1

The rate at which Soviet aircraft are now being delivered to Egypt suggests that Moscow has no immediate plans to go beyond replacement of losses. Egypt's front-line fighter strength is believed to be maintained by drawing aircraft from reserves. As a result of the losses incurred in air engagements and accidents, these reserves probably are about gone. In the case of the MIG-21 (the workhorse of Egypt's air defense), the losses probably have begun to cut into the on-line combat inventory.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

CZECHOSLOVAKIA-USSR

The top leaders of Czechoslovakia's Communist Party and government began their nine-day visit to Moscow yesterday. Before leaving Prague, they carefully fostered the idea that their trip, besides symbolizing Moscow's full acceptance of Husak and a return to more or less normal relations, would have tangible benefits as well. Prague Radio's Moscow correspondent predicted in a report on Sunday that a document of basic political importance would be signed. Domestic Czechoslovak broadcasts have hinted that important economic issues would also be discussed.

We think it likely that the Soviets have in mind some gestures that would strengthen Husak's hand at home. The Czechoslovaks no doubt hope that these may take the form of a promise of significant economic aid and an indication that the Soviet garrison might someday be reduced. If Husak could get either of these plums, prospects for the stability and longevity of his rule would be greatly enhanced.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NOTE

Somali Republic: Army and security forces in Mogadiscio staged a coup early this morning and apparently are in full control. Preliminary reports indicate that army personnel are guarding all key installations in the capital. Radio Mogadiscio announced the formation of a "revolutionary council," but mentioned no names and offered no further details on the coup. The army made its move in the midst of a political vacuum as Somali leaders were selecting a successor to President Scermarche who was assassinated last week.

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22 October 1969

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THE PRESIDENT'S DAILY BRIEF

22 October 1969

PRINCIPAL DEVELOPMENTS

The Vietnamese Communists may be thinking in terms of a cease-fire and a temporary division of South Vietnam between the GVN and the PRG. (Page 1)

The Chinese [redacted] (Page 2) 50X1

[redacted] German [redacted] (Page 3) 50X1
[redacted] 50X1

The Soviets seem to be preparing for another unmanned lunar mission. (Page 8)

General Viaux, who moved against the Frei government yesterday, announced the end of his revolt this morning. (Page 8)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

VIETNAM

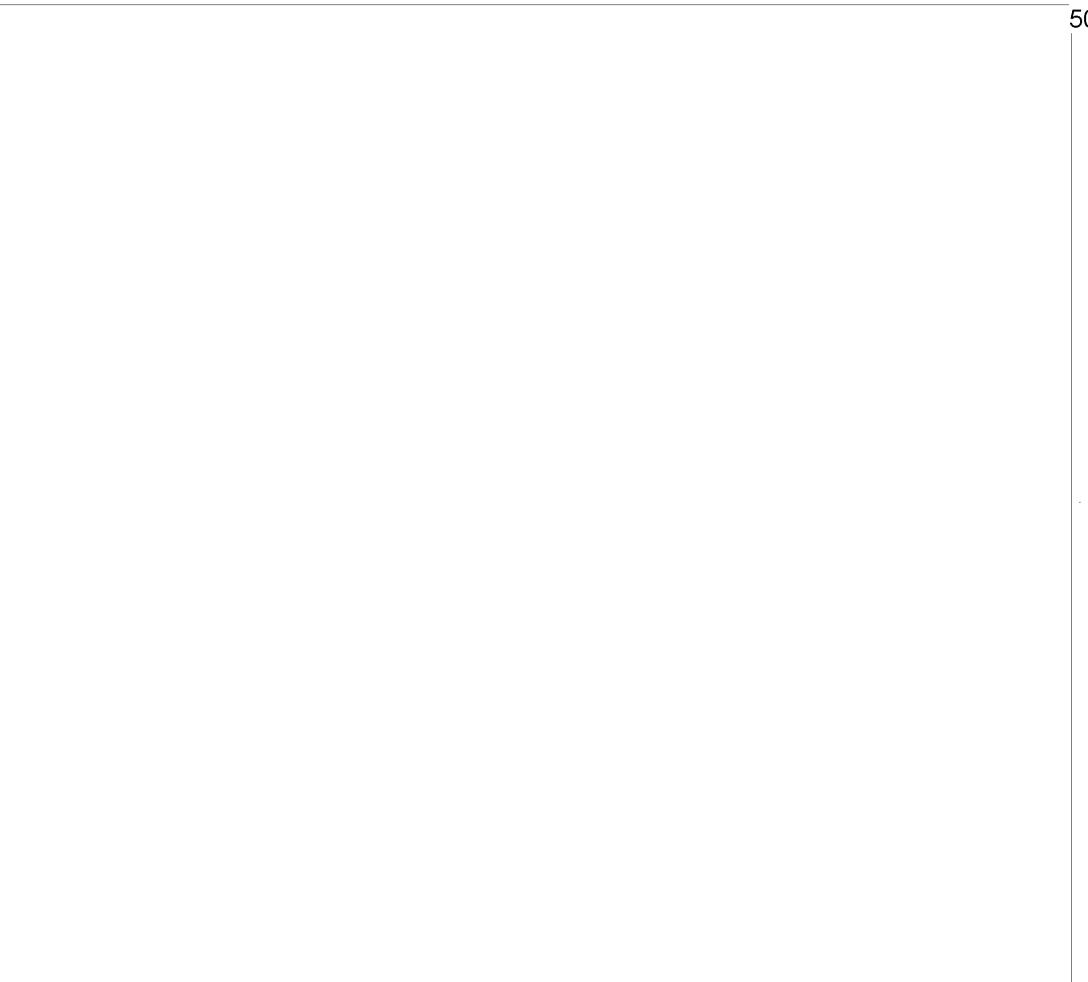
Two documents captured in South Vietnam in late September are consistent with the hypothesis that the Communists may be thinking in terms of a cease-fire and a temporary division of the country between two governments--the GVN and the Communist PRG--with the question of national power left in doubt for the time being.

The documents appear to be briefing papers for the indoctrination of Viet Cong cadre on COSVN Resolution 9, the southern Communist version of the decisions reached during Hanoi's major policy review last April. This strategy review led to the announcement of the ten-point peace plan in May, which first hinted at the possibility of there being two regimes in South Vietnam during the period between a cease-fire and a political settlement.

The Communists, to judge from these two documents at least, seem to anticipate a gradual winding down of the big-unit war in South Vietnam and eventually a cease-fire situation. According to one document, it would be difficult to determine after a cease-fire "who is the winner and who is the loser." It urges Communist forces to be ready to launch the "political struggle" immediately. There is stress in these (as well as other) documents on the need for the Communists to have a firm hold on their base areas in mountainous and certain rural regions, thus implying that the Saigon government would hold the urban areas.

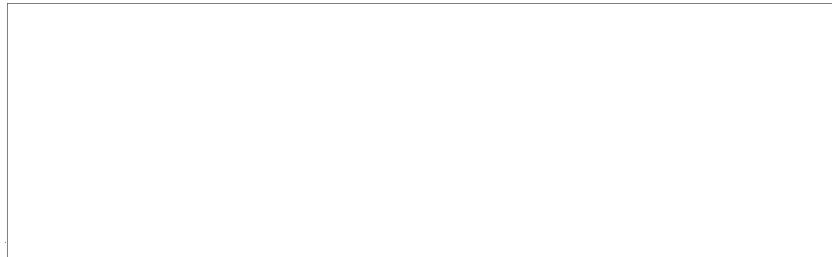
Ho Chi Minh's terminal illness this past summer may have been what interrupted the development of a scenario like this in Paris. The fact that some of the results of last spring's decisions in Hanoi are still being disseminated widely in South Vietnam suggests, nevertheless, that the basic policies made then are still intact.

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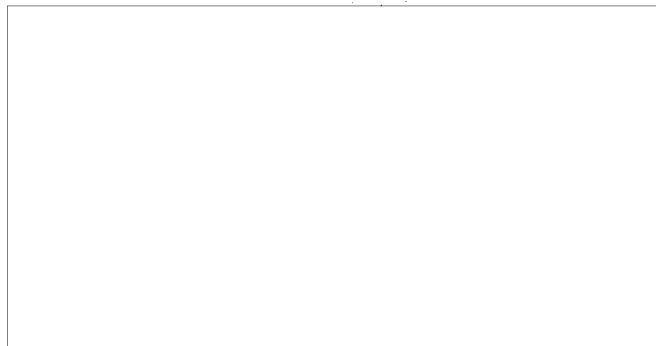


FOR THE PRESIDENT ONLY

COMMUNIST CHINA



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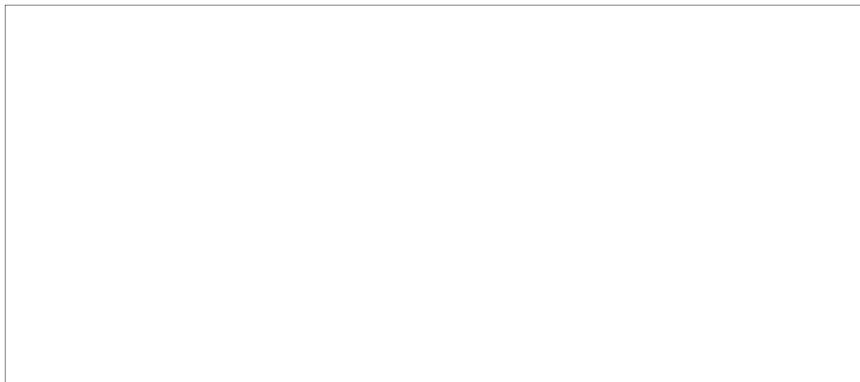


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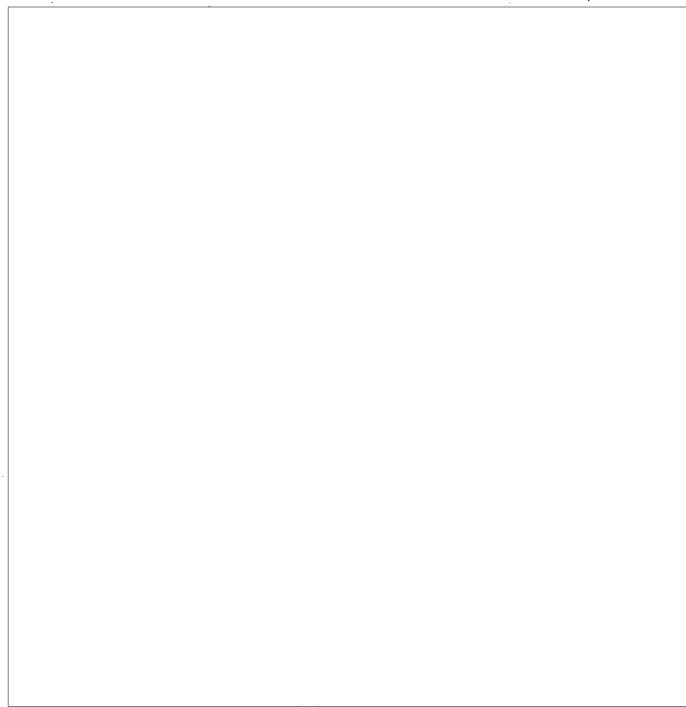
FOR THE PRESIDENT ONLY

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EAST GERMANY - WEST GERMANY



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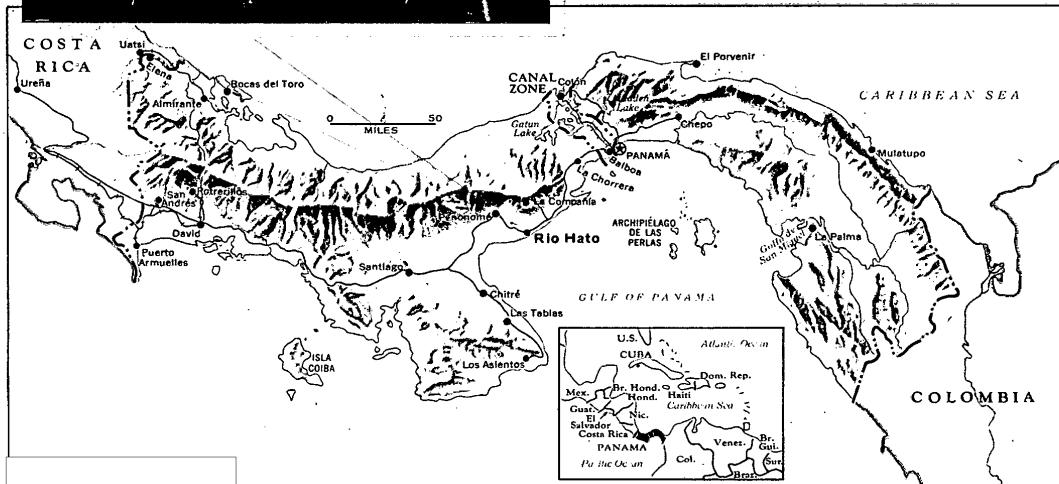
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FOR THE PRESIDENT ONLY

Rio Hato - US military training facility and air base



PANAMA



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FOR THE PRESIDENT ONLY

PANAMA

General Torrijos has indicated willingness to negotiate an extension of the Rio Hato Base agreement when it expires in August 1970. During a visit to the US earlier this month, he told General Westmoreland that he would support continued US use of the installation on an interim basis until the 1903 Canal Treaty is revised.

Last Friday Torrijos told the US Commander in Chief, Southern Command, General Mather, that a suitable quid pro quo would be an increase in the US sugar quota for Panama. Torrijos had earlier requested four T-28 aircraft and two helicopters. Although he did not link the request for military equipment with the base agreement, it is possible that he may do so.

Rio Hato, a 19,170-acre training area and air base, is the only US military installation outside the Canal Zone. Its continued use has been entwined with the complex canal treaty question. The draft treaties resulting from US-Panamanian negotiations from 1964 to 1967 included arrangements for continued use of the base by US forces.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

JAPAN

The police managed to contain yesterday's leftist manifestation, even though for a time the demonstrators partially paralyzed Tokyo and disrupted other major towns. Hundreds of agitators were arrested.

The Sato government probably came out of all this with stronger public support for its position on maintaining defense ties with the US. The police, moreover, may have set back plans to disrupt Sato's departure for the US next month. They showed they could cope with the new "guerrilla" tactics of the radical students.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

IRAN

The international oil consortium, which controls almost all of Iran's crude oil output, has refused thus far to commit itself to use a pipeline the Shah wants to build from southern Iran to the Mediterranean port of Iskenderun in Turkey. It says the estimates of pipeline construction costs and probable transit tariffs are too low, and it also believes that tankers would offer more secure supply lines during crises. The consortium's lack of interest also is based on the large capital investments it already has made, under Iranian pressure, to increase Iran's tanker loading facilities in the Persian Gulf.

Without a commitment from the consortium, financing for the pipeline almost certainly cannot be obtained and this pet project of the Shah will be delayed or doomed.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

SOMALI REPUBLIC

The Somali constitution has been dissolved and a "revolutionary council" formed, according to Radio Mogadiscio. Army commander Siad and Jama Ali Korshel, the head of the police, are the only members of the council who have been identified so far.

The junta claims it acted to eliminate tribalism and corruption, but General Siad is also known to have opposed Prime Minister Egal's policy of detente with Ethiopia and Kenya.

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The junta has already announced that it will support all "freedom fighters." This by itself will probably provoke severe reactions in Addis Ababa and could easily produce new tension on the Ethiopia-Somali border.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NOTES

USSR: [redacted] the movement of Soviet support ships suggest that preparations are under way for an unmanned space mission which will orbit the moon and then attempt a soft landing. Favorable conditions for launch will exist between 23 and 27 October. The first Soviet mission of this type to leave earth orbit, Luna 15, was launched last July. After orbiting the moon, it crashed on the lunar surface in a soft landing attempt. A similar mission in September, Cosmos 300, failed to eject from earth orbit.

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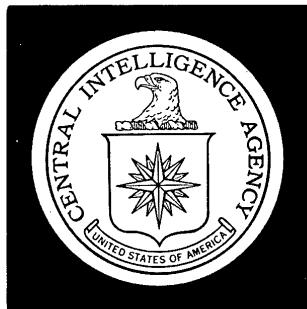
USSR - Middle East: In a speech in Budapest on Monday, Soviet trade union chief Shelepin said that although the Soviets support a "political settlement" in the Middle East, the "struggle of the Palestinian patriots" is a "just national liberation and anti-imperialist struggle" which "we will support." [redacted]

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Chile: General Viaux, who yesterday led two regiments against the Frei government, announced this morning that his revolt was over and he was turning his command over to a presidential emissary. We have no word on the other terms Viaux agreed to.

FOR THE PRESIDENT ONLY

Top Secret



The President's Daily Brief

23 October 1969

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

23 October 1969

PRINCIPAL DEVELOPMENTS

The Lebanese Government's crackdown on fedayeen activities is having reverberations throughout the Arab world and could lead to armed conflict in Jordan as well as in Lebanon itself. (Page 1)

A recent speech broadcast by Hanoi adds to evidence that Truong Chinh may be the "first among equals" in North Vietnam's new leadership. (Page 3)

In Laos, the government still holds the military initiative in the Plaine des Jarres area, but in the south its gains continue to be eroded. (Page 4)

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[Redacted]
The Chilean Army dissidents achieved at least one objective during their short-lived revolt--the dismissal of the unpopular defense minister. (Page 6)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

ARAB STATES

The Lebanese Government's crackdown on fedayeen activities has caused an uproar in the Arab world.

Major fedayeen political leaders meeting in Amman yesterday called upon the heads of Arab states to intervene with Lebanon on behalf of the guerrillas. The radical governments of Iraq and Syria had already voiced their support. Iraq offered its army's assistance, and Syria threatened to take firmer action, closing its border with Lebanon. Later in the day Lebanese posts along the Syrian border reported Syrian Army and fedayeen units supported by tanks and armored cars massing at border positions. Beirut Radio announced early this morning that armed infiltrators had crossed the Syrian border, attacked several Lebanese frontier posts, and abducted a number of police, customs, and security personnel.

Libya has withdrawn its ambassador from Beirut, and Algeria has hinted it might also break relations. Egyptian President Nasir has informed President Hilu of his concern and has asked him to end the army-fedayeen confrontation. Lebanon last night announced it would submit the fedayeen question to the Arab League.

It is unlikely that the Lebanese will be successful in gaining League support for their position.

Jordan's King Husayn, who has been having his own problems with the fedayeen, is said to have met with his advisers to review the political and military situation in his country. There was a large demonstration yesterday in Amman protesting the Lebanese Government's actions. In addition, recent fedayeen broadcasts to Jordan have been calling on the army, the bedouins, and the East Bank's population to stand behind the guerrillas.

The fedayeen, fearing a coordinated crackdown on their activities in both Lebanon and Jordan and emboldened by the actions of the radical Arab states, might decide to challenge both the Lebanese and Jordanian governments at this time.

(continued)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

In Lebanon itself, demonstrations occurred in Beirut and Tripoli yesterday. Following an attack by fedayeen on seven soldiers near a refugee camp in Tripoli, the Lebanese Army Command ordered army and gendarmerie units to enter all refugee camps and disarm the occupants. Other units are standing by to bring any civil disturbances that might erupt in major urban centers under immediate control. Leftist-organized demonstrations are planned for tomorrow. These may lead to even further clashes between the army and fedayeen supporters.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

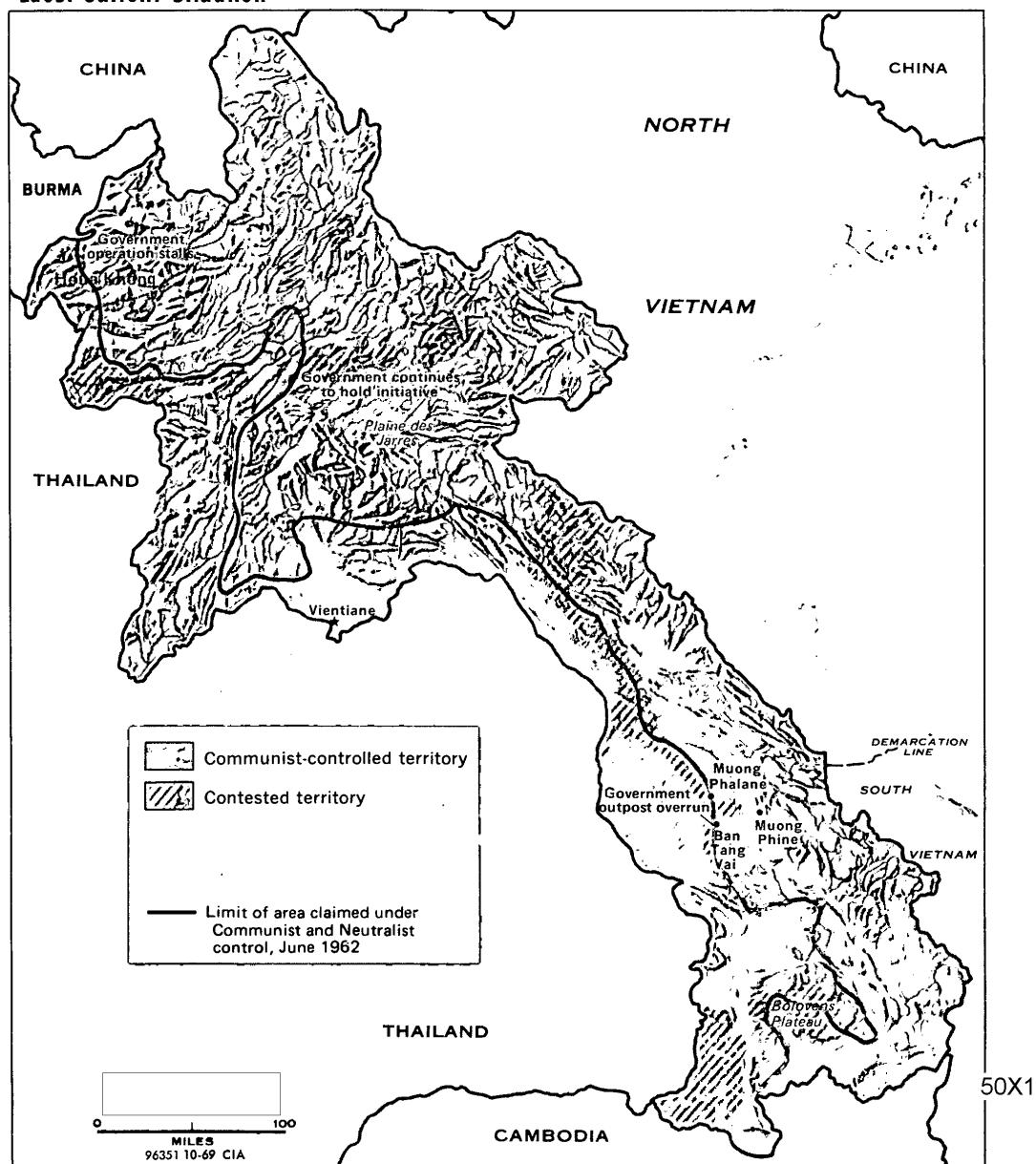
VIETNAM

A speech broadcast by Hanoi on 19 October adds to evidence that Truong Chinh may be the "first among equals" in North Vietnam's new leadership. Chinh bluntly told personnel of a propaganda publication that they had been overemphasizing the war and ignoring the "building of socialism" in North Vietnam. He charged that this had been going on since 1966 and he left no doubt that the emphasis was going to be changed in the future.

Truong Chinh is the only member of the leadership in Hanoi who can be solidly identified with the view that North Vietnam must devote more attention to domestic issues and less to the war. It is a theme he has been pushing at least since mid-1968, most recently in a speech he made to the National Assembly last month. The text of this speech is among the study documents of a current Politburo indoctrination campaign. All other documents used in the campaign are either works of Ho or attributed to the Central Committee.

The two Chinh speeches are the only significant policy statements by an individual North Vietnamese leader to be broadcast by the regime since Ho Chi Minh's death. Although not conclusive, this special treatment seems to us a good indication that he may be the dominant figure in the new regime. Moreover, the latest speech supports the thesis that Truong Chinh has been the principal figure behind policies of phasing out the big-unit war in the south.

Laos: Current Situation



FOR THE PRESIDENT ONLY

LAOS

The government still has the initiative in the Plaine des Jarres area. General Vang Pao's Meo guerrillas have moved into important enemy logistical and staging areas during the past few days, inflicting additional supply losses on the Communists. Intercepted enemy messages indicate that North Vietnamese elements are trying to retake some high ground north of the Plaine, but their inability to put together a concerted assault suggests that they are still hampered by supply and manpower shortages there.

Recent communications intelligence indicates that over 2,000 men of the North Vietnamese 312th Division remain in North Vietnam waiting for transportation to the Laotian border. It may be some weeks before fresh enemy troops can significantly alter the power balance in and around the Plaine des Jarres.

In the sensitive corridor area in southern Laos, government advances toward the Muong Phine area seem to have been dealt a fresh setback. A North Vietnamese force is reported to have overrun the government outpost at Ban Tang Vai Tuesday. [redacted]

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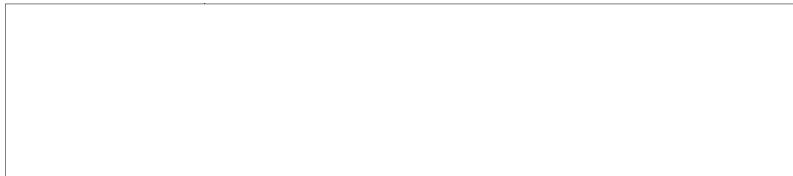
[redacted]
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The government base at Muong Phalane would be an important target for the Communists. The base supports government guerrillas operating farther to the east in the infiltration corridor.

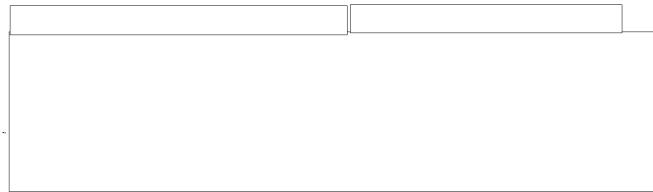
Government commanders in the northwest, faced with more concerted enemy resistance, have called a halt to a month-old operation to recapture some advance bases. Guerrilla elements have for some years enjoyed considerable success in disrupting Communist supply lines in this region.

FOR THE PRESIDENT ONLY

LIBYA



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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

CHILE

We are beginning to get some idea of General Viaux's price tag for surrendering. The unpopular defense minister, one of Viaux's targets, has been replaced by a close civilian associate of President Frei. There are reports that the army commander is on his way out as well. In his surrender speech, Viaux claimed that Frei had also agreed to solve some of the problems--low pay and outmoded equipment, for instance--which touched off the dissidence.

We expect prolonged repercussions from all this. Viaux's complaints that the armed forces have been generally shortchanged in recent years are widely shared. If he and the officers who joined him are court-martialed, they could become martyrs which in turn would have important political implications as the 1970 elections approach.

FOR THE PRESIDENT ONLY

Soviet

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FOR THE PRESIDENT ONLY

NOTES

USSR: [redacted]

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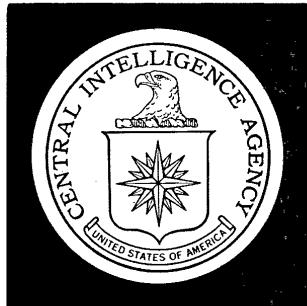
Bolivia: Nationalization of two more US-affiliated companies may come on or before 31 October, the seventeenth anniversary of the nationalization of the tin mines. The government has already drawn up a decree to nationalize the South American Placers Company, a small gold mining enterprise [redacted]

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[redacted] Speculation is widespread that the large Matilde Mines (zinc, lead, and silver) will also be nationalized. Meanwhile, about 100 employees of Gulf Oil, mostly US citizens, are leaving Santa Cruz.

FOR THE PRESIDENT ONLY

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The President's Daily Brief

24 October 1969



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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

24 October 1969

PRINCIPAL DEVELOPMENTS

The Arab states are still in an uproar about the Lebanon-fedayeen crisis, but thus far President Hiliu retains control. (Page 1)

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Ambassador Castro reports from La Paz that Ovando is badly shaken and perhaps is no longer in control. (Page 4)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

ARAB STATES - ISRAEL

By rescinding an earlier order for security forces to disarm the occupants of Palestinian refugee camps in Lebanon, President Hilu has kept his crisis generally under control. He met yesterday with a number of local dignitaries and representatives of other Arab states, but achieved no evident progress toward a solution to the problem.

In a wrap-up of the situation yesterday, Ambassador Porter pointed out that Lebanon has shown great resilience and capacity for political survival in the past and stated that it could happen again, but he added that in the process Hilu will have to back down on the fedayeen issue. Hilu's real problem is how far to give in to domestic and foreign pressures to regain a semblance of stability and yet avoid an ignominious cave-in.

In Syria, large anti-Lebanese, anti-Husayn, and anti-US demonstrations took place yesterday, but there have been no more reports of armed incursions from Syria into Lebanon. Anti-Lebanese demonstrations also continued in Jordan, but Husayn remained generally noncommittal, in public at least.

Husayn's problems with the fedayeen have thus far been less acute than Hilu's, but Husayn must be increasingly concerned at the influence of the guerrilla organizations on the loyalty of the Jordanian armed forces. There seems to be no threat to the king--involving either his personal safety or his overthrow--but his authority becomes more limited as the fedayeen becomes stronger.

In Israel, Prime Minister Meir blamed "Arab infiltrators" for the recent bombing of apartment houses in Haifa. [redacted]

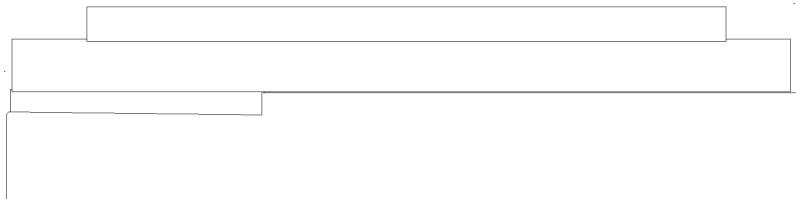
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FOR THE PRESIDENT ONLY

LEBANON-EGYPT-USSR

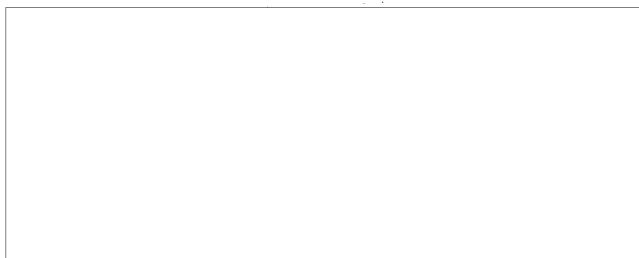


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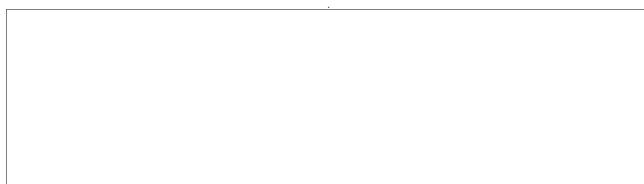
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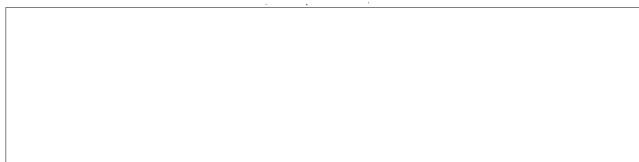
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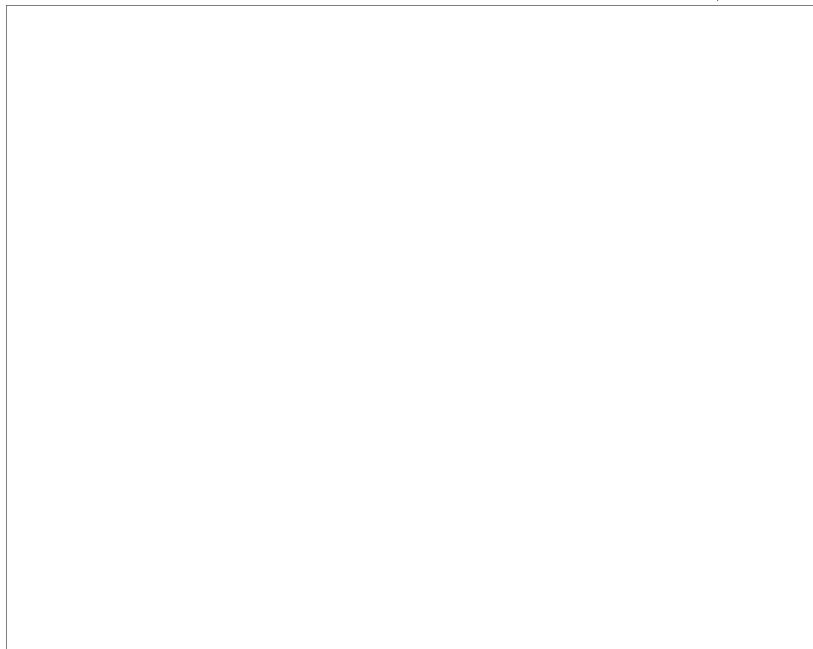


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FOR THE PRESIDENT ONLY

BOLIVIA

Ambassador Castro met with President Ovando on 22 October, and reports that the general appeared "tired, discouraged, tattered and torn," and gave the impression that he was no longer the "master of his ship." Although outwardly friendly, Ovando was noncommittal on every question raised and gave the appearance of a man unable to redeem even the few commitments he had made.

It appears that the leftist and extremely nationalistic civilians Ovando originally appointed to the cabinet to give himself greater appeal to the masses have taken the initiative and are now directing the government's actions.

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Vietnam: [redacted]

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Japan: [redacted]

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Sweden: [redacted]

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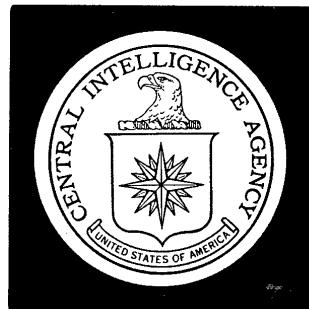
FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

Mexico: Minister of Government Luis Echeverria, nominated Tuesday to be the presidential candidate of the ruling party and thus destined to become president, is now the de facto leader of Mexico. Although his inauguration is more than a year away, party chiefs and bureaucrats are maneuvering for position in his six-year administration. Ambassador McBride describes Echeverria as a powerful personality who will head a government as strong as any since the Revolution of 1910; his antipathy toward demonstrations will lead him to be tough on any students or others who disturb Mexican calm and serenity. Echeverria's basically favorable attitude toward the US will enable him to be an effective friend, but Ambassador McBride warns that future incidents such as those caused by "Operation Intercept" would produce a stronger reaction than that of President Diaz Ordaz.

FOR THE PRESIDENT ONLY

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25 October 1969



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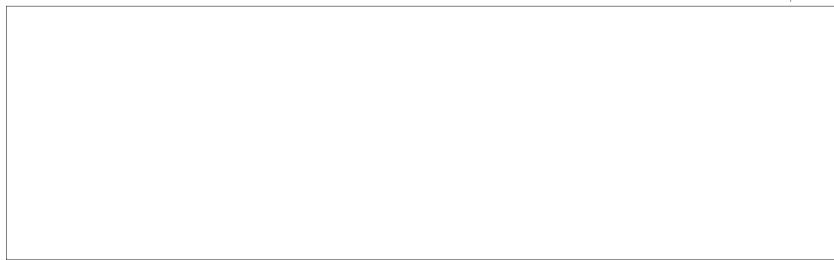
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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

25 October 1969

PRINCIPAL DEVELOPMENTS



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The political atmosphere in Libya, and its implications for US interests there, are commented on
(Page 4)

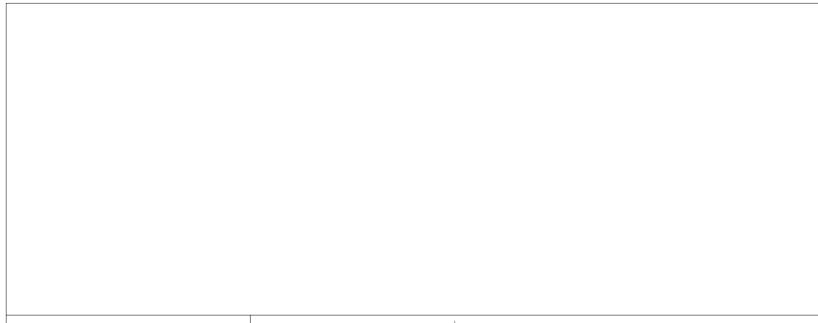
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The Chinese have resumed road construction in northwest Laos, both for support of antigovernment forces there and possible future aid to insurgents in Thailand. (Page 5)

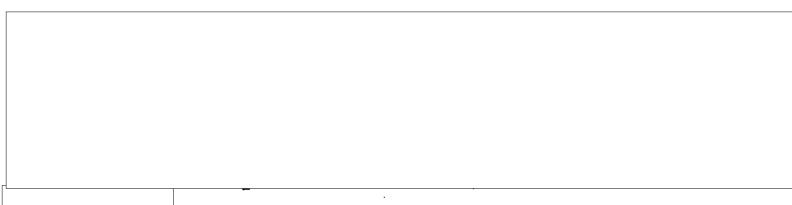
FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

VIETNAM



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FOR THE PRESIDENT ONLY

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VIETNAM

President Thieu's six-party political front has been weakened even further by the withdrawal of one of its members. The leader of the Social Democratic Party said yesterday that his party was leaving the National Social Democratic Front because it served no useful purpose in national politics and was not involved "in any significant activity."

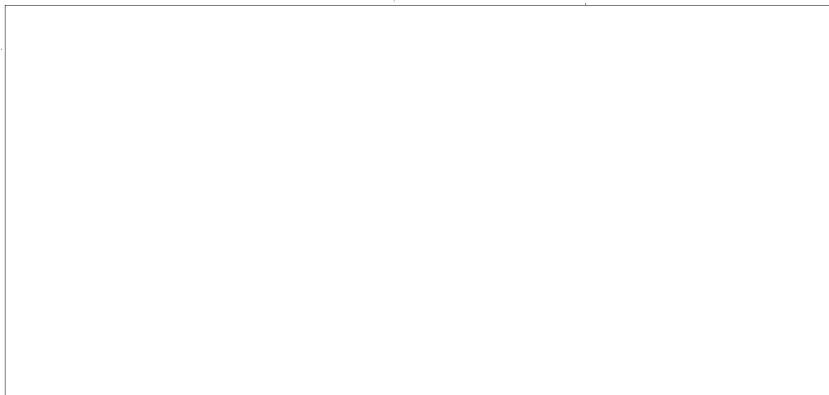
The Social Democrats are one of the smallest groups in the Front, but their support comes from the Hoa Hao religious sect, making them the one truly southern-oriented party in the Front.

Although Thieu has never looked to the Front to provide the main base of his support, in the past few weeks he has met twice with the parties' leaders in an effort to prod them into grassroots activity. By giving more personal attention to the Front, Thieu may be able to keep it together, but it is increasingly unlikely that it will become a real political force.

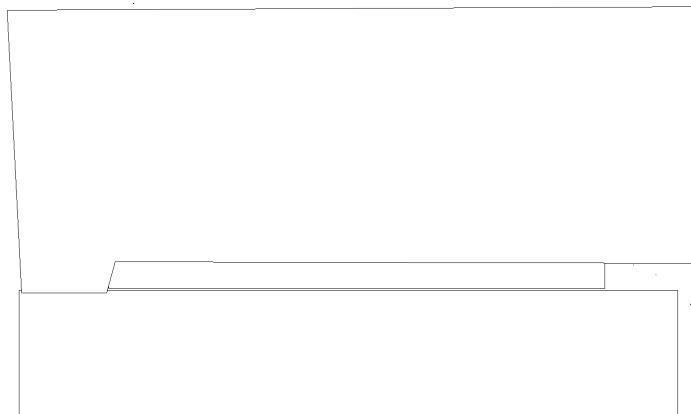
FOR THE PRESIDENT ONLY

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USSR-CHINA



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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

LIBYA

We have earlier noted the apparent intent of the new government to move toward the closing of the US base at Wheelus field. The path down which the youthful junta is taking the country has disturbing implications for other US interests in Libya as well.

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--There is a marked trend toward an anti-US attitude on the part of the military regime. The US in particular is being portrayed by the controlled news media as an enemy of the Arab people, and of Libya specifically. Wheelus Air Base is pictured as a colonialist vestige of the overthrown monarchy, and the American Embassy as a sanctuary of pro-Israeli elements.

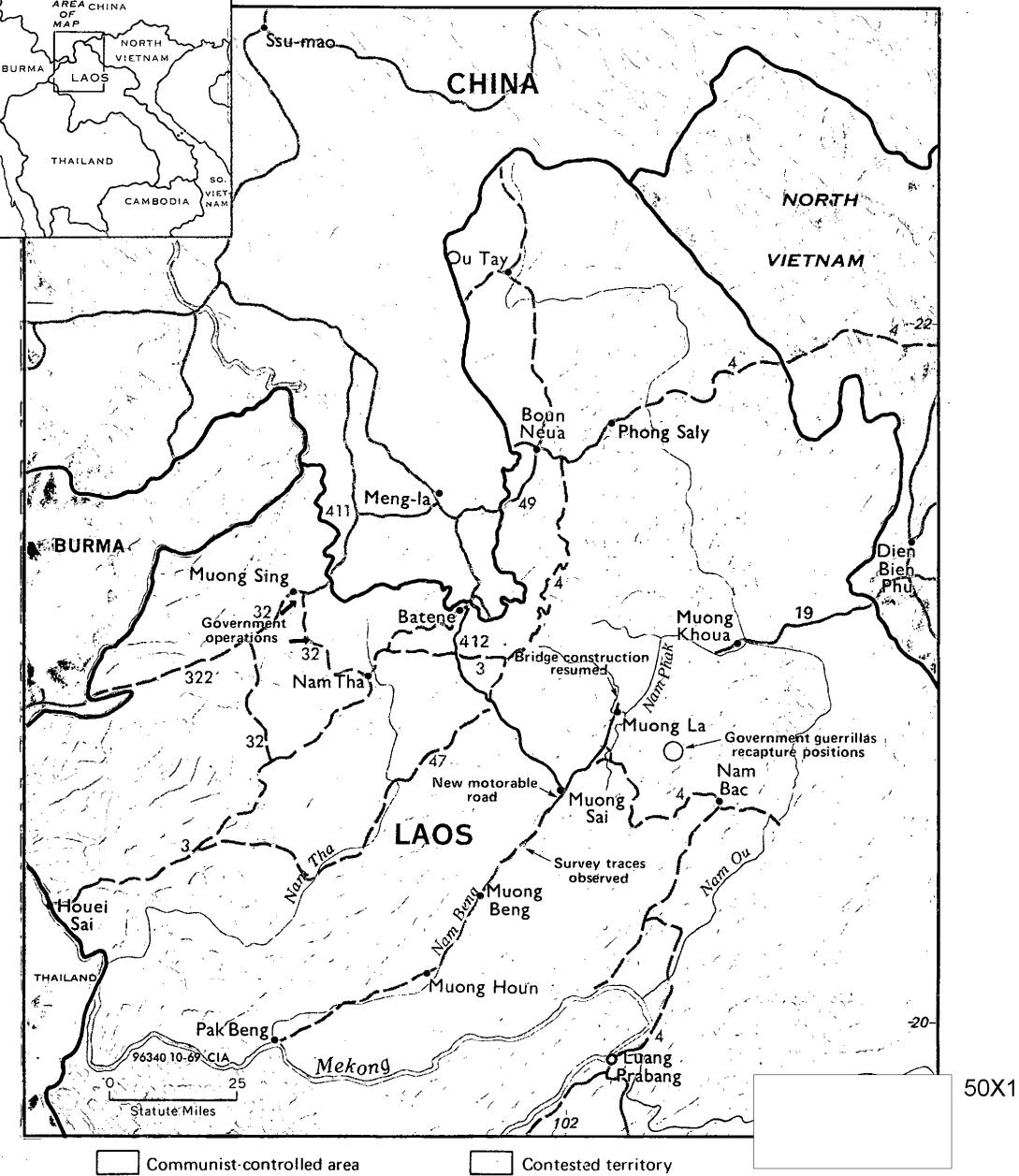
--Another recurring press theme is the "security threat" to Libya and the Arab world posed by the US. American policies are viewed as deliberately calculated to deprive the Arabs of their rights in the area. This campaign probably is intended to isolate the American community by convincing Libyans they should shun American contacts.

--The deteriorating political atmosphere, plus the growing inability to import supplies and control operations, has resulted in significant changes in oil company planning. Some firms apparently are sharply reducing planned investments. Other US commercial interests are similarly feeling the pinch.

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Northern Laos: Chinese Have Resumed Road Construction



FOR THE PRESIDENT ONLY

LAOS

Recent aerial photography confirms that the Chinese have resumed road construction in the northwest. The most significant new activity is concentrated southwest of the Communist headquarters at Muong Sai. Five miles of newly motorable road can now be seen, along with the construction of automatic weapons and air defense positions. In addition, survey traces have been observed roughly two-thirds of the way from Muong Sai to Pak Beng.

Northeast of Muong Sai, construction has resumed on a major bridge near Muong La, suggesting that the Chinese intend to link up their new road with Route 19 at Muong Khoua. The completion of this portion of the road system will strengthen Communist capabilities for supporting Pathet Lao and North Vietnamese forces currently operating in the northwest.

The new road work is the clearest sign to date of long-range Communist interest in challenging areas of government control in the northwest. Communist interest in this area was demonstrated last April when Pathet Lao forces overran a number of government positions near Pak Beng, the only government outpost of any consequence between the Mekong River and Muong Sai.

Ultimate extension of this road to Pak Beng, which seems a logical development, would also facilitate whatever plans the Chinese may have for support of insurgents in northern Thailand. In any event, the recent progress of this road is certain to cause uneasiness in Bangkok. — and Vietnam

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

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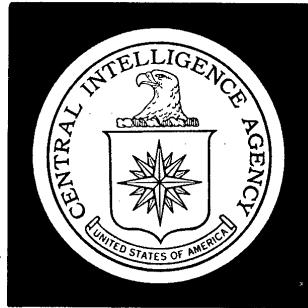
Lebanon: Yesterday's most serious incidents occurred in the city of Tripoli in northern Lebanon, where demonstrators defied the curfew and clashed with police. Earlier in the day, Syrians--possibly military personnel--attacked a border post north of Tripoli but were driven back by Lebanese forces. In Beirut, Michel Khoury, a confidant of President Hilu, has told US Embassy officials that Hilu is attempting to form a small cabinet that he hopes will be representative of the principal political elements in the country. Khoury also indicated that the government is in contact with fedayeen leaders in both Lebanon and Jordan.

USSR: [redacted]

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Southern Yemen: US Embassy personnel, preparing to leave Aden following yesterday's abrupt severance of relations, are encountering serious obstacles. Armed guards are severely restricting their movement, other foreign diplomats have been prevented from lending assistance in packing personal belongings, and there is an indication that the radical regime may insist on use of a local airline for the departure flight, rather than a chartered Ethiopian aircraft as planned.

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27 October 1969

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

27 October 1969

PRINCIPAL DEVELOPMENTS

President Hilu continues his search for a way out of his difficulties with the fedayeen. There is still sporadic shooting in Tripoli and elsewhere in Lebanon. (Page 1)

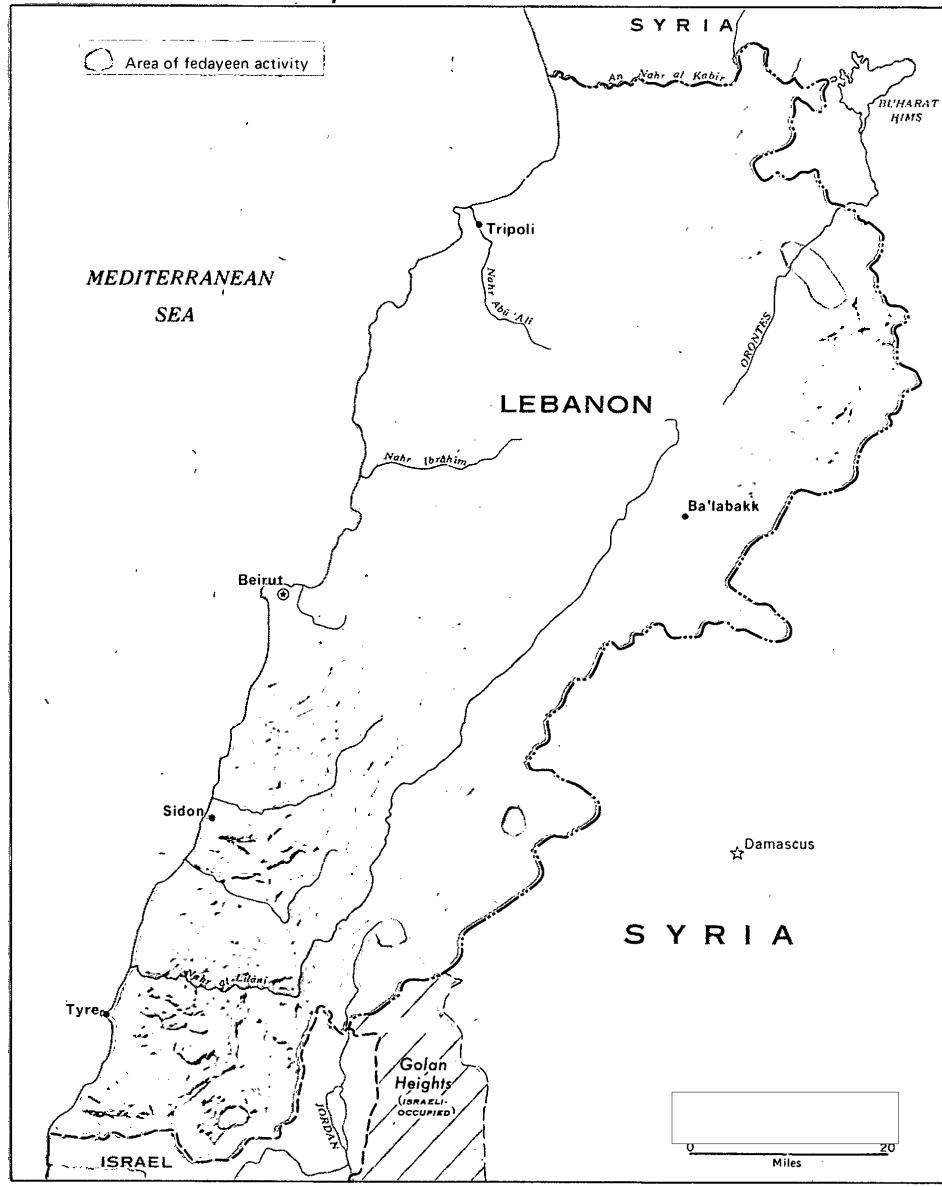
Chou En-lai's speech at a recent banquet for Pham Van Dong offers additional evidence that Peking is moving to soften its position on the Paris talks and to restore closer relations with Hanoi. (Page 3)

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FOR THE PRESIDENT ONLY

LEBANON: Crisis With Fedayeen Continues



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FOR THE PRESIDENT ONLY

LEBANON

Fedayeen elements and their supporters still control parts of Tripoli. A "revolutionary" government led by a prominent Lebanese supporter of Syria's ruling Baath Party is said to have been formed in Tripoli, but its status is still unclear.

Sporadic shooting continues in Tripoli as well as in other parts of Lebanon. Some Syrian forces are reported to have been involved in the actions along the eastern Lebanese border. Beirut has been fairly quiet, but tensions are high, with numerous roadblocks manned by armed civilians.

Army morale seems to be holding up well. [redacted]

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[redacted] Reports of Syrian support for the insurrectionists probably also helped unify the Lebanese Army in support of the government.

The army, however, is small and might have trouble handling simultaneously widespread disturbances and serious clashes with the fedayeen.

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[redacted] Although some press reports suggest the fedayeen want to cool things down, the latest terms offered by fedayeen leader Yasir Arafat were too rigid for Lebanon to accept.

Hilu will have to bow to some fedayeen demands, but he is still hopeful of avoiding complete capitulation. He is maintaining pressure on the insurgents in order to negotiate from a position of some strength.

(continued)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

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The unofficial "warning" carried by TASS on Saturday has been accompanied by Soviet press and radio suggestions that the US is looking for a chance to intervene. Pravda, with a touch of what may be genuine concern, has tried to link the current NATO maneuvers in the Mediterranean with this thesis. The Soviets have also taken note of Israeli Deputy Premier Allon's statement last week that his country could not ignore the events in Lebanon, which Moscow calls a direct threat of intervention.

Most of these Soviet statements also serve to convey the message to the Arabs that their interests would be best served if they settled Lebanon's troubles among themselves without further violence. The Soviets probably believe that they stand to gain little, other than propaganda advantage out of the present situation, which they fear could lead to a larger conflict.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

COMMUNIST CHINA - VIETNAM

Peking may be moving to soften its position on the Paris talks and to restore closer relations with Hanoi. The thrust of China's new approach was suggested in Chou En-lai's speech at a banquet on 23 October for visiting North Vietnamese Premier Pham Van Dong. Chou limited his comments on the outcome of the war to an expression of belief that the Vietnamese would overcome "all difficulties" along their "road of advance"--a vague formulation that could sanction a wide range of North Vietnamese political and military options. Chou on this occasion also omitted the standard Chinese call for Hanoi to persevere in protracted struggle until final victory is won, although this phrase was preserved in a Chinese communiqué on talks between Chou and Dong issued the next day.

Other indications of Chinese flexibility surfaced earlier this month during the extended stay in Peking of a high-ranking NLF-PRG delegation. By re-broadcasting in their entirety statements by the Vietnamese delegates, Peking for the first time acknowledged the existence of the NLF-PRG ten-point peace plan. A reference to this plan was also embedded in the communiqué of 24 October. This is in marked contrast to the earlier Chinese propaganda policy of editing out all unpalatable portions of Vietnamese Communist statements mentioning the Paris talks and a possible settlement of the war.

This shift in approach appears to represent an attempt by China to relieve its isolation and assume a more normal and active diplomatic role in Asia. Peking's frosty treatment of Hanoi after the start of the Paris talks in mid-1968 severely strained Sino-Vietnamese relations and left China alone in its implacable and heavy-handed opposition to a negotiated settlement. By moving away from this unproductive line, the Chinese in effect appear to be assuming a new role as champion of Hanoi's maximum demands at Paris, a position that promises them greater opportunity to influence North Vietnamese policy and to participate in an eventual settlement of the war, should they decide to do so.

FOR THE PRESIDENT ONLY

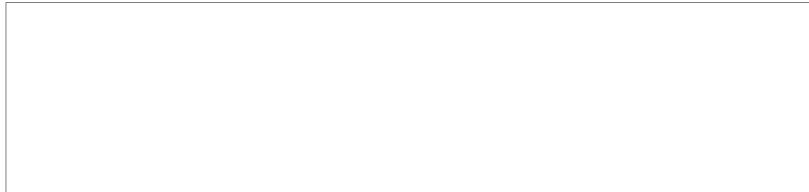
At the same time, the Chinese may be using their ideological justification for the current Sino-Soviet border talks as a means of preparing for adjustments on a number of long-standing foreign policy issues, including a rationalization of their more accommodating line on Vietnam. A recent Chinese broadcast stated that Peking's "dual revolutionary tactics" of negotiating while resisting Soviet aggression can be applied "by all revolutionary people"--a suggestion that China finally may be ready to endorse Hanoi's fight-and-talk strategy.

FOR THE PRESIDENT ONLY

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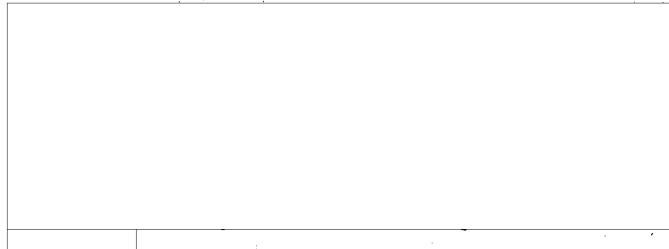
VIETNAM



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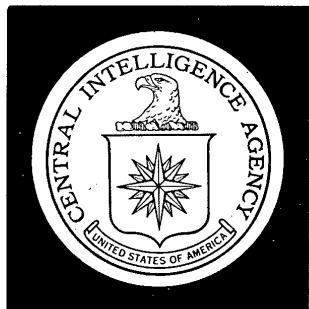
FOR THE PRESIDENT ONLY

NOTE

Somali-USSR: A small Soviet naval force has gathered off the coast of Somalia. Included in the force are two missile-equipped antisubmarine warfare ships, an amphibious landing ship, and four ships associated with Soviet space events. The appearance of the miniature fleet may be a precautionary response to the recent coup in Somalia, where about 150 military advisers and more than 150 other Soviet technicians are employed. The US Embassy in Mogadiscio reports that the consensus among foreign diplomats in the capital is that the USSR was not involved in the coup. The embassy also notes reports that the Supreme Council has asked Soviet advisers to "keep their distance."

FOR THE PRESIDENT ONLY

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

28 October 1969

PRINCIPAL DEVELOPMENTS

President Hilu is now faced with decisions that may determine Lebanon's survival. (Page 1)

Prime Minister Gorton has only a slight edge as the counting of ballots continues in Australia. (Page 2)

The USSR and Communist China are engaged in long and arduous talks about the border. (Page 3)

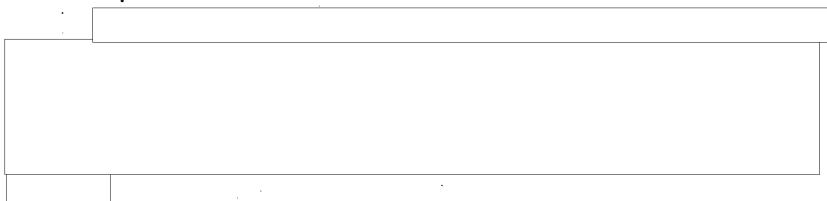
More trouble is in store for Kenya as tribal antipathies rise. (Page 4)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

LEBANON

The fighting between the army and the fedayeen has been reduced to occasional sporadic outbursts, and the attention of most of the Arab leaders is turning to the mediation conference in Cairo. Fedayeen leader Yasir Arafat reportedly offered yesterday to effect a cease-fire until the conference disbands.



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Although his army and the majority of his people are still loyal, President Hili is facing an increasingly bitter choice. Ambassador Porter believes he must either compromise with the fedayeen or resign. If he were to choose to fight it out against the domestic and foreign forces that threaten him, as the ambassador sees it, the result would be the destruction of Lebanon.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

AUSTRALIA

Returns from Australia's elections on Saturday point toward the continuation in office of the Liberal-Country coalition with the slimmest of majorities--one to four seats. The outcome depends both on absentee ballots, which will take several more days to count, and on the tallying of "second-preference" votes in districts where the voters' first-choice candidate failed to get enough votes for election.

Gorton obviously has suffered a severe setback. Among almost certain casualties is External Affairs Minister Gordon Freeth, who is close to Gorton. Freeth's speech last August implying approval of a Soviet presence in Southeast Asia confused the traditionally vote-getting anti-Communist issue and was responsible for some of the government's losses.

The 8 percent swing to the Australian Labor Party has revitalized that party, and, failing victory, it can at least be expected to take the offensive against a broad spectrum of government policy. Labor leader Gough Whitlam, a moderate, has scored a personal triumph and is in a strengthened position to do battle with the left in his own party.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

USSR - COMMUNIST CHINA

Soviet leaders concede that the border talks will be long and arduous, but they have been attempting to convey an optimistic attitude in discussions with foreign officials. Kosygin told French Foreign Minister Schumann earlier this month that Moscow desired to use the talks as a step toward more normal relations. Brezhnev presented a similarly conciliatory thesis in a speech to visiting Czechoslovaks yesterday.

Polemical propaganda from both sides has diminished, although the Chinese still attack such Soviet policies as negotiations with the US on the seabeds treaty.

The Soviets have not yet replied to the strong statement on the border issue the Chinese let fly on 8 October. Silence does not mean forgiveness, however. A Soviet Foreign Ministry official is reported to have told a foreign diplomat recently that Moscow fully intends to answer China's "false and slanderous statements," once the Kremlin has decided on the format.

The Soviet leaders have negotiations of various kinds going on or pending with a number of Western nations, and they understand the benefits of demonstrating their businesslike and even charitable attitude. Lack of use is unlikely to dull their skill at invective, however, and the decision on the "format" of their reply to the Chinese statement will come easily if the talks in Peking turn sour.

The Chinese have displayed little regard for the Western practice of image building, but on the border issue, at least, they have more to lose than the USSR if they permit the dispute to be resolved by force. Thus, it is understandable that they do not want to be disruptive to the point of causing the Soviet leaders to call their negotiating team back to Moscow.

FOR THE PRESIDENT ONLY

KENYA

The Kikuyu-dominated government of President Jomo Kenyatta has arrested all leaders of the opposition Kenya People's Union. The government claims that these men, most of whom are Luo tribesmen, were responsible for the disturbances that marred Kenyatta's goodwill tour of Luo areas over the past weekend. As many as a dozen people were killed on Saturday when security troops opened fire on Luos who were throwing rocks at the President.

This overreaction to the incidents is certain to widen the rift between Kenya's two largest tribes. The Luo were already bitter because they suspect Kikuyu leaders of plotting the assassination of the Luos' fellow tribesman, Tom Mboya.

In addition to further violence, there may be longer-range effects. The armed forces chief has recently been critical of the government's handling of tribal relations, and his dissatisfaction could eventually lead him to move against the government.

FOR THE PRESIDENT ONLY

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NOTES

USSR - Vietnam Peace Groups: Nguyen Minh Vy of the North Vietnamese delegation to the Paris peace talks was among the 40-odd participants at the meeting of the "Liaison Committee of the Stockholm Peace Conference on Vietnam" on 10-11 October.

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Warsaw Pact: Warsaw Pact consultations on preparations for a European Security Conference will begin on Thursday in Prague, according to an announcement from Budapest. The meeting, which probably will be at the deputy foreign minister's level, apparently has been scheduled to take the play away from a similar gathering of NATO deputy foreign ministers on 5-6 November. Earlier reports from Eastern European sources that such a meeting was in the wind indicated that the Warsaw Pact powers are planning to issue a new appeal on European security.

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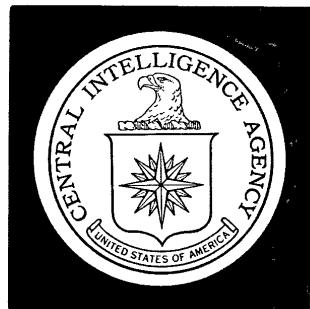
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FOR THE PRESIDENT ONLY

Surinam: Saturday's election has reversed the political scene, and the anticipated new government will be made up from two parties that were in the opposition before the corrupt Pengel administration was forced out of office last February. The incoming administration, considerably more liberal than Pengel's was, will be faced with several important decisions, including determination of the pace of independence, the settlement of the border dispute with Guyana, and the pursuit of solutions to a multitude of vexing economic problems.

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THE PRESIDENT'S DAILY BRIEF

29 October 1969

PRINCIPAL DEVELOPMENTS

Lebanese Army leaders have determined the concessions they are willing to make to the fedayeen; it is doubtful, however, that the latter will be satisfied. (Page 1)

The Czechoslovak delegation got little in Moscow but a hearty endorsement of Husak's leadership. (Page 2)

Chancellor Brandt has outlined a broad approach to foreign policy that may run into difficulties in the Bundestag. (Page 3)

Discontent is growing in the Bolivian military over civilian radicals led by Minister of Mines Quiroga. (Page 4)

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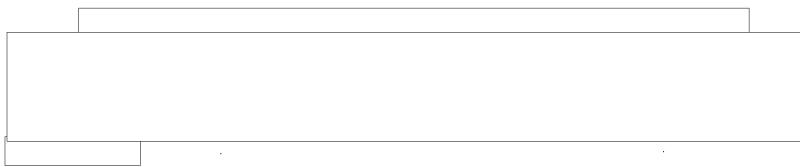
FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

LEBANON

The Lebanese have finally gotten their delegation to Cairo for "mediation" talks under Nasir's auspices. Armed forces commander Bustani is representing them.

Bustani seems unlikely to return to Beirut with much to comfort Hili. He is personally not very forceful and the fedayeen are not likely to compromise except on something close to their own terms.



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USSR-CZECHOSLOVAKIA

Moscow sent the visiting Czechoslovak party-state delegation home yesterday with a ringing verbal endorsement of Husak's leadership, but little else. The joint statement issued at the departure of the delegation mentioned neither a hard-currency loan nor a partial withdrawal of troops. The most tangible result was an agreement to expand trade and economic cooperation and to sign a new treaty of friendship and alliance next year.

The Soviets apparently do not intend to give up the carrot and stick tactics that have been so effective in Czechoslovakia, despite their satisfaction with the trend of events in Prague. The Czechoslovaks had hoped that Moscow would be prepared to be more forthcoming on troop and money matters in return for Prague's reimposition of authoritarian controls.

The trade agreement will produce some additional Soviet deliveries of fuel and material, but will not help Czechoslovakia escape from its economic crisis. The friendship treaty will probably serve as window dressing for the new shape of Soviet-Czechoslovak relations.

Nevertheless, the red-carpet treatment which the delegation received and Brezhnev's glowing endorsement of Husak's leadership are indicative of Soviet satisfaction with his policies. Brezhnev endorsed Husak as "an outstanding political figure." Husak noted, however, that "normalization" has not been completed.

This means that new domestic restrictions in Czechoslovakia and further purges of the party, government, and mass organizations are likely.

FOR THE PRESIDENT ONLY

WEST GERMANY

In his official policy statement yesterday, Chancellor Brandt mapped out a broad activist course in foreign affairs, although one that carefully avoids radical departures from already established policy lines. He placed special emphasis on pumping new life into Bonn's relations with the East. He would initiate direct talks with the USSR, Poland, and East Germany, and would have the Western Allies continue to seek Soviet cooperation in alleviating sources of tension over Berlin.

While avoiding specifics, Brandt seemed to imply that his government would be more flexible in meeting Eastern demands. As a starter, he alluded to the concept--alien to West German conservatives--of two German states existing in one nation.

The Chancellor indicated that his government, while continuing its allegiance to NATO, would take a more positive attitude than previous Bonn governments toward detente measures. Bonn's special contribution in this line would include negotiation of renunciation of force agreements with East European governments and signature of the NPT in due course. Hewing to a cautious line on the European Community, Brandt called for its strengthening and broadening. Although he endorsed British entry, he also spoke of the need for German-French harmony.

Brandt's scattergun approach provided few clues to priorities among the diverse policies he outlined, suggesting that Bonn will press them all and be satisfied to make progress where it can. Nor did he indicate which way Germany might move if forced to face up to hard choices among the potentially conflicting strains.

Negative outbursts from the opposition Christian Democrats suggest that the Brandt foreign policy may face tough going in the Bundestag. They also suggest that Kiesinger may have difficulty maintaining the discipline required to fulfill the responsible opposition role he has promised.

FOR THE PRESIDENT ONLY

BOLIVIA

Opposition is growing to the civilian radicals led by Minister of Mines Quiroga. The foreign minister, General Ruiz, has told Ambassador Castro that he and his military colleagues will no longer tolerate being used by the civilians. Ruiz says Ovando has decided to take over the negotiations with Gulf Oil himself and to exclude Quiroga from any further dealings with the company. Some middle-grade officers are calling for Quiroga's dismissal.

All this is still fairly nebulous. On his past record, Ovando is highly unlikely to rein in Quiroga effectively, and neither Ruiz and his associates nor anyone else seems ready to translate discontent into action. What seems to be going on is a typically Bolivian interlude of multilateral intrigue, and the best that can be said is that nobody--least of all Ovando--is really in control.

One man to keep an eye on is the present commander of the armed forces, General Torres.

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A source of the US Embassy says he fears that Quiroga, who knows as well as anyone that power ultimately rests with the man who controls the army units around the capital, has worked out an alliance with the opportunistic Torres.

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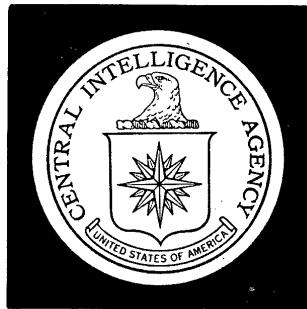
NOTES

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Sudan: Revolutionary Command Council President Numayri has further consolidated his control by assuming the prime minister's portfolio. Prime Minister Awadallah, who was made deputy prime minister and foreign affairs minister, came into disfavor a few weeks ago when he said that Communists were necessary for the success of the revolution-- a statement which brought into question the regime's supposed Sudanese nationalist orientation. Other changes appear to reflect little beyond Numayri's efforts to erode the civilian influence in the government.

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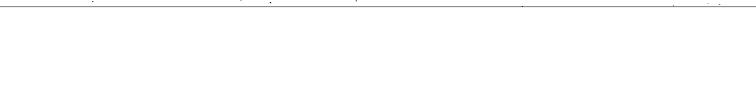
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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

30 October 1969

PRINCIPAL DEVELOPMENTS



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There were new clashes in eastern Lebanon this morning, amid signs that Fatah was willing to come to terms with the Lebanese. (Page 2)

The Vietnamese Communists seem to be strengthening their forces [redacted] (Page 3)

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Franco has made extensive changes in his cabinet. (Page 6)

Castro's speech launching the 1970 sugar harvest displayed a preoccupation with the problems of manpower efficiency and discipline--an indication even he may be anticipating a shortfall in the 10-million-ton quota he has set. (Page 7)

FOR THE PRESIDENT ONLY

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FOR THE PRESIDENT ONLY

SOVIET UNION



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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

LEBANON

Fedayeen units in eastern Lebanon near the Syrian border attacked Lebanese troops again today, according to press reports. The clashes came only a few hours after Fatah had announced a 24-hour cease-fire. They also followed hard on the heels of an announcement in Cairo that the talks there were progressing well and that Yasir Arafat of Fatah had been invited to join them.

[redacted] Fatah, concerned that it was overextending itself, might be willing to come to terms if Lebanon permitted the fedayeen to maintain operational bases in the country. This morning's military action was probably initiated by other, more radical fedayeen groups, who are habitually unresponsive to Fatah's lead and who have no particular interest in reaching an accommodation with the Lebanese.

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SOUTH VIETNAM



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The influx of North Vietnamese regulars into the delta this year probably is aimed at shoring up the Viet Cong, whose position there has been declining since Tet 1968. Maintenance of a strong position in South Vietnam's most populous and richest agricultural region is clearly of crucial importance to the Communists.

Thus far, the new Communist units in the delta have largely avoided combat and seem to be concentrating on improvement of their logistics networks in base areas along the Cambodian border and the Gulf of Siam. They may be preparing to challenge the Vietnamization program by testing the South Vietnamese Army in this area.

* * *

Accumulating evidence

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points to mid-November as the probable opening of the Communists' nationwide "winter-spring" campaign. The current disposition of the enemy's main force combat units, as well as other good indicators, suggests that the new offensive round will be similar to the summer "high points," relatively light shellings and occasional ground attacks. The Saigon government's pacification program will probably be under more pressure than before.

FOR THE PRESIDENT ONLY

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WEST GERMANY

In his ambitious program for domestic reform, outlined to the Bundestag on 28 October, Brandt characterized German democracy as "at its beginning," and he envisioned a decade of change in German society to improve and deepen it. To engage the people in this effort he proposed, for example, a reduction in the voting age from 21 to 18 and in the age for holding office from 25 to 21.

Brandt also talked at length of the reform of existing institutions. His government will examine the educational and legal systems, government administration, and the defense establishment.

Modernization was another constant theme. Problems such as modern environment, greater resource allocation to basic science to close the technological gap, and longer term financial planning will be tackled.

As a measure of the program's scope and ambition, Brandt has committed the government to issue six major reports in the first half of 1970, and four more in the second half. These reports will cover such topics as the state of the economy, the situation in German agriculture, science, transportation, and health.

The program projected a large increase in expenditures, but the government plans to spread the tax burden more evenly through reforms of the system rather than increase taxes.

Brandt's statement was probably intended less as a realistic program for his vote-shy coalition than as a testament to Socialist ambitions to become the majority party of the future.

Although there is seemingly something in the program for all segments of German society, including economic guarantees for the conservative farmers, the spotlight fell particularly on the urban populace and on youth. It is these groups that the Socialists view as the most promising target for future electoral gains.

(continued)

FOR THE PRESIDENT ONLY

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* * *

Pankow gave its initial reaction to Brandt's foreign policy statement in a report issued yesterday by the East German news agency. The agency's summary is short and free of polemics. It also fails to mention Brandt's offer to negotiate with the East.

The East Germans doubtless plan to study the statement thoroughly before committing themselves. The basically uninformed East German populace, meanwhile, probably has received the impression that nothing has changed in Bonn.

FOR THE PRESIDENT ONLY

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SPAIN

Franco has shaken up his cabinet, placing economic specialists in charge of both domestic and foreign affairs. Foreign Minister Castiella is to be replaced by Gregorio Lopez Bravo, who has been the minister of industry.

With these appointments, Franco has shifted the balance toward the technocrats who favor economic liberalization and increased ties with Western Europe, although the government's National Movement (the Falange) and the military are still represented.

As foreign minister, Castiella has been associated with the provocative Gibraltar policy. He is also blamed by the Spanish military for the difficulties which attended the renewal of the present defense agreement with the US. His successor is less combative and more sophisticated; he is not likely to alter Spanish policy on US bases significantly, however.

FOR THE PRESIDENT ONLY

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CUBA

Castro launched the all-important 1970 sugar harvest with a highly emotional speech on Monday. As in earlier talks, he committed Cuba to an unparalleled 10-million-ton harvest and placed "the honor of the revolution" at stake in attaining the goal.

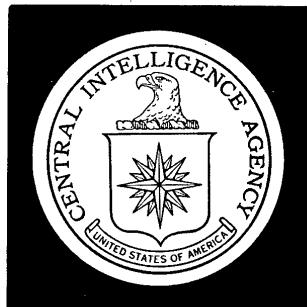
Castro stated that there is enough cane to produce 10 million tons and that success will depend on the output of the worker in cutting and milling it. His obvious misgivings over the capacity of the Cubans to work efficiently enough was reflected in his frequent allusions to the critical manpower problems that must be overcome. He emphasized that the "question of discipline is basic." He discussed at length the serious harm that could be caused by worker negligence and carelessness.

At the same time Castro promised no relief in economic pressures on the population, at least until the harvest is completed in mid-1970. The Cubans, who have experienced a steady decline in living conditions, apparently will be forced to suffer further.

Despite the mass mobilizations and other special measures, 10 million tons seems an unreachable target; sugar experts in the US and elsewhere consider even eight million tons an optimistic estimate. The recurrent emphasis in Monday's speech on manpower problems suggests that Castro himself may be anticipating a shortfall and may be preparing to shift the blame for it to the workers.

Neither the failure to fulfill the harvest quota nor the added economic burdens which we foresee would greatly weaken the government's hold on the country in the short run.

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31 October 1969

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

31 October 1969

PRINCIPAL DEVELOPMENTS

As Arab mediation efforts go forward in Cairo, fed-
ayeen elements have attacked a town overlooking the
main road from Syria to southern Lebanon. (Page 1)

General Ovando, only five weeks in power as Boliv-
ia's new strongman, is already finding himself on
shaky ground. (Page 2)

In the Philippines, the Marcos bandwagon is begin-
ning to roll as the presidential campaign enters
its last two weeks. (Page 4)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

LEBANON

Egyptian newspapers, among them the authoritative Al Ahram, claim that the Lebanese Government has decided to allow the fedayeen freedom of action in its territory. This decision, according to these sources, was to have been revealed yesterday at the talks now under way in Cairo. General Bustani, head of the Lebanese military delegation, and President Hilu are said to have conferred with one another before the decision was reached.

There is no direct word on this from official sources in Beirut, but the logic of the situation as it has evolved would seemingly impel Hilu toward an essentially laissez-faire policy toward the fedayeen.

Fedayeen representatives have yet to show up for the Cairo talks. Fatah sources disclosed yesterday that the organization had once again reversed itself and would not be sending representatives.

In Lebanon, the truce proclaimed Tuesday ended yesterday amid fedayeen charges that the government had violated it. Whatever the truth to these assertions, the fedayeen lost little time in attacking Rashaya, a town that overlooks the main road from the Syrian border to southern Lebanon.

FOR THE PRESIDENT ONLY

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BOLIVIA

President Ovando, only five weeks in the job, is already threatened with coups from both the right and the left.

In Washington, Bolivian Ambassador Sanjines has told US officials about reports from his personal friends, some in fairly high government posts. The gist of his information is that many military officers, especially those who worked with President Barrientos, are dissatisfied and disturbed by Ovando's performance thus far. They resent his seeming obeisance to the civilians advocating leftist and nationalistic policies. These officers want a return to the old policies and an improvement in relations with the US. Sanjines said that talk of a coup is increasing among this group.

For their part, the radicals--who seem to be following the lead of Minister of Mines Quiroga-- are also less than enchanted with Ovando. Although they have been able to push him into his present position, they fear they may not be able to nudge him any further. According to Sanjines, this group would like to replace Ovando--and Quiroga, we know, would like to be president.

We must remember that Sanjines has his own prejudices and biases.

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We know
that Quiroga is sharp and ambitious and
suspect that he has surrounded himself
with some powerful allies (see The Pres-
ident's Daily Brief of 29 September). We
also know that Bolivian military men in
general and followers of Barrientos in
particular are not pleased with the pres-
ent trend. They may well have lost re-
spect for Ovando.

(continued)

FOR THE PRESIDENT ONLY

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Ovando is not clever enough to play these groups against each other for very long. Ambassador Sanjines predicts a series of coups and countercoups in the near future, which is certainly possible--although at present we have no firm evidence to help us evaluate his forecast.

Ovando has been trying to build up popular support

[redacted] because it would help him stare down his political enemies. He has made some progress, but the initially favorable reception given his economic austerity program will change as the public begins to feel the pinch. For one thing, he will have to renege on his promise to raise miners' wages. All in all, it looks like a bad year for Bolivia and for US-Bolivian relations.

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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

PHILIPPINES

President Marcos' election campaign is gaining momentum, and he now stands a good chance to become on 11 November the first Philippine president in history to be elected to a second term. With less than two weeks of the campaign left, Marcos has picked up important independent backing.

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For a time in September, opposition candidate Sergio Osmeña of the Liberal Party threatened to make a close race of it. However, beset by party factionalism and money problems, he has not been able to keep up the pace. It seems unlikely that he can now call forth the last-minute surge needed to beat Marcos.

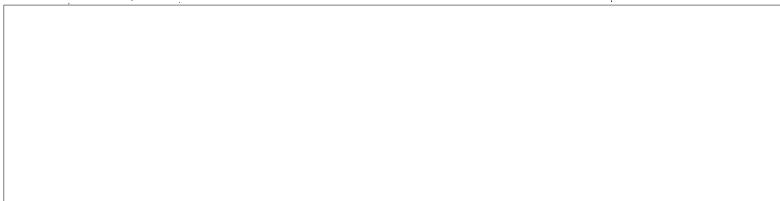
Relations with the US have assumed more than usual prominence in a Philippine election campaign. Both candidates have felt compelled to compete with one another in promising to seek clear acknowledgement of Philippine sovereignty over US bases and personnel stationed in the country.

The campaign has typically centered on name-calling and charges of corruption, but by Philippine standards there has been little violence so far. Intense press scrutiny and vigorous if uncustomary monitoring by the presidentially appointed Commissioner on Elections seem to have prompted the parties to hold back on traditional strongarm tactics.

Some voter intimidation is still possible, however. Marcos, still shaken by Osmeña's early showing, is likely to leave nothing to chance.

FOR THE PRESIDENT ONLY

NOTES



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Nationalist China - Israel: 




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Israel-Egypt: Israel, using a new tactic in its harassment of the Egyptians, has announced it carried out three small helicopter raids along the Gulf of Suez in the past ten days 

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This kind of activity is probably conducted more for its nuisance value and psychological effect than to inflict heavy damage. But it may divert more Egyptian troops to this area.

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