



The President's Daily Brief

1 September 1971

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

1 September 1971

PRINCIPAL DEVELOPMENTS

Two articles published recently in authoritative North Vietnamese journals provide some hints that the party line on the war is in flux. (Page 1)

Some of the contingency measures adopted by the Indian armed forces are reviewed on page 2.

An assessment of the Cambodian political situation appears on page 3.

The French are still lobbying against MBFR negotiations. (Page 5)

The two Soviet Mars probes have passed the halfway point. (Page 6)

FOR THE PRESIDENT ONLY

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NORTH VIETNAM

Two authoritative political articles have been published recently that are markedly different in tone from other Hanoi pronouncements of the past several months. They could mean that the party line on the war is in flux.

Both articles commemorate the 1945 August Revolution in North Vietnam. The first was published in the party theoretical journal and was broadcast in summary form by Radio Hanoi in mid-August; the second appeared in the army monthly magazine and was broadcast on 29 August. Both articles are replete with customary Marxist jargon, some of which reflects Hanoi's continuing concern over its international position in the wake of contacts between Washington and Peking. In their treatment of the war, however, both articles omit any reference to the 19th party Central Committee plenum, which took place sometime around the turn of the year and which called for an increased Communist war effort. Nor does either article tout the battles in southern Laos and Cambodia last spring as "strategically significant" Communist victories--a hitherto standard bit of jargon that implied that Hanoi viewed those battles as a springboard for further Communist military gains in the not-too-distant future.

The concept that the Vietnamese Communists are pointing toward large-scale military action in the war--a theme that has pervaded their propaganda since at least last March--is conspicuously weakened in these two articles. The army magazine even picks up an odd line which has appeared once or twice in other recent publications to the effect that the worst of the fighting is over. Both articles, in addition, have long passages emphasizing the unvarying "correctness" and "creativity" of the Vietnamese Communist party line. The North Vietnamese have in the past reverted to such topics either when there seemed to be differences within the leadership to be papered over or when a policy shift was in preparation.

Hanoi's other, less authoritative media have continued to replay the themes omitted in the party and army journals. If the shifts in the theme begin to appear in the other media, the impression that a policy change may be in the wind will be strengthened. The comprehensive reports that traditionally are given by government leaders in connection with the national day celebrations on 2 September may provide further clues.

FOR THE PRESIDENT ONLY

INDIA-PAKISTAN

Indian forces are in an increased state of readiness but they have not assumed the state of alert which would be preliminary to immediate hostilities. [redacted] leaves have been canceled as of 1 September, but personnel already on leave will not be recalled. A rear area brigade in the west has left its normal station, which may mean that units are moving closer to the West Pakistan border.

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India also is taking protective measures for its aircraft and personnel at five airfields near the border with West Pakistan. [redacted]

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[redacted] the construction of aircraft revetments and personnel trenches that began in February at these fields is still continuing.

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Caution rather than a decision to go to war seems to have dictated these moves. If New Delhi expected combat soon it would move its armored units in central India closer to the front, but there is no sign so far of such a move. Moreover, flooding in the east during the current monsoon would seem to preclude major operations there until the dry season, which normally begins at the end of September.

India also is taking precautions to assure adequate petroleum supplies. The government asked three foreign refineries it had previously prohibited from producing beyond about 75 percent of capacity, to expand production and to camouflage all their bulk storage areas.

FOR THE PRESIDENT ONLY

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CAMBODIA

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[] observations on the key political problems confronting Sirik Matak upon his return to Cambodia on 30 August:

--One of Matak's first tasks will be to help Lon Nol avert a showdown with the National Assembly over its impending interpellation of Finance Minister Sok Chhong on the government's economic policies. Although Chhong is said to have the firm backing of the cabinet, he has made clear his desire to quit. Thus, it is possible that Lon Nol and Matak will placate the Assembly by accepting Chhong's resignation or even reshuffling the cabinet.

--Matak also is likely to be called on to reduce the bad blood between Lon Nol and Chief of State Cheng Heng, who believes the prime minister is no longer fit to govern. Although Matak should be able to patch things up temporarily between the two leaders, he may have less luck in disabusing First Deputy Prime Minister In Tam and other senior officials of their similar belief that Lon Nol must go. Matak must tread carefully, however, to protect his own position from opponents--particularly Lon Nol's brother Lon Non--who are intent on forcing him out of the government.

--Phnom Penh's increasingly strained relations with Saigon will also demand Matak's attention. Public reaction to mistreatment of Cambodian civilians by South Vietnamese troops is again creating pressure for a reduction of Cambodia's military dependence on South Vietnamese forces. For the moment, Lon Nol's recent request for the elimination of a ten-mile corridor along the border in which the South Vietnamese can operate without high-level Cambodian coordination should reduce public concern. As long as the present lull in the fighting continues, however, anti-Vietnamese sentiments in Cambodia are likely to grow.

(continued)

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--It probably will not take Matak long to become aware of the gradual erosion of public respect and admiration for Lon Nol, and the two leaders can be expected to work together to reverse this trend. It is conceivable, however, that Lon Nol--who probably is aware of his declining popularity, and who is still concerned about his health--may well decide to retire from political life in the not-too-distant future.

FOR THE PRESIDENT ONLY

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FRANCE

Now that the Berlin agreement has cleared the way for other European security issues, the French have been busy reiterating their opposition to Mutual and Balanced Force Reduction (MBFR) negotiations.

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the French are now advocating the buildup of "strong, closely co-operating European national forces."

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Paris realizes that it cannot avoid some form of security discussions but it will continue to press for an agenda which emphasizes political topics rather than force reductions. This approach is in accord with the French argument that detente must precede technical and military discussions such as MBFR.

FOR THE PRESIDENT ONLY

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USSR

The two Soviet Mars probes launched in May
have passed the halfway point]

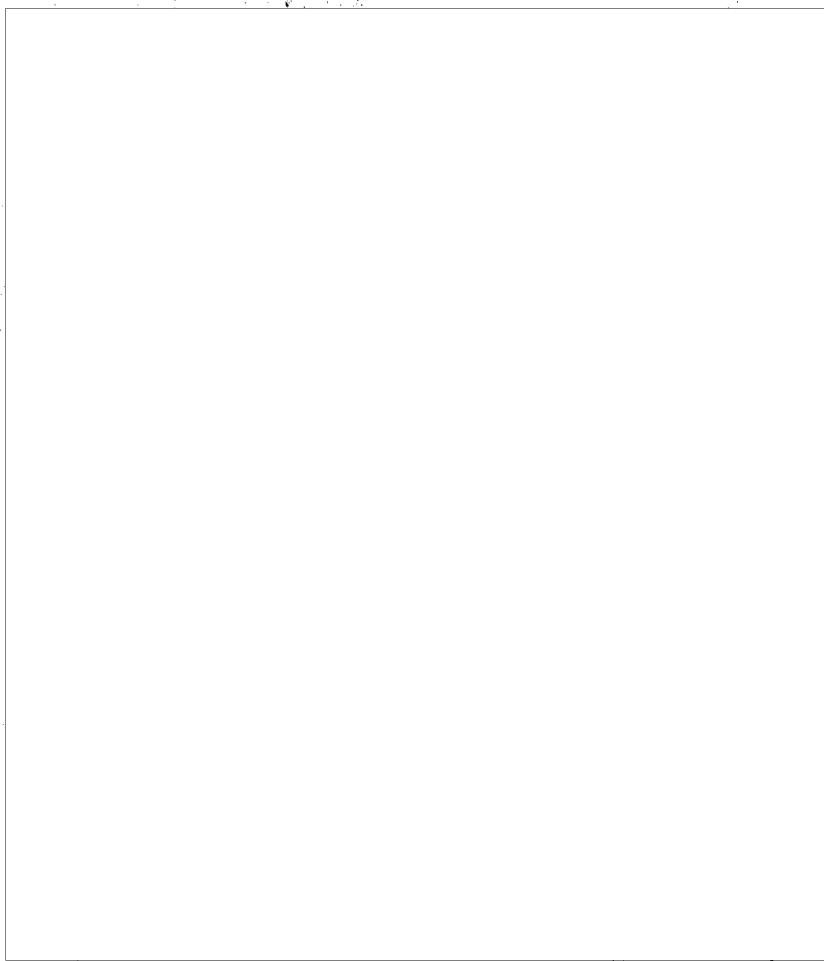
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The probes are likely meant either to land
a scientific package or to put a payload
in orbit around the planet. The first
should reach Mars in late November and the
second a few days later.

Completion of the probes' missions would
mark the first successes for the Soviet
Mars program. Two probes in the early
1960s failed]

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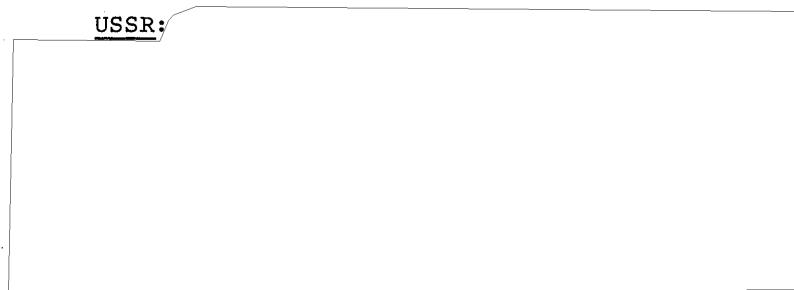
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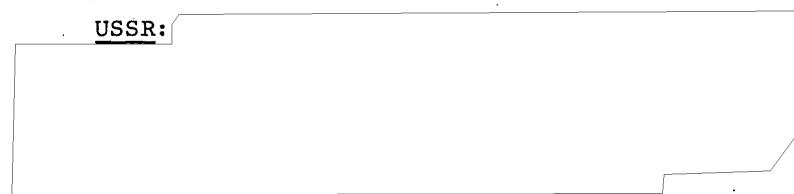
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THE PRESIDENT'S DAILY BRIEF

2 September 1971

PRINCIPAL DEVELOPMENTS

On *Page 1* we comment on the unusual number of foreign trips that top Soviet leaders will be making over the next few months.

The latest satellite photography of the Soviet missile test center at Sary Shagan showed what appears to be a new ABM canister mounted on a new type of support vehicle. (*Page 3*)

Removal of Ky's name from the ballot means that the South Vietnamese presidential election will in effect be a referendum on Thieu's leadership. (*Page 4*)

South Vietnam's Lower House elections went fairly well for Thieu, but he still faces some rough political sledding against opposition elements. (*Page 5*)

The latest international economic developments are discussed on *Page 6*.

Lanusse is dispatching a personal envoy to Washington to discuss Argentina's desire for massive financial assistance. (*Page 7*)

South Korea

(*Page 8*)

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USSR

Top Soviet leaders will be making a number of foreign trips over the next few months.

--Gromyko will visit the UN in mid-September. According to Ambassador Dobrynin, Gromyko has no firm dates in mind since he would like to "coordinate" his stay in New York with Secretary Rogers' plans.

--Gromyko is coming to Washington 29-30 September.

--Brezhnev will go to Yugoslavia in late September.

--Podgorny is to visit Hanoi in early October, and will attend the Shah of Iran's gala in Teheran on 14-15 October.

--Kosygin will be in Canada from 18-26 October; this trip will also take him to other countries, among them Algeria.

--Brezhnev and Podgorny will go to France at the end of October.

--Kosygin is slated to visit Norway in the first half of December.

Most of these trips have been in the planning stage for several months and reflect a wide variety of policy objectives. Several apparently are related to a Soviet effort to inject new life into their diplomacy as a means of countering Peking's growing international stature. There are, in fact, reports that several of the countries on the Soviet itineraries will also be hosting delegations from Peking soon. The last time we observed a similar penchant for travel was in January 1966, when Brezhnev, Kosygin, and Shelepin were respectively in Ulan Bator, Tashkent (to mediate the Indo-Pakistani crisis over Kashmir), and Hanoi. Their common goal at that time was to strengthen Moscow's position in countries near China.

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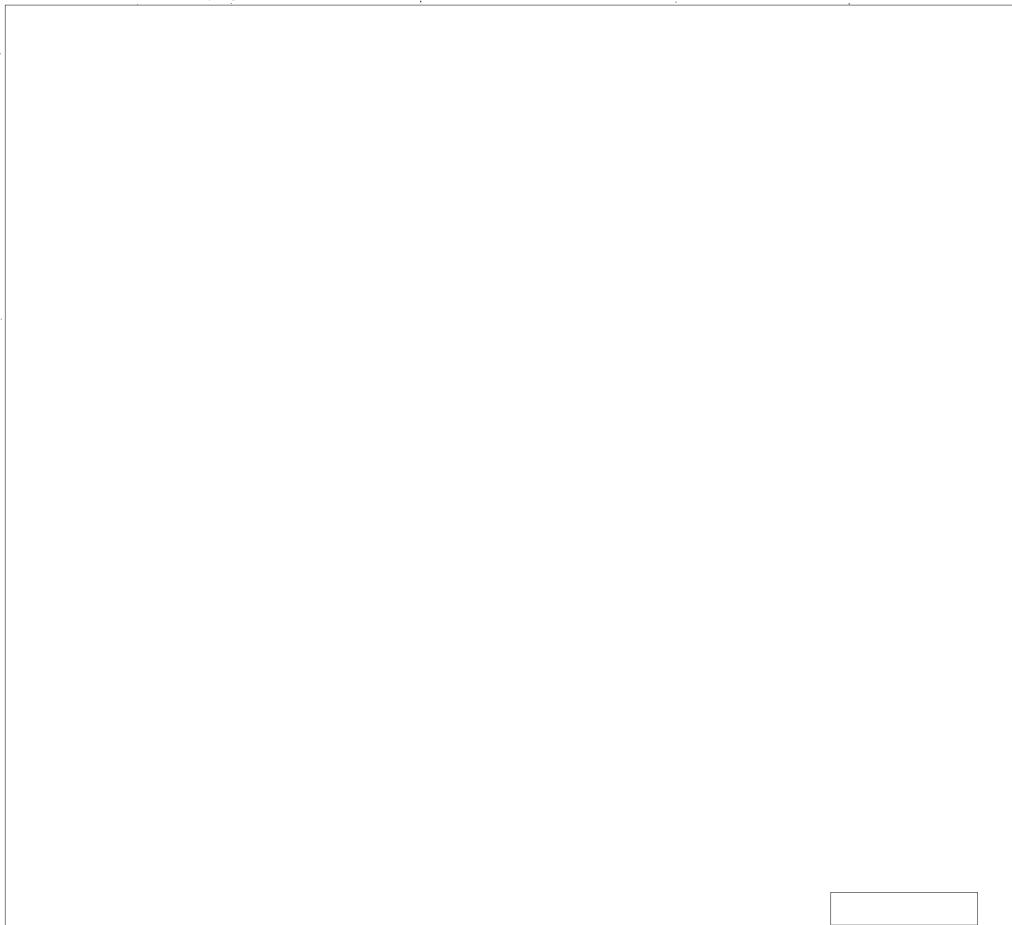
*Related to the Soviet desire to counter
the Chinese is Moscow's interest in demon-
strating an ability to pursue various mat-
ters of substance with the US while imply-
ing that such matters outweigh Sino-Ameri-
can issues.*

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*In the course of their visits the Soviet
leaders will certainly try to line up sup-
port for various Soviet proposals relating
to European security matters. They have
been quick to conclude their travel plans
after progress was achieved on Berlin--the
problem which in the past has blocked the
forward movement of Soviet policies in
Western Europe.*

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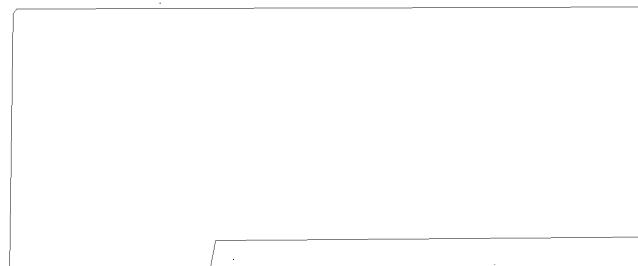


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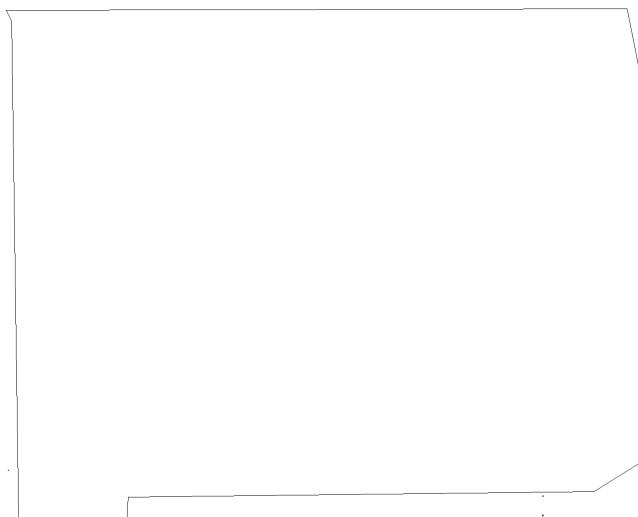
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USSR

The latest satellite photography of the Sary Shagan missile test center showed what appears to be a new ABM canister mounted on a new type of ABM support vehicle. The canister and vehicle were photographed at a facility where testing of a new large ABM has been under way since last fall.



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SOUTH VIETNAM

The removal of Vice President Ky's name from the presidential election ballot means the election will in effect be a referendum on Thieu's leadership.

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Thieu may clarify his intent in a national television appearance in the next day or so.

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SOUTH VIETNAM

The government, which weathered last Sunday's Lower House elections fairly well, still faces some rough political sledding against opposition elements. It seems likely that, as in the past, Thieu will be able to muster enough support in the House to secure passage of all but the most controversial of his legislative requests. Thieu says that about 60 percent of the deputies will support him. Only a minority of the incumbents won re-election, however, and the political affiliation of about a fifth of the new deputies is unclear. Hence, the actual political line-up will not be certain until after the House reconvenes in the fall.

Political opposition in the Lower House centers on about 25 deputies associated with the An Quang Buddhists and may be somewhat larger and more cohesive than in the past. Some of the militant Buddhists charge that Big Minh's withdrawal from the presidential race discredited the entire election process and justifies demonstrations and other extralegal antigovernment activities.

FOR THE PRESIDENT ONLY

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INTERNATIONAL ECONOMIC DEVELOPMENTS

The slowly appreciating yen closed about six percent above the old yen-dollar parity in relatively stable trading yesterday. Japanese financial authorities have imposed stringent new controls on the foreign exchange operations of commercial banks to limit fluctuation in the foreign exchange market.

Moscow is maintaining the ruble-to-dollar rate, making it necessary to take account of the changing rates of exchange between the dollar and other foreign currencies.

This adjustment of the ruble against other major hard currencies announced yesterday will not affect either the international monetary situation or Soviet foreign trade. The ruble, a nonconvertible currency, is essentially a bookkeeping device. As such, its devaluation will serve only to translate correctly into rubles the value of Soviet trade conducted in hard currencies.

The deputy finance ministers from five European Community (EC) countries and the US, UK, Canada, Japan, and Sweden will convene tomorrow to discuss multilateral currency realignment prior to the planned meeting of the Group of Ten's finance ministers in London in mid-September.

The EC Monetary Committee will meet in Brussels today to prepare for the deputies' meeting, but bilateral talks between West Germany and France have failed to bring agreement and this will inhibit progress toward a common position.

FOR THE PRESIDENT ONLY

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ARGENTINA

President Lanusse is dispatching a personal envoy to President Nixon in an apparent effort to present his case for US support of his government in the form of \$500-600 million in financial assistance.

Lanusse has requested such assistance through embassy channels on several occasions in the past two months but has dismissed suggestions that he turn to multilateral sources--such as the International Monetary Fund--apparently in the belief that he need only present his case strongly enough to obtain what he wants. His rationale is that Argentina serves US interests in the southern part of Latin America where it is a force for stability in an area that includes the Marxist-governed Chile, an unsettled Uruguay, and chronically unstable Bolivia, and that the US should, therefore, be willing to help bail the Lanusse government out of its current economic difficulties.

The envoy, Dr. Ismael Bruno Quijano, a well-known international lawyer, would tell Ambassador Lodge only that the message he carried was of "transcendental" importance. He said that Lanusse was approaching a decisive period that will determine Argentina's future orientation and international alignment and that he wanted President Nixon to be fully apprised of these vital decisions.

Other matters that Quijano may hope to discuss in Washington are Argentina's request for exemption from the ten-percent import tax and the China problem.

FOR THE PRESIDENT ONLY

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South Korea - USSR:

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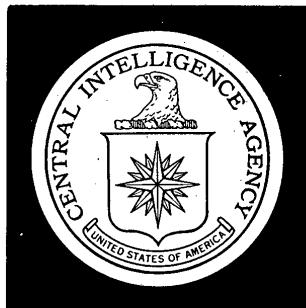
Pakistan: By appointing A. M. Malik, a Bengali civilian, as governor of East Pakistan, Yahya clearly hopes to improve prospects for Bengali co-operation with the government and to lessen foreign criticism of his East Pakistan policy. The outgoing governor and martial law administrator, Lieutenant General Tikka Khan, is a West Pakistani who has been the focus of charges of army brutality. His successor as martial law administrator, however, is the army commander in the east who has had even more direct authority over the troops. Yahya, in any event, will retain ultimate control.

Pakistan:

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THE PRESIDENT'S DAILY BRIEF

3 September 1971

PRINCIPAL DEVELOPMENTS

Ky is planning new moves, including both legal and "irregular" activities, to persuade Thieu to postpone the presidential election. (Page 1)

The latest developments at the SALT talks are discussed on Page 2.

The enthusiastic reception in Japan for a senior Chinese official has helped to crystallize the pro-China mood there. (Page 4)

Brandt is fearful that West Germany is being left behind by France and other West European countries in their efforts to improve relations with the USSR and Communist China. (Page 5)

Romania

(Page 6)

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Luna 18 should reach the vicinity of the moon on 6 September. (Page 8)

FOR THE PRESIDENT ONLY

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SOUTH VIETNAM

Vice President Ky is planning new moves to persuade President Thieu to postpone the presidential election, [redacted] Ky is encouraging his followers to plan for both legal and "irregular" activities, including covert political action and military pressure. The vice president hopes to persuade senior South Vietnamese Army generals to join a "military high committee" which would demand that Thieu resign to pave the way for a new election.

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Most army commanders remain responsive to Thieu, however, and Ky is not likely to take any rash action without some substantial backing from the military.

Ky also is attempting to organize a broad political opposition to Thieu. He is meeting with a wide spectrum of political figures ranging from usually progovernment northern Catholics to outspoken antigovernment politicians and leaders of militant veterans groups.

It seems doubtful that these groups would be able to agree on effective cooperation with one another, and that they would look to Ky for leadership. The vice president has had few ties with opposition circles in the past.

Thieu's public reaffirmation yesterday that he intends to go ahead with the election as scheduled reflects his determination to resist pressure for a postponement. Although Thieu almost certainly will not be swayed by Ky's maneuvers, the vice president's activities mean the uneasy political situation is likely to persist and quite possibly grow worse.

FOR THE PRESIDENT ONLY

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SALT

At the plenary on 31 August Semenov countered the two-and-one ABM proposal submitted by the US on 20 August with the proposal that each side be allowed to protect two "administrative-industrial" locations of its own choosing. These two would have a total of 200 launchers and 200 interceptors, and a 200-kilometer deployment limit from the center of each protected area. Semenov indicated that Moscow would not consider a trade-off of two sites protecting ICBM fields for two sites protecting "administrative-industrial complexes" as meeting the stipulations of the new proposal.

The Soviets have avoided specific definitions of "administrative-industrial" complexes, however, and earlier Soviet comment suggests there may be some flexibility on this issue. Despite the continued absence of agreement on ABM levels and deployment, the Soviet delegation obviously is anxious to prepare a document before recess with as much agreed language as possible, even if the major issue remains unresolved.

There currently are three different working groups concentrating on the various provisions of the draft defensive agreements in an effort to find common ground. Semenov has told Smith that he would like the working groups to try and reconcile "even in parts" the outstanding differences in substance. Timerbaev has stated that he hoped for a paper analogous to the accident measures report negotiated during the Vienna round and completed during the present round. This appears to be a fair statement of the Soviet goal.

In addition to the question of the ABM levels and deployment, the question of radar deployment and of what constitutes an ABM radar continue to be major sticking points. Kishilov has twice suggested informally that Moscow could reduce its proposed 200-kilometer ABM deployment radius to the US position of 100 kilometers if the US dropped its deployment limitations on radars within the 100-kilometer radius.

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FOR THE PRESIDENT ONLY

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On the subject of offensive limitations, Semenov at the plenary formally stated the USSR's rejection of the inclusion of submarine-launched ballistic missiles (SLBMs) in any freeze on offensive weapons. When Ambassador Smith protested following the meeting, Semenov again elliptically raised the issue of forward-based systems.

This suggests that Moscow will continue to use the threat of reopening this contentious issue to avoid consideration of SLBMs at this time.

FOR THE PRESIDENT ONLY

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JAPAN-CHINA

The enthusiastic public reception in Japan for Wang Kuo-ch'uan (see The President's Daily Brief of 26 August) has helped to crystallize further the pro-China mood there. Indeed, the China issue is increasingly isolating Prime Minister Sato.

Wang saw a wide spectrum of business and political leaders and made a good impression throughout his visit. He met opposition party leaders as well as several of Sato's most outspoken critics within the ruling Liberal Democratic Party, including the head of a Diet delegation going to Peking this month. Leaders of Japan's powerful business community, such as the chairman of New Japan Steel, were particularly eager to meet with Wang.

By not initiating substantive contact with government leaders, Wang confirmed Peking's desire to keep its distance from the beleaguered Sato government and to encourage a broader and more united front of all Japanese who hope to bring the Sato era and its policies to an early end.

Former foreign minister Masayoshi Ohira, who heads the faction in the ruling party second only to Sato's in strength, now has broken openly with the prime minister on China. In a speech on 1 September he called for rapid establishment of governmental contacts with Peking to facilitate its early recognition by Japan.

Ohira, who is one of Foreign Minister Fukuda's most powerful opponents in the coming struggle to succeed Sato as prime minister, will continue to press the China issue to advance his campaign. As Sato's position weakens, the jockeying among contenders for his position will continue to intensify.

FOR THE PRESIDENT ONLY

WEST GERMANY

Chancellor Brandt is worried that West Germany is being left behind by France and other West European countries in their efforts to improve relations with the USSR and Communist China.

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Many Germans have long feared that a period of detente would result in the diplomatic isolation of the Federal Republic. While the advent of Ostpolitik and the improved atmosphere in German-Soviet relations reduced those fears, they have been revived in recent months by the developments in US-Chinese relations. The Brandt government believes that it cannot at this time actively seek better relations with Peking for fear of offending Moscow and risking the fruits of Ostpolitik in Eastern Europe.

Brandt, [redacted], is angling for an invitation for another visit to Moscow before the German-Soviet treaty is ratified.

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[redacted] Brandt might use this occasion to sign a cultural agreement and a long-pending trade pact.

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Although Brandt does not now intend to seek diplomatic relations with Peking before 1974, [redacted] Bonn may become more active in its foreign relations once its treaties with Moscow and Warsaw are ratified.

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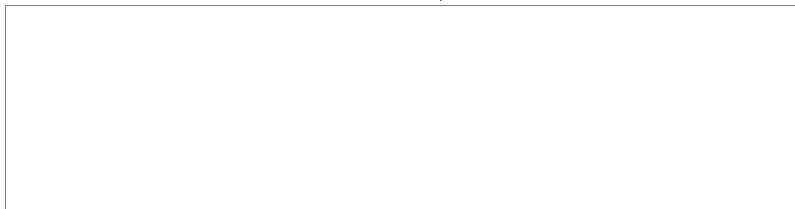
Earlier he indicated he expected German-Chinese trade relations to expand, despite the fact that Peking has been uninterested in an exchange of trade missions. He will probably also attempt to improve the atmosphere by other means, such as through the establishment of a German-Chinese friendship society which would enroll some important German political personalities.

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USSR-ROMANIA

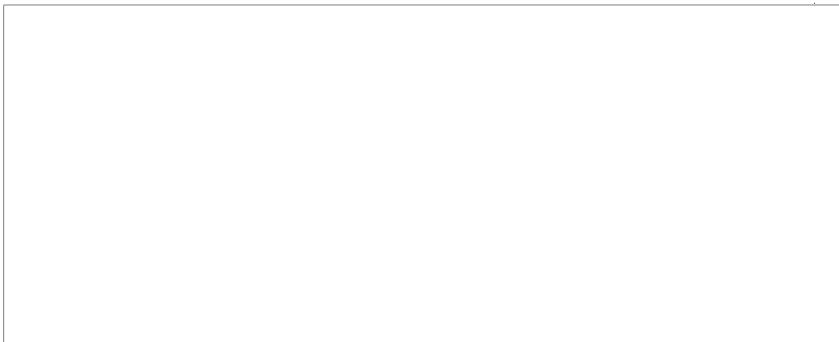
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EAST PAKISTAN

The jute industry, the mainstay of the East wing's economy, has been hard hit by the Bengali rebels. Bombings of mills and threats to workers resulted in a 15-percent drop in production last month. Most mills are now operating at a loss, with output only about 20 to 35 percent of normal. At least 85,000 bales of raw jute have been destroyed by the rebels, and transportation disruptions apparently are preventing replenishment of jute stocks. In the face of growing uncertainty over the availability of Pakistani jute, foreign consumers may increasingly turn to substitute materials.

Other areas of East Pakistan's economy are similarly bleak. Retail sales are well below 50 percent of normal, worker attendance in Dacca is only half of normal, tea plants are closing because of fuel shortages, banks are unable to find low risk borrowers despite an easing of credit, and there has been considerable flood damage recently to crops and transportation links.

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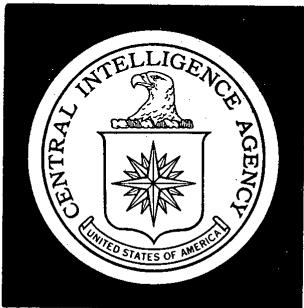
NOTES

USSR: Luna 18, launched from Tyuratam yesterday, should reach the vicinity of the moon on 6 September. This unmanned probe is likely to orbit the moon before attempting a soft landing; its mission after landing is not yet known. This is the eighth successful firing in the last nine launch attempts of the SL-12 booster, which now has an over-all record of 14 successes and 14 failures.

North Vietnam: Official pronouncements on North Vietnam's national day, including Premier Pham Van Dong's keynote speech, provide no further clues concerning a possible change in Hanoi's line on the war. Pham Van Dong's speech, in fact, was a typical anniversary performance, long on words and short on substance, and contained neither the unusual themes that had recently appeared in two authoritative journals nor the calls for increased military action that had become standard propaganda fare over the previous several months.

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THE PRESIDENT'S DAILY BRIEF

4 September 1971

PRINCIPAL DEVELOPMENTS

Today's Pravda article is Moscow's strongest public blast at Peking in over a year. (Page 1)

Vice President Ky's harsh tirade against South Vietnamese President Thieu is clearly designed to stir Thieu's opponents into action. (Page 2)

The severe flooding in northern North Vietnam has disrupted transportation and agriculture, but aid is already flowing in from both China and the Soviet Union. The flow of men into the infiltration system may also be affected, although there is unlikely to be any effect on supply movements to the southern battlefields. (Page 3)

Pakistan is strengthening its defensive forces along the West Pakistan - India border. (Page 5)

Some European views on the international monetary situation are discussed. (Page 6)

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USSR-CHINA

The lengthy article by "I. Alexandrov"--a pseudonym employed to indicate high-level party endorsement--in today's Pravda is Moscow's strongest public blast at China in over a year. It minces no words in indicating that Moscow sees malicious intent in Peking's invitation to President Nixon. The article sets the Chinese bid to the US President in the context of Peking's over-all foreign policy, which is branded as primarily motivated by "anti-Sovietism." It labels Chou En-lai's citation of a "threat from the north" in his recent interview with James Reston as mythical, pointedly noting that the USSR has no territorial claims against China.

A substantial section of the article attacks Peking's attempts to undermine Soviet domination of Eastern Europe. Although avoiding the stronger condemnations of Peking's alleged efforts to establish an "anti-Soviet axis" in the Balkans that have appeared recently in the East European press, it accuses the Chinese of "seeking to set socialist states at loggerheads." One principal theme in the article is the exhortation that Communists should "enhance in every way their vigilance against Maoism."

The article restates Soviet intentions to seek better relations with China, but unlike some pronouncements before the announcement of the President's visit, carries no note of conciliation. Indeed, the article seems somewhat defensive in justifying Kremlin policy toward China, suggesting that the leadership may be sensitive to criticism that it has been too easy on Peking.

"Alexandrov's" treatment of China stands in marked contrast to recent Soviet handling of US motivations for improving relations with Peking. Pravda on 2 September, for example, presented a relatively balanced account of Secretary Rogers' speech to the American Legion, specifically noting his assurance that US China policy does not mean any lessening of interest in serious negotiations with the USSR. Such treatment suggests that US efforts to reassure Moscow on the visit are having some success and indicates that Moscow does not want to damage its wide-ranging contacts with Washington through harsh polemics.

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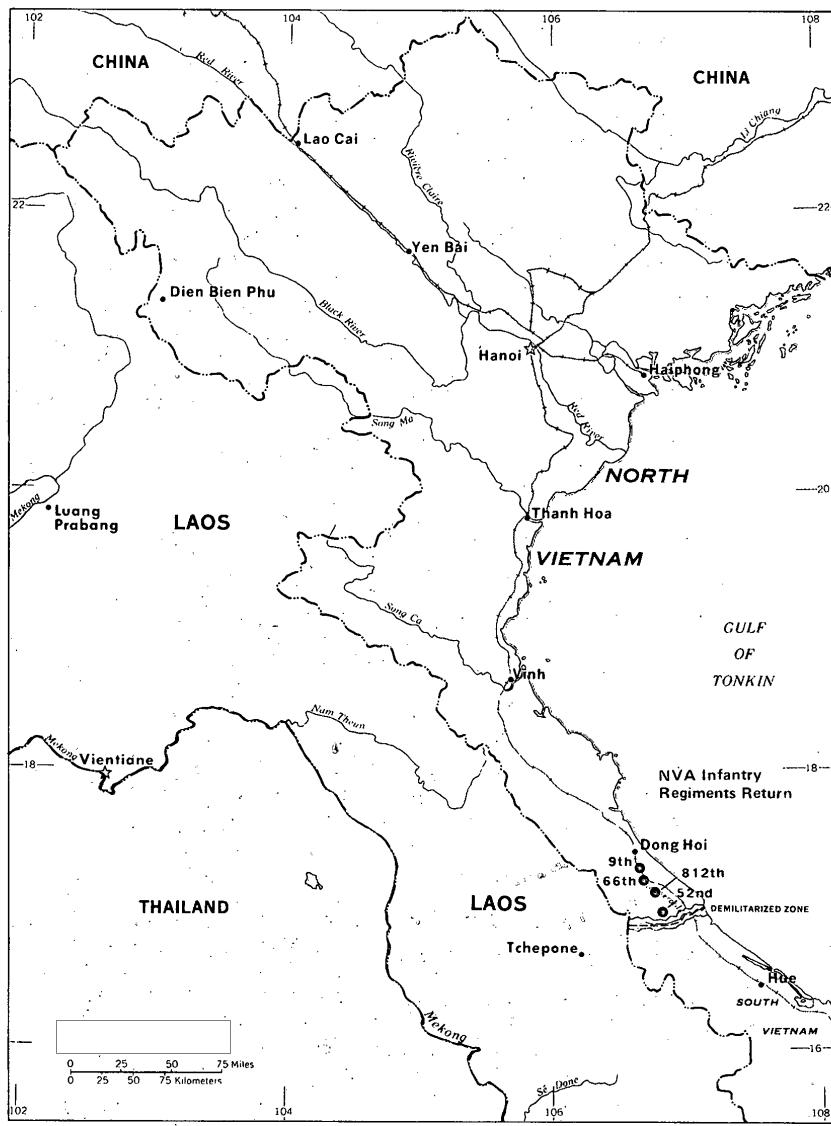
FOR THE PRESIDENT ONLY

SOUTH VIETNAM

Ky told members of the foreign press corps yesterday that he would destroy Thieu and "his clique" even if "I have to sacrifice my life to do it." Ky asserted that there is great unrest among the people and the armed forces and questioned whether many generals are really loyal to Thieu. The vice president gave his threat a sense of immediacy by claiming that many unpredictable events could take place, "perhaps tonight or tomorrow," and warned his listeners that those who lived near the palace should be prepared to move.

Ky's public threat to use force to oust Thieu is in keeping with his campaign to force a change in Thieu's election plans. Though he is clearly trying to generate more positive opposition to Thieu, Ky still seems to lack much military support and would be unlikely to disclose his intention publicly if he really planned to mount a coup. One of the vice president's chief political lieutenants is currently in the US, and Ky's remarks may have been intended partly for US ears. He may hope that by stirring up the South Vietnamese political situation even further, the US might be brought to persuade Thieu to postpone and re-organize the presidential election. Although Ky may succeed in whipping up strong antigovernment feeling among some opposition elements, others will be alarmed at his intemperate language and take care not to be identified too closely with him. Ky's press spokesman later attempted to soften the impact of some of the vice president's inflammatory statements.

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FOR THE PRESIDENT ONLY

NORTH VIETNAM

Premier Pham Van Dong has characterized the serious floods in the northern half of the country as worse than the catastrophic flood and famine in 1945 that caused hundreds of thousands of deaths. Government leaders have directed that every assistance be provided to flood victims and that stockpiles of cement and steel be drawn upon to reinforce and repair dikes. The premier's office has warned that looters and speculators will be severely punished.

US weather data during August indicate that the northwest region of North Vietnam received up to 20 inches of rain above average; elsewhere precipitation was near normal levels. The runoff from rivers flowing down to the coast presumably has caused serious flooding in the Red River delta. Hanoi is experiencing some flooding, and the main rail line from Hanoi to China was disrupted on at least two occasions in recent weeks.

The extent of crop damage cannot yet be determined, but any losses are likely to be made up by the USSR and China; flood relief provides both with an opportunity to demonstrate their continued support of the North Vietnamese. The Chinese began flood relief flights to Hanoi on 30 August and dispatched 90 rail cars carrying steel wire for use in flood control. Mao, Lin, and Chou have expressed their official sympathy and promised all possible aid. The USSR, not to be outdone, is sending via the Soviet Red Cross foodstuffs, medicine, fabrics, and tents for the flood victims.

It is highly unlikely that the floods will affect continuing preparations in southern North Vietnam for the coming dry-season supply push into Laos and southward. The Communists have established military stockpiles in the North Vietnamese panhandle that will enable them to withstand any temporary disruption to the transport system in the north.

(continued)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

Flooding in the northern part of the country, however, may affect Hanoi's infiltration timetable. Normally, the dry-season flow of men begins in October, but the disruption of transportation and heavy rains may have interrupted activities at the major training bases in the north.

Infiltration figures for August indicate that few personnel moved through the pipeline. [redacted]

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SOUA

[redacted] only three small groups of infiltrators moving through the system; these had a combined strength of less than 100-- all specialists and most headed for Military Regions 1 and 2 in South Vietnam.

* * *

Over the past few weeks, four North Vietnamese infantry regiments have pulled out of South Vietnam's Quang Tri Province and now are in southern North Vietnam. [redacted] two regiments of the 304th Division returned to Quang Binh Province in mid-July, and one regiment of the 324th Division moved north sometime in late July or early August. Late last month, one regiment of the 320th Division also headed northward. In each case, the regiments are rejoining parent divisions that have been in southern North Vietnam since mid-spring.

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The four regiments entered Quang Tri Province from Laos or North Vietnam shortly after Operation Lam Son 719 last March and applied heavy but sporadic pressure on South Vietnamese outposts along the DMZ during the summer. Their departure suggests the summer campaign in this area has ended and the units have gone home to refit.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

PAKISTAN

The Pakistani Army has completed the precautionary movement of additional forces into forward positions near the India - West Pakistan border, [redacted]

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[redacted] The mission of these troops--estimated to number about 5,000--is to blunt and contain any Indian attack until Pakistani forces could counterattack. Pakistan has also completed the organization of two new infantry divisions to replace those sent last spring to East Pakistan and is now forming a third.

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In East Pakistan, Islamabad is organizing three brigades--about 18,000 troops--consisting of non-Bengali East Pakistanis. These troops are to be responsible for maintaining internal order in the event of hostilities.

These preparations--defensive in nature--stem from Pakistan's uncertainty about India's intentions. Pakistani officials assume, however, that India will continue to support efforts by the Bengali guerrillas to gain control of a section of East Pakistan. Such action could yet lead to major hostilities in view of Islamabad's belief that the best way to defend East Pakistan is to attack in the west.

FOR THE PRESIDENT ONLY

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INTERNATIONAL MONETARY DEVELOPMENTS

Europeans are increasingly taking the position--in part as a sop to France--that an over-all adjustment of exchange parities should be accompanied by some increase in the price of gold. In recent remarks, some French, Dutch, British, and German officials have all requested a gold-price increase as part of a general settlement. For the French, this position reflects long-standing views on what is required. A high Dutch Finance Ministry official claims that a "modest"--perhaps five-percent--increase could be decisive in fostering a joint Common Market adjustment offer. Some British Treasury officials also are taking the line that a small increase in the official gold price might facilitate monetary reform.

Early removal of the US import surcharge remains a major aim. In an argument that may be used increasingly, the Belgian Treasury director has referred to the difficulty of effecting parity changes while the surcharge persists and distorts judgment on what the rate should be.

In the view of some European officials, there will continue to be uncertainty about the proper response to the US pending clarification of US expectations. According to a Dutch official, a definitive statement is needed most urgently on what the US wants in the monetary, commercial, and burden-sharing fields and what it is prepared to give "in addition to elimination of the surcharge."

Despite the emergence of common themes on the European side, there are still no signs of a reconciliation of French differences with the other European Community members. The Italians--who have also called for a devaluation of the dollar to accompany other currency revaluations--will meet separately with the Germans and French this weekend at the ministerial level. Paris, however, presumably is still resisting any common Community position that would require revaluing the franc. France appears determined not to lose the edge in intra-European trade it gains from the present upward-trending German and Dutch currencies.

(continued)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

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On the basis of monthly data now available, it appears that European central banks absorbed record amounts of dollars during August. British reserves increased by \$937 million despite debt repayments of \$626 million. In France the increase was \$1.08 billion. The French increase resulted from Bank of France support of the "commercial" franc, which has hovered near its lowest permitted level since the introduction of the two-tier market. In Tokyo, the Bank of Japan reportedly continued to buy dollars heavily yesterday to restrict the yen's appreciation.

In another development, Canadian Prime Minister Trudeau plans to take special measures to assist industries hurt by the US import surcharge. The measures are to be announced at the resumption of Parliament on Tuesday, 7 September. Ottawa hopes to cushion the impact of the surcharge on the economy's recovery. No details are available, but the measures will probably include tax relief.

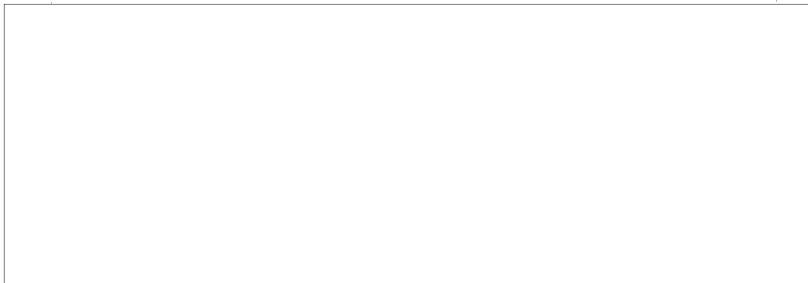
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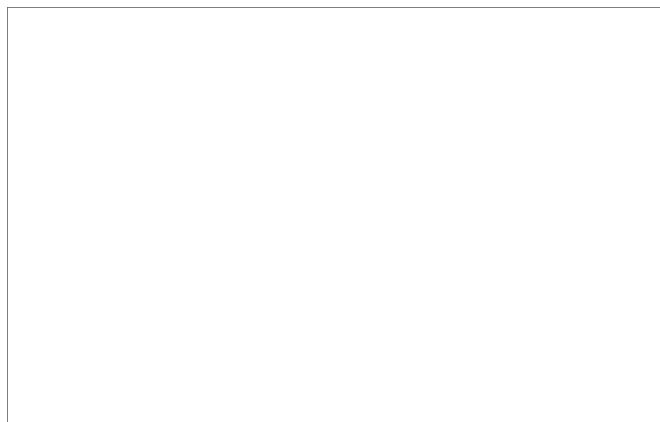
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CHINA



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The President's Daily Brief

Sunday 5 Sept.

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PDB CABLE - SUNDAY - 5 SEPT 71

POLITICAL TENSIONS IN PHNOM PENH HAVE EASED. THE NATIONAL ASSEMBLY HAS AGREED TO POSTPONE ITS INTERPELLATION OF FINANCE MINISTER SOK CHHONG--A PROCEDURE TANTAMOUNT TO A VOTE OF NO-CONFIDENCE IN CAMBODIA--AND HAS SIGNALLED ITS READINESS TO CONSIDER MAJOR ECONOMIC REFORMS WHICH THE GOVERNMENT WILL PROPOSE, PERHAPS AS EARLY AS NEXT WEEK. CHIEF OF STATE CHENG HENG HAS TOLD AMBASSADOR SWANK THAT CHHONG IN TURN HAS AGREED TO STAY ON IN THE CABINET AND TO SEE THE ECONOMIC PROGRAM THROUGH THE LEGISLATURE. CHHONG, ONE OF CAMBODIA'S FEW TRAINED AND COMPETENT ECONOMISTS, HAD BEEN UNDER PRESSURE TO RESIGN BY A SMALL BUT VOCAL ASSEMBLY MINORITY, BECAUSE HE WAS THE ARCHITECT OF SOME EARLIER, UNPOPULAR GOVERNMENT ECONOMIC POLICIES. LON NOL AND SIRIK MATAK WERE ANXIOUS TO AVOID ANY SHOWDOWN WITH THE ASSEMBLY AS OTHER MINISTERS WERE SAID TO BE READY TO QUIT IN SYMPATHY WITH CHHONG. THIS PROBABLY WOULD HAVE BROUGHT DOWN THE GOVERNMENT, WORSENING AN ALREADY TURBULENT POLITICAL SCENE AGITATED BY THE PERSONAL ANIMOSITIES AND AMBITIONS OF A NUMBER OF GOVERNMENT LEADERS.

THE FORMULATION AND IMPLEMENTATION OF ONE OF THE KEY NEW ECONOMIC PROGRAMS--THE EXCHANGE SUPPORT FUND (ESF), A MULTINATIONAL AID ARRANGEMENT--IS EXPECTED TO TAKE SOME TIME; THUS, THE ASSEMBLY'S ACQUIESCENCE IN THE MATTER MEANS IN EFFECT THAT THE INTERPELLATION WILL BE SUSPENDED INDEFINITELY AND SUGGESTS THAT THE ASSEMBLY IS READY TO COOPERATE WITH THE GOVERNMENT IN RESOLVING CAMBODIA'S KNITTY ECONOMIC PROBLEMS. IT WAS ALSO APPARENTLY RECOGNIZED THAT THE SPECTRE OF CONTINUED POLITICAL INSTABILITY IN PHNOM PENH COULD HAVE JEOPARDIZED THE ESF AS WELL AS THE PROSPECTS OF A CASH GRANT TO

Note: The last line in the page is missing, but it was shown in Document #1:the Cambodians now under study in Washington.

FOR THE PRESIDENT ONLY

THE GOVERNMENT TASK FORCE ATTEMPTING TO RECAPTURE PAKSONG ON THE BOLOVENS PLATEAU IN SOUTH LAOS WAS DEALT ANOTHER SETBACK YESTERDAY. NORTH VIETNAMESE FORCES MOUNTED A COORDINATED MORTAR AND GROUND ATTACK AGAINST THREE LAO ARMY BATTALIONS MANNING FRONT LINE POSITIONS ON ROUTE 23 WEST OF PAKSONG. THE THREE BATTALIONS DISPERSED AND WERE REPORTED TO BE STRUNG OUT AND IN DISARRAY FOR SOME SIX MILES BACK ALONG THE ROAD. KNOWN CASUALTIES ARE ONE KILLED, 36 WOUNDED, AND OVER 200 MISSING. THREE IRREGULAR BATTALIONS AT BAN PHAK KOUT ARE TO BE JOINED BY A FOURTH TO FORM NEW FRONT LINE POSITIONS. ELSEWHERE IN SOUTH LAOS, TWO PATHET LAO COMPANIES--TOTALING 77 MEN AND THREE POLITICAL CADRE--DEFECTED TO THE GOVERNMENT AT A LOCATION NORTHEAST OF KHONG SEDONE.

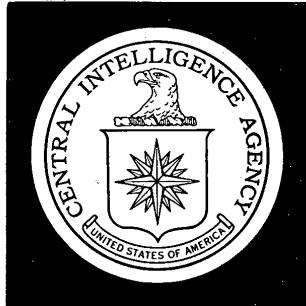
IN NORTH LAOS, THREE IRREGULAR POSITIONS NORTHEAST OF THE PLAINE DES JARRES WERE LOST FOLLOWING ENEMY DAYLIGHT ATTACKS. THE NORTH VIETNAMESE ALSO KEPT UP THEIR SHELLING ATTACKS AND GROUND ASSAULTS ON IRREGULAR POSITIONS ON THE NORTHERN PLAINE, BUT NO OTHER POSITIONS CHANGED HANDS.

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THE PRESIDENT'S DAILY BRIEF

6 September 1971

PRINCIPAL DEVELOPMENTS

In South Vietnam, Ky has backed away from his threat to oust Thieu by force but is continuing his efforts to win the leadership of the opposition. (Page 1)

Political tensions in Cambodia have eased following the postponement of the interpellation of the finance minister. (Page 2)

Laotian efforts to recapture Paksong from the Communists have been dealt another setback. (Page 3)

India is attempting to negotiate a regional pact along the lines of its recently concluded treaty with the USSR. (Page 4)

Iran

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(Page 5)

There are signs of dissension in the new Bolivian regime. (Page 6)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

SOUTH VIETNAM

Ky's denial that he had threatened to destroy Thieu by force seems to have been carefully handled to meet the minimum requirements of the situation. His unrestrained attack on Thieu would almost certainly have forced Thieu to take countermeasures if allowed to stand. For his part, Thieu gave Ky time to reconsider, saying that he knew nothing about Ky's threat except what he had learned through the press and that he was having the matter investigated. Ky evaded making an explicit denial of the substance of the reports. Instead, an aide was instructed to make a general statement claiming that "no one was authorized to speak as a source close to the Vice President," an obvious allusion to the fact that some reporters had violated the ground rules of Ky's 3 September background briefing.

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Ky is also trying to organize support from several political parties.

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[redacted] he has secured the signatures of a number of party faction leaders on a declaration calling for Thieu's resignation and if he refuses threatening to hinder the 3 October election by all possible legal means. Thieu has little respect for the leaders involved, and it is unlikely that he will be impressed. Thieu may, however, take some measures to open new divisions among these temporarily united oppositionists.

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The other major opposition leader, Big Minh, has apparently agreed to lead an opposition bloc, which may include the powerful An Quang Buddhists and some leftist political leaders. Minh and his staff were said to have met with An Quang representatives on 3 September to consider future strategy.

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[redacted] Minh had previously indicated that he would be willing to lead a united opposition bloc.

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CAMBODIA

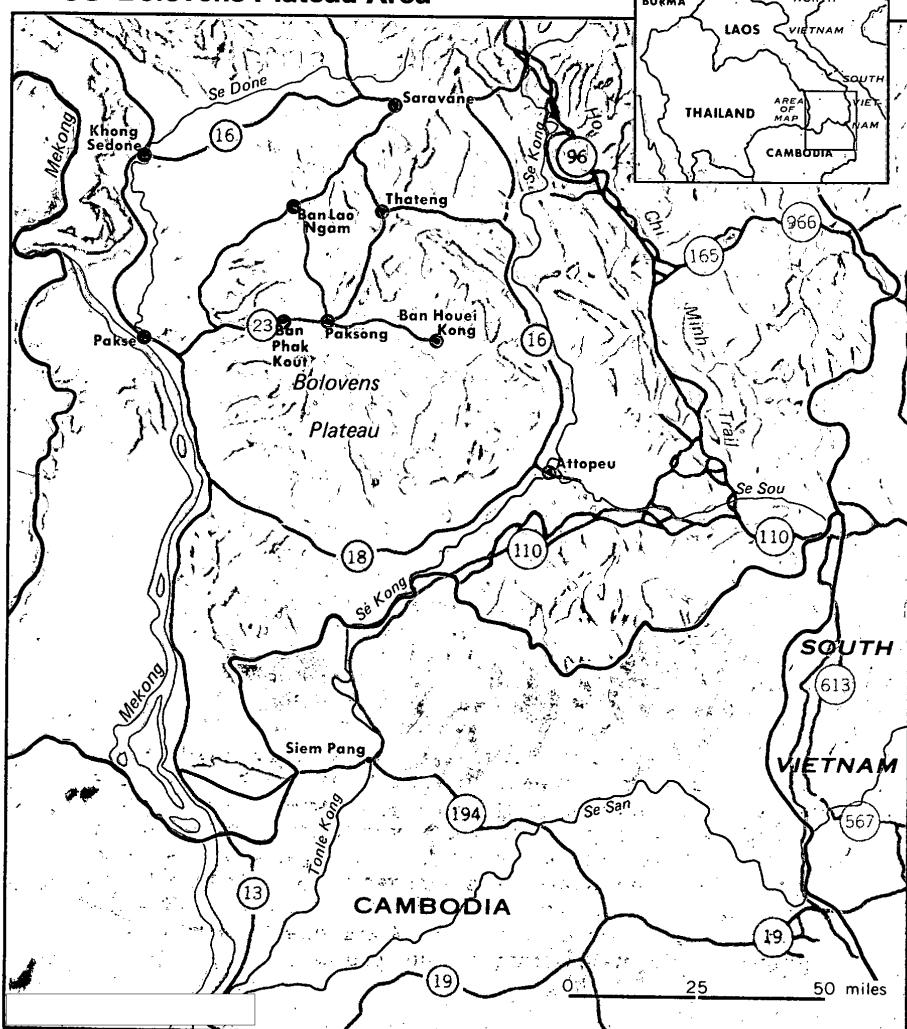
Political tensions in Phnom Penh have eased. The National Assembly has agreed to postpone its interpellation of Finance Minister Sok Chhong and has signaled its readiness to consider the government's proposals for major economic reforms, perhaps as early as next week. Chief of State Cheng Heng has told Ambassador Swank that Chhong in turn has agreed to stay on in the cabinet and to see the economic program through the legislature.

Chhong, one of Cambodia's few trained and competent economists, had been under pressure to resign by a small but vocal assembly minority because he was the architect of some earlier, unpopular government economic policies. Lon Nol and Sirik Matak were anxious to avoid any showdown with the assembly as other ministers were said to be ready to quit in sympathy with Chhong. This probably would have brought down the government, worsening an already turbulent political scene agitated by the personal animosities and ambitions of a number of government leaders.

The formulation and implementation of one of the key new economic programs--the Exchange Support Fund (ESF), a multinational aid arrangement--is expected to take some time; thus, the assembly's acquiescence in the matter means in effect that the interpellation will be suspended indefinitely and suggests that the assembly is ready to cooperate with the government in resolving Cambodia's knotty economic problems. It was also apparently recognized that the spectre of continued political instability in Phnom Penh could have jeopardized the ESF as well as the prospects of a cash grant now under study in Washington.

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LAOS: Bolovens Plateau Area



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- Communist-held location
- Government-held location

FOR THE PRESIDENT ONLY

LAOS

The government task force attempting to recapture Paksong on the Bolovens Plateau in south Laos was dealt another setback on 4 September. North Vietnamese forces mounted a coordinated mortar and ground attack against three Lao Army battalions manning front line positions on Route 23 west of Paksong. The three battalions dispersed and were reported to be strung out and in disarray for some six miles back along the road. Known casualties are one killed, 36 wounded, and over 200 missing. Three irregular battalions at Ban Phak Kout are to be joined by a fourth to form new front line positions. Elsewhere in south Laos, two Pathet Lao companies-- totaling 77 men and three political cadre--defected to the government at a location northeast of Khong Sedone.

In north Laos, three irregular positions northeast of the Plaine des Jarres were lost following enemy daylight attacks. The North Vietnamese also kept up their shelling attacks and ground assaults on irregular positions on the northern Plaine, but no other positions changed hands.

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FOR THE PRESIDENT ONLY

INDIA

New Delhi's policy makers, who are concerned about the implications of a Sino-US rapprochement, believe they need the protection of a regional pact along the lines of their recently concluded treaty with the USSR. The Indians presumably hope the Soviets would support such an arrangement, but at the same time they are anxious to show that they remain essentially nonaligned and are not solely tied to the USSR and its allies.

The Indians have already approached Japan--and possibly several other Asian countries--about a treaty. Diplomats in Nepal and Ceylon expect that friendship treaties will be included on Indian Foreign Minister Singh's agenda during his good will visits early this month.

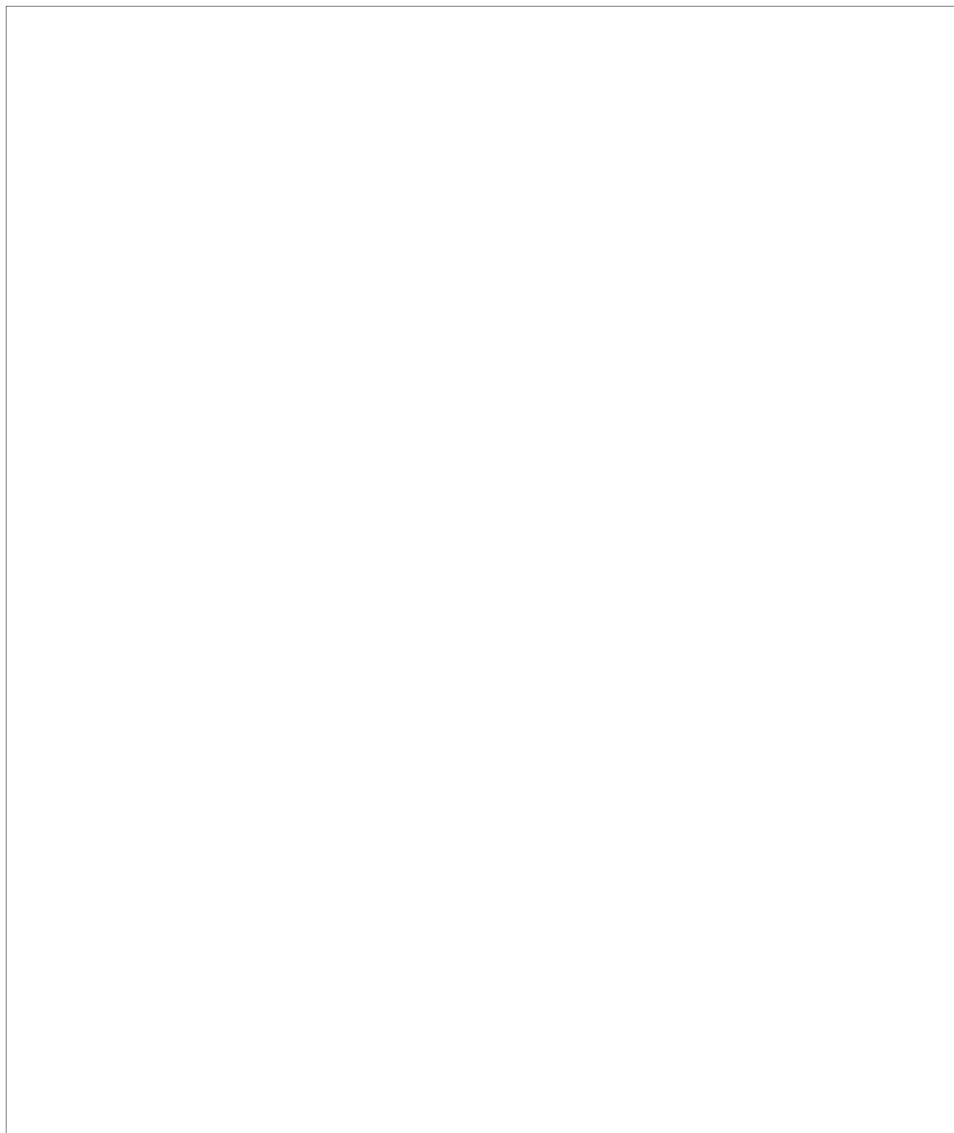
The Japanese were cool to the Indian approach. They are leery of Soviet involvement and are concerned about their relationship to existing regional organizations. The Nepalese are also not likely to be enthusiastic because of their special problems with China.

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The Ceylonese have led the Indians to think that although they do not want any formal entanglements with the USSR, they might consider concluding a treaty with India.

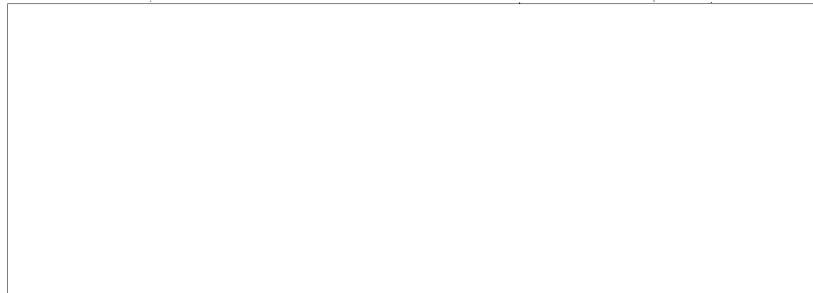
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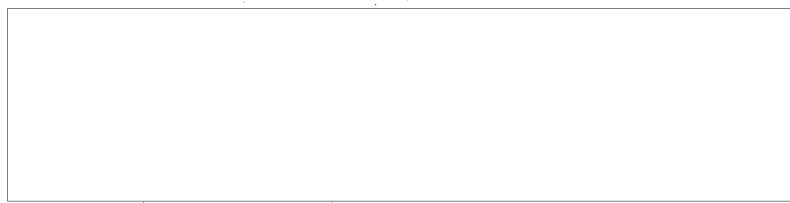


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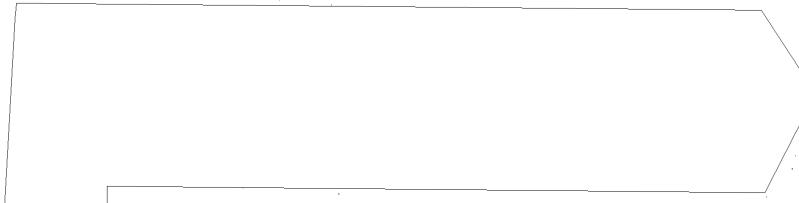
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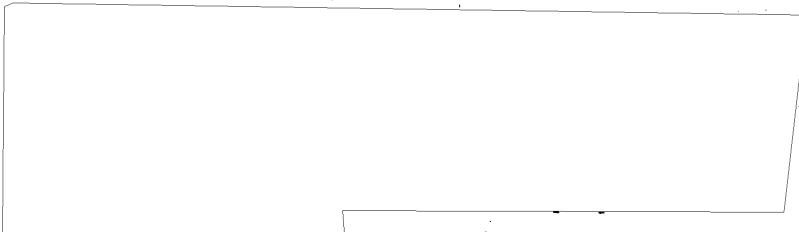
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BOLIVIA

Dissatisfaction with Banzer's governing alliance has surfaced among Nationalist Revolutionary Party (MNR) militants. Although party head Victor Paz Estenssoro has publicly called for loyalty to the military, he has also declared himself the caudillo of Bolivia. Paz is said to have told party leaders [redacted] they should regard participation in the Banzer government as a springboard for achieving the MNR's ultimate goal of returning to full power. The party has rebuffed demands from its left wing that it leave the coalition, and may act to prevent the return of still-exiled leftist leader Hernan Siles.

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[redacted]
[redacted]
[redacted]
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A "Revolutionary Resistance Front," claiming to represent most of the extreme left, has called for an armed struggle, and the regime is taking measures to deal with an expected urban terrorist campaign. A crackdown now under way against the violence-oriented National Liberation Army (ELN) is likely to be directed against all extreme leftists whether or not they actually have ELN connections.

Banzer has declared that actions of the Torres regime deemed to have been "demagogic" will be reviewed, but that the nationalization of the US-owned Bolivian Gulf Oil Company in 1969 is irreversible. The new government has asked for \$20 million in US emergency grant assistance to stimulate the economy and help the regime through its first "critical" 100 days.

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THE PRESIDENT'S DAILY BRIEF

7 September 1971

PRINCIPAL DEVELOPMENTS

Major international economic developments are reviewed on *Page 1*.

A spectacular prison break by more than 100 terrorists has severely undermined public confidence in the government of Uruguay. (*Page 2*)

Serious frictions may be developing among the rulers of Sudan. (*Page 3*)

Malta's Prime Minister has rejected Britain's latest offer. (*Page 3*)

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INTERNATIONAL ECONOMIC DEVELOPMENTS

The week opened with only minor adjustments among exchange rates on markets in Europe. Intervention by the Bank of Japan maintains the yen about six percent above parity.

European officials are alerting the public not to expect a quick resolution of the monetary problem. Their motive seems to be to avoid a series of increased expectations and subsequent disappointments. Soundings that may lead to a least common denominator reaction to US moves will be sought at many meetings between European states scheduled this month as well as in the ad hoc consultations taking place in the wake of the Group of Ten meeting last week.

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[Redacted]

For the time being, market uncertainties will keep international commercial transactions at a reduced level. Sales of ships on the London market, for example, are reported to be at a virtual standstill. As time passes, however, the postponement of normal trade will result in pressure on governments to move toward a settlement.

The Latin American economic grouping--bemoaning the status of less developed countries "left out" of world councils on topics affecting them--has drafted an appeal to the US cataloguing its concern over the import surcharge and potential foreign aid cuts. These countries have also proposed a restructuring of the world monetary system. In the meantime, they wish their interests to be protected by the addition of a Latin American representative to the Group of Ten.

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URUGUAY

The mass escape from prison on Monday of 106 Tupamaro terrorists has severely undermined public confidence in the administration of President Pacheco. The smoothly organized tunneling operation may have had the assistance of prison guards. A similar tunneling effort earlier this year failed only because of the effects of heavy rains. The latest escape follows the mass breakout of 37 female members of the band in July as well as the success of yet another of the group's leaders in walking away from jail by using a simple ruse.

The shocked police seem to be in a state of ineffective rage. Pressures will grow on Pacheco to impose strict extraconstitutional controls in an attempt to counter the terrorists, who are believed by many to be an imminent threat to the security of the nation. Earlier this year, frustration at the ineffectiveness of the government's efforts to bring the Tupamaros to heel led to the formation of counter-terror units in the security forces. Now their extralegal activity is likely to increase. At the same time, the already formidable capabilities of the terrorist group have been improved with the escape of a number of its top leaders. Political violence can be expected to become more common, especially because this is an election year.

President Pacheco is running for re-election in November, primarily on a law-and-order platform. His campaign has suffered a disaster, and he and his Colorado party are already under attack from the opposing left-wing electoral coalition, the Frente Amplio. Only the implementation of rapid and uncharacteristically efficient counter-measures will restore any degree of public confidence that the administration is capable of meeting the problems posed by the Tupamaros. Such measures, however, do not appear to be in the offing, and in the short term, the government will probably follow a familiar script; considering cabinet and other resignations, as well as imposing emergency security measures to tighten controls on the media and the population.

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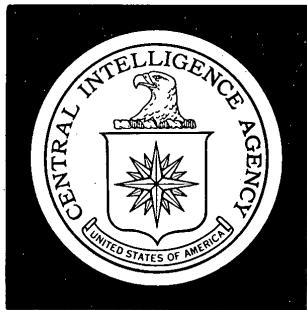
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Sudan: Serious frictions may be developing between Prime Minister Numayri and two key members of the Revolutionary Command Council. One of them, the minister of interior, is said to oppose Numayri's plan to dissolve the council and to install himself as president with full executive authority. Perhaps associated with this situation, there are rumors circulating in Khartoum that an attempt to assassinate Numayri may be made before the presidential election on 15 September. There are allegations that two attempts already have been made on Numayri's life since his return to power in late July.

Malta: Mintoff has rejected London's latest negotiating proposal and demanded that Heath come to Malta with a more generous one. British officials in London indicate that the Prime Minister will not go, and stress the generosity of the UK-NATO package, which has now edged up to about \$22.2 million. A speech by Mintoff on Saturday still appeared to leave room for an agreement with Britain, but he could use the occasion of Malta's current week-long National Day observance to announce acceptance of Libyan or even Soviet financial assistance instead.

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PRINCIPAL DEVELOPMENTS

Page 1

Soviet

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China

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(Page 3)

Peking has provided a signal that the political influence of the more radical politburo members has taken yet another downward turn. *(Page 4)*

Japan

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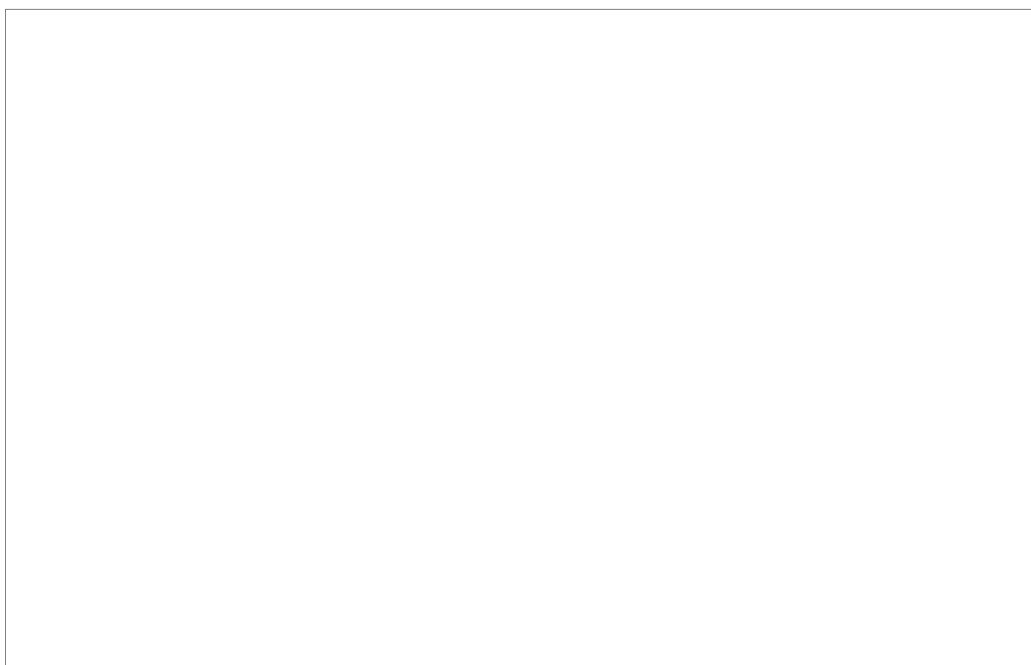
(Page 5)

Greek Prime Minister Papadopoulos took a tough line with Makarios in talks last weekend that left their differences entirely unresolved. *(Page 6)*

Aerial photography confirms that severe flooding has occurred in the Hanoi area. *(Page 7)*

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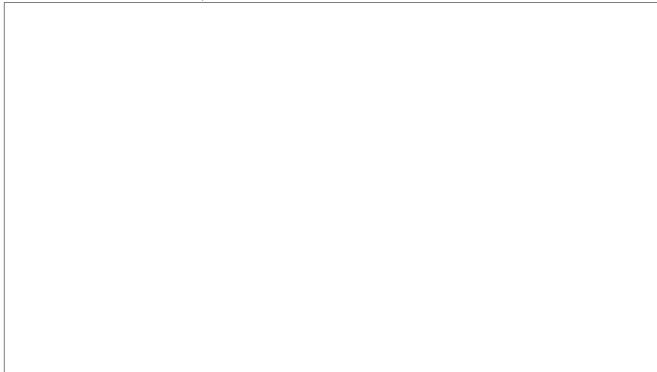
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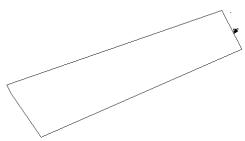
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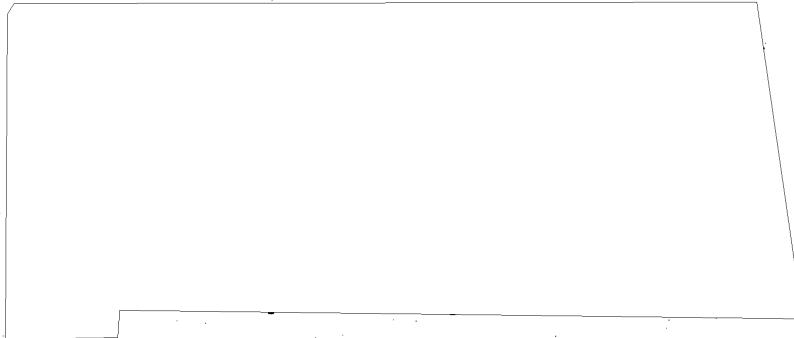
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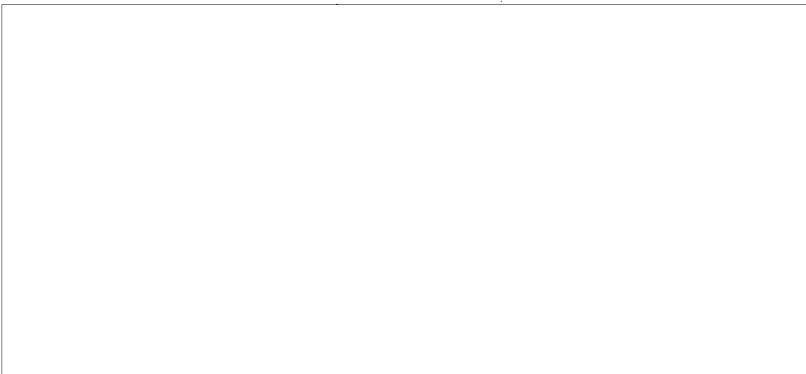
COMMUNIST CHINA



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COMMUNIST CHINA

In a widely disseminated article last week calling for more moderation in educational reform, the party theoretical journal Red Flag condemned adherents of the May 16 Corps, an ultraleftist Red Guard organization, for trying to block the regime's efforts in 1968 to restore order in the factionally troubled Tsinghua University. This is Peking's first public reference to a behind-the-scenes investigation of the May 16 Corps, an inquiry that has been exacerbating tensions within the ruling politburo for nearly two years.

The article apparently is intended to signal that the political influence of the more radical leaders on the politburo, which previously had appeared paramount in the educational areas, has taken yet another downward turn. The problem of the May 16 Corps has been discussed in closed party sessions for some months, and the open reference to the Corps apparently follows a decision by Peking to exploit the affair to dramatize its repudiation of political extremism, past and present, across the full spectrum of domestic and foreign policy.

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JAPAN

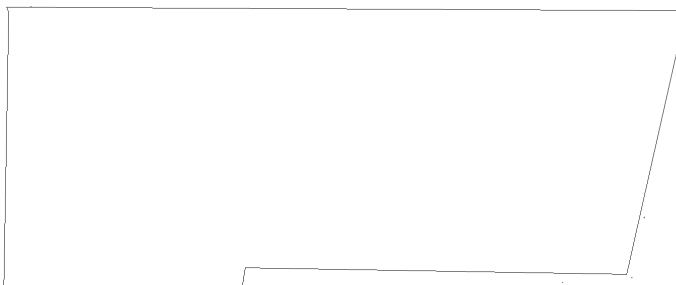
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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY**CYPRUS**

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The meeting last weekend between Makarios and Greek Prime Minister Papadopoulos left their many differences over an approach to a Cyprus settlement completely unresolved. Greek Deputy Foreign Minister Palamas told Ambassador Tasca that the visit did not go well and in fact fully exposed the differences between the two governments. When Makarios discounted the possibility of Turkish intervention, Papadopoulos is said to have warned that if he provoked Ankara he would be on his own.

As noted in The President's Daily Brief Annex of 30 July, Athens fears that Makarios' ability to dig in could cause a complete breakdown in Greco-Turkish relations. Greek leaders particularly resent his unwillingness to show any flexibility in the extended intercommunal talks on the island over Turkish Cypriot rights. Athens' very toughness with Makarios, however, could itself raise the temperature on Cyprus closer to the boiling point.

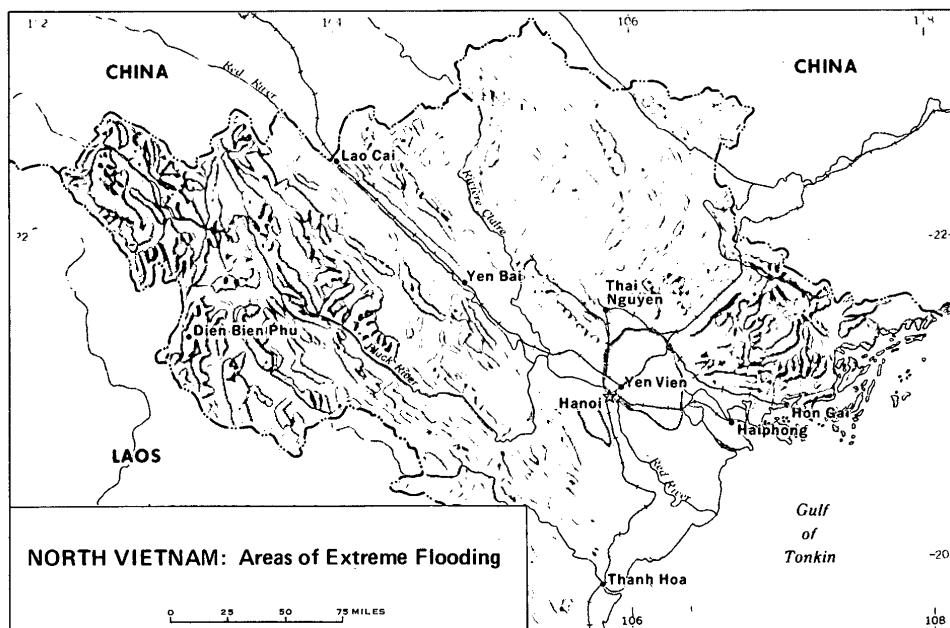
Palamas expressed continuing concern that Makarios might try to involve the Soviet Union in the dispute. He anticipates that the Cypriots will soon approach U Thant to seek some form of greater UN role, despite Ankara's known opposition to any UN mediation. Palamas added that he, too, planned to discuss the problem with Thant during his coming visit to New York.

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At the same time, Palamas reaffirmed that Athens is intent on preventing Turkey from "solving" the problem through unilateral military action. Palamas complained of Ankara's failure to reciprocate recent friendly Greek gestures, and cited divergent approaches of the Turkish Foreign Ministry and the Turkish military, which he believes fully approves troublesome actions in recent months by the Turkish military contingent on the island. Palamas expressed puzzlement over what the Turks would propose in scheduled talks with Greek officials in New York later this month preceding the UN General Assembly.

FOR THE PRESIDENT ONLY



Flooded Yen Vien Rail Yard



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NORTH VIETNAM

CIA
Aerial photography of 30 August confirms that severe flooding has occurred in the delta area surrounding Hanoi. Transportation is disrupted, with cuts in all rail lines connecting Hanoi with China, the port of Haiphong, and the panhandle of North Vietnam.

The floods presumably have held up transport of supplies to southern North Vietnam, but military stockpiles in the southern provinces should enable the North Vietnamese to offset any temporary disruption. There has been some seasonal flooding in the southern provinces as well, but an intercepted message of 2 September indicates a "new system" had been used to transport supplies from a transshipment point for Laos.

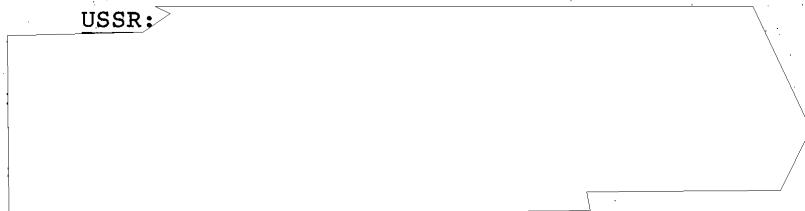
In the longer run, agriculture may suffer most severely--this year's major rice crop had already been planted. However, we expect most losses to be made up by increased food shipments from China and the USSR.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NOTES

USSR: >



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Reuter

USSR: Moscow is preparing to propose a world disarmament conference to deal with both conventional and nuclear weapons--an idea included in Brezhnev's "peace program" last March. A UN spokesman told the press yesterday that the Soviets had proposed a special item on the subject for the coming General Assembly session. China's torpedoing of Moscow's recommended five-power nuclear conference likely contributed to this latest initiative. The Soviets may intend their proposal to place Moscow on record as acceding to Pe-
king's call for a world conference on abolishing nu-
clear weapons while placing responsibility for the
next move on the Chinese.

FOR THE PRESIDENT ONLY

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THE PRESIDENT'S DAILY BRIEF

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PRINCIPAL DEVELOPMENTS

Preliminary analysis of the final portion of the current satellite reconnaissance mission reveals no additional Soviet ICBM silos of the smaller or larger type, but shows the new large silo liner segments at a fourth site. (Page 1)

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Japan

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Page 2.

South Vietnam

(Page 3)

50X1

Chinese

(Page 4)

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Israel

USSR

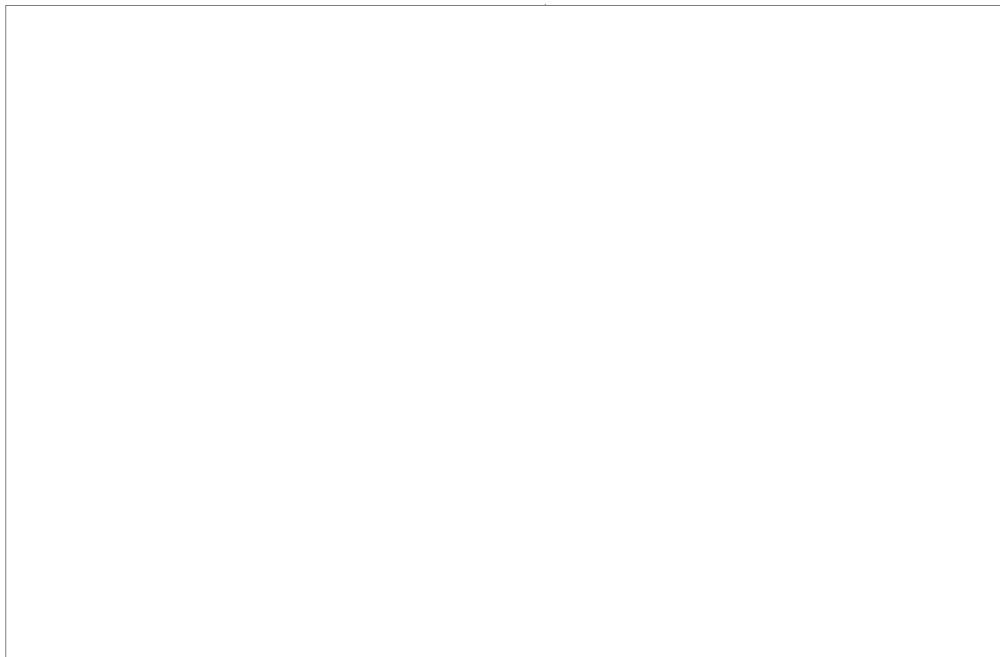
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(Page 5)

In Pakistan, Yahya may have decided not to proceed with his announced plan to turn over power to civilians by late October. (Page 6)

FOR THE PRESIDENT ONLY

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FOR THE PRESIDENT ONLY

USSR

Preliminary analysis of the final portion of the current satellite reconnaissance mission reveals no additional ICBM silos of either the larger or the smaller type. There remain 66 of the smaller type under construction at Derazhnya and Pervomaysk, where the SS-11 is deployed. Twenty-five of the larger type have been identified at five of the six SS-9 complexes.



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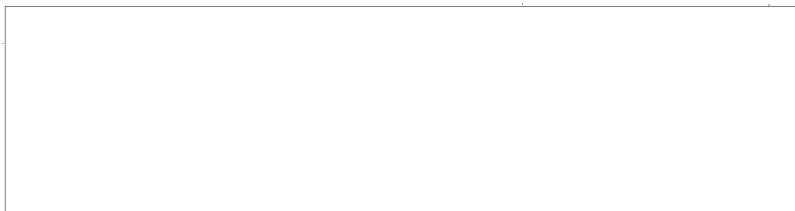
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At least partial coverage was obtained of all 24 ICBM complexes and Pervomaysk and Derazhnya on this portion of the current mission.

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FOR THE PRESIDENT ONLY

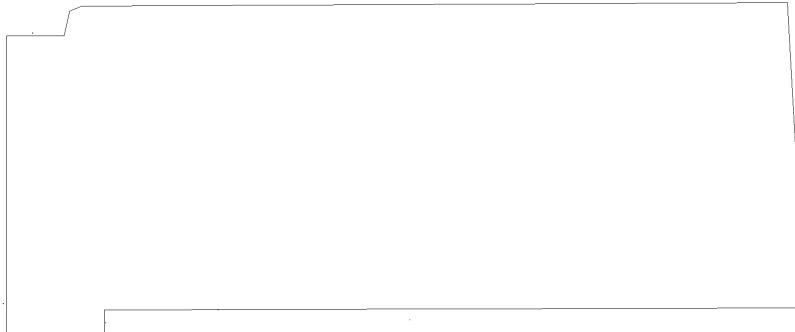
JAPAN-US



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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

SOUTH VIETNAM

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[redacted] the price of rice had gone up 25 percent during the past few days. (This is true.) This, [redacted] is always a certain indicator of popular apprehension.

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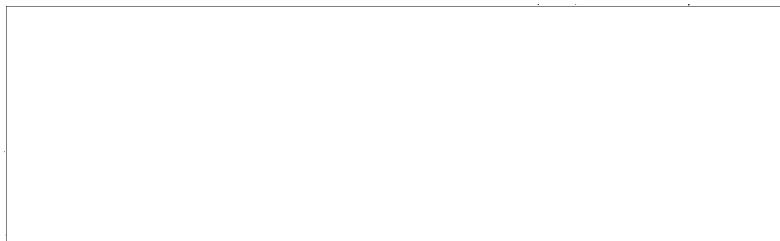
According to press reports, Thieu met on 7 September with all his top generals, including the four military region commanders and generals from the Ministry of Defense and the Joint General Staff.

Repeated consultations with these leaders are likely to bring them more actively into the political scene than at any time since 1968. This would open the possibility of a new period of political maneuvering in the military establishment. For his part, Thieu appears quite uncertain about how to handle the inflammatory Ky, as any steps against Ky could make the situation worse.

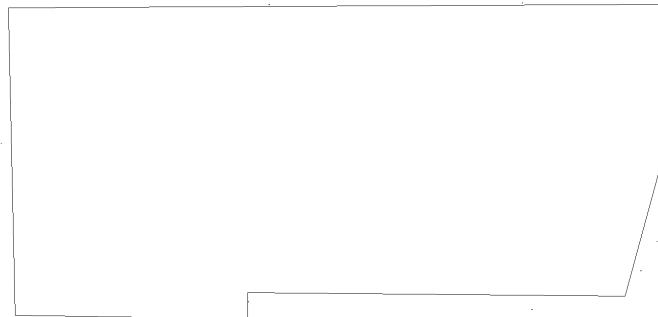
FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

COMMUNIST CHINA



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FOR THE PRESIDENT ONLY

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USSR-ISRAEL

At a recent meeting in Moscow, Arab diplomats concluded that the USSR and Israel are moving toward closer diplomatic contacts and will re-establish relations or contacts within four to six months. The Arabs apparently view the just concluded two-week visit of an Israeli peace delegation to the USSR and the visit of Soviet journalist Victor Louis to Israel in June as straws in the wind. An Israeli Foreign Ministry official remarked last month that he expected a Soviet proposal for an exchange of ambassadors in the next few months. He added that just prior to the Louis visit Moscow had proposed the establishment in Israel of a Soviet presence short of full diplomatic relations.

Since last May, when Mrs. Meir said that a dialogue between the two countries would be helpful, the Soviets have encouraged speculation about a rapprochement. They have also permitted an increase in the number of Soviet Jews emigrating to Israel and of Israelis visiting the Soviet Union. Although a Soviet Foreign Ministry official dismissed the notion of renewing relations as premature, recent public remarks by Soviet officials in Moscow appear designed to clear the way for such a move.

The Israelis will probably continue to seek full restoration of formal relations; the Soviets, however, presumably are less interested in full-scale ties any time soon and will pursue informal contacts. Resumption of some kind of regular contact would provide both sides a useful channel to help in avoiding a new outbreak of hostilities in the Middle East and possibly in regularizing the emigration of Soviet Jews to Israel. Moscow may hope to use regular contacts or a normalization of relations to erode Washington's monopoly on efforts to arrange a settlement, but it will also have to consider the repercussions on the Arab states, including a possible Arab decision to invite a greater US presence in their capitals.

FOR THE PRESIDENT ONLY

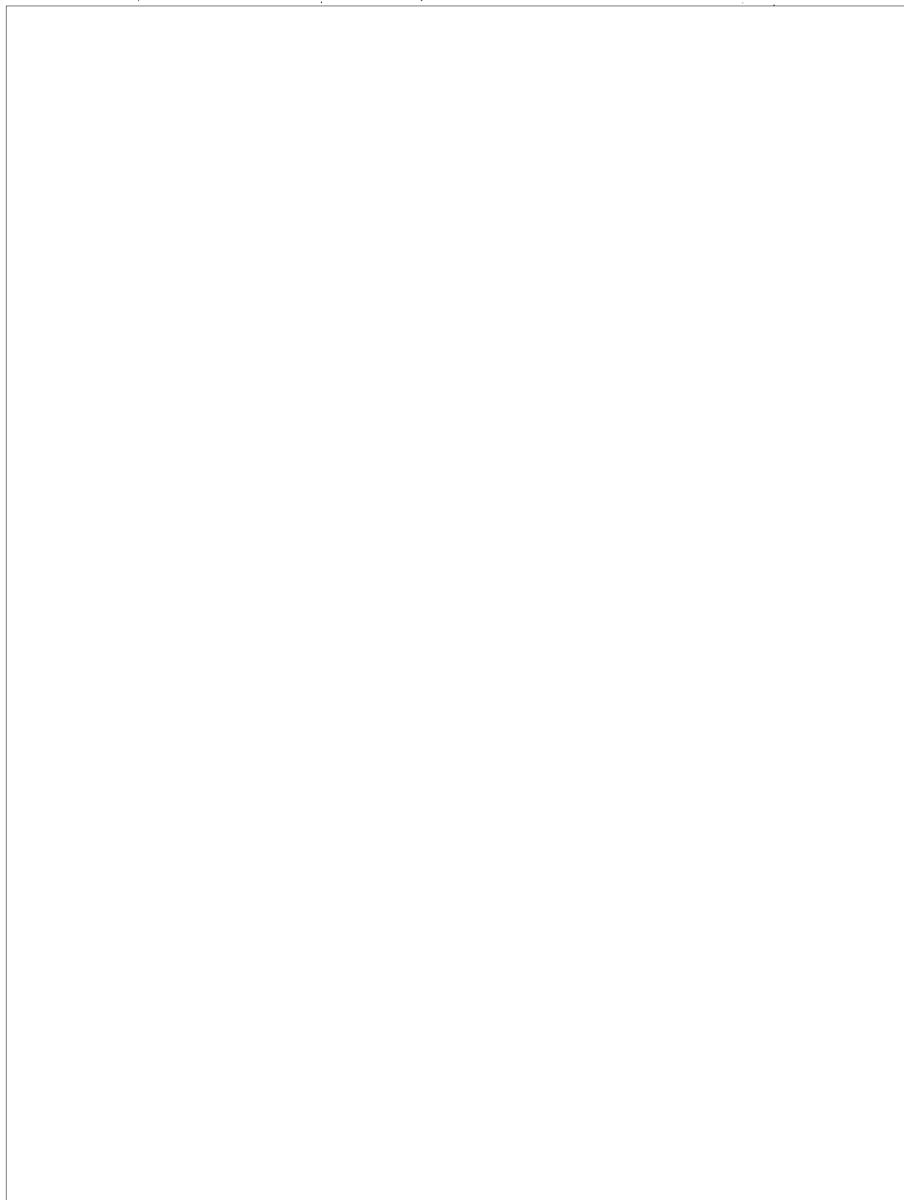
FOR THE PRESIDENT ONLY

PAKISTAN

The government has extended the time limit on filling vacant national and provincial assembly seats.

This move suggests that Yahya, who probably feels he cannot call the assemblies into session until the seats are filled, has decided against turning political power over to the civilians by late October, the date he set last June. He may feel he cannot keep to his original timetable because of the difficulty of holding elections in the East. He may also hope that additional time will help in the continuing effort to overcome the personal rivalries that up to now have blocked organization of a progovernment party. Such a party would serve both to field acceptable candidates in East Pakistan and to act as a counterweight to leftist ex-foreign minister Bhutto in the West.

FOR THE PRESIDENT ONLY



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FOR THE PRESIDENT ONLY

NOTES

Chile: The Chileans have embarked on an especially vicious campaign blaming the US for their country's economic problems. This may mean the Allende government is ready to adopt a tougher stance in relations with the US, particularly in the imminent negotiations with US copper companies and other firms over nationalized properties.

Malta: Claiming that talks with the UK are "stalemated," Mintoff has tightened the screws on London by halting the distribution of duty-free fuel to British forces on Malta.

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These developments follow a UK-NATO offer of almost \$24 million in cash and aid, and may be only the first in a series of harassing actions promised by Mintoff if the British failed to meet his demands.

Communist China:

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Communist China - North Korea: The agreement announced by the Chinese to provide free military aid to Pyongyang is the first of its kind known to have been concluded since the Korean war. Three weeks ago the two countries signed an economic co-operation protocol in Peking. These developments follow closely Premier Kim Il-sung's public expressions of support for Peking's invitation to President Nixon, and may represent payment for such endorsement. The agreements also serve as a public reaffirmation of close Sino - North Korean relations and of China's continuing support despite its initiatives toward the US.

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THE PRESIDENT'S DAILY BRIEF

10 September 1971

PRINCIPAL DEVELOPMENTS

France is suggesting that the US facilitate Franco-British technical cooperation in the field of nuclear weapons. (Page 1)

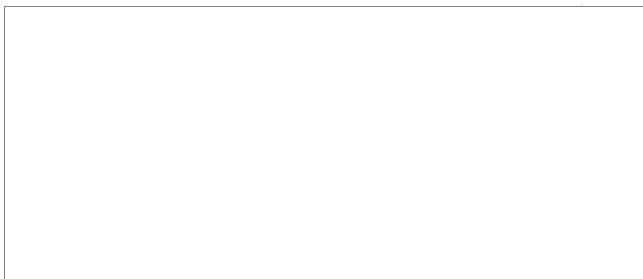
Chinese representatives say that a small number of US businessmen will definitely be invited to the Canton Trade Fair next month. (Page 2)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

FRANCE - UNITED KINGDOM

A ranking French defense official has suggested that the US facilitate Franco-British technical cooperation in the field of nuclear weapons. He asked that the US remove in stages legal restrictions which prevent the UK from passing certain nuclear information. This would be, he said, "the most useful step" the US could take to improve Western security at this juncture. Earlier the French had asked Washington to ease its restrictions on the release of nuclear information to Paris in order to place France on an equal footing with the UK. The French official rejected for the present the concept of a unified nuclear strike force.



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The French seem to be motivated in part by concern over the prospect of mutual balanced force reductions in Europe. As seen from Paris, MBFR is only a pretext for a drawdown of US forces, after which there would be a "wave of neutralism" in Western Europe and an increase in Soviet influence.

The French initiative may also be designed to tie London more closely to Paris prior to British entry into the European Community. Paris remains undecided concerning how to deal with the "problem" of Germany, but for the present, it has ruled out NATO as a forum for dealing with this matter. In his remarks, the French official hinted that US facilitation of British-French cooperation might bring some changes in this French position.

FOR THE PRESIDENT ONLY

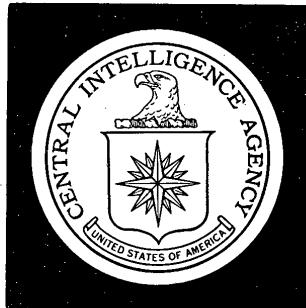
NOTE

Communist China - US: A small number of US businessmen will definitely be invited to the Canton Trade Fair next month, according to word passed by Chinese representatives in Hong Kong and Ottawa. One of the Chinese implied that only representatives of small US firms will be welcome. It is not clear whether the businessmen will be allowed to conduct transactions or will attend only as observers.

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Records Center



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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

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PRINCIPAL DEVELOPMENTS

The latest information on the floods in North Vietnam is on *Page 1*.

Cambodia's elitist military force, the Khmer Krom, is moving toward a semiautonomous status within the army, reversing earlier government policy aimed at its integration. (*Page 2*)

Turkish Cyprus. (*Page 3*) 50X1
 British Persian Gulf (*Page 4*) 50X6

FOR THE PRESIDENT ONLY



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FOR THE PRESIDENT ONLY

NORTH VIETNAM

Photography of 3 September shows flood waters receding from the region northeast of Hanoi, but much land is still inundated.

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[redacted] rail traffic from Communist China to Hanoi resumed about 1 September, after approximately ten days of inactivity due to the high waters. Despite public acknowledgment that further flooding could take place this month, a period of usually heavy rains, the Council of Ministers has ordered that crops be replanted immediately after the floods recede. The government has said that the "majority" of rice fields have been washed out, and there is concern about the sufficiency of seeds for replanting. Stockpiles of materials for repairing levees are running short; however, this problem may be relieved with the arrival of supplies now en route from North Vietnam's allies.

The army has ordered all but combat units to repair dikes and dams, to assist the people in making their homes habitable, and to take preventive steps against disease. Meanwhile, military supplies continue to be moved south in preparation for the usual dry-season efforts to supply enemy forces in South Vietnam.

FOR THE PRESIDENT ONLY

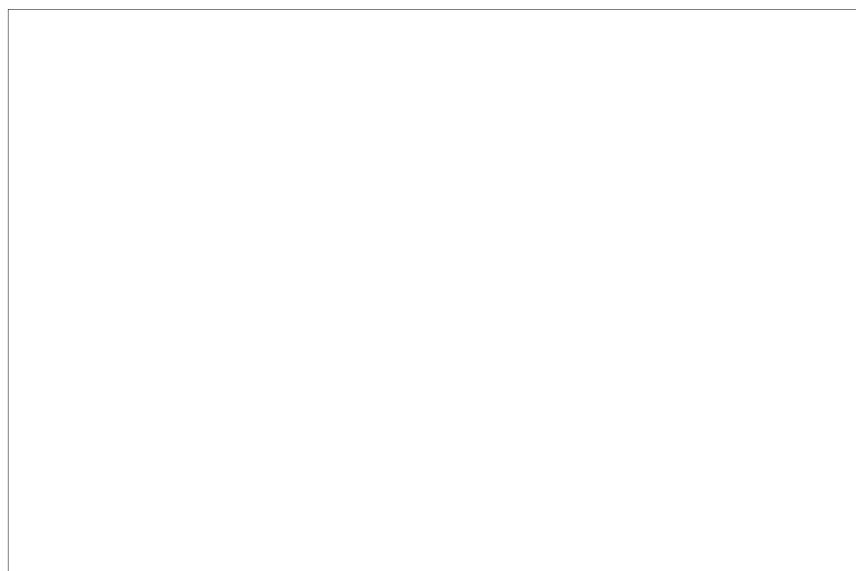
FOR THE PRESIDENT ONLY

CAMBODIA

Lon Nol has authorized the formation of a high-level "committee" to coordinate and oversee the operations of the Khmer Krom--the elitist military force which is built around ethnic Cambodians from South Vietnam. The committee is headed by a prominent Khmer Krom civilian, but all other key positions are held by Khmer Krom commanders.

The committee evidently is meant to be the staff organization for some 14 Khmer Krom infantry brigades in Cambodia and brings those units toward a semiautonomous status within the Cambodian Army, reversing earlier government policy aimed at their integration. The committee apparently was set up to alleviate the concern of Khmer Krom officers over alleged serious shortcomings in Cambodia's use of their units, including lack of operational planning, poor logistic support, and the failure to clamp down on corruption.

Lon Nol presumably believes that by giving Khmer Krom units such a wide measure of military independence he is ensuring that he will retain their political support. These units are the government's most effective fighting force and could strengthen Lon Nol's hand if he should decide to resist pressure on him to give up an active role in the government.



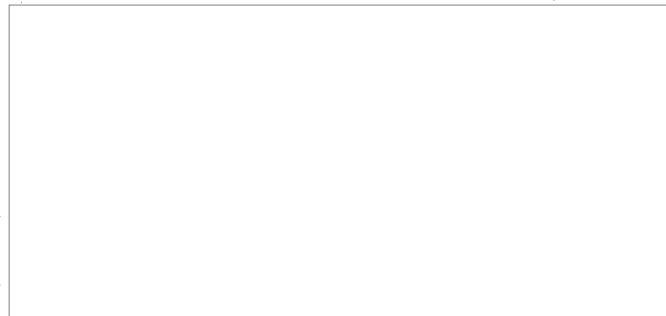
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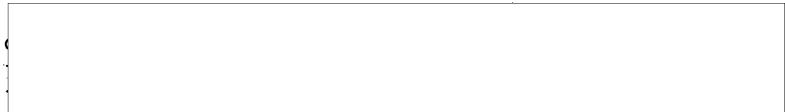
TURKEY-CYPRUS



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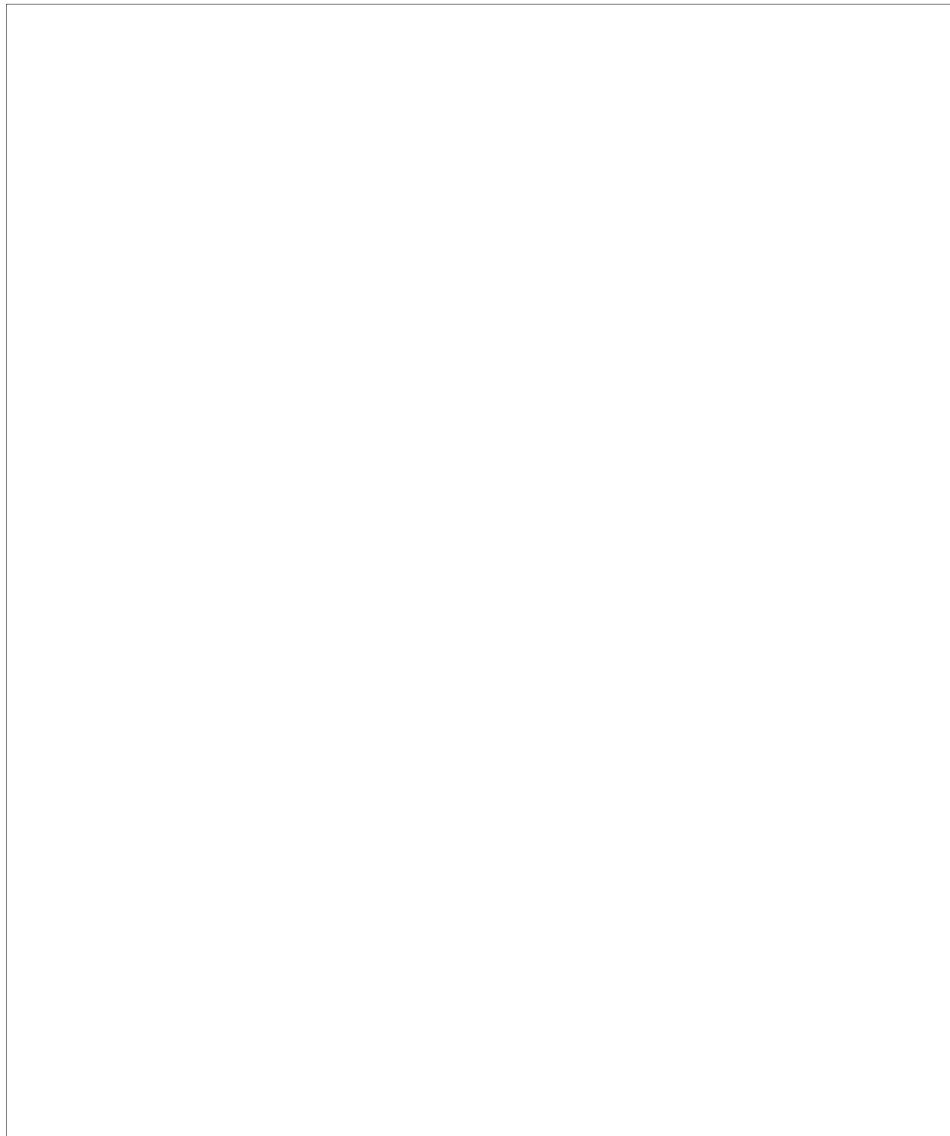
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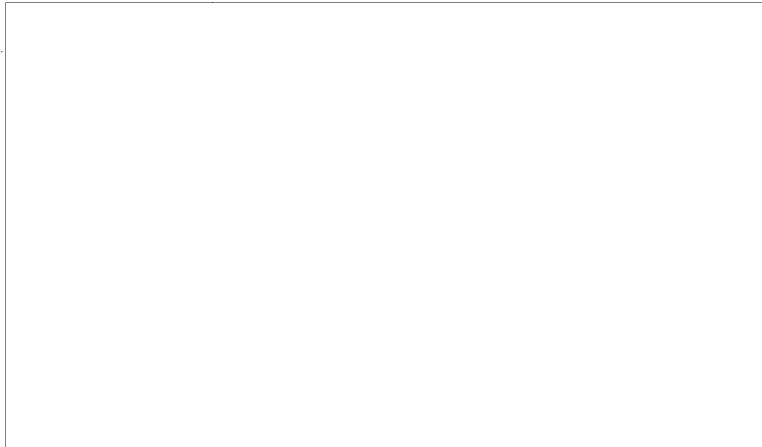
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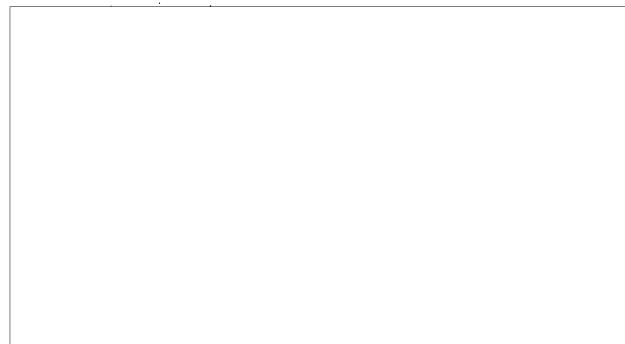


FOR THE PRESIDENT ONLY

UK - PERSIAN GULF



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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NOTE

Finland-Germany: The four-power agreement on Berlin, though not yet consummated, may already have encouraged Finnish President Kekkonen to rethink his government's position on recognizing East Germany. The Finnish ambassador to the US has indicated that Kekkonen will in a speech today announce "a proposal" concerning recognition of both German states. The Finns are particularly sensitive to Soviet wishes and are anxious to host a Conference on European Security. A precipitous action by Helsinki would have its effect on other Nordic and neutral states that may already be leaning in the direction of recognizing East Germany. Any important Finnish move, moreover, would place pressure on the Brandt government to reach a rapid accommodation with East Germany, enhance the credibility of the domestic opponents of Brandt's Ostpolitik, and thus increase the vulnerability of the Social Democratic - Free Democratic government.

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THE PRESIDENT'S DAILY BRIEF

13 September 1971

PRINCIPAL DEVELOPMENTS

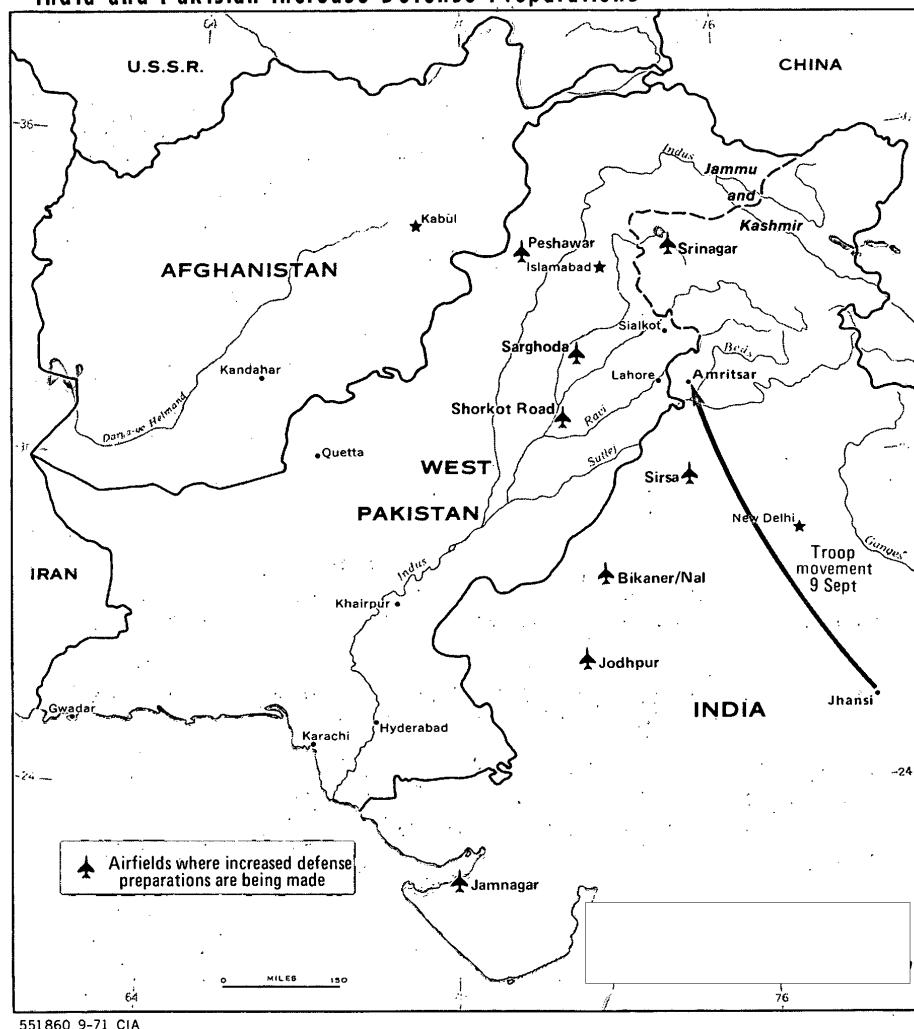
Some Indian armored units are reported to have moved closer to the West Pakistan border this month and satellite photography shows continued defense preparations at airfields in both countries. (Page 1)

South Vietnam's militant Buddhists apparently will remain on the sidelines politically in coming weeks. (Page 2)

The Burmese are still reluctant to agree to more than limited cooperation with international narcotics control efforts. (Page 3)

FOR THE PRESIDENT ONLY

India and Pakistan Increase Defense Preparations



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FOR THE PRESIDENT ONLY

INDIA-PAKISTAN

On 9 September, units of the 1st Armored Division [redacted] and an independent armored brigade began moving toward Amritsar near the India - West Pakistan border [redacted]

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[redacted] The authorized strength of these units is about 23,000 men. This movement follows the shift earlier this summer of an armored and infantry brigade toward the border. The purpose of the latest move, [redacted], is to signal the Pakistani Government and army that New Delhi is prepared to cope with any Pakistani incursions and to discourage any notion Islamabad may have that a pre-emptive strike against India could succeed.

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Satellite photography over the last month shows continuing defensive preparations at Pakistani airfields. Photography [redacted] at Sarghoda Airfield shows that camouflage netting has been placed over 65 aircraft revetments and that some of the 130 aircraft normally stationed at the field have been dispersed to wooded areas around the field. As of mid-August, 29 occupied antiaircraft artillery gun emplacements were observed at Peshawar Airfield, and six AAA guns were seen in place at the newly activated airfield at Shorkot Road.

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India has been taking similar defensive measures at its airfields. Partial photographic coverage of Jodhpur Airfield [redacted] showed at least seven occupied AAA positions, and new aircraft revetments are being constructed at four other airfields near the India - West Pakistan border.

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* * *

India, meanwhile, is continuing to take steps aimed at the recognition of Bangla Desh. On 9 September a Calcutta daily quoted Foreign Secretary Kaul as saying that India would recognize Bangla Desh "very soon." The Indians have also apparently played a guiding role in the formation of a multi-party Bangla Desh "National Liberation Front" which includes pro-Moscow Communists as well as moderate Bengali Awami League leaders, and serves to broaden the base of the Bengali freedom movement.

Despite these moves, the Indians are still proceeding slowly and they may be attempting to pressure Islamabad into negotiations with the Bengali leaders. In a New Delhi press conference on 10 September, Bangla Desh Foreign Secretary Alam reiterated his government's willingness to negotiate.

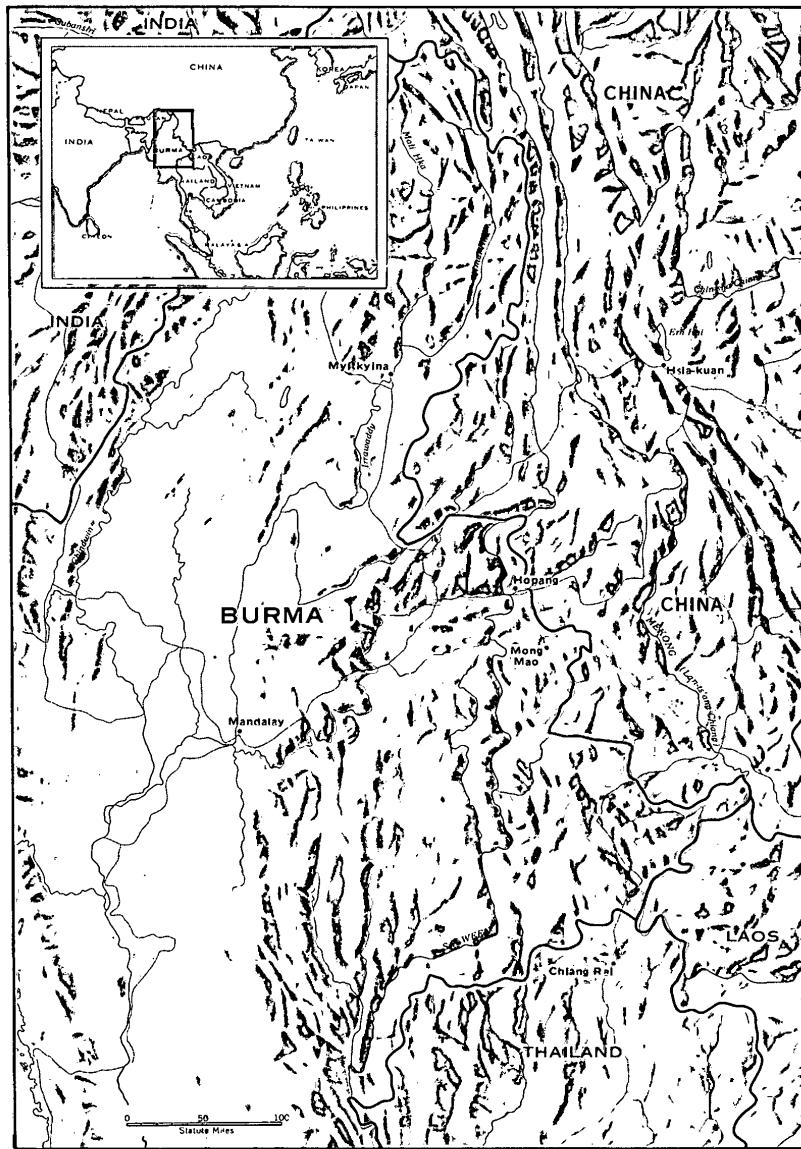
FOR THE PRESIDENT ONLY

SOUTH VIETNAM

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the militant An Quang Buddhists, while pleased with their showing as the largest opposition bloc to emerge in the recent lower house elections, do not intend to use their strength against President Thieu. Much as they dislike Thieu, An Quang leaders believe the alternatives--including Vice President Ky, increased political turmoil, or a Communist take-over--are worse, and that they have no choice but to stay aloof from elements actively working for Thieu's downfall. One prominent An Quang senator says the sect is still interested in reaching some accommodation with Thieu.

Even if the An Quang hierarchy remains politically silent during the next few weeks, there may be some monks, particularly around Hue and Da Nang, who will actively oppose Thieu, and the sect's public attitude toward Thieu's referendum will be essentially negative.



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FOR THE PRESIDENT ONLY

BURMA

In recent meetings in Rangoon with US officials concerned with narcotics matters, Burmese officials indicated that they intend to attack the problem of domestic opium production with a minimum of outside assistance or interference. They expressed willingness to exchange information with the US on trafficking and refining, but rejected any participation in international control efforts and said that joint action with Thailand and Laos in the triborder area would present political problems, particularly with the Thai. The Burmese admitted that their access to the major opium-producing area east of the Salween River is limited by long-standing insurgency; they argued, however, that the area's proximity to China ruled out any internationally sponsored aerial survey.

Rangoon is obviously concerned over any activity that might arouse Chinese suspicions and mar the improved Sino-Burmese relations that have followed Ne Win's visit to Peking last month. Burma's relations with Thailand have been somewhat strained over the Thai-based insurgent activities of former Burmese prime minister U Nu.

The Burmese, with their long-standing policy of strict neutrality and isolation, remain wary of involvement in international narcotics control measures. Nevertheless, they were more forthcoming in these discussions than they usually are with foreigners, and their agreement to limited cooperation in the exchange of intelligence suggests that they may be amenable to future approaches.

FOR THE PRESIDENT ONLY

NOTES

USSR:

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Luna 18
was launched from Tyuratam on 2 September by an
SL-12 booster and placed in orbit around the moon
early last week.

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Luna 18 was the first Soviet unmanned
lunar landing attempt this year. Last year Luna 17
was used to place Lunokhod--the Soviet moon rover
vehicle--on the moon.

EGYPT-ISRAEL:

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FINLAND: President Kekkonen's proposal of 11
September to sign treaties to normalize relations
with both German states includes a veto power for
Bonn and is, therefore, unlikely to amount to much.
The Finns have, however, given a psychological and
propaganda boost to the East German quest for in-
ternational equality with West Germany. Helsinki
may plan more actions of this sort as part of its
campaign to win Soviet approval for a future com-
mercial agreement with the European Communities.

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THE PRESIDENT'S DAILY BRIEF

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PRINCIPAL DEVELOPMENTS

South Vietnam

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(Page 1)

(Page 3)

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Jordan has called for an urgent meeting of the Security Council to discuss Israeli activity in Jerusalem.
(Page 4)

Thailand
(Page 5)

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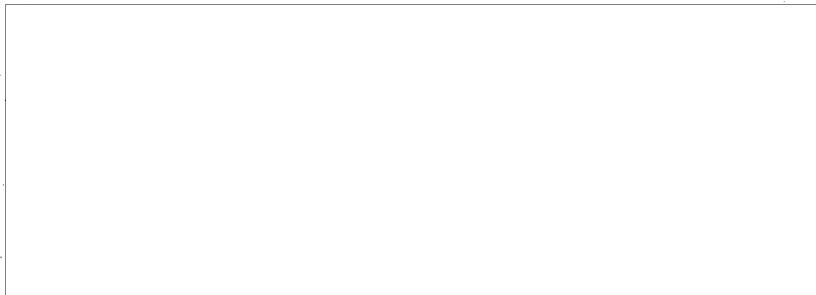
International economic developments are discussed on
Page 6.

At annex, we review the outlook for war between India
and Pakistan.

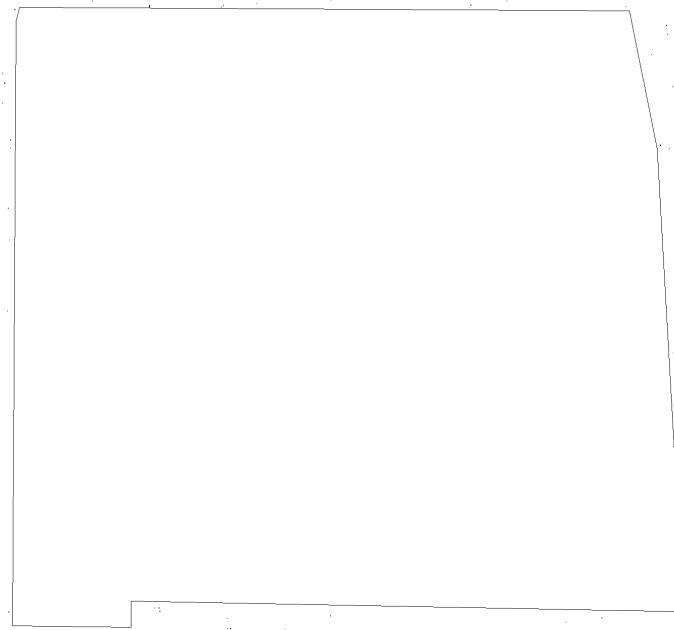
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SOUTH VIETNAM



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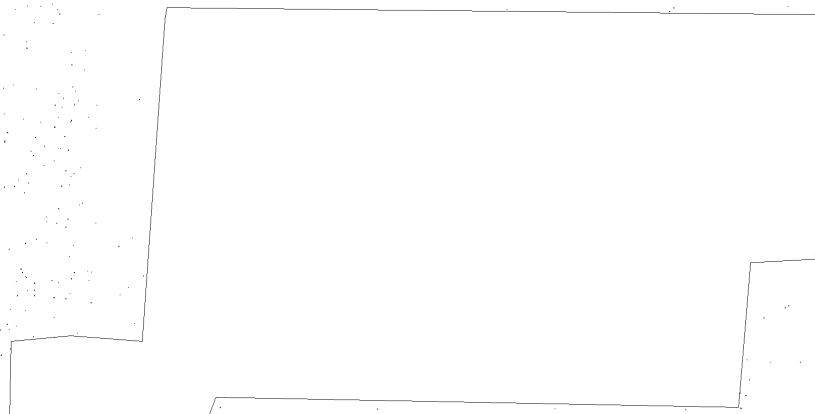
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FOR THE PRESIDENT ONLY



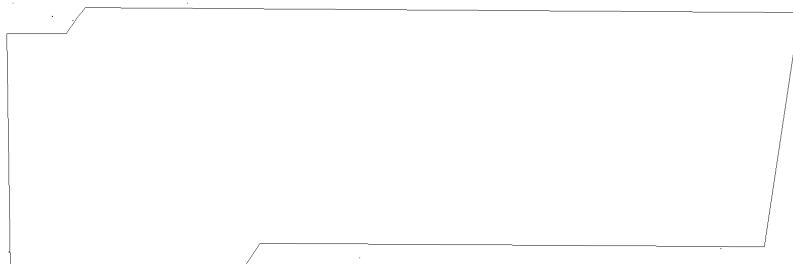
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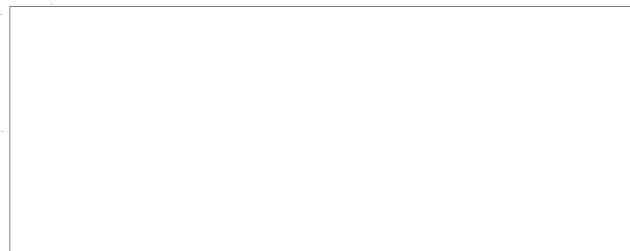
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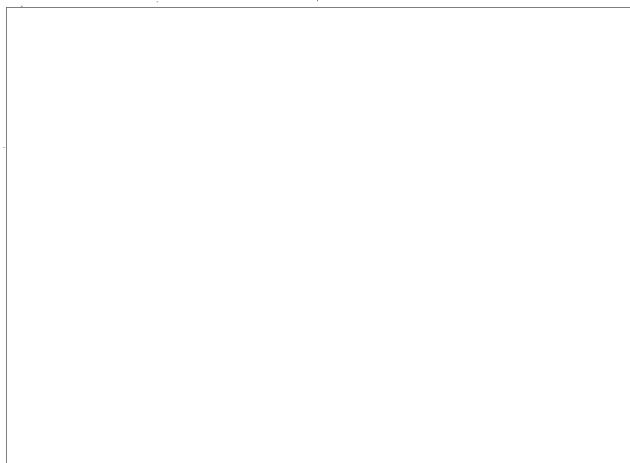
ISRAEL



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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

JORDAN - UNITED NATIONS

Jordan's insistent call for an urgent meeting of the UN Security Council to condemn Israel's activities in Jerusalem could produce a verbal donnybrook ranging over the entire Middle East problem. Some Arab governments may attempt to obtain a resolution stronger than the one submitted by Husayn.

Amman now has a draft incorporating various changes suggested by the Egyptians that is acceptable to the US as well. The Japanese delegate, who is this month's Council president, is planning to schedule the meeting within the week.

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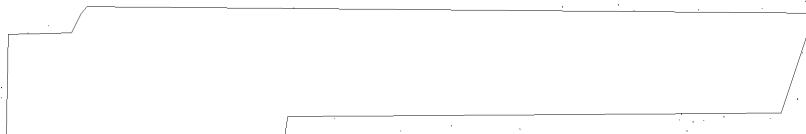
No matter how it comes out, such a debate is not likely to alter Tel Aviv's policy of integrating Arab Jerusalem into Israel.

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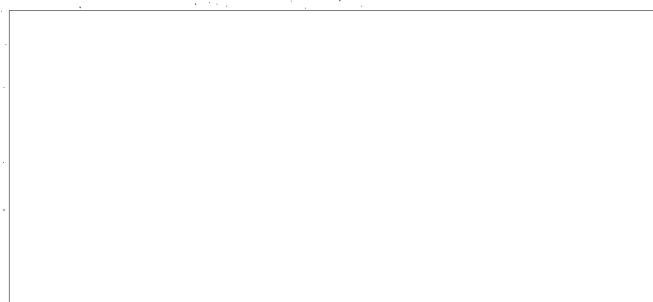
FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

THAILAND



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INTERNATIONAL ECONOMIC DEVELOPMENTS

The European Community finance ministers agreed yesterday on a set of recommendations for international monetary reform to present at the Group of Ten meeting in London on Wednesday. The recommendations include a return to fixed parities although with greater margins of flexibility; a devaluation of the dollar as part of general currency realignment; and a significant revaluation of the Japanese yen. They also call for a greater role for Special Drawing Rights in the creation of new international reserves.

The EC countries decided, however, to maintain their present national exchange-rate schemes for the time being. It remains to be seen how long they can do so before the disruption of Community economic life forces them to resolve their differences.

On Thursday the Council of the 76-member General Agreement on Tariffs and Trade most likely will accept the report of its working party that criticizes the US surcharge as "inappropriate." It is unlikely, however, that the GATT contracting parties will retaliate by withdrawing equivalent tariff concessions.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NOTE

USSR:

[redacted] Kosygin was injured in an automobile accident on 3 September. He was taken immediately to the Kremlin polyclinic in downtown Moscow and later that evening to the hospital in suburban Kuntsevo where he apparently spent the night. Kosygin's injuries were described as minor, however, and he met with UK former prime minister Wilson today, according to press reports.

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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

INDIA-PAKISTAN

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Mrs. Gandhi may well make her final decision on whether or not to invade East Pakistan in the next few weeks. By early October, or even sooner, the end of the monsoon rains will make large-scale operations in East Pakistan possible. Although it is conceivable that war could be forced upon India by some pre-emptive move of the Pakistanis, it is more likely to be a conscious decision based on domestic political pressures, the continuing refugee flow, and fear that, without intervention, East Pakistan eventually will be taken over by leftists.

So far, Mrs. Gandhi has been able to withstand the critics--both in the opposition and within her own party--of her Bangla Desh policy. Since parliament will not convene before late October, she faces no immediate political problem.

Mrs. Gandhi could, however, decide it is worth a war to stop the refugee flow, if it goes on much longer. There are now almost 8.5 million refugees in India, according to Indian figures, and the end of the monsoon may bring more. When the rains stop, West Pakistani troops will be able to move more easily throughout the East. Unless they can restore stability soon, there will be more fighting, burning of villages, and army brutality and more Bengalis will have cause to flee. The same will happen if the government fails in its efforts to avert widespread food shortages. On the other hand President Yahya's moves towards a political accommodation may work to reduce the refugee flow.

Bengali reaction to these moves will also become clearer during the next few weeks. Yahya has appointed a civilian governor in the East--who has been criticized in some quarters as a tired old man, in others as a quisling--and has issued a new amnesty proclamation for all insurgents except a few hundred leaders. At the same time, the trial of East Pakistani leader Mujibur Rahman continues, and whatever Yahya's intentions he has not said publicly that Mujib's life will be spared. Yahya has taken several steps toward elections, but in doing so he has disqualified over half the East Pakistanis who won national and provincial assembly seats last December, and apparently has postponed the establishment of civilian government until some time next year. If these steps convince Bengalis that there is some hope for an acceptable political solution, they will be less likely to flee to India. The mistrust that has been built up, however, makes the Bengalis skeptical of anything Yahya says.

(continued)

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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

The Bengalis in contact with our consulate in Calcutta tell us they are still willing to negotiate--presumably for something less than total independence--but say that Mujib must be freed first and that there must be an amnesty for everyone--conditions Yahya is unlikely to accept. A Bengali representative cautioned, however, that if we talk to the Bangla Desh foreign minister he may take an even harder line and demand complete independence.

The leftists pose no immediate threat to the Bengali insurgent movement, but they are growing stronger. The most extreme Communist faction already has a fairly successful guerrilla band in the field. Last spring the leftists could be ignored by both the Bangla Desh government and the Indians, but now several groups of leftists have been included in a Bangla Desh Liberation Front. Those who are pro-Soviet were included partly because Moscow insisted on this as the price for continued support. Although there is a good chance that the leftists could be forestalled even if India delays military action, some of Mrs. Gandhi's advisers will argue that any delay will turn the insurgents further from India.

There are also some strong arguments against India's going to war that may be persuasive with Mrs. Gandhi. Yahya has made it clear that an invasion of East Pakistan will mean war with West Pakistan as well, and the Indians--although confident they can win--recognize that fighting on the West Pakistan border will be very costly. They are also worried about Chinese intervention, and know that weather in the Himalayas will not stop Chinese troop movements for at least the next three months. The Indian Government still appears to be divided on its assessment of Chinese intentions, and its final estimate could be crucial in deciding whether to risk war. We have seen no indication that China intends to intervene or is making any preparations to do so.

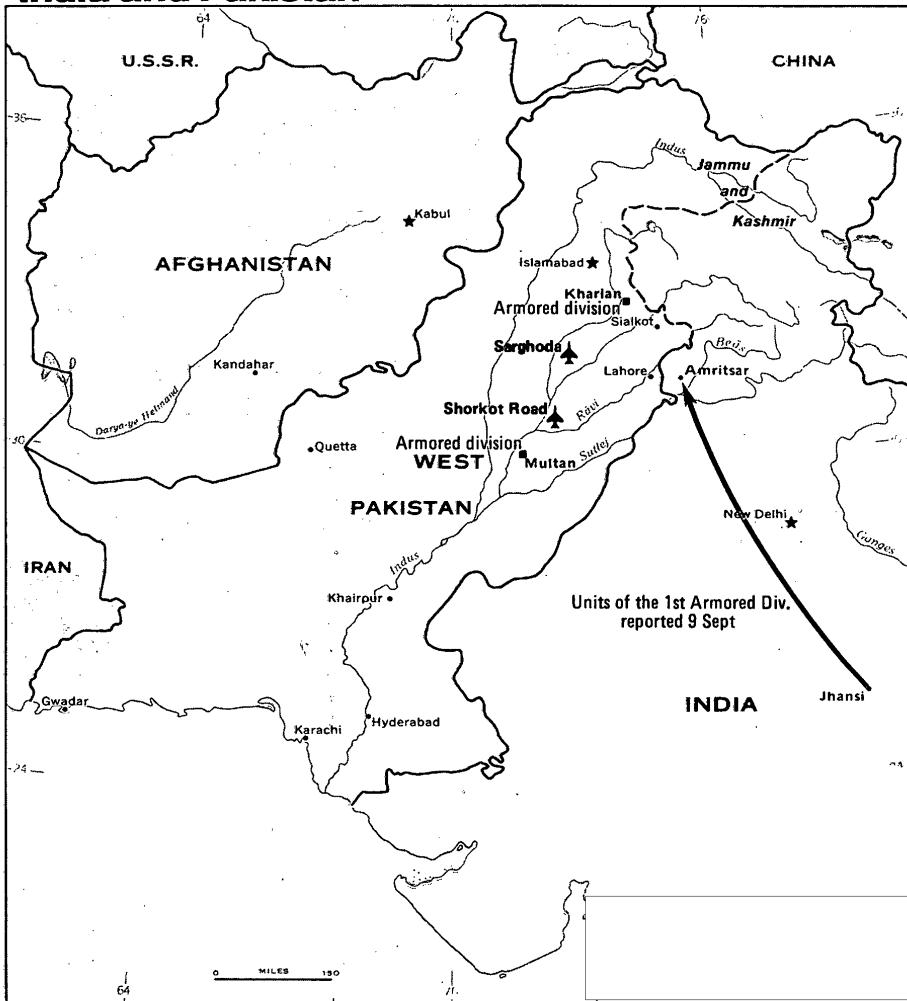
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The Soviets clearly do not want a war on the sub-continent and will continue to urge restraint. The Indians claim, however, that they have not threatened to cut off arms supplies and in fact have promised India more sophisticated weapons. The Indians may not be sure what Moscow will do if India is clearly the aggressor, but they apparently expect that they

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FOR THE PRESIDENT ONLY

India and Pakistan



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FOR THE PRESIDENT ONLY

would still get some Soviet support. Mrs. Gandhi is going to Moscow on 27 September and what she learns there could affect her final decision. The Indians are well aware, on the other hand, that US economic aid is likely to stop if they go to war, but they survived a temporary halt in aid in 1965 when their economy was in much worse shape than now. They may believe that whatever they do, Washington will not halt aid permanently.

Military preparations are continuing on both sides, and in many cases surpass those made before the war in 1965. The recent movement of units of India's only armored division, plus an independent armored brigade, toward the border with West Pakistan reflects Indian contingency planning against the event Mrs. Gandhi opts for war. Even if she does not, the presence of the armored division in forward areas may act to deter Pakistan from a pre-emptive strike.

With the addition of the armored division and the independent brigade, total Indian strength in the Kashmir-Punjab region will be increased to over 220,000. New Delhi probably sees no need now for further shifts of its forces to the West Pakistan border area.

On its border with East Pakistan India now has about 100,000 troops. There has been no known augmentation of these forces since June, but there may be some shifting of brigades from mountain divisions--normally facing China--to the forces directly along the border.

For its part, Pakistan may well shift more of its troops. As of 19 August, satellite photography showed that the bulk of both of Pakistan's armored divisions were still in the normal garrison areas at Multan and Kharian. If Pakistan intends to launch an attack--or expects India to do so--both divisions would certainly be moved closer to the border.

There have been reports that Pakistan might send another division to the East to strengthen the some 70,000 troops already there. For the moment we do not consider such a move likely, since these forces are needed more in the west where the bulk of the fighting would occur if war erupts.

The Pakistan Air Force has begun dispersing some of its fighter aircraft to recently reactivated reserve fields. To date at least one squadron of MIG-19s has been moved from Sarghoda to Shorkot Road. Presumably other squadrons of MIG-19s will also be moved to other reserve airfields, but there is no evidence that such moves have taken place.

(continued)

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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

There is some indication that the Indian Air Force, like that of Pakistan, may be dispersing some of its aircraft to reserve airfields. Satellite photography [redacted] showed MIG-21s and either Hawker Hunters or Mysteres at three reserve airfields in northwest India which have not been used for several years.

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Both sides are taking increased defensive measures at their airfields. [redacted] satellite photography shows new defensive measures at both Indian and Pakistani airfields near the border, including construction of revetments, use of camouflage, and deployment of additional antiaircraft guns into field positions.

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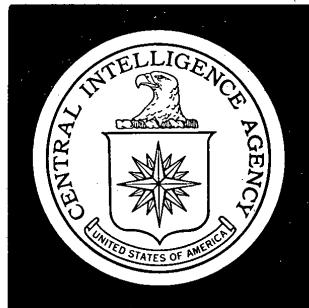
There is some evidence that the Indian Air Force has begun stockpiling petroleum and probably munitions and spare parts as well.

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15 September 1971

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THE PRESIDENT'S DAILY BRIEF

15 September 1971

PRINCIPAL DEVELOPMENTS

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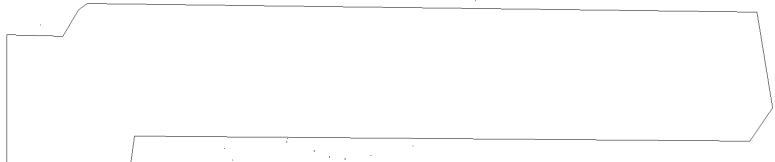
Severe floods have disrupted huge areas of India.
(Page 2)

Recent developments in Malta's search for foreign aid are discussed on Page 3.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

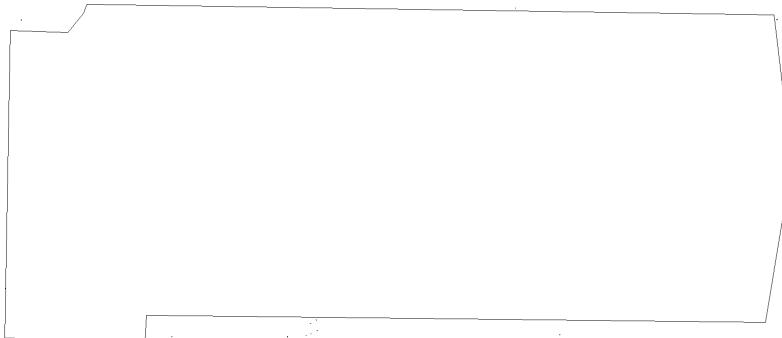
WEST GERMANY - USSR



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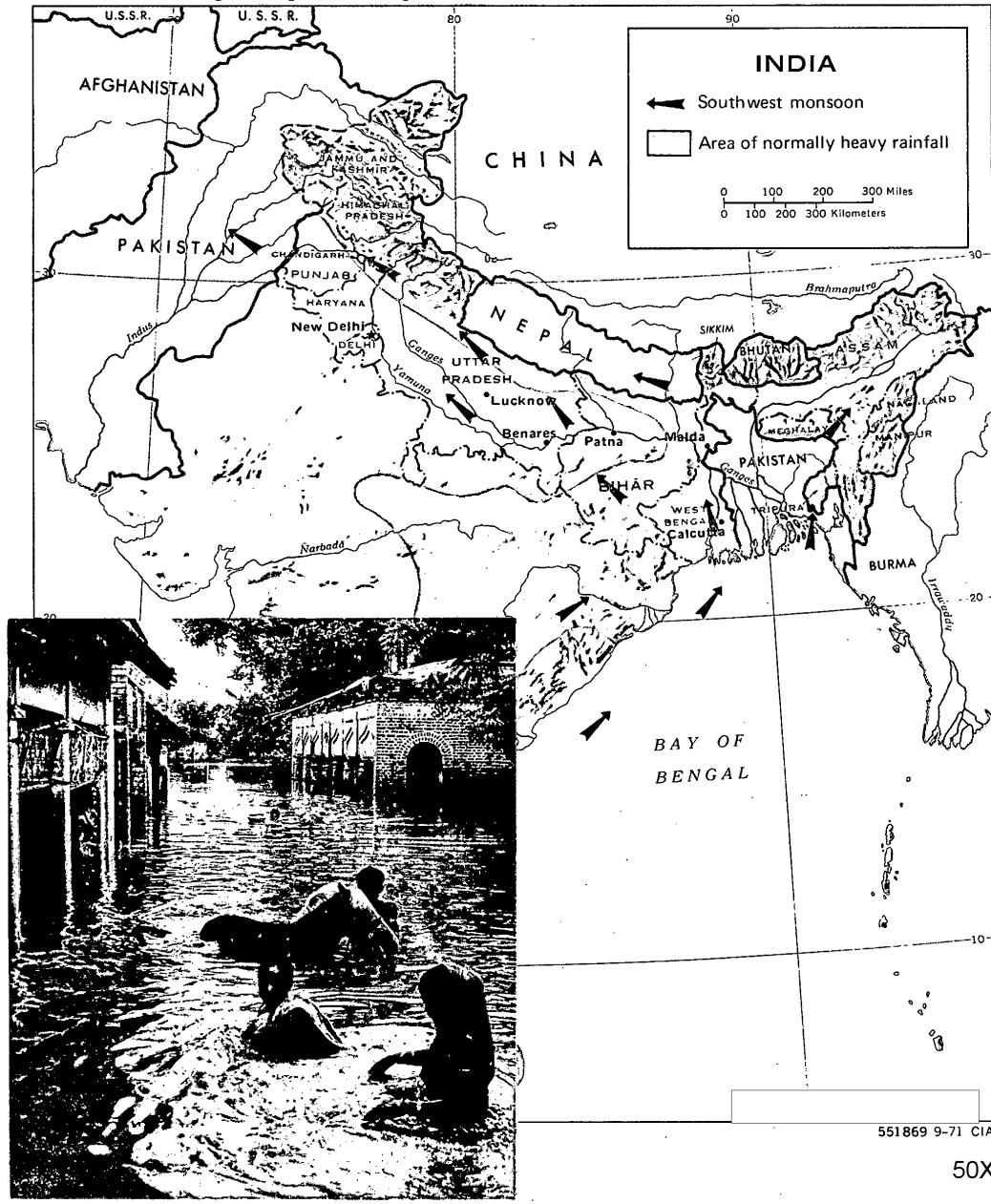
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FOR THE PRESIDENT ONLY

Serious Flooding Along the Ganges



Flooding in Malda, West Bengal

FOR THE PRESIDENT ONLY

INDIA

Exceptionally heavy monsoon rains during the past two months have flooded extensive areas of seven states across 1,000 miles of northern and northeastern India, seriously disrupting both agriculture and industry. Uttar Pradesh, Bihar, and West Bengal are the most seriously affected.

Planting of the rice crop has been delayed in areas that normally produce over half of India's rice, and other crops in the same regions are a total loss. Wheat in inadequate storage is spoiling. Communications and transportation are disrupted. Millions are homeless and hundreds dead. Flooded roads and wrecked bridges earlier this month had halted most deliveries of food and other supplies to refugee camps north of Calcutta, but as yet the inundated camps are not suffering from famine.

Indian military operations in the affected states--normally at a low level during the monsoons--undoubtedly have been curtailed even further as a result of the floods. By October, however, the rains should be ended and normal operations will resume.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NOTE

Malta: The British have told Mintoff that West Germany, Italy, Canada, and Norway are now prepared to enter bilateral discussions with Malta concerning aid and that other allied governments are still considering the matter. Mintoff had recently advised the German ambassador that he was willing to "negotiate bilaterally for up to six months," a considerably longer time for negotiation than seemed likely to be available to the NATO countries last month. He is counting on some \$14 million in bilateral aid from NATO countries apparently because he realizes that the UK-NATO offer of almost \$24 million is unlikely to go any higher.

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THE PRESIDENT'S DAILY BRIEF

16 September 1971

PRINCIPAL DEVELOPMENTS

Page 1

Pakistan

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India

East German negotiator Kohl remained as adamant as ever in his meeting with Bahr on Tuesday; the next session is set for Wednesday after Brandt talks with Brezhnev in the Crimea. (Page 3)

The Yugoslavs have closed the Chinese exhibit at the Zagreb Fair in response to US complaints against its anti-American posters. (Page 4)

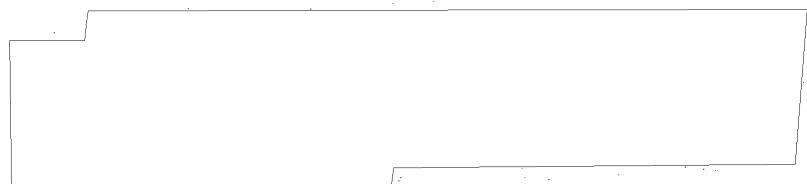
Elements of a Laotian Government task force have moved back into Paksong on the Bolovens Plateau. (Page 5)

The Chilean Christian Democratic Party has extracted several concessions from Allende. (Page 6)

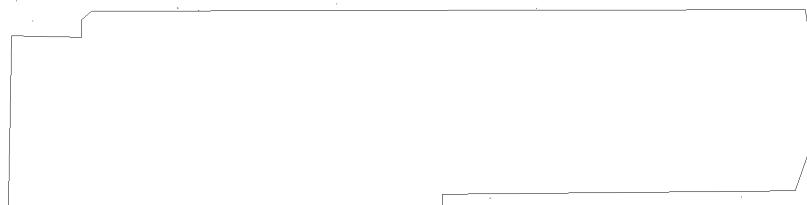
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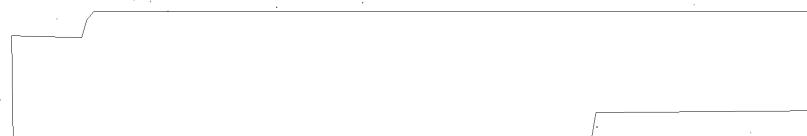
INDIA-PAKISTAN



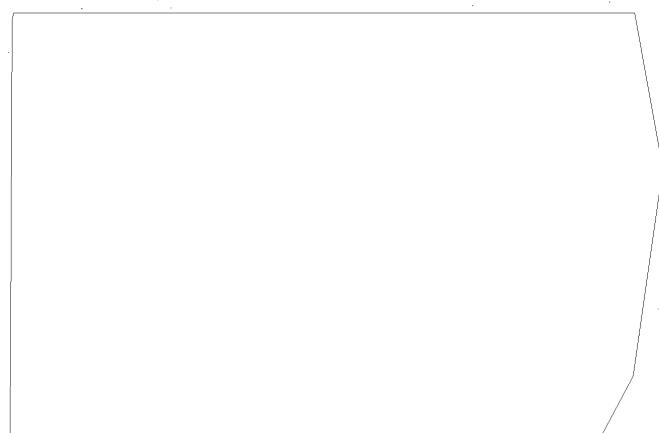
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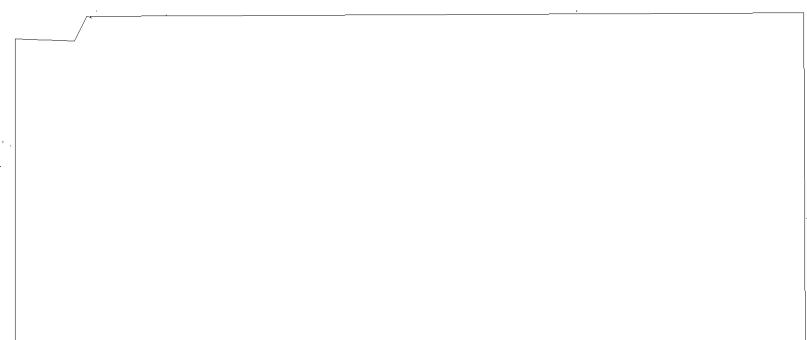
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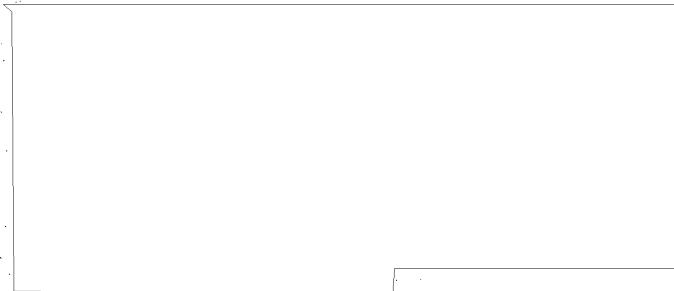
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WEST GERMANY - USSR

Despite Western efforts last weekend to get the Soviets to intercede, East German negotiator Kohl was just as adamant on Tuesday as in his two meetings last week with West German negotiator Bahr. Kohl denied that the mutually agreed German-language text of the Berlin accord can be the basis for the inter-German talks. On the same day, the negotiator for the West Berlin Senat also talked for four hours with an East German official, but made no progress on substance or procedures. The next talks in both forums have been set for 22 September, after the Brandt-Brezhnev meetings that open late today in the Crimea.

[redacted] East German
foot-dragging in the "second phase" of the Berlin talks will be a major item on Brandt's agenda for his three-day talks with Brezhnev. East German recalcitrance may be acceptable and even desirable to the Soviets as a short-term tactic, but it is doubtful that they will let it persist long enough to threaten their broader aims in Europe.

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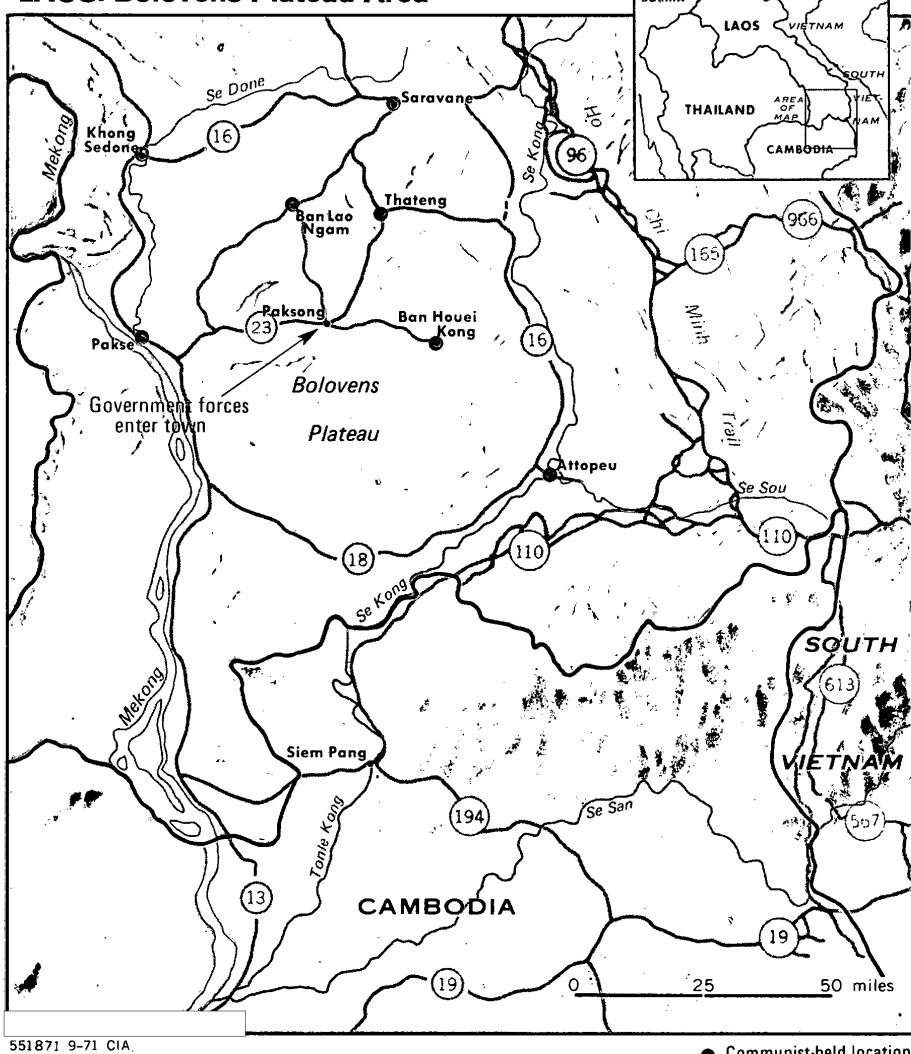
YUGOSLAVIA-CHINA

Belgrade padlocked the Chinese Communist exhibit at the Zagreb Fair yesterday, following US complaints that the exhibit's anti-American posters flagrantly violated fair regulations. Prior to the closing, the Yugoslavs had pressed the Chinese unsuccessfully for several days to remove the offensive propaganda material.

The decision was a particularly hard one for the Yugoslavs, especially with a Chinese trade delegation visiting the fair at the time. An important factor in their willingness to risk a temporary setback to rapprochement with China is Tito's desire not to upset the atmosphere for his talks with President Nixon in late October. Belgrade is also wary of Chinese actions during the delicate period before Brezhnev's visit later this month.

FOR THE PRESIDENT ONLY

LAOS: Bolovens Plateau Area



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FOR THE PRESIDENT ONLY

LAOS

Elements of two irregular battalions moved into Paksong on the Bolovens Plateau yesterday. By this morning they had cleared enemy forces from all of the town except the airstrip.

The troops are part of a larger government task force that was airlifted to positions three miles east of Paksong last weekend. Artillery and air support aided its push toward the town. Once Paksong has been secured--and providing the North Vietnamese do not counterattack--the task force presumably will attempt to move west to join other government battalions that have been trying to advance to Paksong along Route 23 for the past seven weeks.

Paksong, an important road junction, was the commercial center for the Bolovens Plateau area before its loss to the Communists in mid-May. Its recapture will give Vientiane a psychological boost.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

CHILE

The opposition Christian Democratic Party has extracted several concessions from Allende in return for a promise not to support formal impeachment proceedings brought by the conservative National Party against the minister of economy, [redacted]

[redacted] Allende is said to have made four commitments:

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--Peasants' seizures of farms and workers' seizures of factories will be stopped.

--Christian Democratic workers who were discharged following government take-over of textile plants will be reinstated.

--The government will send a bill to Congress clarifying which economic sectors are to be state-controlled, which are to remain in private hands, and which are to be mixed.

--Eventually, the minister of economy will be removed.

Taken together, the points of the agreement could significantly slow Allende's program if they are fully implemented. The minister of economy has been attacked as responsible for a general economic deterioration, notably a sharp drop in foreign exchange holdings and the evaporation of foreign credit.

Allende may have been thrown off balance by the coincidence of these economic trends with a considerable realignment within his own coalition. The Radical Party and the small Unitary Popular Action Movement have splintered, one minister has left the cabinet, and other ministerial shifts are in prospect. Relations between the Socialists and Communists remain as difficult as ever.

In order to capitalize on their current advantage, the Christian Democrats and smaller opposition groups must yet overcome their own differences and form a united front. In any event, the Christian Democrats have demonstrated adroitness in maintaining their party as an effective opposition force without engaging in a direct confrontation with the Allende government--a course that would have added to internal party strains.

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17 September 1971

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

17 September 1971

PRINCIPAL DEVELOPMENTS

In East Pakistan, the political climate has not been improved by the measures Yahya has taken to date, and general disruption remains severe. (Page 1)

On Page 3, we comment on Egyptian President Sadat's latest speech.

Israel

French

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(Page 4)

South Vietnam's militant Buddhists are now calling for a boycott of the presidential election. (Page 5)

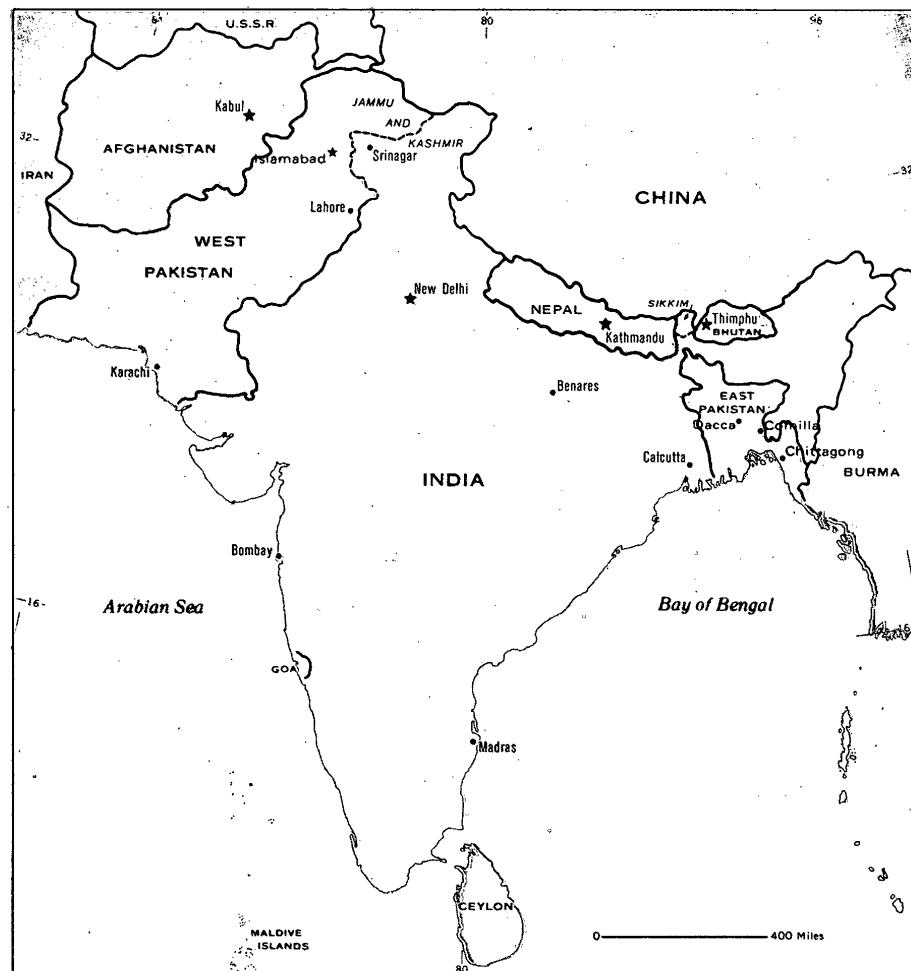
Chinese

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(Page 6)

Peking is employing high-ranking trade missions to try to strengthen economic and political ties abroad. (Page 7)

FOR THE PRESIDENT ONLY



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FOR THE PRESIDENT ONLY

PAKISTAN

Actions taken by President Yahya earlier this month to improve the political situation in East Pakistan have had little effect to date.

Despite the amnesty announced early this month for all but a few hundred insurgent leaders, several prominent East Pakistanis presumably covered by the amnesty are still in jail and, according to our consulate in Dacca, the popular view is that Yahya's announcement was an empty gesture.

The new civilian governor in the East, A. M. Malik, has been seeking to convince his fellow Bengalis to work for reconciliation and reconstruction. His promises of protection for refugees, Hindus, workers, and students have not so far elicited any favorable public response.

[redacted], friction between the governor and local military leaders is inevitable;

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Guerrilla attacks on transportation and power facilities in East Pakistan continue. Travel between Dacca and Comilla has been repeatedly interrupted. Damage to the main power line furnishing electricity for the major port of Chittagong has left industry there at a standstill for the past week. The restriction of army movement caused by flooding has enabled insurgents to operate openly in some parts of the province, and the Bangla Desh flag flies over some towns. In Dacca, however, security forces appear to have broken up the local insurgent organization, at least temporarily.

Food distribution problems continue to plague East Pakistan. A study conducted by US officials in Dacca indicates that available foodgrains will be just adequate to avert mass starvation, but individual consumption will have to be kept at an extremely low level. Much depends on the functioning of the internal transport system which must move food from ports and from surplus to deficit areas. To date, transport disruptions have continuously hampered foodgrain movements within the province.

(continued)

FOR THE PRESIDENT ONLY

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An upsurge in guerrilla activity, which appears likely as additional guerrillas complete their training in India, could further jeopardize food distribution efforts. The flood waters now moving down the Ganges River through India may also hinder transport activity and could threaten the rice crop.

Meanwhile, West Pakistan, with reduced food stocks, is approaching the critical December through April period when food shortages may occur. According to a West Pakistani official, output in Punjab--which normally produces 75 percent of the West wing's wheat--is down 20 percent from last year, and the Punjab government has refused to supply wheat to other provinces.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

EGYPT - MIDDLE EAST - UN

President Sadat in his nationwide address last night threatened to put the Arab-Israeli problem back into the hands of the UN. He said he would call for a Security Council session at the foreign minister level "at some stage" so that everyone, including the US, could "define his attitude" and so that the international community could "shoulder its responsibility" toward the Middle East dispute. Deplored US failure to define its own position on a settlement, Sadat several times accused the US of "deception" and misrepresentation of the positions of both Israel and Egypt and of Egypt's terms for a settlement. He also complained that, although Egypt had agreed to a period of quiet diplomacy, it had had "no contact whatsoever" with the US since 6 July and that "there is a limit to everything."

Sadat's speech also dwelt at length on the political, economic, and social reforms he had put in motion at home, asserting that these were not diversions or ends in themselves, but a necessary foundation for "the battle." He repeated his claim that 1971 would be a decisive year, "whether through peace or fighting," but he made it clear that building the domestic foundation will be a "long road."

British Foreign Secretary Douglas-Home told Ambassador Rockwell in Rabat yesterday that it was his impression from his just-concluded talks with Sadat and other Egyptian leaders that they want and need a settlement. He felt that they were anxious for more substantive contacts with the US, but that they feared the US had given up on Egypt and was resigned to accepting the Israeli position.

* * *

The outlook regarding Security Council consideration of Jerusalem may be further clouded by Sadat's latest attitude. Jordan's failure to present the draft resolution it had worked out with the US at yesterday's Council session on Jerusalem stemmed from the resolution's unacceptability to a majority of the Arab delegations.

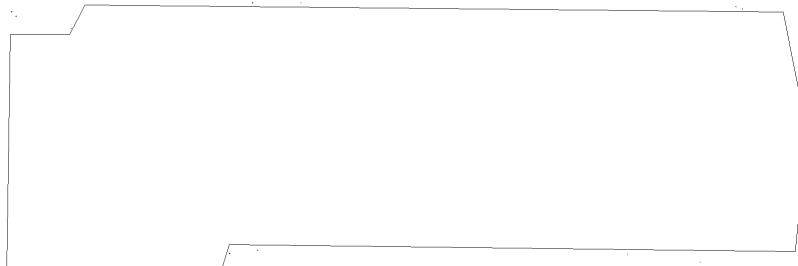
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[redacted] most of the Arabs still favor seeking some resolution that can win majority approval in the Council now that the subject has been raised. Intra-Arab agreement on a text, however, apparently may take until as long as the end of next week to reach.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

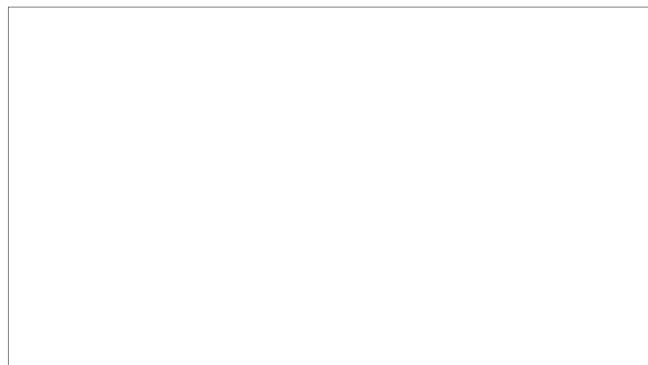
ISRAEL-FRANCE



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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

SOUTH VIETNAM

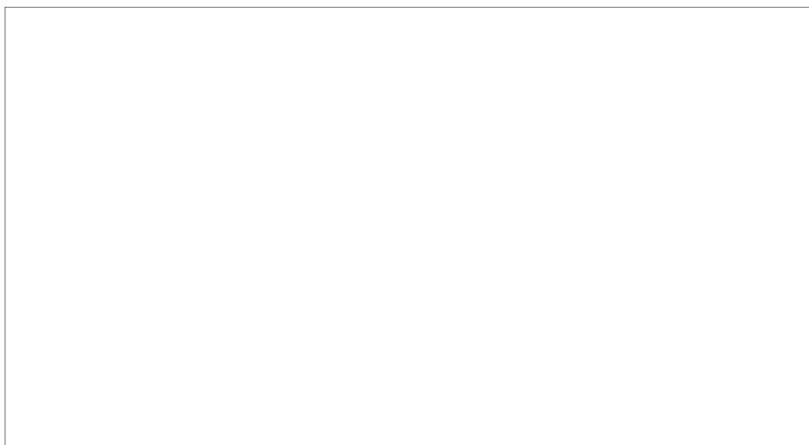
The An Quang Buddhists issued a statement yesterday calling on their followers to boycott the presidential election.

[redacted] some of the more radical Buddhist leaders are said to be consulting with other opposition groups, including Ky's camp, in an effort to enlist support for an active antigovernment campaign.

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Earlier information, reported in The President's Daily Brief of 13 September, had indicated that the An Quang leadership was against doing anything that would increase political turmoil and was not planning to oppose Thieu. The call for a boycott suggests that the leadership may have been under pressure from some of the more radical An Quang elements to take a stand. An Quang leaders are still likely to shy away from open agitation against the government, but their boycott could result in a substantial reduction in the number of voters.

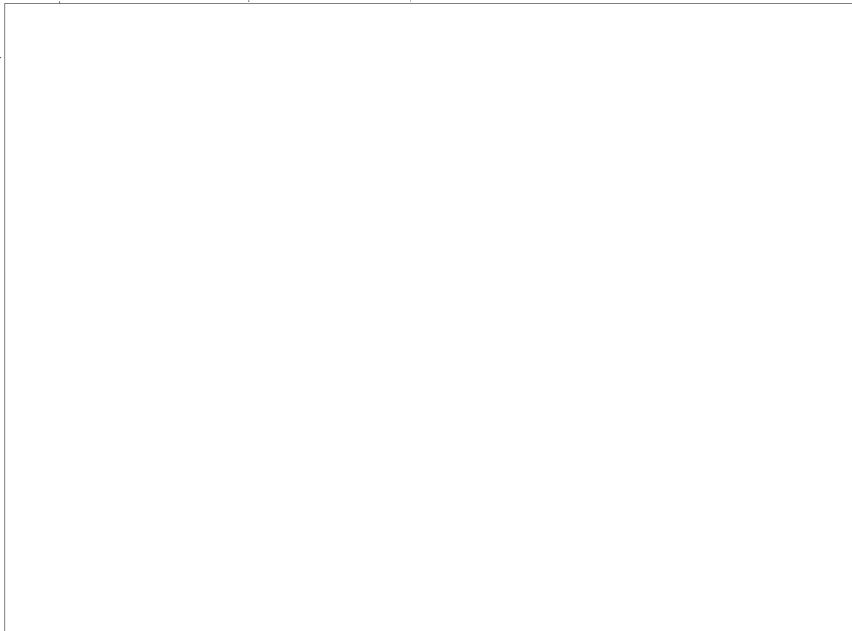
FOR THE PRESIDENT ONLY



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FOR THE PRESIDENT ONLY

COMMUNIST CHINA



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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

COMMUNIST CHINA

Several high-ranking Chinese trade delegates are now abroad, or going shortly, seeking to strengthen economic and political ties. The minister of foreign trade is to head a delegation to France, Italy, and Algeria next month; the trips to Paris and Rome are to reciprocate for similar visits to Peking during the past year and to assess interest in increased trade, while the stop in Algiers will concern, at least in part, disposition of a recently concluded Chinese loan. China's deputy foreign trade minister, who recently completed a visit to Guyana, is currently on a tour of Scandinavian countries, planning to meet with industrial representatives. China's minister of light industry has been visiting Yugoslavia over the past week in conjunction with Peking's participation in a Yugoslav trade fair for the first time in over ten years. Later this month, Chinese textile experts are expected to visit Italy, France, and Switzerland.

With these trade initiatives, the Chinese will exploit foreign hopes to develop an expanding China market and will be working to build support from these countries for Peking's international political position. Wider trade contacts with developed European states could bring greater opportunities for the Chinese to obtain much needed equipment of an advanced scientific and technical nature.

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

18 September 1971

PRINCIPAL DEVELOPMENTS

Communist resistance has stiffened against South Vietnamese clearing operations in the western delta.
(Page 1)

Egyptian downing of an Israeli reconnaissance plane is almost certain to draw an Israeli response.
(Page 2)

The new civilian cabinet in East Pakistan is not likely to win much Bengali support. *(Page 3)*

USSR

(Page 3)

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FOR THE PRESIDENT ONLY



FOR THE PRESIDENT ONLY**SOUTH VIETNAM**

During the past two weeks, elements of three Communist regiments have been engaged in a running battle with South Vietnamese forces in the U Minh Forest area. Although taking severe casualties, the government forces have sought contact whenever the Communists have tried to mass their forces, thus disrupting enemy battle plans and inflicting substantial casualties. The Communist attacks represent the most vigorous enemy effort since the South Vietnamese entered the Forest in strength some ten months ago. [redacted] the Communists may also mount attacks in other areas of the delta in support of the U Minh campaign.

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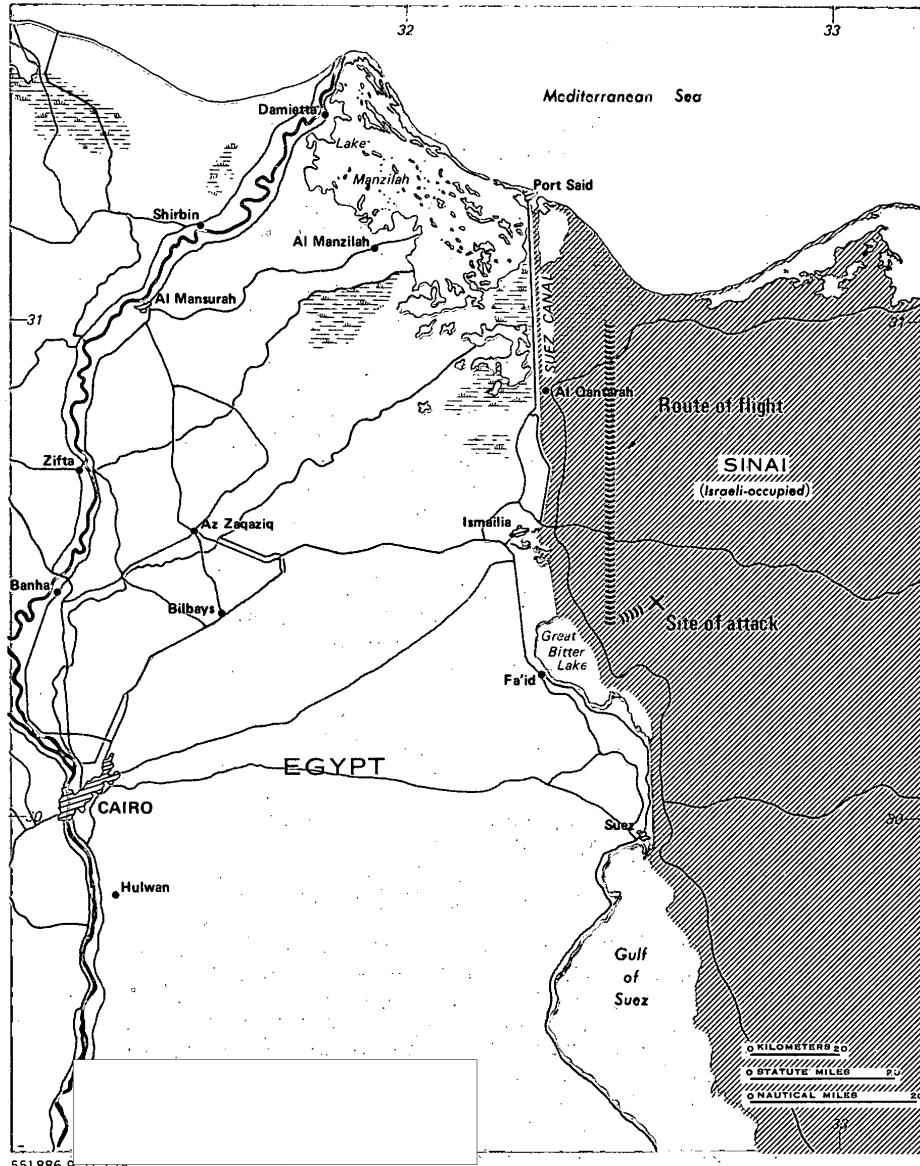
More tough fighting appears in store. The Communists show no signs of backing off, a significant departure from the pattern of fighting in the South for most of this year. The South Vietnamese also are showing no signs of tiring and have performed reasonably well so far, according to US advisers.

In addition to countering the South Vietnamese operations, the Communist attacks may be in response to the appeals from higher commands for increased action before Thieu's referendum on 3 October.

Enemy units elsewhere in South Vietnam may launch additional brief attacks in strength. The area near the DMZ remains the most threatened area despite the recent withdrawal of some of the enemy's forces to southern North Vietnam. Three enemy divisions are near the DMZ and any of these could move south on short notice. Saigon's Lam Son 810 operation in western Quang Tri Province may further inhibit the North Vietnamese from returning to this battlefield in the near future. Enemy units may also increase offensive activity in the central highlands and other regions, but this is not likely until after the monsoon rains ease in mid-October.

FOR THE PRESIDENT ONLY

Israeli Aircraft Shot Down



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FOR THE PRESIDENT ONLY

ISRAEL-EGYPT

An Israel Defense Forces spokesman informed US officials in Tel Aviv that an Israeli C-97 reconnaissance aircraft had been shot down yesterday by an Egyptian SA-2 missile. The Israeli plane was said to have been on a photographic reconnaissance mission and was well on the east side of the canal when it was hit.

The Egyptian action seems likely to have been in retaliation for the loss of an SU-7 to Israeli ground fire on 11 September. In view of Dayan's denunciation of the shoot-down as premeditated and a provocative act, the Israelis will almost certainly strike back. Egypt's use of missiles might well provoke them to respond with a strike on Egyptian SAM sites.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NOTES

Pakistan: The civilian cabinet appointed in East Pakistan yesterday is not likely to be of much help in the government's efforts to win popular support among Bengalis. Although the cabinet is composed exclusively of East Pakistanis--most of whom have been fairly prominent--only two are former members of the Awami League, which swept elections in East Pakistan last December, and these two are regarded as turncoats by many Bengalis. The others represent parties that did badly in the elections, and many Bengalis will regard their appointment as more of Yahya's efforts to disguise continued army control of the East wing.

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20 September 1971

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THE PRESIDENT'S DAILY BRIEF

20 September 1971

PRINCIPAL DEVELOPMENTS

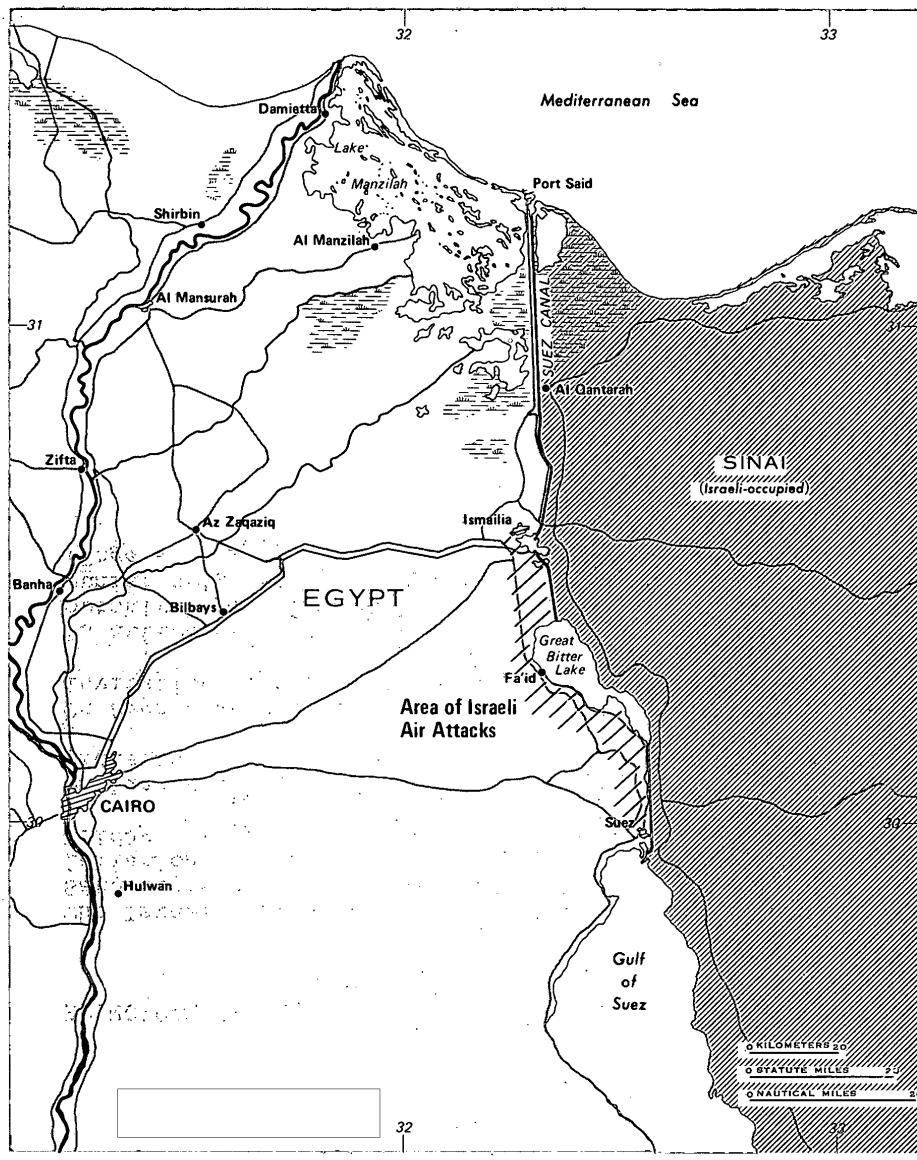
The Israelis privately confirm that Israel initiated Saturday's strike against Egyptian SAM sites in retaliation for the downing of the Israeli C-97 on Friday. (Page 1)

On Page 2 we comment on the antigovernment demonstrations in Saigon--the most violent in more than a year.

On Page 3 we discuss Brezhnev's acceptance of Brandt's invitation to visit West Germany.

An attack early today on fuel storage tanks on the outskirts of Phnom Penh is the most significant Communist action in the capital area since January. (Page 4)

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FOR THE PRESIDENT ONLY

ISRAEL-EGYPT

The Israelis have confirmed to US officials in Tel Aviv that Israel initiated Saturday's action in retaliation for the shooting down of the Israeli C-97 on Friday.

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Since Saturday's incidents, no unusual air or air defense activity by either the Israelis or the Egyptians has been noted.

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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

SOUTH VIETNAM

The antigovernment demonstrations in Saigon over the weekend were the most violent in more than a year. The protests, staged mainly by small groups of radical students, follow several weeks of scattered student disorders in both Saigon and Hue. Although the government still seems capable of controlling such demonstrations, the agitation is continuing to grow and repeated resort to strong police measures could create new sympathy for the protesters and backfire against Thieu.

[redacted] the demonstrations have received some support from Ky, who met with radical student leaders last week. He advised them to direct their protests solely against Thieu, calling the recent fire bomb attacks on Americans counterproductive. Several of Ky's aides are reported to be trying to persuade veterans and other antigovernment political and religious groups to join with the students in larger demonstrations this week. The purpose would be to stir up domestic and foreign opinion and induce the military to act against Thieu.

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Despite Ky's ties with veterans' groups and his recently increased stature among students, he is still a long way from uniting the diverse opposition groups behind his leadership.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

USSR

Brezhnev's acceptance of Brandt's invitation to visit West Germany at an undetermined date is the latest in the Soviet leader's efforts to break out of the mold of party boss and to assume the role of world statesman.

Brezhnev's moves, which coincide with a period of increased Soviet diplomatic activity, follow his success in enhancing his personal power position at the party congress last spring. His course impels the party deeper into the realm of operational diplomacy, as distinct from policy formulation; and tends to cast President Podgorny and Premier Kosygin somewhat into the shade. Brezhnev is continuing to operate within the framework of collective leadership, however. For example, he broke off his working vacation in the Crimea, immediately before Brandt's visit there, and made a brief trip to Moscow, apparently for last-minute consultations with his colleagues on the Politburo.

Brezhnev's trip to Paris next month will mark the first time he has traveled to a non-Communist country since he became party general secretary in 1964. As one of Khrushchev's lieutenants in the early 1960s, he traveled to Finland, Africa, Iran, and South Asia. His sole visit to Western Europe during that period was to Italy for the funeral of Communist leader Palmiro Togliatti.

FOR THE PRESIDENT ONLY

NOTES

Cambodia: An attack by Communist sappers early today on the Esso and Shell companies' fuel storage tanks on the northern outskirts of Phnom Penh apparently caused extensive damage. The raid was the most significant enemy action in the capital area since the strike on the city's airfield last January. The tanks are the only sizable petroleum facilities in central Cambodia, and their destruction would seriously disrupt supplies to civilian consumers. Military operations do not depend on these facilities, however, and should not be affected.

UN-Jordan: After two days of UN Security Council debate on Israeli actions in Jerusalem, intra-Arab agreement on a draft resolution is not yet in sight. The Jordanians have discarded the text worked out with the US in favor of a new one that calls on the Secretary General to report on the situation within 30 days. They describe this as the "irreducible minimum" that could gain Arab support, but still face a problem of finding a Security Council member to introduce it. Syria, the only Arab member of the Council, has drafted a markedly different text that would send a special Council mission to Jerusalem with instructions to report back in 15 days. It also cites the possible need to apply UN sanctions against Israel.

Pakistan:

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21 September 1971

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

21 September 1971

PRINCIPAL DEVELOPMENTS

[redacted] Chinese Communists [redacted]

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(Page 1)

Further steps by Islamabad toward increasing civilian influence in the government are unlikely to appease the East Pakistanis. (Page 2)

Ky and Big Minh may try to form an antigovernment front in South Vietnam. (Page 3)

[redacted] Japan [redacted]

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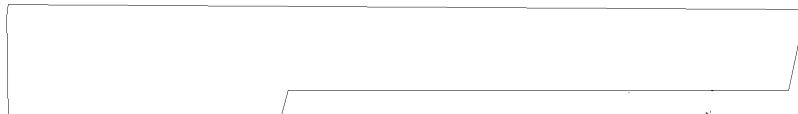
(Page 4)

Heath and Mintoff have agreed on the procedures and timing for negotiating a new British defense arrangement with Malta. (Page 5)

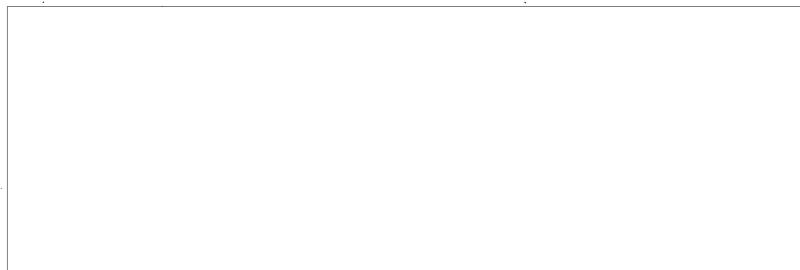
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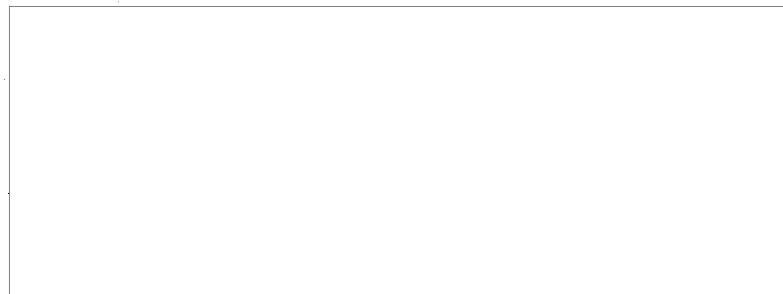
COMMUNIST CHINA



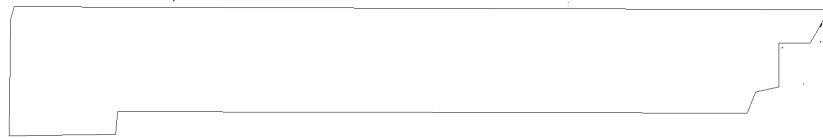
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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

PAKISTAN

The government has announced that by-elections will be held from 25 November through 9 December to fill East Pakistan's vacant seats in the national and provincial assemblies.

The seats to be filled in the by-elections became vacant last month when Pakistan's military rulers disqualified 79 of the 167 Awami League members elected to the National Assembly and 195 of the League's 288 provincial assembly members.

President Yahya has also agreed to submit the new constitution to be drawn up by the government to the National Assembly for its consideration instead of simply proclaiming it. The new procedures for the constitution leave Yahya with a veto power over changes recommended by the assembly. Also, if the assembly fails to make its suggestions within 90 days, the government's draft automatically becomes final.

These new measures follow Yahya's amnesty for most insurgents and the appointment of a civilian governor and cabinet. There is little chance that any of these gestures will make much of an impression on either the East Pakistani populace or the leadership of the Awami League. A large number of potential legislators have already been disqualified and many of the "acceptable" candidates would probably refuse to take up their legislative duties under these arrangements.

FOR THE PRESIDENT ONLY

SOUTH VIETNAM

Big Minh met with Ky last weekend and expressed interest in Ky's plan for a "United National Front" of all opposition groups, [redacted]

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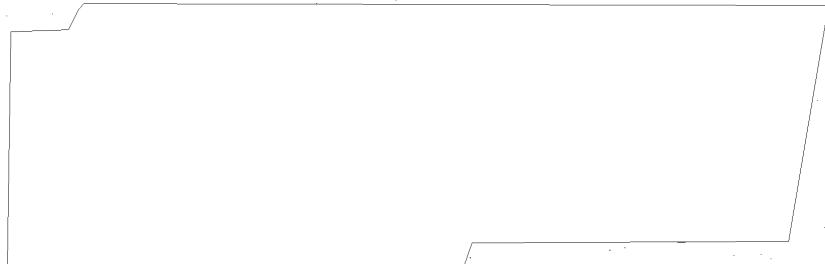
[redacted] Minh refused to give a firm commitment of support, but he said he was ready to oppose Thieu actively and to work with Ky. The immediate goal of Ky's new front will be to force cancellation of the presidential election on 3 October through large-scale demonstrations.

Minh has been politically quiet since he withdrew from the presidential election last month, but he may have decided that with overt opposition to Thieu growing, he should try to play a more active role as an antigovernment leader. Personal rivalries have blocked the creation of similar coalitions in the past, and could hamper cooperation between Minh and Ky now, but Minh could bring with him elements that probably would not join with Ky by themselves.

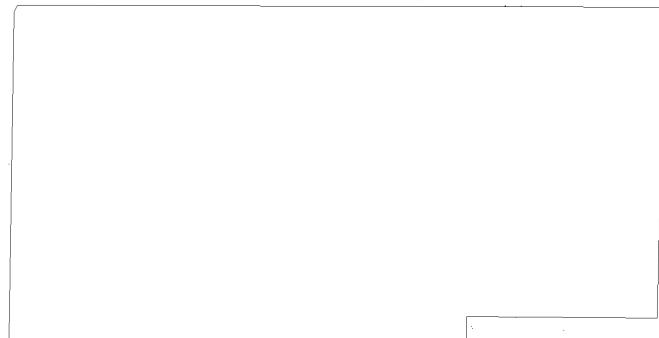
Ky has been discussing his plans with other antigovernment groups, and he hopes his front can coordinate the activities of all groups opposed to Thieu.

FOR THE PRESIDENT ONLY

JAPAN



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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

MALTA-UK

In their talks on 18-19 September in London, Heath and Mintoff agreed that financial terms of a new defense arrangement are to be worked out within three months. Mintoff implied his acceptance of the NATO cash aid offer--which the British hope can be increased to \$24 million--provided that additional bilateral aid from individual NATO countries is negotiated promptly. London promised to pay half of the annual UK-NATO package by 30 September, subject to NATO approval of these arrangements.

Mintoff agreed to renew distribution of duty-free fuel to British forces on Malta and to restore London's veto over third country military use of Malta's airfields and harbors.

Mintoff told Heath that regular visits of the US Sixth Fleet, suspended in June, will be permitted, but added that "very occasional" courtesy visits by Soviet naval forces would be required to maintain the island's neutrality. He said that major servicing of US combat vessels will not be possible because Malta's drydocks are being altered to handle only commercial vessels.

Mintoff apparently has decided that further tough bargaining would not produce a better Western offer. In addition, his concern over the quid pro quo that Libya or the USSR might extract in return for substantial aid could have inclined him toward a settlement with London. He will very likely concentrate now on striking the best possible bargain in bilateral aid negotiations with NATO countries.

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THE PRESIDENT'S DAILY BRIEF

22 September 1971

PRINCIPAL DEVELOPMENTS

Peking's decision to curtail sharply the traditional National Day celebrations on 1 October is most likely due to some major internal political developments.
(Page 1)

Cambodian forces are continuing their drive to reopen Route 6 to the long-isolated town of Kompong Thom.
(Page 3)

In South Vietnam, new acts of violence have increased dangers of serious disorders as the date of the presidential referendum approaches. *(Page 4)*

Israel Egypt
(Page 5)

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Brandt's meeting with Brezhnev last weekend makes him optimistic about Soviet policy toward Western Europe and West Germany. *(Page 6)*

The Organization of Petroleum Exporting Countries meets today to plan strategy for obtaining a direct share in the ownership of Western oil companies within their borders. *(Page 7)*

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

COMMUNIST CHINA

Several foreign press services, attributing their information to diplomatic observers in Peking, have reported that preparations for the major rally scheduled for National Day celebrations on 1 October were inexplicably suspended last week.

The cancellation of these festivities is unprecedented. Peking's decision does not appear to have been taken by a plenary session of the party central committee but by a smaller group of central politburo figures.

The most obvious explanation for the regime's reluctance to put on its traditional show with its mandatory leadership turnout is that a key member of the ruling politburo might be seriously ill. Mao Tse-tung last appeared on 7 August and his designated heir, Defense Minister Lin Piao, has not been seen since early June. Premier Chou En-lai, Madame Mao, and other important civilian politburo members have made public appearances in the past few days. Despite the fact that frequent public absences by both Mao and Lin are not unusual, Mao has never missed a National Day celebration and his absence from the rostrum would immediately trigger intense speculation concerning his health. At least one Chinese spokesman has already denied that Mao is ill.

Another possible explanation is that the jockeying for position that has been under way within the ruling politburo over the past two years has taken a new turn. Since last March four civilian members of the 25-member politburo have dropped from public view for varying lengths of time and all appear to be in serious political trouble as a result of a prolonged investigation into extremist policies associated with the Cultural Revolution. Recently, there have been tenuous indications that the investigation has broadened to involve key military figures. Over the past week, none of the central military leaders on the politburo has made public appearances, a possible indication that they are involved in further behind the scenes maneuvering in Peking.

(continued)

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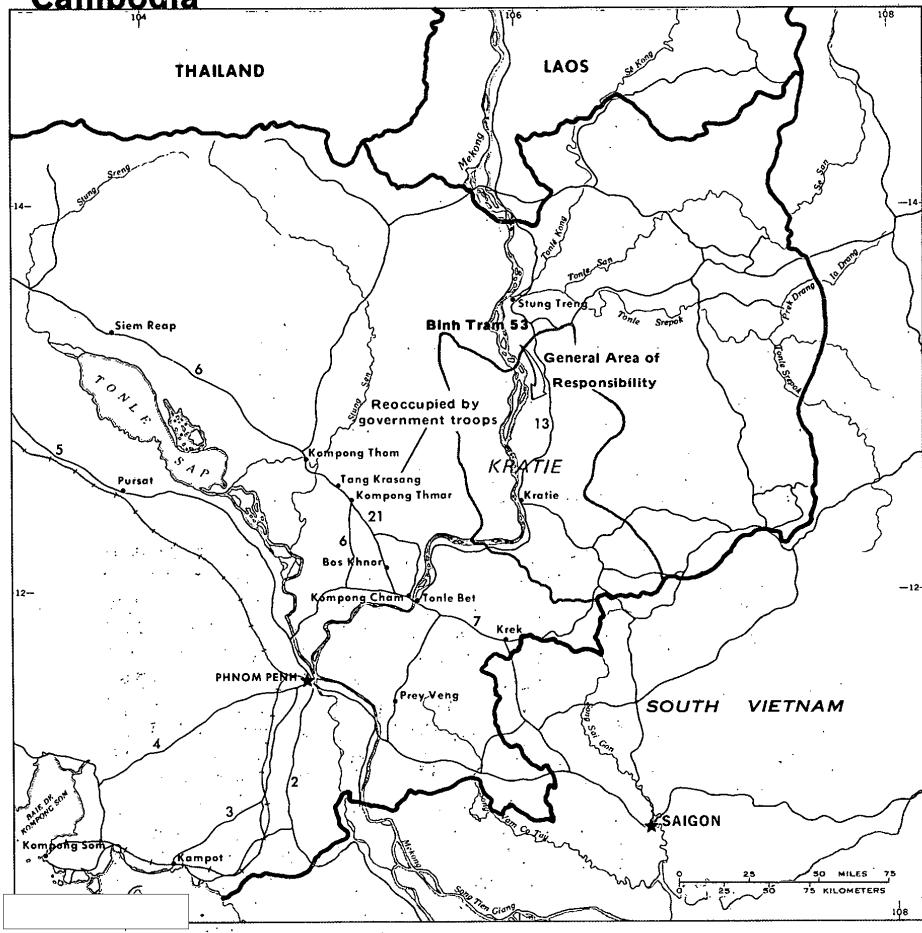
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The nonappearance of China's ranking military authorities and the cancellation of preparations for the 1 October rally have coincided with the nationwide standown of most military flights since 12 September. Thus, there also may be a relationship between this unprecedented suspension of flight activity and internal political developments.

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FOR THE PRESIDENT ONLY

Cambodia



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FOR THE PRESIDENT ONLY**CAMBODIA**

The light enemy resistance that the Cambodian Army's Chenla II operation has encountered since it was launched a month ago has prompted Lon Nol to reverse his earlier decision to halt the drive at Kompong Thmar, at the junction of Routes 6 and 21. Four battalions of the Chenla II task force have now occupied Tang Krasang; they are expected to continue the effort to clear the remaining 15 miles between there and the long-isolated town of Kompong Thom.

The success of the Chenla II operation has stimulated the high command to begin mapping campaigns to reopen sections of other key highways during the next dry season. A senior army officer recently told the US defense attaché that Phnom Penh's plans call for reoccupying Route 15 north of Prey Veng, reopening Route 7 from Krek to Tonle Bet, and clearing Route 3. The officer also said that Lon Nol is still talking about trying to retake Kratie Province, although other Cambodian leaders recognize that this would be a very difficult undertaking.

The Communists' failure to offer any significant opposition to the Cambodian units on Route 6 has been in keeping with the conservative military posture they have maintained during most of the rainy season. Relying on economy of force tactics, they have focused primarily on harassing a number of other main lines of communication.

[redacted] the Communists also have been strengthening their supply apparatus (Binh Tram 53) in northern Cambodia in preparation for the dry season. This will enable them to increase military pressure in Cambodia and southern South Vietnam during the dry season.

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SOUTH VIETNAM

Many opposition groups and some political elements not previously aligned against the government are likely to hold the government responsible for yesterday's attempted assassination of Senator Dat. They will cite both the fact that Dat, an expert on South Vietnam's constitution and a prominent Northern Catholic, was preparing to offer a formal resolution calling on Thieu to resign and the previous harsh police treatment of antigovernment demonstrators. It is questionable that the government would use such a crude form of intimidation. It seems at least equally likely that either the Viet Cong or non-Communist opposition elements staged the attack in order to intensify opposition to the government.

The bombing of the home of labor leader Tran Quoc Buu is much less likely to be blamed on the government. Buu has in general supported Thieu, and his initial reaction was to suggest that the Viet Cong were responsible. The incident, nevertheless, will add to the tension in Saigon political circles.

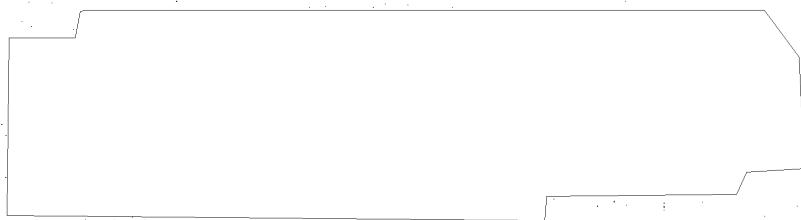
FOR THE PRESIDENT ONLY

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EGYPT-ISRAEL



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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

WEST GERMANY - USSR

Brandt came away from his meeting with Brezhnev last weekend with an expectation of further improvement in bilateral relations even before ratification of the 1970 reconciliation treaty between Bonn and Moscow. Brandt conveyed to diplomats of The Big Three his impression that the Soviets are prepared to put the finishing touches on long-pending trade and commercial air agreements. He also anticipates that negotiations will begin on cultural and scientific-technical agreements and that a commission will be set up to promote trade.

Brezhnev reiterated Soviet interest in early German ratification of the 1970 treaty.

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The Soviet leader, however, gave no hint of a willingness to facilitate matters by prodding the East Germans to be more forthcoming in the inter-German talks. (Bonn continues to make ratification conditional on completion of a Berlin agreement, including detailed arrangements on access to be worked out by Bonn and Pankow.) Brandt's close adviser, Egon Bahr, later told the Western diplomats that he anticipated no breakthrough in his talks with the East Germans as a result of the Crimean talks.

Brezhnev projected an impression of flexibility on general East-West questions and avoided exerting any pressure on Brandt. Brandt said he was convinced that Moscow wants a Conference on European Security, though not necessarily "in the near future." On the question of Mutual and Balanced Force Reductions, Brezhnev merely restated the standard Soviet position that the negotiations should not be limited to the US and USSR or to the area of Germany, and that foreign and indigenous forces should be included.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NOTE

International Oil: The 11 members of the Organization of Petroleum Exporting Countries (OPEC) meet today to plan strategy for obtaining a direct share in the ownership of Western oil companies within their borders. The OPEC organization has been developing a proposal which is expected to call for an initial 20-percent ownership of oil facilities and production for member governments. Today's meeting is expected to focus on this basic proposal, leaving such matters as the involvement of OPEC governments in transport, refining, and marketing for another time. The meeting also may consider the impact of recent currency revaluations on OPEC's price and revenue agreements with Western oil companies.

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23 September 1971

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

23 September 1971

PRINCIPAL DEVELOPMENTS

The official Communist Chinese explanation for the cancellation of National Day ceremonies is unconvincing. (Page 1)

Japan appears ready to revalue the yen. (Page 2)

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Italy has responded favorably to a Yugoslav request for military cooperation. (Page 4)

The most recent satellite photography of Soviet ICBM complexes is discussed on Page 5.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

COMMUNIST CHINA

The Chinese Ministry of Foreign Affairs announced yesterday that cancellation of the usual parade in Peking and other major ceremonies throughout the nation on 1 October is merely a "reform" of the traditional way of celebrating the National Day. The official line

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[redacted] portrays the change as an economy move which will also encourage the nation to concentrate on achieving "concrete deeds in production and construction," a formulation previously used to explain the remarkably low-key celebration last July of the 50th anniversary of the Chinese Communist Party.

Peking's attempt to play down the significance of this episode appears singularly thin. Anomalous developments, such as the abrupt way the unprecedented decision apparently was reached and the continuing standdown in military flight activity, suggest that the decision was prompted by some major problem besetting China's unsettled leadership coalition.

Thus far, Peking has not reacted to foreign press speculation that Mao Tse-tung or Lin Piao is ill or dead. Chinese spokesmen in Hong Kong and in several foreign embassies claim that Mao is in excellent health. There are also no indications of public disruptions in Peking as a result of the decision.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

JAPAN

Tokyo will revalue the yen in relation to the dollar by about 12 percent this coming weekend, [redacted] The timing is convenient, since the money market will be closed Friday through Sunday because of Japanese holidays. One Japanese trading company is already reported to be signing foreign trade contracts at the new rate.

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Unilateral revaluation at this time would suggest Tokyo believes the present impasse between the US and the other Group of Ten nations will not soon end, and that the step was necessary to facilitate Japan's international trade during the interim. A 12-percent revaluation of the yen would be roughly consistent with the appreciation of the European currencies that has already occurred. Moreover, Japan could cite the move as an unselfish effort to break the current deadlock prior to the IMF meetings in Washington next week.

FOR THE PRESIDENT ONLY

SOUTH VIETNAM

[redacted] some 2,000 veterans are converging on the capital from the provinces this week for demonstrations that he expects will be considerably larger than last year's and will include self-immolations. The main targets of the demonstrators will be the presidential palace and the US Embassy, in that order. [redacted] believes the veterans have close ties with student groups and with the An Quang Buddhists, and that Vice President Ky is behind the protests as part of his campaign against President Thieu's election policy. Students from the Buddhist university in Saigon plan to demonstrate today in protest against forcible police repression of an earlier demonstration on 18 September.

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[redacted] fears that the veterans' demonstrations might get out of hand. He is concerned that mass support for the veterans might develop, ultimately leading to the danger of a military coup.

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The government has elaborate plans to dissuade groups of veterans and the population from supporting the demonstrators and will make arrests only when absolutely necessary.

In the past, the government has acted with considerably greater restraint when dealing with protesting veterans than it has with other agitators. It probably is still concerned that elements of the military might view the protests by their former comrades with some sympathy.

FOR THE PRESIDENT ONLY

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ITALY-YUGOSLAVIA

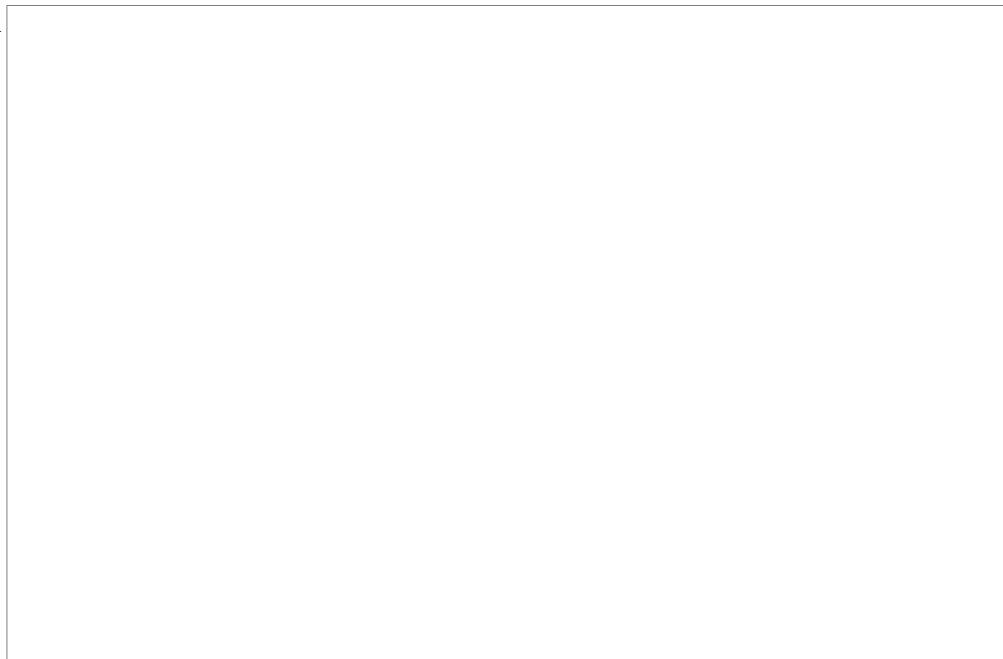
[redacted]
[redacted] the Yugoslavs had raised the subject of military cooperation with the Italians. Early this month the Italian Foreign Ministry responded favorably, proposing that a technical delegation visit Belgrade later this year to discuss specific areas of cooperation. The Yugoslav military attaché in Rome has said his country is interested in coproduction of armaments and in the possibility of military collaboration "on the operational level."

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[redacted]
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FOR THE PRESIDENT ONLY

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FOR THE PRESIDENT ONLY

USSR

The most recent satellite photography provided at least partial coverage of 21 of the 24 Soviet ICBM complexes, but neither Derazhnya nor Pervomaysk, where SS-11s are deployed with MRBMs and IRBMs, was covered with usable photography. No additional silos of the new type were detected, nor have we picked up any new details about them. Our count thus remains at 66 new-type silos at Derazhnya and Pervomaysk, and 25 at complexes where SS-9s are deployed.

Analysis of the photography is continuing, and further details may become available.

FOR THE PRESIDENT ONLY

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NOTES

East - West Germany: As expected, the talks between the two Germanies broke down yesterday because of East Germany's unwillingness to negotiate differences over the German-language text of the quadripartite Berlin agreement.

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No date has been set for a resumption of the meetings, and the West Germans are beginning to look for a face-saving way out of the situation. Parallel talks on West Berlin issues have been in abeyance since last week in anticipation of the impasse.

Libya:

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24 September 1971

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THE PRESIDENT'S DAILY BRIEF

24 September 1971

PRINCIPAL DEVELOPMENTS

Several new reports strengthen the impression that
Peking is in the midst of a leadership crisis.
(Page 1)

[Redacted] 50X1

Lon Nol yesterday sacked In Tam, his energetic First
Deputy Prime Minister. (Page 4)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

COMMUNIST CHINA

[redacted] reports strengthen
the impression that Peking is in the midst
of a leadership crisis.

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[redacted] the
leadership in Peking held an urgent meet-
ing there on or about 12 September. The
meeting may have begun on the 12th and
perhaps lasted for several days, since
Chou En-lai interrupted meetings with
foreign visitors from 12 to 15 September.

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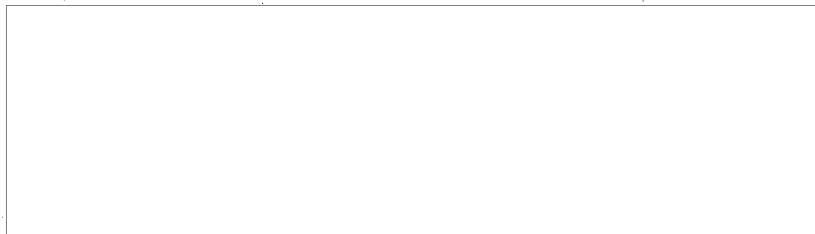
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If Mao is dead or incapacitated, China's
unsettled leadership would have difficulty
in immediately rallying around Defense
Minister Lin Piao. Despite Lin's designa-
tion as Mao's successor, there are serious
questions about the extent and depth of
support for him in important military and
civilian circles. Although Lin's position
as head of the military establishment is
an important one, his ultimate source of
authority has always been Mao.

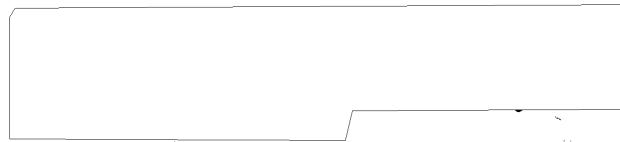
There continues to be no evidence of a
deterioration of security in the capital
or elsewhere in the nation.

FOR THE PRESIDENT ONLY

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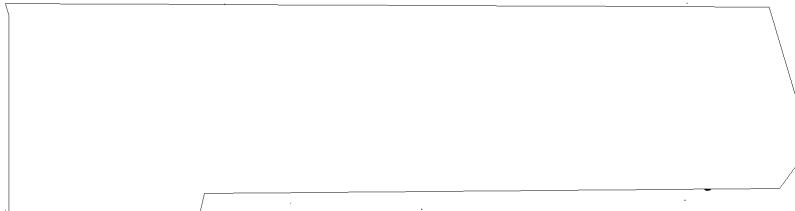


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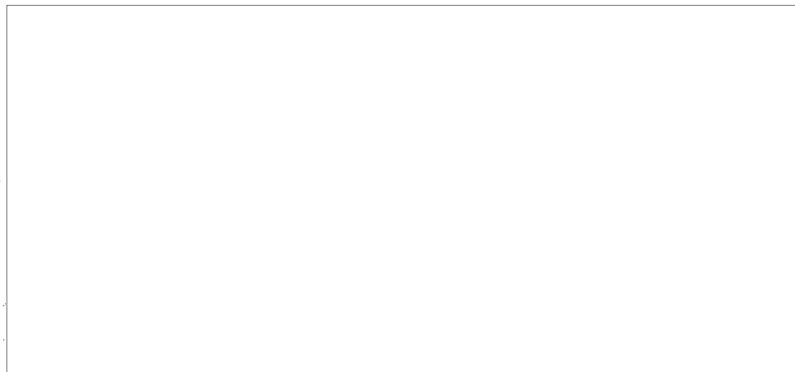
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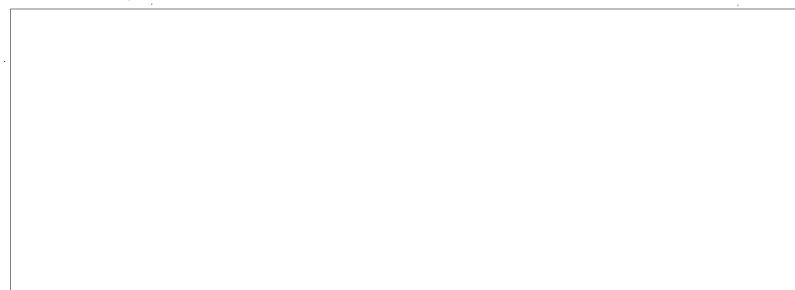
USSR



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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

CAMBODIA

Lon Nol yesterday dismissed First Deputy Prime Minister In Tam.

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In Tam was neglecting his duties in the capital and that his frequent trips to the countryside were primarily designed to build his own political base among the peasantry.

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The able and energetic In Tam was the leading force behind the government's efforts to extend its control in the countryside. Several times he threatened to resign when Lon Nol and Matak blocked his efforts to mount an effective pacification program. Now In Tam presumably will return to the National Assembly, where he may well use his influence to stir up further opposition to the government and its policies.

The next important head to roll may be that of Third Deputy Prime Minister Hang Thun Hak, whom Lon Nol has accused of trying to denigrate Matak.

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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NOTE

USSR: The Soviets are preparing for another unmanned lunar landing mission that is likely to be launched next week. The only other Soviet lunar launch this year--Luna 18--crashed while attempting a soft landing on the moon earlier this month. Luna 18 apparently was intended to return lunar soil samples; the mission of the upcoming probe cannot yet be determined.

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25 September 1971

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

25 September 1971

PRINCIPAL DEVELOPMENTS

Peking is trying to curb foreign speculation about a leadership crisis by fostering a "business as usual" image, while still offering no plausible explanation for the unusual events of the past two weeks. (Page 1)

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[Redacted] (Page 3)

Pakistan Thieu's political opponents are continuing preparations for large demonstrations in several South Vietnamese cities this weekend, with scattered disturbances already taking place in Saigon. (Page 5)

Egypt [Redacted] (Page 6) 50X1

The Soviets have proposed a formula for circumventing the current impasse in the inter-German talks. (Page 6)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

COMMUNIST CHINA

Since the period 12-15 September, when no top leaders were in evidence, Premier Chou En-lai has made almost daily appearances, even meeting on occasion with relatively low-level foreign dignitaries for several hours.

Several other civilian politburo members have made repeated public appearances in the past week, and Vice Premier Li Hsien-nien traveled to Hanoi on 24 September. Army logistics chief Chiu Hui-tso also turned up at a minor diplomatic function on 22 September--the first time that a military man on the politburo has surfaced since the major leadership meeting which apparently convened on 12 September.

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Despite its efforts to curb foreign speculation by projecting a "business as usual" image, the regime has still failed to provide a plausible explanation for the curious chain of events of the past two weeks. It has yet to publicize an official disclaimer of the rumors that Mao is seriously ill, or to shed any light on the status of Lin Piao, which is also becoming a topic of foreign press speculation. According to the French Press Agency, however, a Foreign Ministry spokesman in Peking has told at least four members of the diplomatic corps that "in a few days they will receive the clue" as to why National Day parades have been curtailed.

The nationwide standdown of military flights is continuing.

The possibility that the current uncertainty in Peking is due to some perceived external threat continues to appear slight.

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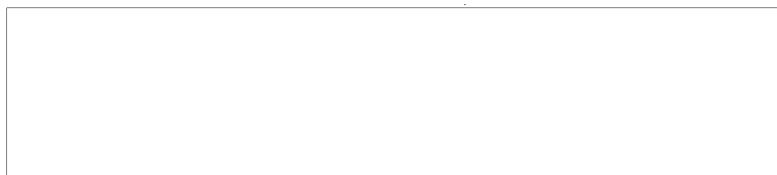
FOR THE PRESIDENT ONLY

There is still no evidence of a wide-scale deterioration of security within China. On the morning of 24 September, Chinese officials at the Hong Kong border were refusing to accept travelers destined for Amoy, a major coastal city in south-east China. Although the armed factional skirmishes which reportedly broke out in this area in August may be continuing, a more likely explanation is that transportation routes in the vicinity of Amoy were temporarily disrupted by the severe typhoon which hit the mainland coast yesterday.

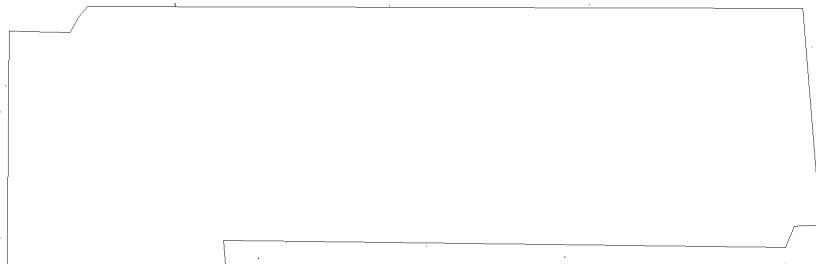
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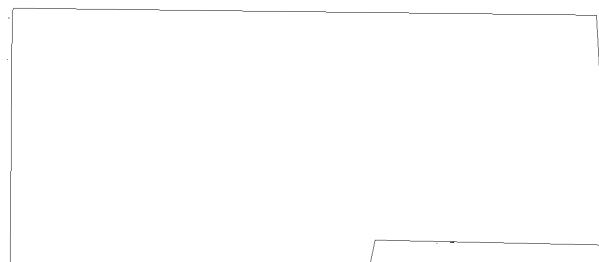
PAKISTAN



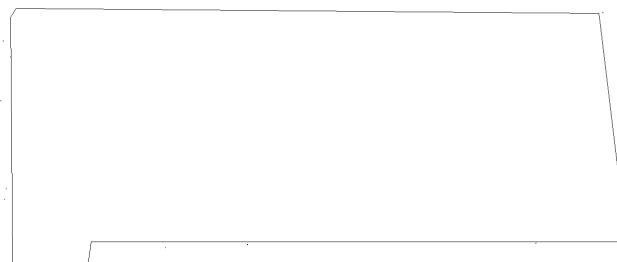
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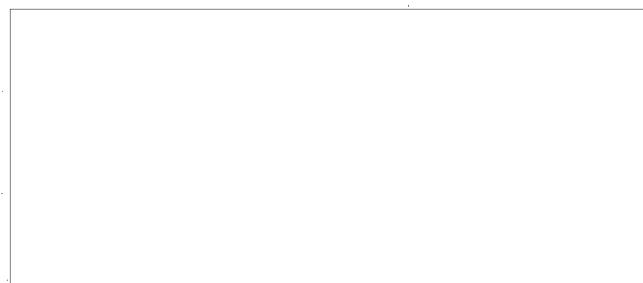
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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

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In the revolt area, the UN relief operation is hampered by the thoroughly disorganized and inefficient government, which is reluctant to allow a large field staff into the countryside to supervise distribution. The head of the operation has also reported problems with disrupted communications and transport, passive resistance or non-cooperation from the civilian population, and violence and sabotage at the hands of the guerrillas. Yahya has told Ambassador Farland he is "amazed" to hear that officials in the East wing were placing obstacles in the way of a UN presence in the countryside. He said he would again make it clear to officials in Islamabad and Dacca that they were to offer all possible assistance to the UN.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

SOUTH VIETNAM

Opposition circles continue their plans to hold large-scale demonstrations this weekend in several major cities, [redacted]
The focus is to be on Saigon, where students and veterans have been arriving from the provinces and some disturbances are already reported.

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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NOTES

Egypt-USSR:

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East - West Germany: A ranking Soviet diplomat in East Berlin has put forward a formula for resuming the German talks. According to this scheme, each German state would stand by its own translation of the Berlin agreement and not question the wording in the other's version. This comes close to the solution which West German negotiator Bahr proposed to the East Germans in their last meeting on 22 September. At that time, it was rejected. Now, however, if Bonn agrees to the Soviet formula, the chances of proceeding to matters of substance will improve.

FOR THE PRESIDENT ONLY

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The President's Daily Brief

Sunday
26 SEP 1971

17

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FOR THE PRESIDENT ONLY

SUNDAY CABLE
26 Sept 71

JAPAN

Yesterday's demonstration at the imperial palace is but the latest example of how the use of political violence is replacing more traditional forms of ritualistic protest among radical Japanese youth and students. It was the first forcible intrusion by students in modern times onto the well-guarded grounds. Other leftist groups are said to be preparing further demonstrations against Emperor Hirohito's trip abroad.

The police are expecting large-scale demonstrations next month when the Diet reconvenes to consider the Okinawa agreement. They are worried by evidence that firearms and explosives are in the hands of large radical youth organizations, and no longer restricted to a tiny lunatic fringe of the youth movement. Officials fear that the larger organizations with such weapons might use them during next month's mass demonstrations in order to trigger widespread violence. Such a development could readily compound the Sato government's anticipated difficulties with the Diet over the issues of the Okinawa treaty and relations with China.

FOR THE PRESIDENT ONLY

USSR-YUGOSLAVIA

Preliminary indications are that Brezhnev's visit to Yugoslavia has not improved relations or reduced areas of disagreement. The final communique was cool, mentioning only exchanges of views and discussions of a wide range of bilateral problems. Another document, a joint statement that will formally set the terms of future relations, was signed but has not yet been released.

Daily press releases on the talks last Thursday and Friday hinted that the sessions did not go well. Brezhnev kept Tito waiting several times during the visit, as the polite initial atmosphere deteriorated.

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FOR THE PRESIDENT ONLY

SOVIET UNION

The top three Soviet leaders are continuing to add new destinations to their fall itineraries. Following his visit to Yugoslavia, Brezhnev unexpectedly flew to Budapest to brief Hungarian leaders on his talks with Tito. He is expected to arrive in Sofia today to make a similar report to Bulgarian officials.

Meanwhile, TASS has announced that President Podgorny will visit India and Burma on his way to Hanoi. He will stop in Rangoon on 2 October.

Premier Kosygin is said to have added Morocco to his October schedule, possibly between projected visits to Algeria and Iran. The US Embassy in Ottawa has received a number of hints that Kosygin may be interested in a visit to the UN and perhaps meeting with the "highest" US officials during or after his 17-27 October stay in Canada.

FOR THE PRESIDENT ONLY

USSR-UK

Moscow took a day to react to London's expulsion of 90 Soviet citizens for espionage. Without mentioning the number involved, on Saturday TASS bitterly criticized the British Foreign Office for making accusations "without adducing any proof," and labeled the charges as "deliberately false."

The thrust of Moscow's initial reaction seems as much directed against the timing and political implications of London's move as it is at denying the charges. The Soviets appear concerned that the affair may set back the USSR's diplomatic initiatives in Europe, particularly the conference on European security.

While TASS failed to mention possible retaliation, it nevertheless quoted British editorials that predict the ousters "may entail very serious consequences for London." In the past, the expulsion of Soviet citizens for espionage has led to retribution in kind by the USSR. However, the magnitude of the British action and the possibility of yet other expulsions elsewhere in the West may temper Moscow's retaliatory actions.

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The President's Daily Brief

27 September 1971

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

27 September 1971

PRINCIPAL DEVELOPMENTS

The situation in Communist China is discussed on
Page 1.

The Chinese are trying to reassure the North Vietnamese that Peking will not loose sight of Hanoi's interests in talks with the US. (*Page 3*)

Soviets

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(*Page 4*)

An analysis of Brezhnev and Tito's joint statement is on *Page 5.*

Britain

USSR

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(*Page 6*)

Japanese officials are worried about growing political violence. (*Page 7*)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

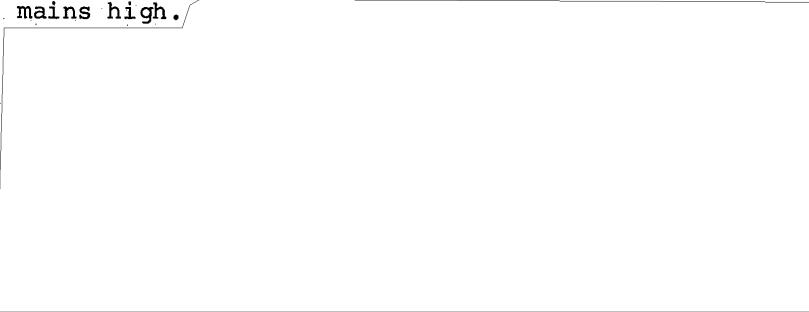
COMMUNIST CHINA

Press reports state that preparations for low-key celebrations of National Day on 1 October are going forward in Peking's parks [redacted]

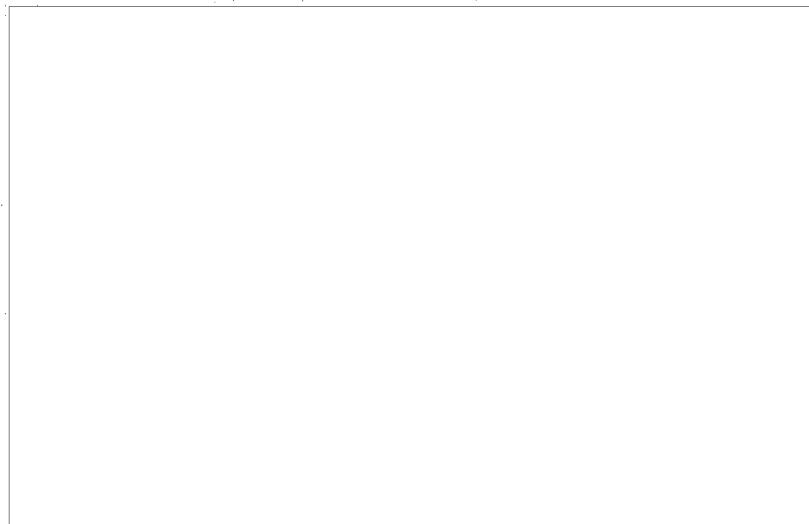
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[redacted] security measures in the city are relaxed. Despite the air of calm, behind-the-scenes tension within the politburo apparently remains high.

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There is no new information on the status of Mao's health, but the absence of any official reaction from Peking to growing press speculation about the fate of heir-designate Lin Piao suggests that uncertainty over Lin's physical condition, or perhaps his political role, may be a crucial factor in the leadership crisis.

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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY



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[redacted] the traditional National Day banquet hosted by Chou would be held as scheduled on 30 September. This event may not shed any light on Mao's or Lin's status because neither usually attends. Although the decision to hold this affair probably is intended to convey an impression of normalcy, postponement of other scheduled activities suggests that the regime anticipates no early resolution of the crisis. A statement by Foreign Ministry officials [redacted] that all foreign businessmen have been instructed "to depart China" may be an indication that the regime also plans to postpone or cancel the Canton Trade Fair, scheduled to open on 15 October.

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The almost total suspension of military aircraft flight activity is continuing into the third week. There are indications that ground force units in Tibet continue to be on special alert, but there is still no confirmation that such activity is nationwide.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NORTH VIETNAM - CHINA

The current visit to Hanoi by a Chinese politburo delegation is primarily designed to assuage Vietnamese apprehensions that the Chinese might try to mediate the war with the US. Ostensibly the visit is that of a routine aid mission, but it also gets the Chinese point of view into Hanoi more than a week prior to the arrival of Soviet President Podgorny.

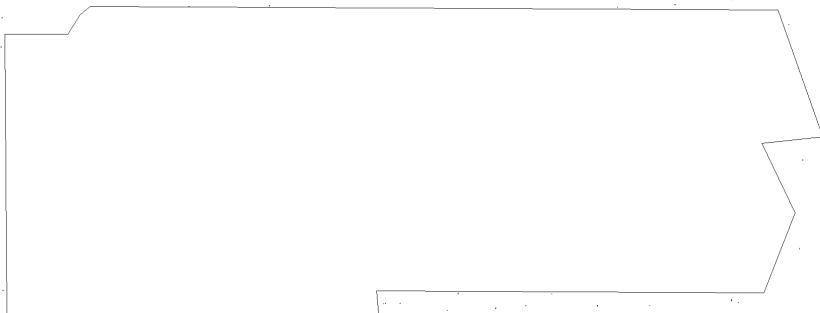
The Chinese initiative--sending politburo member Li Hsien-nien and his aid team to Hanoi rather than having the Vietnamese come to Peking--suggests that more than the annual aid protocol is involved. The Vietnamese are responding in kind; they are referring to the delegation as one of "friendship," comparing it to Chou En-lai's visit last March, and are highlighting Chinese support for Hanoi's war aims rather than Peking's material aid.

The tenor of Li's banquet speech on 24 September was especially pleasing to Hanoi ears. He engaged in the kind of harsh denunciation of US motives that Hanoi is currently using, characterizing US imperialism as the "most ferocious enemy of our times" and criticizing Washington for making "noises about a peaceful settlement while continuing its war of aggression" in Indochina. Li also offered unqualified support for Hanoi's negotiating posture and reassured the Vietnamese that the destiny of Indochina would indeed be decided by the "peoples of the three Indochinese countries."

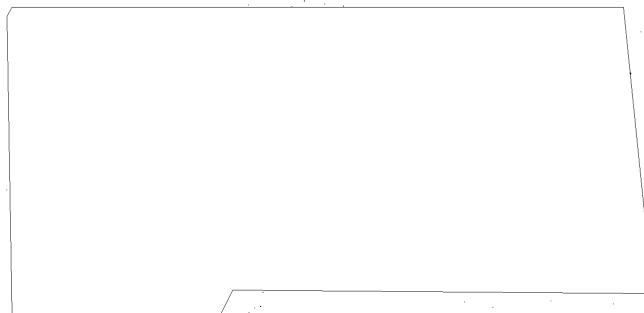
The Li visit may put to rest Vietnamese anxieties generated by the announcement that President Nixon had been invited to Peking. For about a month after the announcement, Hanoi engaged in unprecedented polemical lecturing of the Chinese, accusing them of consorting with the enemy, abandoning friends, and not being true revolutionaries. These attacks stopped on 22 August as suddenly as they had begun, and since mid-September the Vietnamese have been deliberately avoiding public criticism of Peking.

FOR THE PRESIDENT ONLY

INDIA-USSR



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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

USSR-YUGOSLAVIA

Brezhnev and Tito issued a joint statement Saturday agreeing to improve relations. They promised more cooperation between their Communist parties, a step that could reverse a situation in which there were few fruitful contacts in recent years. Their statement also called for more governmental and economic collaboration. Both made an implied pledge to end polemical criticism of the other.

The Yugoslavs received recognition of their right to experiment in political and economic reform as well as a long-sought Soviet agreement to reciprocity in information programs conducted in the other's country. In practice, reciprocity could mean a sharp diminution of the USSR's propaganda effort in Yugoslavia.

Both sides agreed to ease tensions in the Balkans, and Brezhnev conceded that a nuclear-free zone in the area "could be" a means of stabilizing peace there. This non-committal position falls short of the Yugoslav desire that the Soviets renounce the use of force in the Balkans. The statement contained a reference to earlier Soviet-Yugoslav declarations of intent to end their differences and guarantee Yugoslav sovereignty dating back to 1955, but this formula did not satisfy Tito's desire for a specific Soviet promise to keep hands off his country.

Because neither Brezhnev nor Tito changed their basic positions, it is doubtful that either side will interpret the provisions of their joint statement to the full satisfaction of the other. However, when compared to recent tensions between the two, relations should improve for a while, at least on the surface. Tito will accept the respite for what it is, but his worries about Moscow's ultimate intentions in the Balkans will remain.

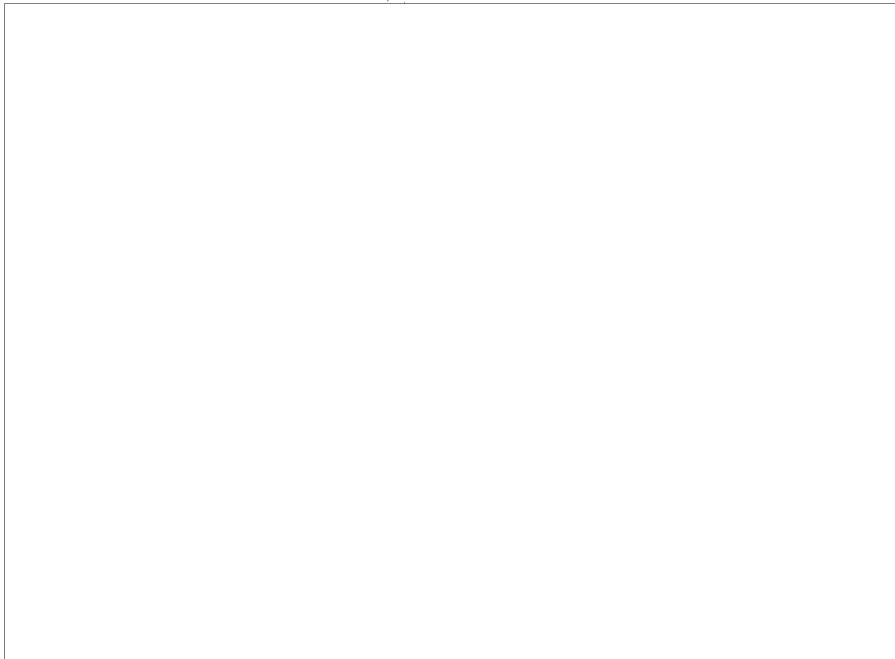
Following the visit Brezhnev flew to Budapest to brief Hungarian leaders on the talks. Yesterday he arrived in Sofia to make a similar report. Hungary and Bulgaria aided the USSR's effort to keep pressure on Yugoslavia this summer.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

USSR-UK

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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

JAPAN

Saturday's demonstration at the imperial palace is but the latest example of how the use of violence is replacing more traditional forms of ritualistic protest among radical Japanese youth and students. It was the first forcible intrusion by students in modern times onto the well-guarded grounds. Other leftist groups are said to be preparing further demonstrations against Emperor Hirohito's trip abroad.

The police are expecting massive protests after the Diet convenes in mid-October to consider the Okinawa agreement. They are particularly worried by evidence that guns and explosives are in the hands of established radical youth organizations, and no longer restricted to a tiny lunatic fringe of the youth movement. Officials fear that the larger organizations might use such weapons during the coming mass demonstrations in order to trigger widespread violence.

Any such spread of violence could readily compound the Sato government's anticipated difficulties with the Diet over the issues of the Okinawa treaty and relations with China.

FOR THE PRESIDENT ONLY

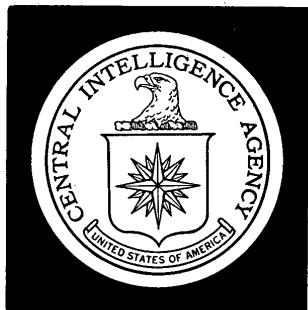
FOR THE PRESIDENT ONLY

NOTE

USSR: The top leaders are continuing to add new destinations to their itineraries for this fall. TASS has announced that President Podgorny will visit India and Burma on his way to Hanoi; he will stop in Rangoon on 2 October. Premier Kosygin is said to have added Morocco to his schedule, possibly between visits to Algeria and Iran early next month. The US Embassy in Ottawa has received a number of hints that Kosygin may be interested in a visit to the UN and perhaps meetings with the "highest" US officials during or after his stay in Canada from 17 to 27 October.

FOR THE PRESIDENT ONLY

Top Secret



The President's Daily Brief

28 September 1971



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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

28 September 1971

PRINCIPAL DEVELOPMENTS

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[Redacted] fedayeen. (Page 1)

The situation in China is discussed on Page 2.

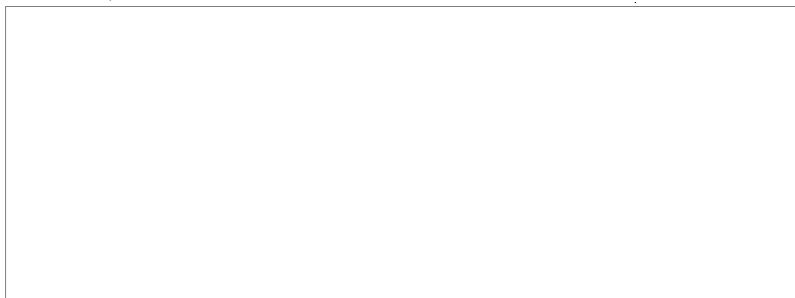
In northwestern Laos, the Chinese have begun to extend their road network south toward the Mekong River.
(Page 3)

Elements of the North Vietnamese 7th Division have moved from Cambodia into South Vietnam's Tay Ninh Province. (Page 4)

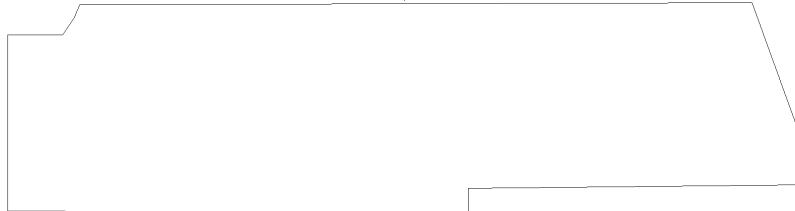
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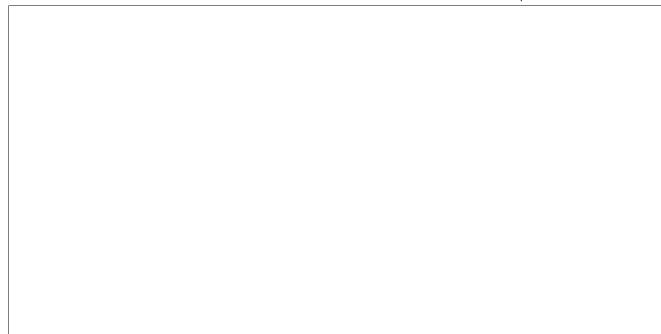
JORDAN-FEDAYEEN



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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

COMMUNIST CHINA

We have no confirmation of those press reports that the Canton television station has promised a special newscast for tonight about the "circumstances" regarding National Day curtailment. The US Consulate in Hong Kong has been unable to find any evidence for such a promise after reviewing tapes of the broadcasts from Canton.

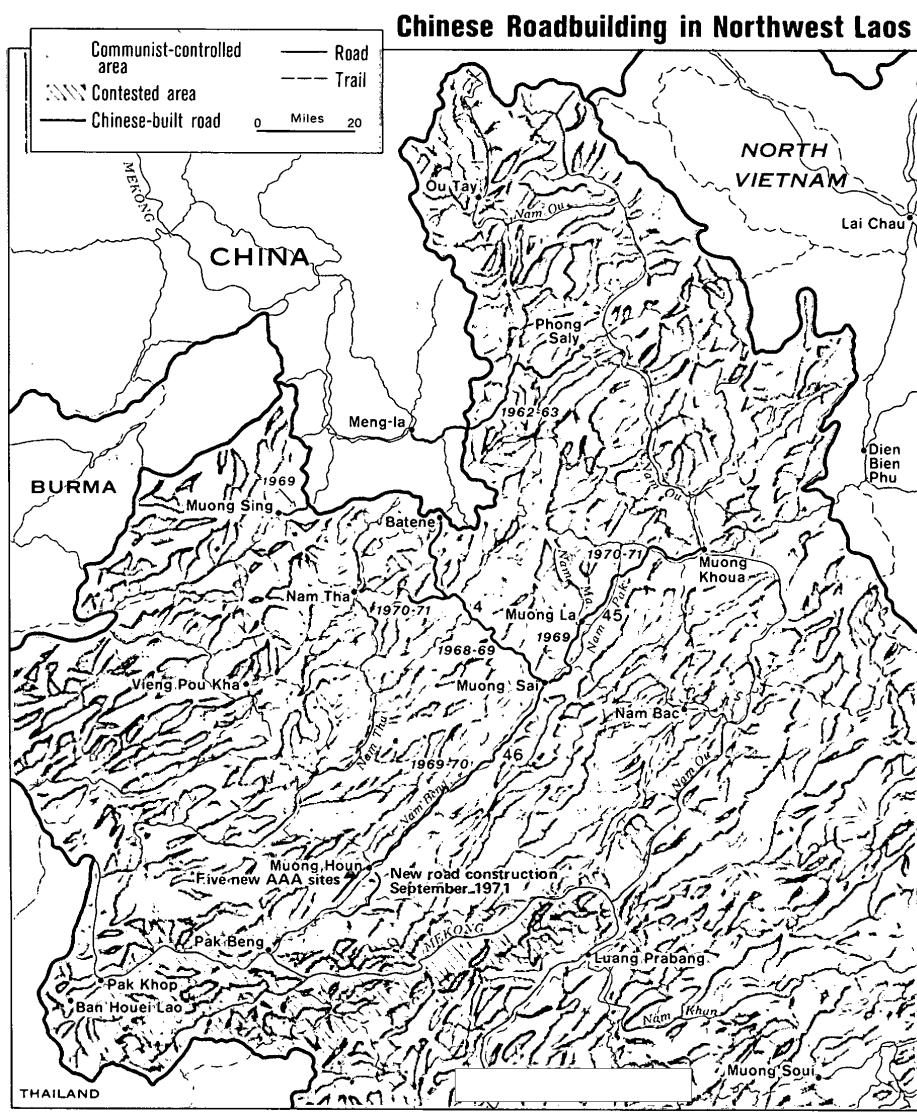
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[redacted] a Foreign Ministry spokesman in Peking who last week told some members of the diplomatic corps that they would soon receive "the clue" as to why National Day celebrations have been curtailed.

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The suspension of military flight activity is continuing, except for some training flights and defensive patrols. Other military activity throughout the country appears to be normal.

FOR THE PRESIDENT ONLY



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FOR THE PRESIDENT ONLY

COMMUNIST CHINA - LAOS

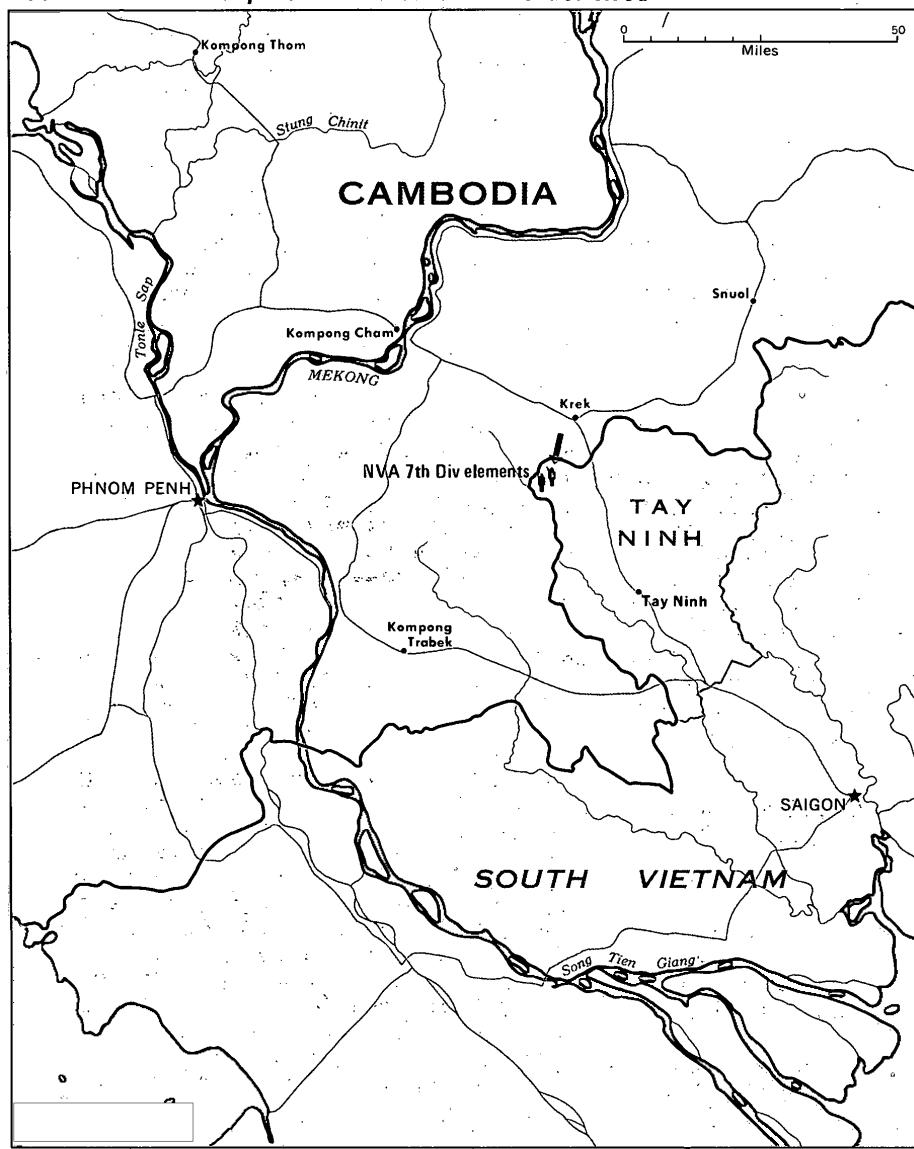
Photography of northwest Laos [redacted] shows that the Chinese have begun to extend Route 46 south of Muong Houn toward the Mekong River. There are now about eight miles of single-lane road south of Muong Houn, going at least two miles beyond the existing motorable trail that was cleared in November 1970 to serve a forward AAA position. The presence of construction camps and heavy construction equipment along the new road is indicative of more than a simple clearing or trail realignment operation, as is the apparent construction of five new AAA sites about two miles south of Muong Houn in the last few months.

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The Chinese pushed Route 46 to Muong Houn in January 1970 but, except for the motorable trail, did not add substantially to it in the 1970-71 dry season. Instead, they concentrated last winter chiefly on improvements to bridges and culverts on Route 45--on the northern segment of the artery running from Muong Houn to Dien Bien Phu in North Vietnam. Most of the 160 miles of roads built by the Chinese in Laos since 1968 have been concentrated in the Route 45-46 system.

FOR THE PRESIDENT ONLY

Communist Military Action Increases in Border Area



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FOR THE PRESIDENT ONLY

NOTES

South Vietnam - Cambodia: [redacted]
elements of the North Vietnamese 7th Division have recently moved from positions about 25 miles inside Cambodia into the northwestern corner of South Vietnam's Tay Ninh Province. Over the weekend there were heavy enemy shellings and some ground assaults on allied positions in northern Tay Ninh, as well as around Krek on the Cambodian side of the border, suggesting that other division elements have moved or are moving back into South Vietnam. Such moves may reflect plans to increase pressure on the South Vietnamese prior to next Sunday's presidential election as well as to cause Saigon to pull back some of its 10,000 troops still operating in Cambodia.

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Egypt-USSR: Cairo has publicly confirmed that President Sadat will soon pay a state visit to the Soviet Union. [redacted]

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[redacted] He can be expected to press for an increased supply of arms of a more advanced and sophisticated nature--a matter on which Foreign Minister Riad failed to get satisfaction when in Moscow in early July. The discussions will be held against a background of a lingering of the strains that developed between the two nations in the wake of the abortive pro-Communist coup in the Sudan later that month.

Libya: [redacted]

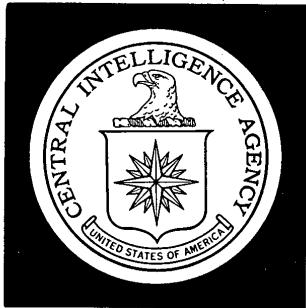
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[redacted] replacements from within the Council have been picked for Qadhafi's posts as prime minister and as head of the Council, but that he will remain as defense minister and chief of the armed forces. We have little further indication of his present status, but note that his planned visit to Yemen last Saturday was cancelled, that the Arab summit meeting originally scheduled for Cairo last weekend was postponed, and that he has now been out of public view for some ten days.

USSR: [redacted]

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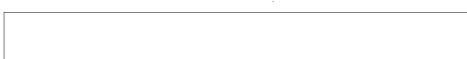
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The President's Daily Brief

29 September 1971

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Top Secret

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

29 September 1971

PRINCIPAL DEVELOPMENTS

Some official Chinese explanation for the decision to curtail National Day celebrations may be available today. (Page 1)

Additional Vietnamese Communist forces that have been in Cambodia may be moving back toward the South Vietnamese border. (Page 2)

In Laos, government soldiers and irregulars have been consolidating their recent gains on the Plaine des Jarres and around Paksong. (Page 3)

On Page 4, we discuss the current status of the East Pakistani refugees in India and of the Bangla Desh leadership.

Further details on the British decision to expel Soviet officials accused of espionage are reported on Page 5.

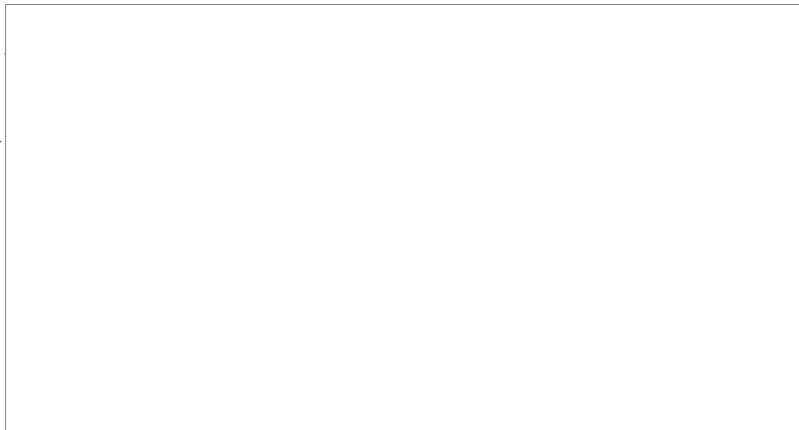
The Soviets have been warning Arab Communists that the recently formed Federation of Arab Republics will pursue a strong anti-Communist line. (Page 6)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

COMMUNIST CHINA

The official explanation for at least some of the circumstances behind the regime's decision to curtail National Day celebrations may be presented this morning. According to a Canton television announcement yesterday, the station is scheduled to carry a special relay from Peking at 7:00 AM Washington time.



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There is tentative evidence that the situation in China is having an impact on the conduct of foreign relations.

China's foreign trade minister will visit only France during his current trip abroad, canceling previously planned visits to Italy and Algeria. The minister left for Paris on 27 September and is expected to remain there until 11 October, when he will return directly to China. Italian and Algerian officials have not yet confirmed the cancellations.

There has been no reported change, however, in Haile Selassie's scheduled trip to China next week. He is still expected to arrive on 6 October, and an advance party has already departed Addis Ababa.



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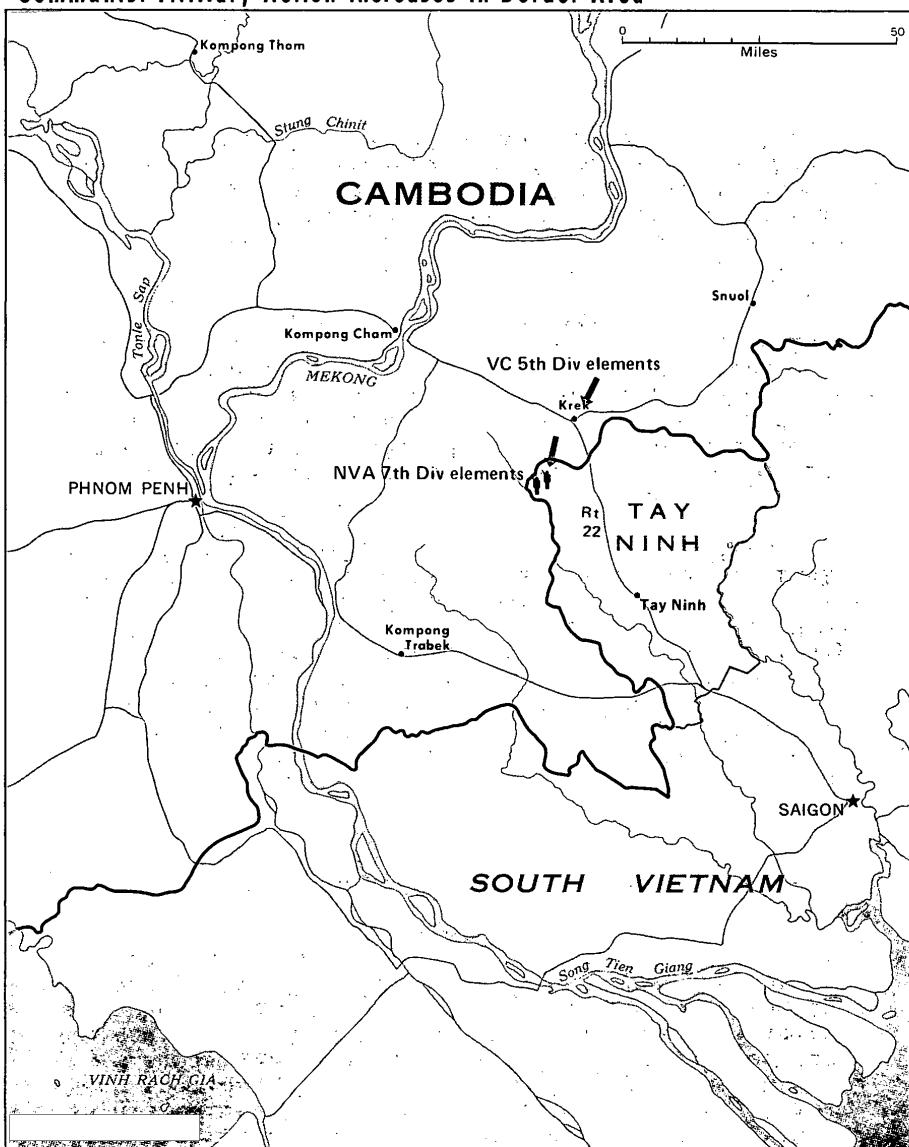
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FOR THE PRESIDENT ONLY

Communist Military Action Increases in Border Area



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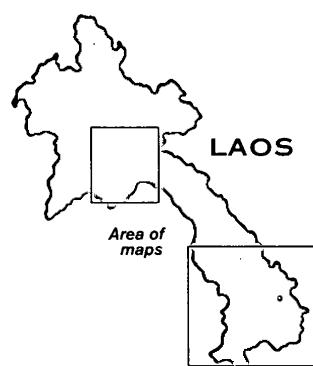
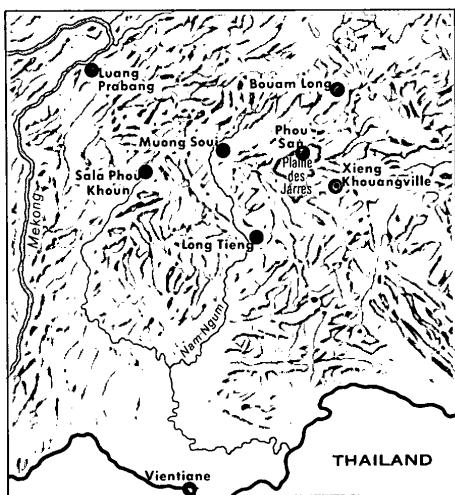
FOR THE PRESIDENT ONLY

SOUTH VIETNAM - CAMBODIA

In addition to the movements by elements of the North Vietnamese 7th Division into Tay Ninh Province, reported in The President's Daily Brief yesterday, a regiment of the Vietnamese Communist 5th Division in Cambodia has moved some 11 miles closer to the South Vietnamese border. Another regiment from the 5th Division may have been involved in the recent enemy attacks near Krek.

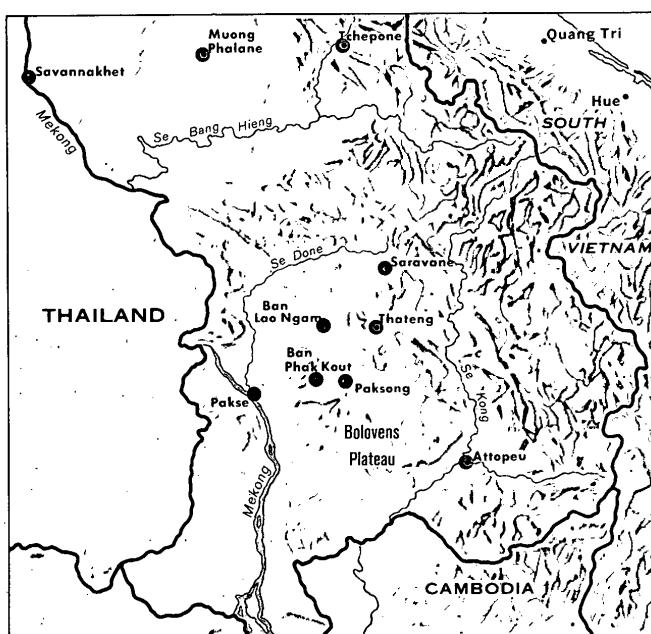
In the recent fighting in the border area, the Communists have blocked sections of Route 22--the major north-south land link between Tay Ninh City and South Vietnamese forces operating near Krek in Cambodia. General Minh, who commands South Vietnamese forces in this region and the Saigon area, has sent in forces from his 18th Division and from the Airborne Brigade to reopen this road.

FOR THE PRESIDENT ONLY



● Government-held location
○ Communist-held location

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MILES



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FOR THE PRESIDENT ONLY

LAOS

The town of Muong Soui, west of the Plaine des Jarres, was retaken in an assault by government irregulars on 24 September and is now being held by some 400 Lao Army troops. Just north of the Plaine, the irregulars have so far been unsuccessful in their attempts to reoccupy high ground positions near Phou San. According to US pilots, the North Vietnamese appear to be moving increasing amounts of supplies to forward positions north and east of the Plaine.

[redacted] at least some Communist units have lost supplies and suffered casualties as a result of government air and artillery strikes. These, together with their losses to Vang Pao's units on the Plaine, may cause some delays in the Communist dry season operations.

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In southern Laos, government forces are consolidating their positions in and around Paksong. They now hold most of the high ground near the town, but North Vietnamese troops have so far thwarted their efforts to open Route 23 between Ban Phak Kout and Paksong.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

INDIA-PAKISTAN

According to Indian data, the influx of refugees from East Pakistan passed the nine million mark last week. Indian officials and international observers agree that the current rate is about 30,000 per day, a figure likely to increase with the receding of flood waters next month.

Recent refugees indicate that the depredations by Pakistani troops and fighting between the army and Bengali guerrillas are the major reasons for their flight. American priests still in the East wing have stated that large numbers of young men also have left East Pakistan because of fears of being recruited into the service of the Martial Law Administration.

Aid pledged for the refugees now amounts to slightly over \$200 million. Some \$114 million has been channeled through the UN, and \$92 million has been pledged in bilateral arrangements between India and other governments or by voluntary agencies. US aid accounts for almost 40 percent of total aid extended to date.

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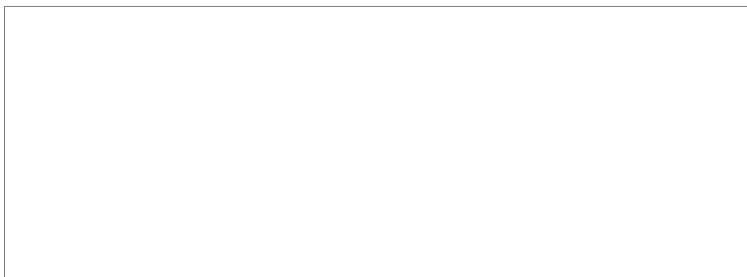
Factions persist among Bangla Desh politicians in India, and there appears to be a gap between them and the Mukti Bahini guerrillas inside East Pakistan. This situation in turn is causing some of the Mukti Bahini to look more favorably on the Moscow-oriented and other radicals in the movement, who apparently still operate some guerrilla training camps. India had hoped to keep radicals in line by encouraging their participation in the multiparty Bangla Desh "liberation front" formed earlier this month (see The President's Daily Brief of 13 September), but the success of this Indian tactic is far from assured as the radicals gain new adherents.

FOR THE PRESIDENT ONLY

UK-USSR

Despite Moscow's strong reaction, London is determined to follow through on its decision to expel some 90 Soviet officials and to refuse re-entry rights to 15 others on espionage charges. The expulsion had been planned for some months, but London had delayed because the four-power talks on Berlin were nearing conclusion. A British Foreign Ministry official has explained that information provided by a Soviet defector strengthened the government's resolve, and that a newspaper leak on the defector actually triggered the move.

The British are answering Soviet protests by saying that any reconsideration is out of the question and that further pressure on London will only damage diplomatic relations still further. Should there be Soviet reprisals, the UK is prepared to respond with even greater restrictions on the still large Soviet mission in London. The British are seeking, however, to divert the Soviets from retaliation by reminding them of broader concerns of European security and general problems of Anglo-Soviet relations.



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FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

USSR - FEDERATION OF ARAB REPUBLICS

50X1

Although the Soviets have in the past given qualified support to Arab federation efforts, Moscow has been decidedly cool to the new grouping. In the wake of the anti-Communist repression in the Sudan, the Soviets are apprehensive about the ideological hostility of the Federation's leaders, who could be joined shortly by Sudanese President Numayri. They have been particularly wary of Libya's Qadhafi, who is intensely anti-Communist. It is doubtful, however, that the group as a whole has adopted such an ambitious program against Arab Communists as the Soviet ambassador alleges.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NOTES

USSR: Luna 19, launched from Tyuratam yesterday with an SL-12 booster, is expected to arrive in the vicinity of the moon on 2 October and will probably be placed in orbit there.

Chile-USSR: The Chilean arms purchasing mission that visited the USSR and Eastern Europe last month is reported to have obtained a Soviet credit

[redacted] the army, with encouragement from Allende, is sufficiently eager to update its antiquated material and add to its weaponry to accept aid from Moscow. Also, Allende apparently has been able to exploit the army's genuine need for equipment to enhance his standing with the military and to de-emphasize its dependence on the West.

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FOR THE PRESIDENT ONLY

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The President's Daily Brief

30 September 1971

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

30 September 1971

PRINCIPAL DEVELOPMENTS

An eleventh-hour decision to cancel the National Day banquet suggests that the current political uncertainties in China remain unresolved. (Page 1)

Soviets

50X1

(Page 2)

Soviet leaders again urge Mrs. Gandhi to act cautiously in dealing with the tense situation on the subcontinent. (Page 3)

Japan

50X1

(Page 4)

The Cambodian Government may not renew the National Assembly's mandate when it expires next month. (Page 5)

Argentina

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(Page 6)

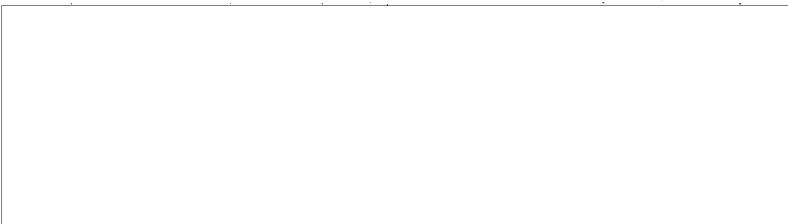
FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

COMMUNIST CHINA

An eleventh-hour decision to cancel tonight's banquet (traditionally held on the eve of National Day) suggests that the current political uncertainties are unresolved.

The thesis that the prolonged power struggle between moderate and radical forces on the politburo has produced fractures within the leadership is being reinforced by Jack Chen, an "unofficial" publicist of Peking's line in Hong Kong. According to the US Consulate General, Chen is advising Western journalists to focus on the possibility of leadership changes as the cause for the unusual developments in China rather than on speculation about death or illness at the top.

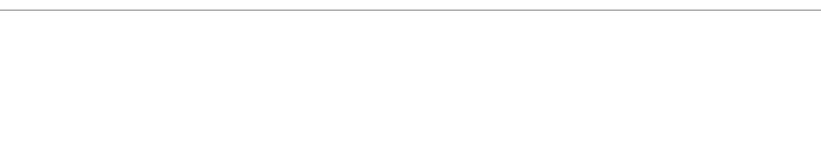


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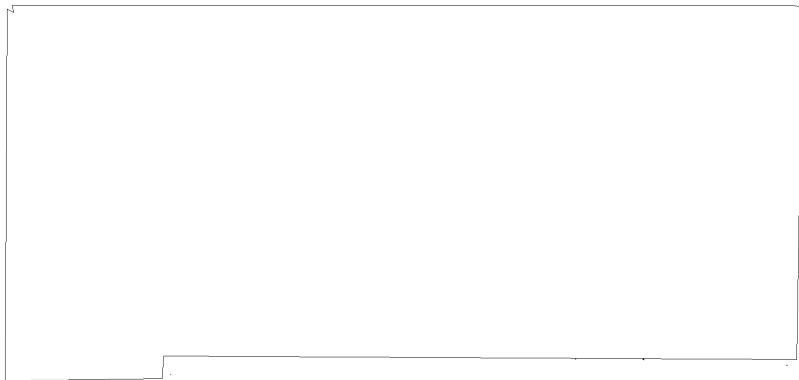
There are no indications of a deterioration of security in China



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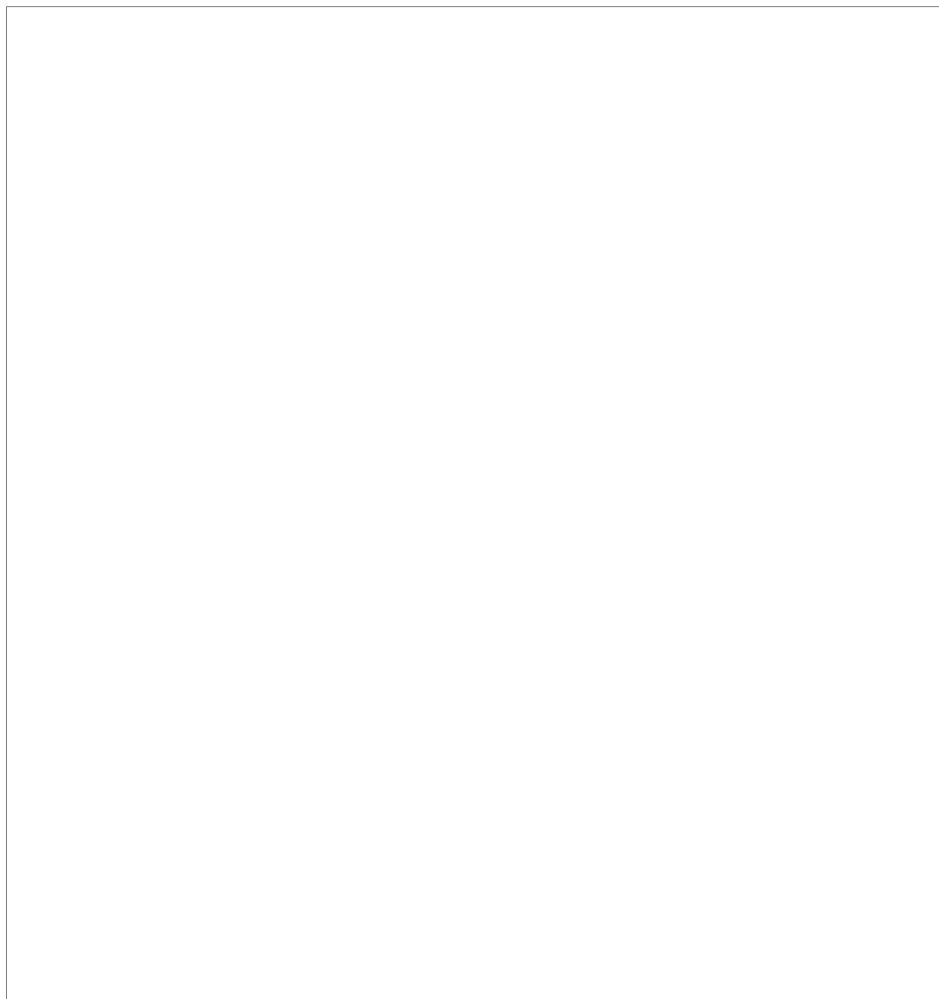


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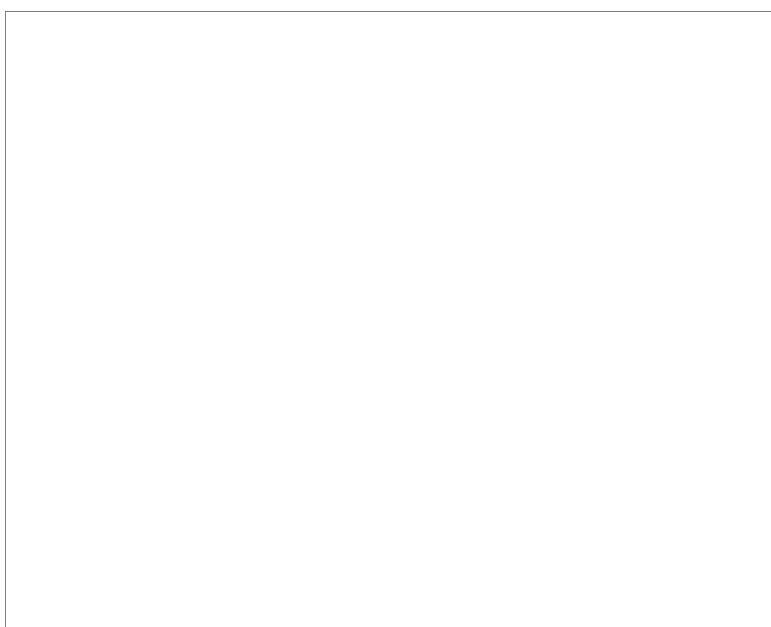


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USSR



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USSR-INDIA

The key message of Soviet leaders to Mrs. Gandhi during talks in Moscow on 27-29 September was that she act with restraint in dealing with the tense situation on the subcontinent. Kosygin's luncheon speech and the final communiqué both indicate the Soviets, although taking the Indian side, clearly have not abandoned their policy of trying to prevent another Indo-Pakistani war. Mrs. Gandhi, for her part, reiterated India's opposition to war as a means of resolving the refugee problem and pleaded for concerted international assistance to help India cope with the influx. She went on, however, to remind the Soviet leaders that "peace cannot be obtained by waiting and hoping."

The communiqué issued at the end of the visit featured a joint Soviet-Indian "demand" that the West Pakistanis take "urgent measures to reach a political solution" to the problem with East Bengal.

The language of the demand is not much different from the appeal made to Yahya by President Podgorny last April and hence must strike the Indians as old hat.

Another important topic likely to have been taken up during Mrs. Gandhi's visit is China. Just prior to Mrs. Gandhi's departure from New Delhi, Moscow sent a special envoy to New Delhi to discuss future Soviet and Indian strategy at the UN. [redacted]

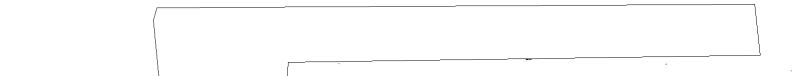
[redacted] Moscow is interested in counting on India's cooperation against China when Peking enters the UN.

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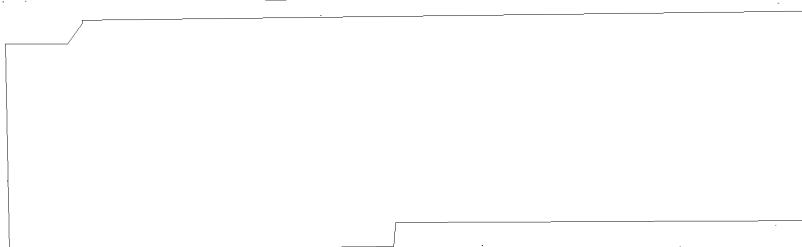
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JAPAN



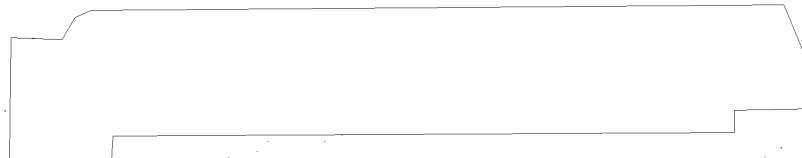
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CAMBODIA

Sirik Matak has told Ambassador Swank that the government is thinking of doing without the National Assembly. Matak said the assembly's mandate may not be renewed after it expires in mid-October because the executive branch is tired of the legislature's opposition to its policies, concerned about its widespread unpopularity, and fed up with the corruption of its members. Matak said the government could rule indefinitely by fiat by declaring a state of national emergency. The assembly's future will be raised soon with chief of state Cheng Heng. He has the sole authority for prolonging its mandate.

The military establishment appears to be supporting the move to dismiss the assembly, and Lon Nol no doubt shares Matak's views.

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Unless the government makes fresh promises of early elections or other steps to renew its mandate, an assembly dismissal could alienate political reformists who viewed Sihanouk's ouster as paving the way for more representative government. Widespread popular opposition to dismissal is not thought likely, however.

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NOTE

Argentina

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