



*The President's Daily Brief*

*9 December 1970*

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

9 December 1970

PRINCIPAL DEVELOPMENTS

Published reports show no increase in the 1971 Soviet defense budget but do indicate continued growth in military research and development. (Page 1)

Semenov pulled out all stops at yesterday's SALT meeting in arguing for an early, separate agreement on limiting ABM. (Page 2)

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The situation in Jordan is discussed on Page 4.

Pakistan's election results will jolt the country's military. (Page 5)

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The Soviets are increasing economic ties with Yugoslavia in the aftermath of President Nixon's visit. (Page 7)

The latest on Soviet naval [Redacted] activity in the Caribbean is reported on Page 8.

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## FOR THE PRESIDENT ONLY

## USSR

*At yesterday's meeting of the Supreme Soviet, Finance Minister Garbuzov announced a defense budget of 17.9 billion rubles for 1971, the first year since 1965 that the Soviets have not announced an increase in military appropriations. The declared intention of holding to last year's level is consistent with the image of moderation which the Soviets are trying to project at the Strategic Arms Limitation Talks. Garbuzov's claim that the 1971 budget is one "of peaceful economic and cultural development" fits the theme.*

*The published defense budget, however, excludes most spending for military research and development and the space program. Yesterday's reports referred only to a growth rate of 8.3 percent for "overall state expenditures on research."*

*We estimate that the total Soviet defense expenditures in 1971, including military R&D and space, will be the equivalent of about \$68 billion in US costs--an increase of between one and two percent over 1970. Most of the increase we attribute to expanded military research and development.*

*Soviet planners have proposed a growth rate of 6.9 percent for industrial production in 1971, considerably less than the annual average of 8.6 percent planned for 1968-70. Agricultural production is expected to grow by only 5.5 percent in 1971 compared with this year's target of 8.5 percent. The 1971 goals for industry and agriculture reflect a relatively sober assessment of the potential of the economy which has disappointed the leadership in recent years.*

*For the fourth consecutive year, the production of consumer goods is slated to grow at a higher rate than producers' goods in 1971. This target, in conjunction with a modest rate of growth planned for wages, indicates an attempt to ease inflationary pressures. The Supreme Soviet was given no information on the forthcoming five-year (1971-75) plan but it was said that the plan will be ready for presentation at the 24th Party Congress next March.*

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SALT

At yesterday's SALT meeting, Semenov pulled out all the stops in arguing for an early, separate agreement on limiting ABM. He embellished on the familiar theme that since there already exists a "definite closeness" in the positions of the two sides on ABM, it would be "irrational and unwarranted" to miss the opportunity for a separate agreement.

Semenov tried to bait the hook by leaving the clear impression that, if the US showed itself willing to give serious consideration to the Soviet proposal, he would come across with concrete details, including "appropriate numerical values." Soviet delegate Grinevsky was even more explicit in promising after yesterday's formal session that--if the US would listen--the Russians were prepared to present "numerical limitations in full detail."

Semenov again displayed sharp sensitivity over prospects for Safeguard. He warned against any extensive deployment of ABM systems as a tactic to gain advantage in the talks, and pointed out sharply that any such move would "seriously complicate" SALT. Semenov singled out for criticism the contention that extensive ABM deployment would present no great problems inasmuch as a system could subsequently be dismantled, and claimed that this reasoning "cannot be taken seriously."

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COMMUNIST CHINA

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**FOR THE PRESIDENT ONLY****JORDAN**

Fighting in Jordan has diminished for now to a few small skirmishes. Jarash is reported to be completely under army control with many troops evident in the city. Small clashes occurred west of Jarash yesterday, but none appeared to be serious. The arrival of truce supervisor Bahi Ladgham today should help the Higher Arab Supervisory Committee in restoring the cease-fire. Late yesterday afternoon, the Higher Military Committee agreed to draw up a timetable to complete implementation of the several cease-fire agreements.

Fedayeen propaganda organs continue to accuse the army of waging a war of extermination against the commandos, and there is growing evidence that some army officers may be pushing a hard line on the fedayeen. [REDACTED]

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that the procrastination and moderation of the Jordanian Army General Staff in handling the fedayeen has caused a number of unit commanders to take action against the commandos on their own initiative, particularly in the Jarash area. At the same time, the Popular Resistance, the Jordanian militia that acts as a local guard unit in villages, is becoming increasingly belligerent in its behavior toward the commandos and has been responsible for some clashes.

*New fighting is still a possibility at any time. The fedayeen are likely to resist, at least in some areas, as the Jordanian Army slowly tightens its grip on the countryside. The danger of an explosion will increase if the commandos are convinced that the army is determined to destroy their organizations.*

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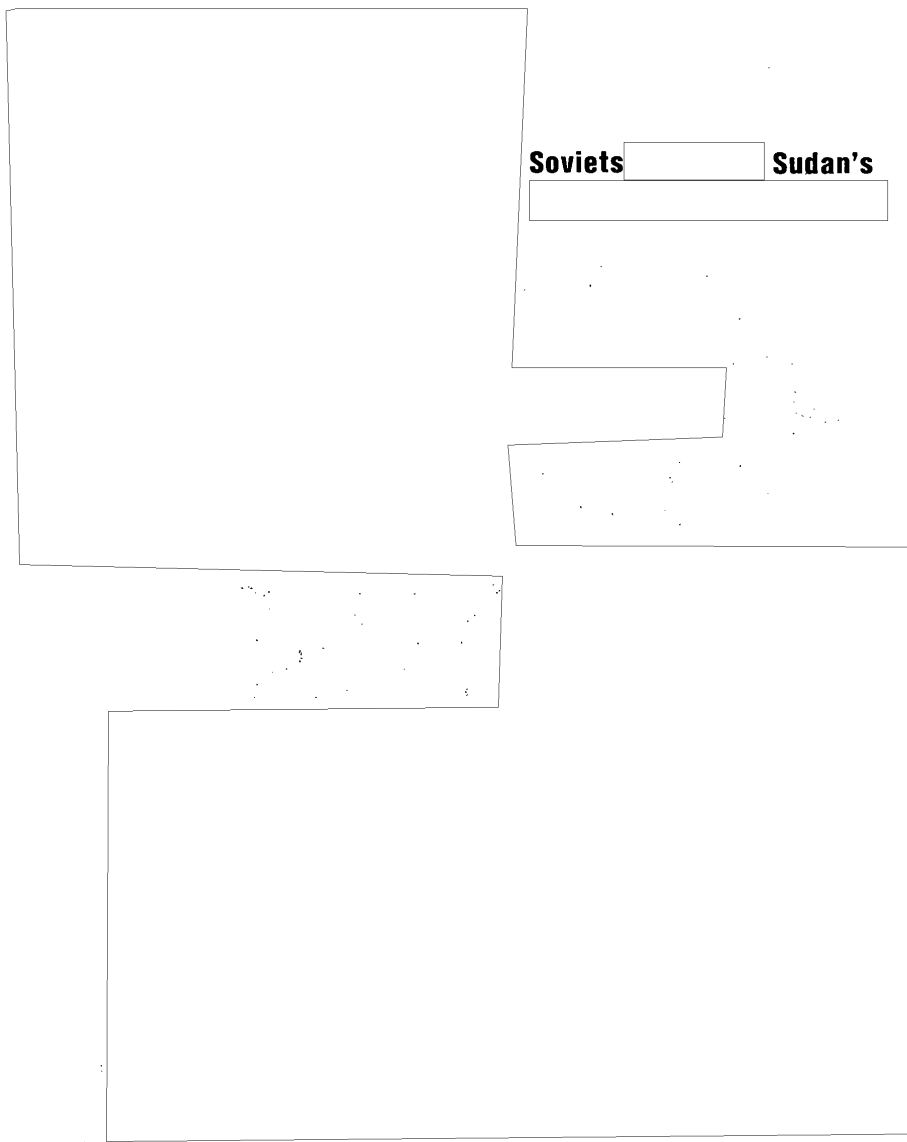
PAKISTAN

The Awami League, which advocates greater autonomy for East Pakistan, seems likely to win an absolute majority of the seats in the election held Monday for Pakistan's 313-member constituent assembly. When all returns are in, it may have swept almost all seats in the country's more populous east wing. Former foreign minister Ali Bhutto's left-wing Pakistan People's Party will apparently hold over 80 of the 144 seats allocated to West Pakistan.

*Such sweeping victories in Pakistan's first direct election would constitute a striking mandate for provincial autonomy and for radical economic and social change.*

*The results will jolt Pakistan's military, however, which has been apprehensive about the elections since President Yahya decided to take this step toward civilian government a year ago. The moderate and conservative religious parties that the military hoped might obstruct radical change during the assembly have won only a scattering of seats and will have little influence. Military leaders will fear both Awami League attempts to weaken central government authority and radical economic reform advocated by Bhutto.*

*The military would be reluctant to risk popular reaction that might follow any overt interference and may thus be willing to let the assembly proceed. The League and Bhutto's party may attempt to cooperate at the beginning--there are no serious disputes between the two at this stage--but the military will be watching for evidence that the sessions are bogging down, giving it a pretext for stepping in and dissolving the assembly.*



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**Soviets** [redacted] **Sudan's**  
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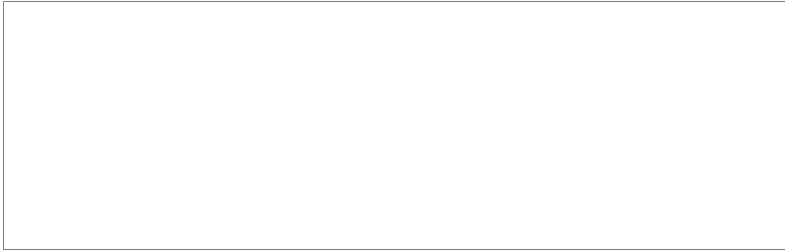
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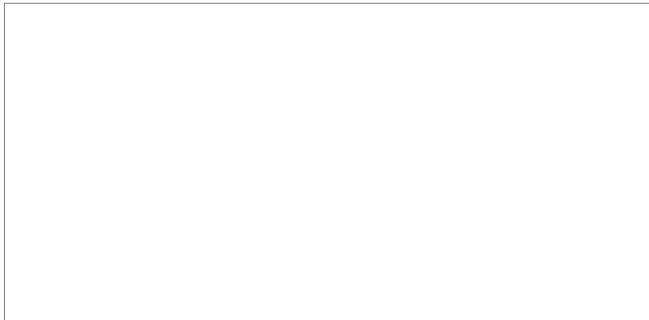


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USSR-SUDAN



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YUGOSLAVIA

Premier Ribicic told Secretary Hardin last Friday that Belgrade had reaped an unexpected dividend from President Nixon's visit to Yugoslavia: Moscow apparently decided it could not afford to lag behind the US in economic ties with the Yugoslavs, and has suddenly become more accommodating in all commercial matters.

*In the past two months Belgrade has received a flurry of Soviet delegations promoting cooperation on scientific and technical matters, manufacturing projects, and other economic concerns. Belgrade announced yesterday that final negotiations on a new five-year trade agreement with the USSR would begin on 14 December, with signature expected soon.*

On political matters, on the other hand, Ribicic told Hardin that his government saw no change in Soviet policy toward Yugoslavia and remains suspicious of the Kremlin's intentions. For example, Ribicic said Moscow had approved Bulgaria's renewal of its claim to Yugoslav Macedonia.



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NOTE

USSR-Cuba:

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One of the Soviet submarines is having engine problems and has pulled into Antilla in northeastern Cuba. Three Soviet surface ships also arrived at Antilla yesterday-- the submarine tender which has been in or near Cuban waters since September, a guided missile frigate, and an oiler.

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