



The President's Daily Brief

20 July 1972

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

20 July 1972

PRINCIPAL DEVELOPMENTS

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[redacted] (Page 1)

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Ground fighting tapered off in Quang Tri Province yesterday, but there are indications that the Communists are preparing for an attempt to disrupt the South Vietnamese attack on Quang Tri City. North Vietnam apparently has embarked on a policy of harsh treatment for captured American pilots. (Page 3)

The Chinese [redacted]

[redacted] North Vietnam [redacted]
[redacted] (Page 5)

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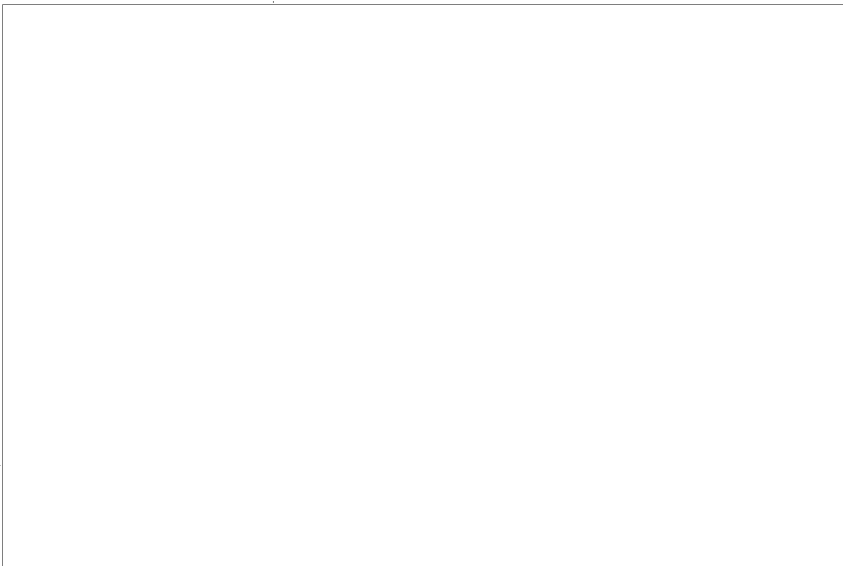
The USSR is making another major purchase of grain from Canada which, together with other recent purchases, may double its imports in the next year. (Page 6)

Finland's minority government resigned yesterday rather than accept responsibility for signing the economic arrangement that had been worked out with the EC. (Page 7)

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EGYPT-USSR

Moscow has confirmed the recall of Soviet military personnel from Egypt. In language associating the USSR with President Sadat's decision to terminate the Soviet military advisory presence, TASS yesterday announced that Soviet instructors and advisers in Egypt had "completed their functions" and would "shortly return" to the USSR. Moscow explained that these forces were intended to remain in Egypt for only a "limited period" and that, following an exchange of opinions, both sides had "deemed it expedient" to bring them home. Thus the Soviets have chosen conciliatory language in order to minimize the damage both to their prestige and their presence in Egypt.



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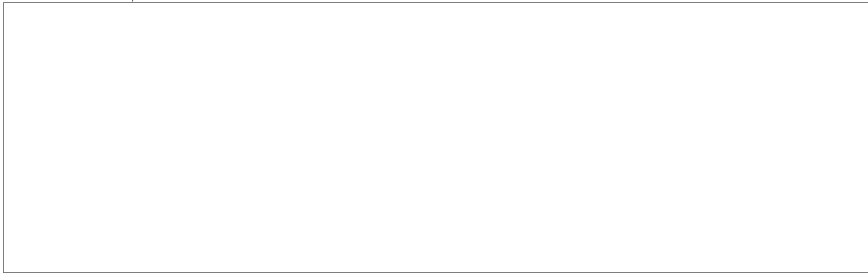


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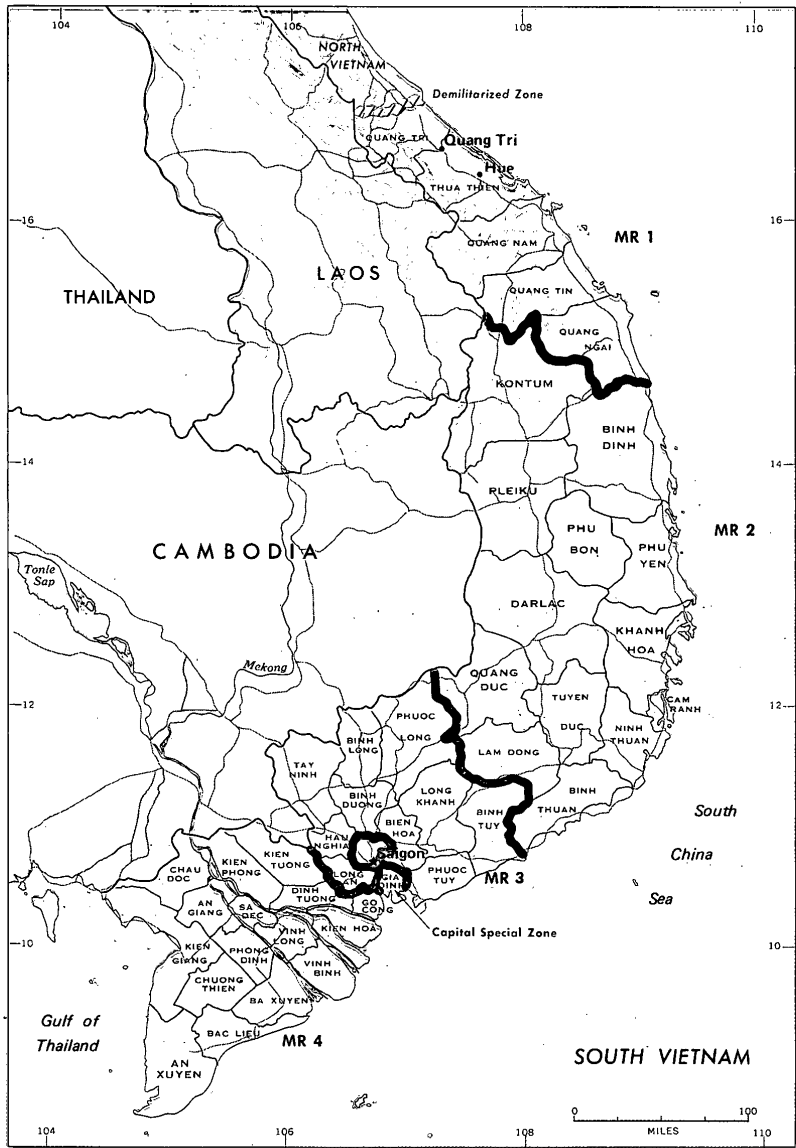
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VIETNAM

Ground fighting tapered off in Quang Tri Province yesterday, but Communist shellings increased. The heavier shellings suggest that enemy artillery units in Quang Tri have regrouped and have been resupplied. Recent troop movements and reconnaissance activity west of Quang Tri City indicate that the North Vietnamese are preparing to strike South Vietnamese forces on their flank to disrupt their attack on the city.

Two more elements of North Vietnam's 312th Division have moved farther south toward the DMZ. Radio direction-finding of 19 July placed the division headquarters in northern Quang Binh Province and one of its regiments in the central part of the province.

These two units appear to be following close behind another regiment from the 312th that crossed the DMZ into South Vietnam a few days ago. The two elements are in staging areas only a few days march from the DMZ and could cross into northern South Vietnam with little warning.

* * *

It appears that North Vietnam has embarked on a policy of harsh treatment for captured American pilots. According to an intercept of 18 July, the headquarters of an enemy radar regiment located near Quang Khe, about 60 miles north of the DMZ, told subordinate units that "the crew of any B-52 shot down will be annihilated along with the crew of any A-6 aircraft." The action was touted in the message as a "reprisal" against the US for its "clandestine" attacks on North Vietnamese dikes and would also serve to raise the "hatred" of the populace toward the US.

The latest enemy instruction concerning captured pilots follows directives to kill American prisoners that were intercepted on 5 and 6 July from Communist units in Quang Tri Province of South Vietnam. The message of 5 July claimed that two pilots from an F-4 aircraft were executed on the previous day, while the second intercept contained instructions to a North Vietnamese air defense unit in Quang Tri Province to "kill the ten Americans." These killings were apparently done in haste by units withdrawing to avoid allied combat operations.

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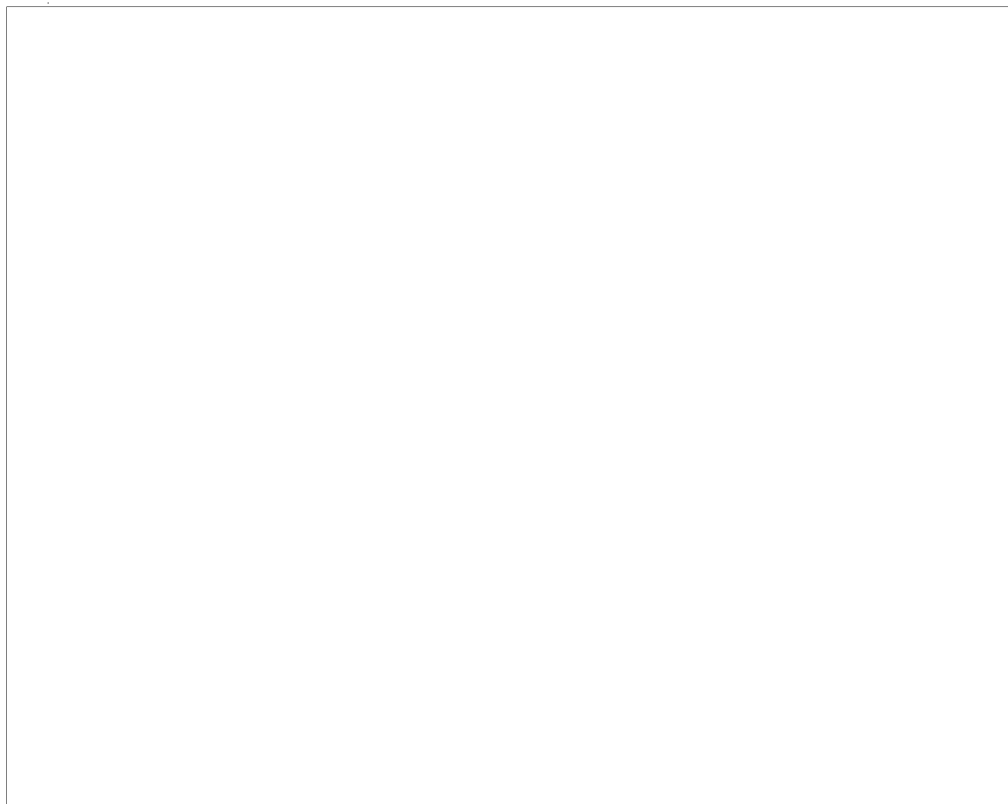
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Hanoi has issued a labor mobilization order under which all able-bodied citizens must register and be available for state-directed tasks. This mobilization order--which is similar to decrees issued during the 1965-68 bombing period--lays the groundwork for the rapid call-up of labor as needed to cope with current problems and future emergencies. For several weeks, government officials have expressed anxiety about coping with the effects of heavy bomb damage to the transportation system, the condition of the dike system, and possible recurrence of last year's disastrous floods.

Efforts to repair bomb damage or to meet a new flood crisis could require the enlistment of several hundred thousand workers. During the 1965-68 period, some 400,000 people throughout the country were engaged in repairing damaged bridges, railroads and highways. While such an effort would create some temporary labor shortages, the over-all labor force--nearly ten million people--is large enough to meet such a demand. Much of the mobilized labor would come out of the seven million agricultural labor force, a segment of the economy which traditionally has surplus labor at various times in the planting-harvesting cycle. Such a slack period will begin in a few weeks.

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CHINA - NORTH VIETNAM

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USSR

Moscow is making another major purchase of grain from Canada. The deal calls for delivery during the next 12 months of 1.5 million metric tons of Canadian wheat and 200,000 tons of barley.

This purchase is in addition to the 3.5 million metric tons of Canadian wheat contracted for in February, and follows closely the big contract to buy US grain over the next three years.

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[redacted] four million tons of wheat and five million tons of corn worth \$500 million have already been bought under the \$750-million US pact for delivery by mid-1973.

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Soviet imports during the next 12 months may double and reach a total of 15 million tons, making the USSR a large net importer of grains for the first time since the disastrous harvests of 1963 and 1965. In the past 12 months the Soviets apparently balanced their grain trade, importing about eight million tons while exporting a similar amount to Eastern Europe and other client states. Despite increased demands due to crop damage in Eastern Europe and new commitments to countries such as Bangladesh and Chile, we expect exports to be more than offset by the increase in imports. The net imports will be used mainly to increase meat production.

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NOTE

Finland-EC: The minority Social Democratic government resigned yesterday rather than accept responsibility for signing the economic arrangement that had been worked out with the EC. Prime Minister Paasio based this move on his belief that "only a majority government" should take action on this controversial issue. Finland, along with five other West European countries, was to have initialed the agreement today, as a step toward formal signing on 22 July. The Finnish parliament had been expected to ratify the agreement this fall, barring Soviet opposition. Although Moscow has shown some understanding for Helsinki's need for economic ties with the EC, it remains leery of their possible political implications and presumably welcomes Paasio's hesitation.

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