



*The President's Daily Brief*

*28 August 1971*

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*FOR THE PRESIDENT ONLY*

THE PRESIDENT'S DAILY BRIEF

28 August 1971

PRINCIPAL DEVELOPMENTS

Satellite photography shows two additional ICBM silos of the smaller type and five of the larger type at Soviet operational complexes. (Page 1)

In Cambodia, new strains on government unity will require Sirik Matak's immediate attention when he returns to Phnom Penh this weekend. (Page 2)

On Page 3

Havana has sharply reduced its aid to insurgents in Latin America.

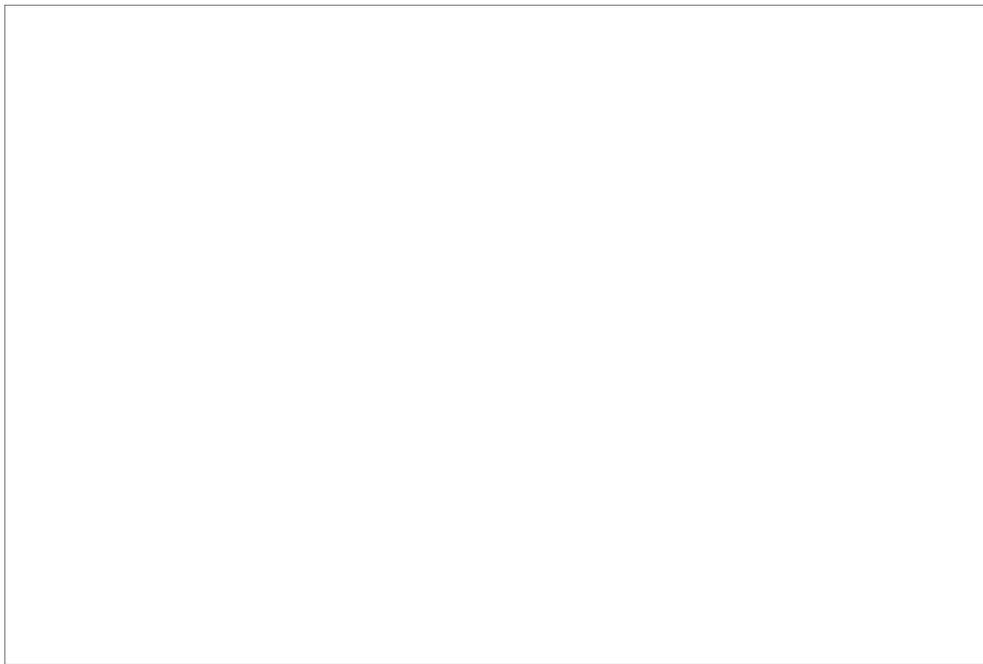
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International economic developments are reported on Page 4.

The Soviets are preparing another unmanned lunar landing mission. (Page 5)

Satellite photography does not show any Soviet military activity that could be construed as an imminent threat to Romania. (Page 5)

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USSR

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Preliminary analysis of photography [redacted]

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[redacted] confirms two additional new ICBM silos of the smaller type and five of the larger type at operational complexes. There are now 66 of the smaller type and 25 of the large type under construction in the USSR. None were detected at complexes where they had not been identified earlier.

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The smaller silos are at Derazhnya where the SS-11 is deployed with the SS-4 MRBM, and at Pervomaysk where the SS-11 is deployed with the SS-5 IRBM. The larger silos have been identified at five of the six SS-9 complexes.

Each of the five SS-9 complexes now has five of the large silos; Derazhnya and Pervomaysk each have 33 of the smaller silos.

Construction continues at a Tyuratam test facility which is believed to be involved in the development of a missile for at least one of the new type of silos. The latest photography of the facility-- where all versions of the SS-9 were initially tested-- showed what appear to be missile transporters some 80 feet in length. This is about 20 feet shorter than transporters seen there previously. The different size suggests a new missile, rather than another version of the SS-9, will be involved.

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

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**CAMBODIA**

A rift between Lon Nol and Chief of State Cheng Heng is putting a new strain on government unity. Lon Nol thinks Cheng Heng is the leader of a "third force" seeking to compromise with Hanoi and Peking. For his part, Cheng Heng is upset, as are a number of other officials, over the arbitrary manner in which Lon Nol has conducted governmental affairs in Sirik Matak's absence.



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Matak will have to devote immediate attention, too, to the dispute between the National Assembly and the government over the regime's lackluster economic policies. Lon Nol is trying to avert a possible no confidence vote by the Assembly against Finance Minister Sok Chhong or perhaps the entire government.

*If the Assembly should call for Sok Chhong's resignation, the rest of the cabinet would probably favor resigning also. Matak's influence would be needed to dissuade the cabinet from such a course.*

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CUBA

[Redacted]

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*Havana has sharply reduced its aid to guerilla-oriented revolutionary movements in Latin America. The defector's reliability has not been established and he remains under study.*

[Redacted] training in guerrilla warfare and other paramilitary subjects is now given only to small, select groups. Logistical support still continues to be given to some rebel groups but it is restricted to very small amounts of arms, ammunition, and communications equipment. According to the official, the turning point in Cuban support to guerillas occurred in early 1968 after Cuban-assisted rebel groups suffered several reverses. The government, [Redacted] thereafter drastically reduced its aid to national liberation movements and concentrated on Cuba's pressing domestic problems.

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[Redacted] Chile, Peru, Uruguay, Bolivia, and Guatemala--in that order--as the most important Latin American countries to Havana's foreign policy. [Redacted] Fidel Castro has issued instructions to maintain complete cooperation with Chile at all costs. In Peru no operations are to be undertaken for fear of upsetting the favorable trend of events. Cuba considers subversive groups in Nicaragua, Colombia, and Venezuela too disorganized, undisciplined, and untrustworthy to merit more than token support. Except for Mexico, all other Latin American countries are considered unworthy of Cuban attention. Mexico is a special case because it has always been a base for Cuban operations against other countries; Castro has prohibited operations against the Mexican Government and assistance to any Mexican subversive group.

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[Redacted]

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*Castro reassessed his policy of supporting rebel groups in early 1968, following the Che Guevara fiasco in Bolivia the previous year, and chose to adopt a more realistic foreign policy. Castro's speeches over the past two years show clearly that he has emphasized the building of special ties with Chile, Peru, and Bolivia (before the recent coup), and that he is currently more interested in ending Cuba's isolation than in "exporting revolution."*

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**INTERNATIONAL ECONOMIC DEVELOPMENTS**

First reports from the Japanese exchange market this morning indicate the newly floated yen appreciated by 5.2 percent. The governor of the Bank of Japan told the press that the bank would support the dollar if the yen appreciated too much. He did not indicate at what point the bank would intervene but private Japanese bankers are predicting that the yen will be allowed to appreciate by 6 percent. Japanese official reserves now stand at about \$12.5 billion after purchases of \$1.8 billion on Thursday and Friday.

Large gold sales by speculators in European markets yesterday drove the free market price down to \$41.12 per ounce. This represents a decline of \$1.87 in the past two weeks. Speculators apparently are beginning to conclude that there is little likelihood of an early increase in the official price of gold. Moreover, the floating of many major currencies favors the chances for a permanent, general realignment of foreign currencies, and this reduces pressure for an increase in the official dollar price of gold.

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NOTES

USSR: Preparations are under way for a Soviet unmanned lunar landing mission using the SL-12 booster; the launch from Tyuratam appears to be planned for the first week in September. This will be the first Soviet lunar probe this year. The mission, like earlier ones, could involve the return of soil samples or the landing of a sensor-equipped lunar rover vehicle. Newer and more advanced scientific experiments are also possible.

Warsaw Pact: Satellite photography through [redacted] strengthens the conclusion that there is no military activity in western USSR that could be construed as an imminent threat to Romania. The photography shows no signs of troop concentrations or alerts. At military installations, there was no massing of civilian trucks indicative of a mobilization, nor were there any concentrations of military transport aircraft similar to those photographed prior to the Czech invasion of 1968. Photography [redacted] showed preparations then under way for the exercises now taking place in Bulgaria, but there was nothing unusual near the Bulgarian-Romanian border, and military activity appeared normal elsewhere in Eastern Europe, including Romania.

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