



The President's Daily Brief

February 19, 1976

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Exempt from general
declassification schedule of E.O. 11652
exemption category 5B(1),2,3
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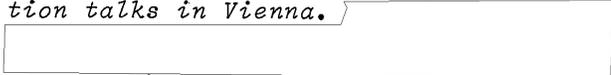
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MBFR

The Warsaw Pact presented a new proposal on Tuesday at the force reduction talks in Vienna.



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The proposal calls for force reductions to take place in two stages. In the first stage, which would be carried out this year, the US and USSR would reduce their forces in Central Europe by 2 to 3 percent of the overall numerical strength of their respective alliances. The units withdrawn would be disbanded. Force strengths of the other participating states would be frozen at their present levels.

The proposal also calls for equal reductions of US and Soviet armaments--aircraft, missiles, and tanks--including nuclear weapons and delivery systems. This is the first time the Soviets have officially acknowledged that they have nuclear weapons in the reduction area. The size of force reductions in the second stage was not stipulated.

The new proposal is intended to counter the "Option III" introduced by NATO last September. It is essentially a reworking of previous Warsaw Pact reduction programs, however, and retains the Pact's approach of equal percentage reductions and its rejection of NATO's concept of asymmetrical reduction to a "common ceiling."

Even though the Pact now accepts the Western idea of phased reductions, with US and Soviet forces being cut back first, and goes into more detail regarding the armaments to be reduced, the new package is even more disadvantageous to the US than earlier proposals, because the proposed reductions involve second-rate Soviet systems as opposed to more advanced American equipment.

The Soviets are under no illusion that their proposal will be acceptable to the West or that the NATO countries will regard it as a substantial concession. They evidently hope they can use it to capitalize on NATO's willingness to include nuclear elements in the reductions. A sensitive source has indicated that Moscow may entertain the idea of a package trade of additional Soviet tank reductions in return for more American nuclear elements.

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ICELAND-UK

Iceland apparently hopes that its decision to break diplomatic relations with the UK will encourage the US, West Germany, and Norway to continue efforts to settle the fishing dispute.

If the break in relations does not lead to progress, however, the cabinet may vote to withdraw its NATO delegation from Brussels. A motion to do just this was defeated by only one vote on Tuesday. A complete break with NATO does not seem likely at this time. Reykjavik needs NATO as a forum for its dispute with London, and Icelandic leaders are aware that concern and sympathy for their position would end with a NATO break.

At stake, as far as the US and NATO are concerned, is the US-manned NATO base at Keflavik, which serves primarily as an anti-submarine warfare and early warning site. In addition, Iceland's withdrawal from NATO would have a certain psychological impact on the other member countries.

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Turkish Prime Minister Demirel's shaky, four-party coalition government has survived a major effort by parliamentary opposition leader Ecevit to bring it down.

The government won a vote on the budget yesterday by a comfortable margin. Turkish parliamentary rules now call for separate consideration of each budget item and then another vote on the entire bill. A turnaround seems unlikely.

* * *

Despite his latest illness, planning continues for Yugoslav President Tito's trip to Latin America in mid-March.

His visit to Cuba has been canceled because Castro will not be in Havana at the time of Tito's tour. Castro reportedly plans to see Tito and other East European leaders early next month after he attends the Soviet party congress.

Tito yesterday talked with Portuguese Communist leader Cunhal, the first foreign figure he has seen since he was reported ill in January.

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Arab League Secretary General Riad will try today to revive the Arab mediation efforts aimed at resolving the dispute between Morocco and Algeria over Spanish Sahara.

Riad has resisted suggestions in the past that he attempt to mediate the dispute since he regarded such an effort as having little chance of success. His about-face may have resulted from Egyptian pressure.

Both Rabat and Algiers remain unwilling to compromise, and Riad's effort indeed seems unlikely to prosper. Little is expected either from the recently concluded five-day visit to Spanish Sahara by the personal envoy of UN Secretary General Waldheim. The UN will probably try to limit its involvement in the dispute to pro forma consideration of the UN mission's report.

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