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# The President's Daily Brief

May 1, 1974

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Exempt from general  
declassification schedule of E.O. 11652  
exemption category 5B(1), 5C(3)  
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**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

May 1, 1974

**PRINCIPAL DEVELOPMENTS**

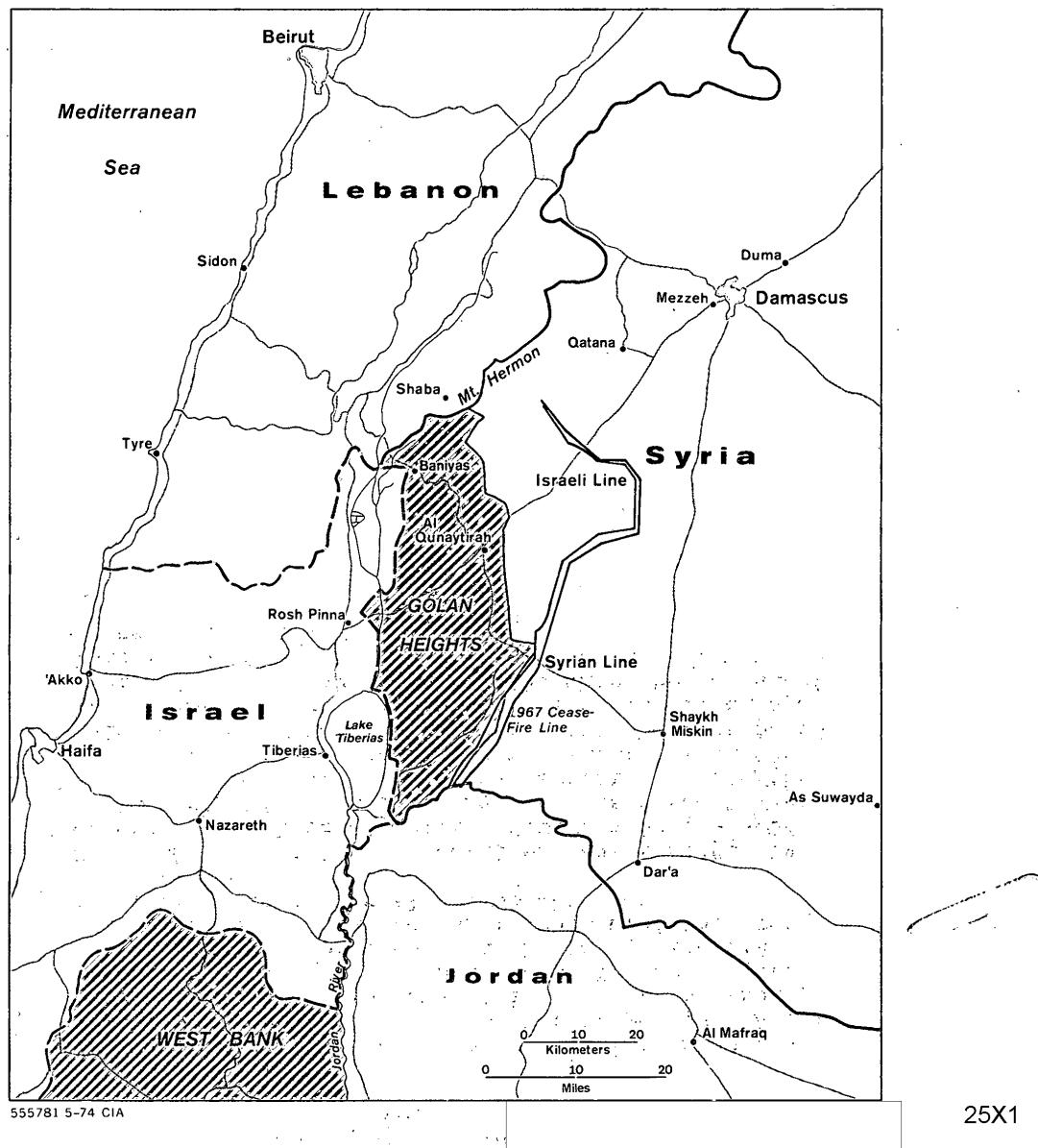
The level of fighting on the Syrian front yesterday was down slightly from that of Monday. (Page 1)

The attitude of the Labor government in Britain toward the EC has moderated since the party came to power two months ago. (Page 2)

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Notes on Egypt and Vietnam appear on Page 5.

**FOR THE PRESIDENT ONLY**



*FOR THE PRESIDENT ONLY*

**ISRAEL-SYRIA**

The level of fighting on the Syrian front yesterday was down slightly from that of Monday. Artillery fire occurred in several sectors of the front, and Israeli aircraft again attacked Syrian targets in the Mount Hermon area. The Israelis also flew defensive patrols and reconnaissance missions over the front, but no aerial combat was reported.

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*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

UK

The attitude of the Labor government toward the EC has moderated since the party came to power two months ago. At the meeting of the British cabinet's European strategy committee last week, there was no talk of withdrawal or of dismantling the common agricultural policy.

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governments have argued that Britain's membership in the EC is a good thing not only for their own countries but for the UK as well.

Because of the French election, Britain will make its detailed statement on renegotiation at the EC Council meeting of June 4 rather than in May. This additional month will give the government time to consider the substance and tactics of renegotiation more fully and will permit bilateral consultations with other EC members. The key issue in renegotiation will be the UK's contribution to the EC budget, according to the Foreign Office

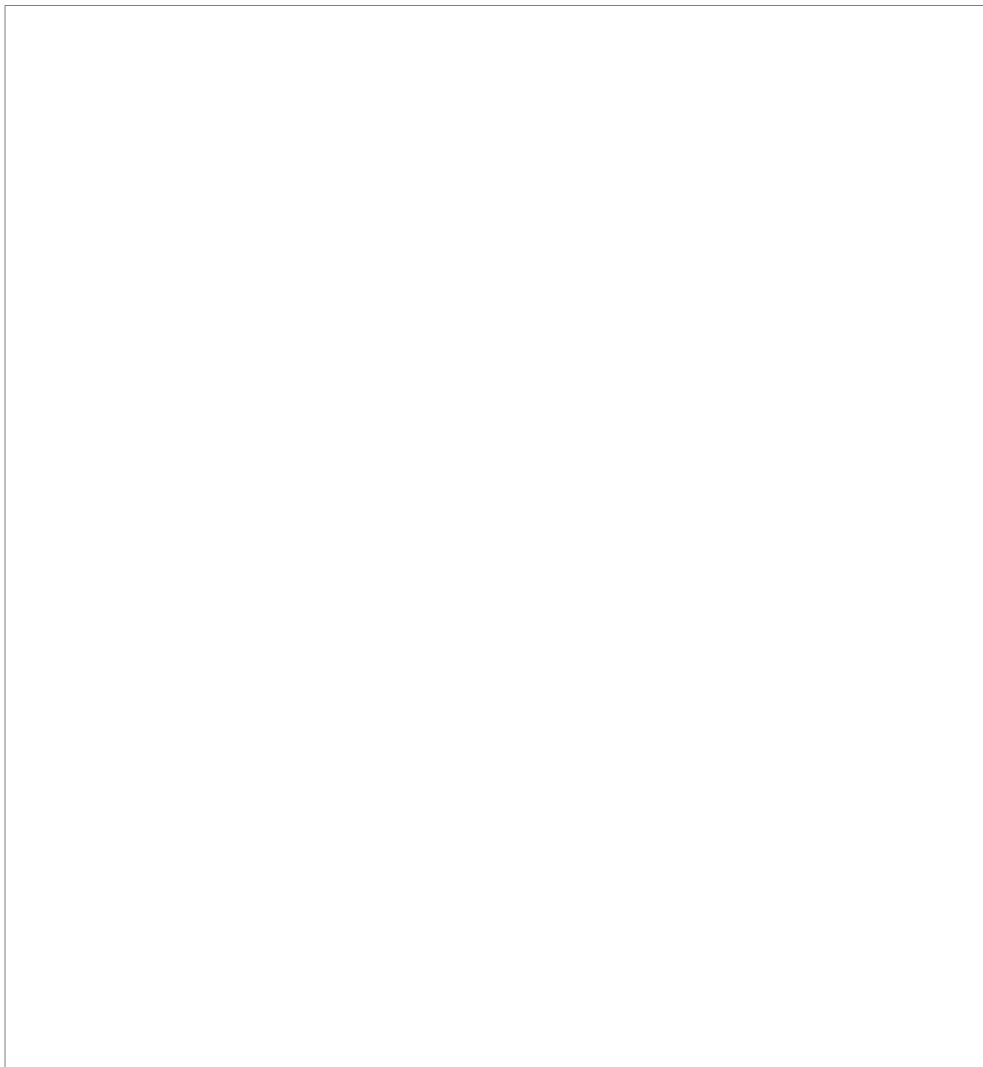
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anti-EC campaign wants a referendum before the next general election in order to give the electorate a choice between continued membership on a basis of improved terms or outright withdrawal.

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**FOR THE PRESIDENT ONLY**

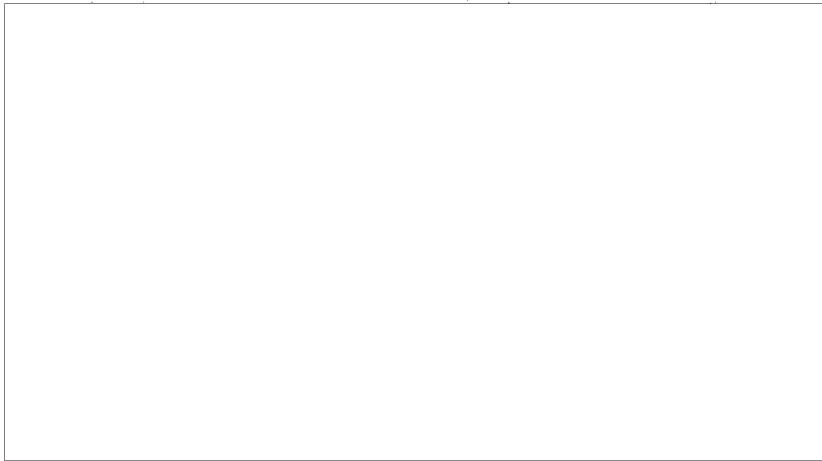
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USSR-CHINA

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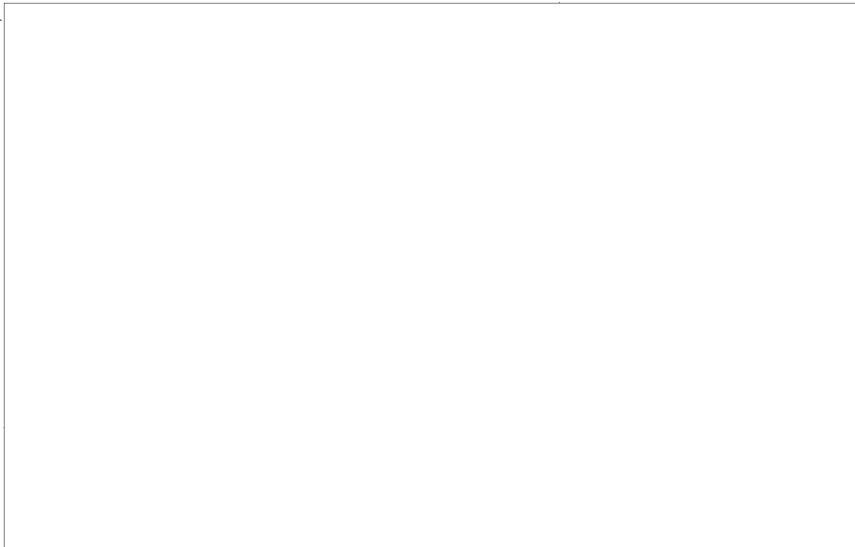


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EGYPT-LIBYA-MOROCCO

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*FOR THE PRESIDENT ONLY*

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**FOR THE PRESIDENT ONLY**

**NOTES**

Egypt:

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Vietnam: Intercepts now confirm a sharp decline in North Vietnamese troop infiltration to South Vietnam. A message of April 27 states that only one infiltration group per week is scheduled to pass through a way station in southern North Vietnam. An intercept from a logistic unit in southern Laos noted that infiltration through Laos to the central highlands and COSVN had ended for the dry season. Troops are still being prepared for infiltration, but there is no indication as to when they will leave. Among those now in training are men who have recently recuperated from illness or wounds.

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# The President's Daily Brief

May 2, 1974

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THE PRESIDENT'S DAILY BRIEF

May 2, 1974

PRINCIPAL DEVELOPMENTS

Moscow is continuing to supply Damascus with substantial amounts of military equipment. Only light fighting occurred on the Syrian front yesterday.  
*(Page 1)*

Cambodian Army units yesterday repulsed the initial thrust of anticipated Khmer Communist attacks against the provincial capital of Prey Veng. *(Page 2)*

Notes on Portugal, Honduras, and Pakistan-Egypt-Syria appear on *Page 3*.

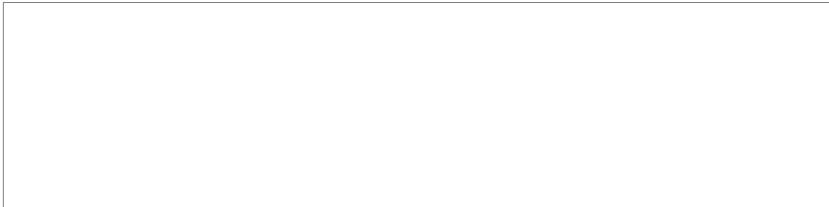
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**USSR-SYRIA-ISRAEL**

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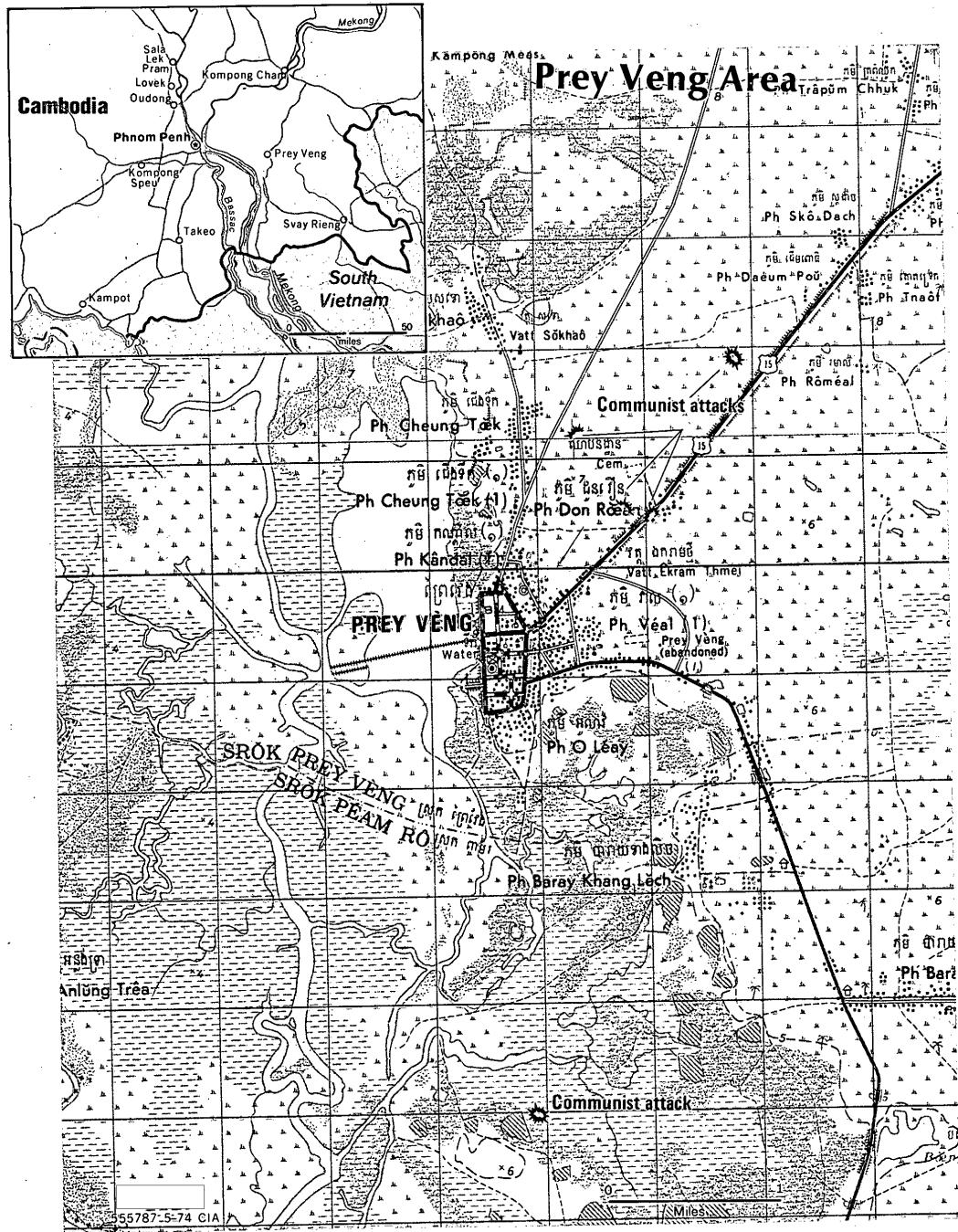
Moscow is continuing to supply Damascus with substantial amounts of military equipment. Over 100 T-62 medium tanks, a number of fighter aircraft, a large number of armored personnel carriers, and an unknown quantity of FROG unguided rockets (with a maximum range of 43 nautical miles) have been delivered since mid-March. Some of this equipment may have been provided for under a new agreement reached by President Asad during his visit to Moscow in mid-April.



\* \* \*

Only light fighting occurred on the Syrian front yesterday. Israel and Syria exchanged tank and artillery fire on Mount Hermon and in some other sectors. Israeli aircraft were active, flying reconnaissance missions and defensive patrols, but no combat missions were detected.

*FOR THE PRESIDENT ONLY*



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*FOR THE PRESIDENT ONLY*

## CAMBODIA

Cambodian Army units yesterday repulsed the initial thrust of the anticipated Khmer Communist attacks against the provincial capital of Prey Veng, 30 miles east of Phnom Penh.

The Communists, who have been preparing for their campaign against Prey Veng for over a month, can be expected to keep pressure on the city. Intercepted messages and prisoner reports indicate that as many as 5,000 Communist troops may now be in the Prey Veng area; the attacks yesterday involved only a portion of this force. To support their push against Prey Veng, the Communists apparently intend to launch diversionary attacks against nearby government positions along the east bank of the Mekong River.

Northwest of Phnom Penh, Communist units are still moving against the government base at Lovek. The base has been the target of intense artillery and mortar barrages for the past few days, and insurgent ground units are now closing in on several sides. With the recent arrival of the 2,000-man garrison from Sala Lek Pram, government troop strength at Lovek has grown to between 4,000 and 5,000. The consolidation of government forces on this front will enable the air force to provide more effective support.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

NOTES

Portugal: May Day passed without trouble in Lisbon. Left-wing groups took an active part in the celebrations, joining others in an exuberant display of popular support for General Spinola. Banners draped from buildings and carried by marchers proclaimed appreciation for the new freedoms permitted by the junta. Although tens of thousands gathered in the capital, there was little outward evidence either of the armed forces or of the National Republican Guard, the paramilitary force responsible for internal security.

Honduras:

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Pakistan-Egypt-Syria:

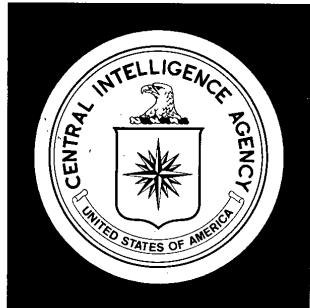
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# The President's Daily Brief

*May 3, 1974*

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THE PRESIDENT'S DAILY BRIEF

May 3, 1974

PRINCIPAL DEVELOPMENTS

The Israelis resumed combat missions over the Syrian front yesterday after a one-day lull; ground fighting picked up from Wednesday's low level. (Page 1)

The Soviets [redacted]

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Sihanouk and Khieu Samphan, his Khmer Communist political rival, both attribute limited Chinese and North Vietnamese aid largely to Peking's and Hanoi's lack of enthusiasm for a Sihanouk-led government in Cambodia. (Page 3)

The South Vietnamese have completed a major operation in the Parrots Beak region of Cambodia west of Saigon. (Page 4)

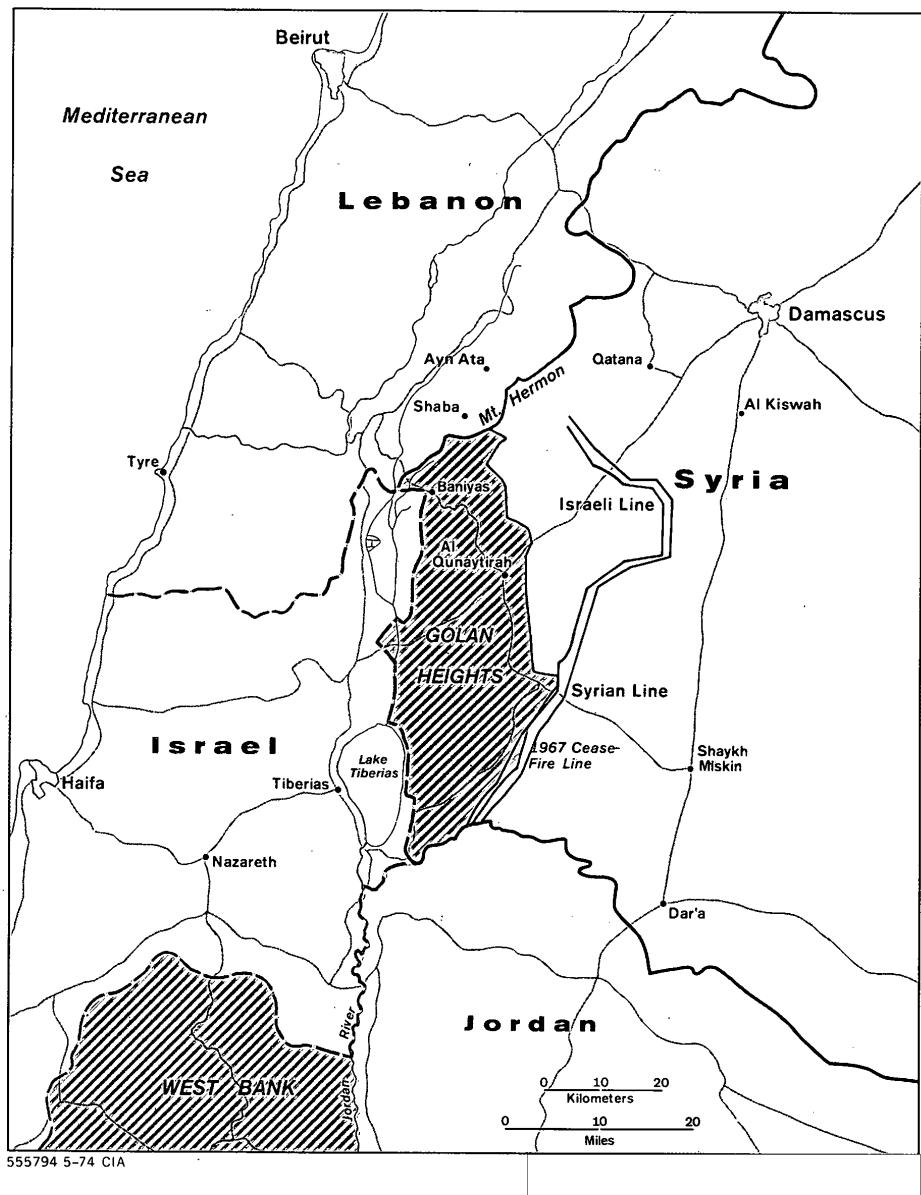
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The Soviets [redacted]

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Notes on the USSR and Portugal appear on Page 5.

*FOR THE PRESIDENT ONLY*



*FOR THE PRESIDENT ONLY*

**ISRAEL-SYRIA**

Israeli aircraft resumed combat missions over the Syrian front yesterday after a one-day lull. The Israelis flew a total of about 150 combat sorties and defensive patrols over the Golan Heights - southern Lebanon area.

They reportedly bombed "terrorist" concentrations near the Lebanese villages of Ayn Ata and Shaba. [redacted]

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Ground combat also appeared to pick up from Wednesday's low level. Israel announced that its long-range artillery shelled Syrian military camps at Qatana and Al Kiswah--both well behind Syrian lines--in retaliation for Syrian fire which killed four Israeli soldiers and wounded two others.

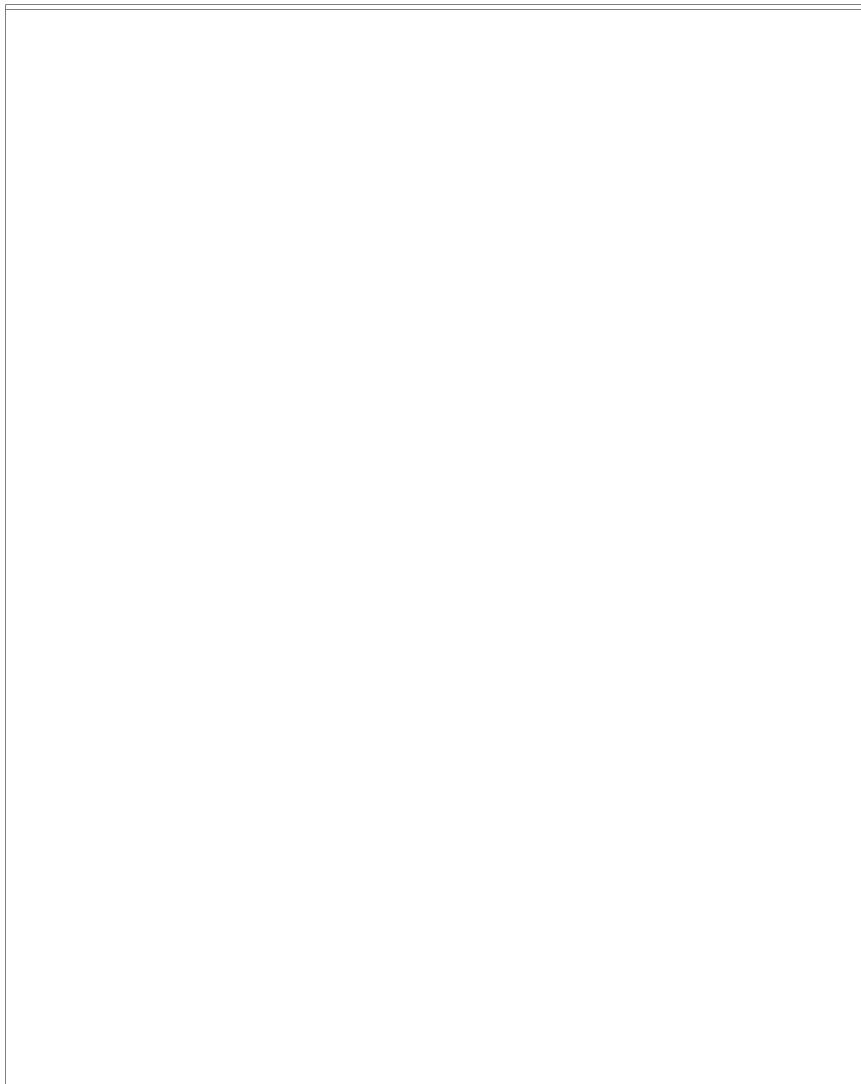
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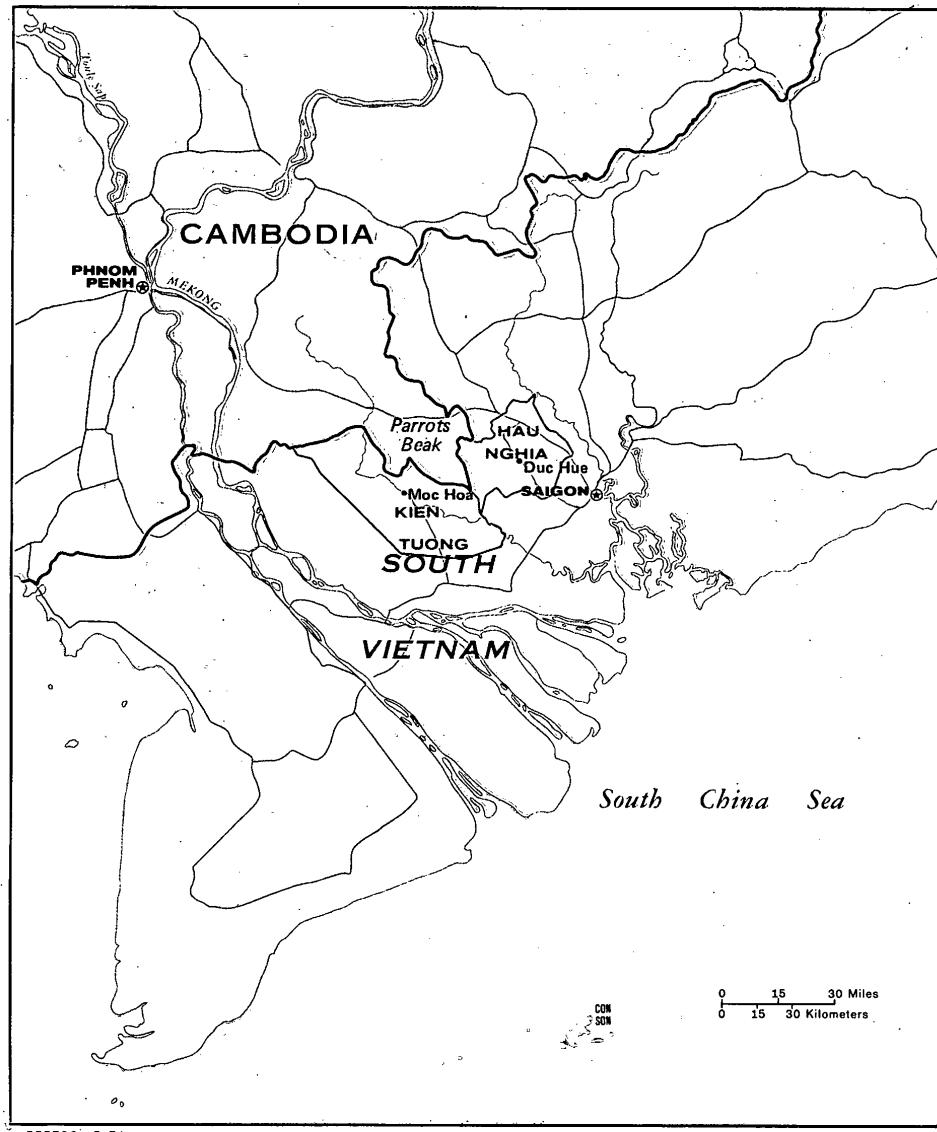
*FOR THE PRESIDENT ONLY*

CAMBODIA

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Sihanouk and Khieu Samphan, his chief Khmer Communist political rival, have both complained that Chinese and North Vietnamese support to the insurgents is inadequate. Both men evidently believe that this tight-fistedness is due in large part to Peking's and Hanoi's lack of enthusiasm for a Sihanouk-led government in Cambodia.

*FOR THE PRESIDENT ONLY*



*FOR THE PRESIDENT ONLY*

SOUTH VIETNAM

The South Vietnamese have completed a major operation against the North Vietnamese 5th Division in the Parrots Beak region of Cambodia west of Saigon.

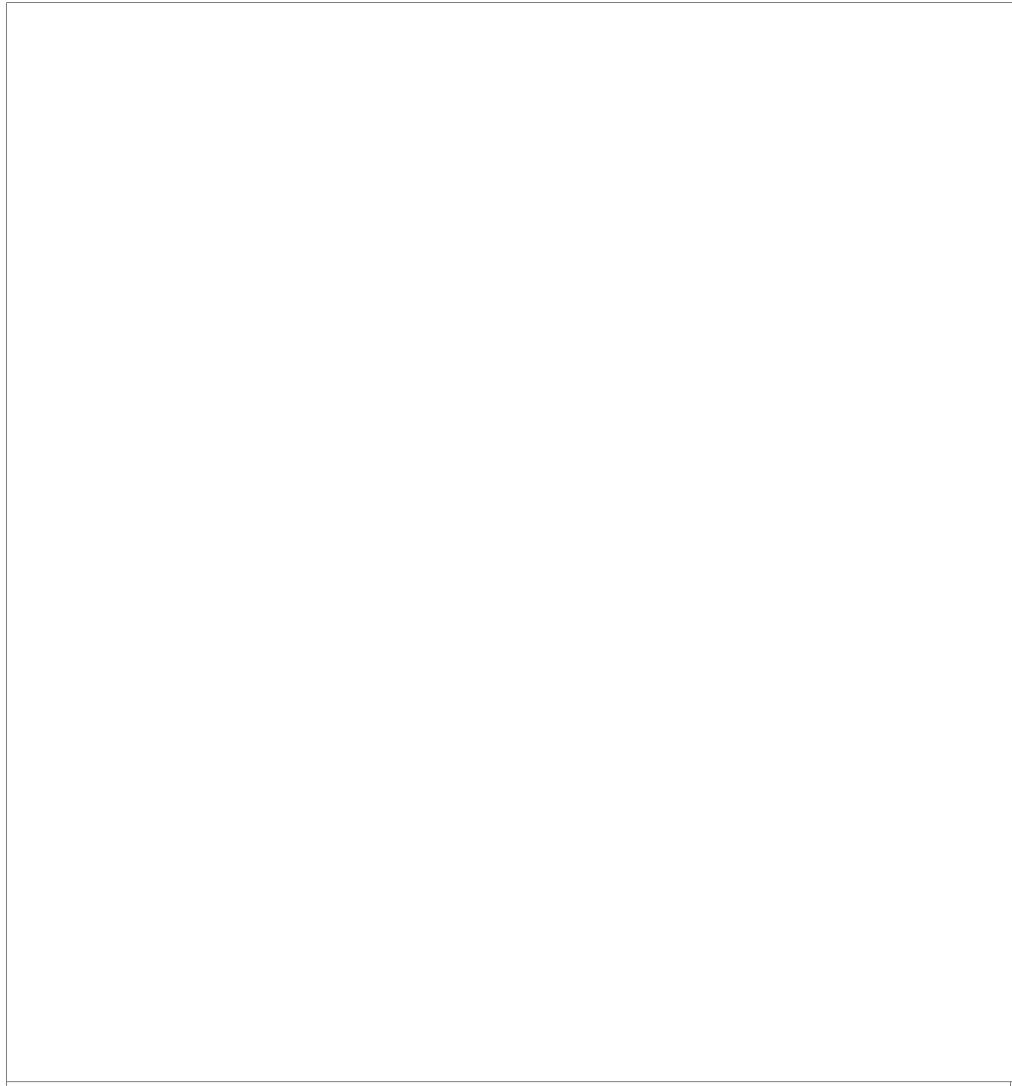
No major battles were reported, but official sources in Saigon are claiming heavy enemy losses. Sizable quantities of equipment and supplies were also reported captured. The South Vietnamese claim that the operation has significantly reduced the threat to western Hau Nghia Province and that the road to the once-beleaguered outposts at Duc Hue is now open.

The North Vietnamese 5th Division, which has normally operated north of Saigon, began moving toward the delta two months ago and had been concentrated in the Parrots Beak for several weeks. Most of the division managed to sidestep the cross-border operation. One regiment--the 174th--reached the South Vietnamese border, less than ten miles north of the Kien Tuong Province capital of Muc Hoa, on April 30.

Additional heavy fighting may occur if the Communists continue to move the 5th Division southward.

*FOR THE PRESIDENT ONLY*

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*FOR THE PRESIDENT ONLY*

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NOTES

USSR:

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USSR:

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Portugal: With the approval of the junta, Mario Soares, Portuguese Socialist Party leader, met Prime Minister Wilson and Foreign Secretary Callaghan in London yesterday. Soares plans talks today in Bonn with Chancellor Brandt and has requested an appointment with the US ambassador there. Soares, concerned about competition from the well-organized Portuguese Communist Party, is working to increase the strength and prestige of his own organization. He assumes that he will receive a portfolio in the provisional government which is to be formed within the next two weeks.

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# The President's Daily Brief

May 4, 1974

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**THE PRESIDENT'S DAILY BRIEF**

May 4, 1974

**PRINCIPAL DEVELOPMENTS**

The Khmer Communists continue to put heavy pressure on the government base at Lovek, the last significant government position northwest of Phnom Penh. (Page 1)

Laotian Prime Minister Souvanna and the Communists are still sparring over the roles and relative power of the components of the new coalition government. (Page 2)

Soviet-Indian relations are again on the downswing. (Page 3)

Canada is becoming a significant exporter of nuclear power reactors. (Page 4)

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The new junta in Portugal has come through its first week in power without any serious challenge to its authority. (Page 5)

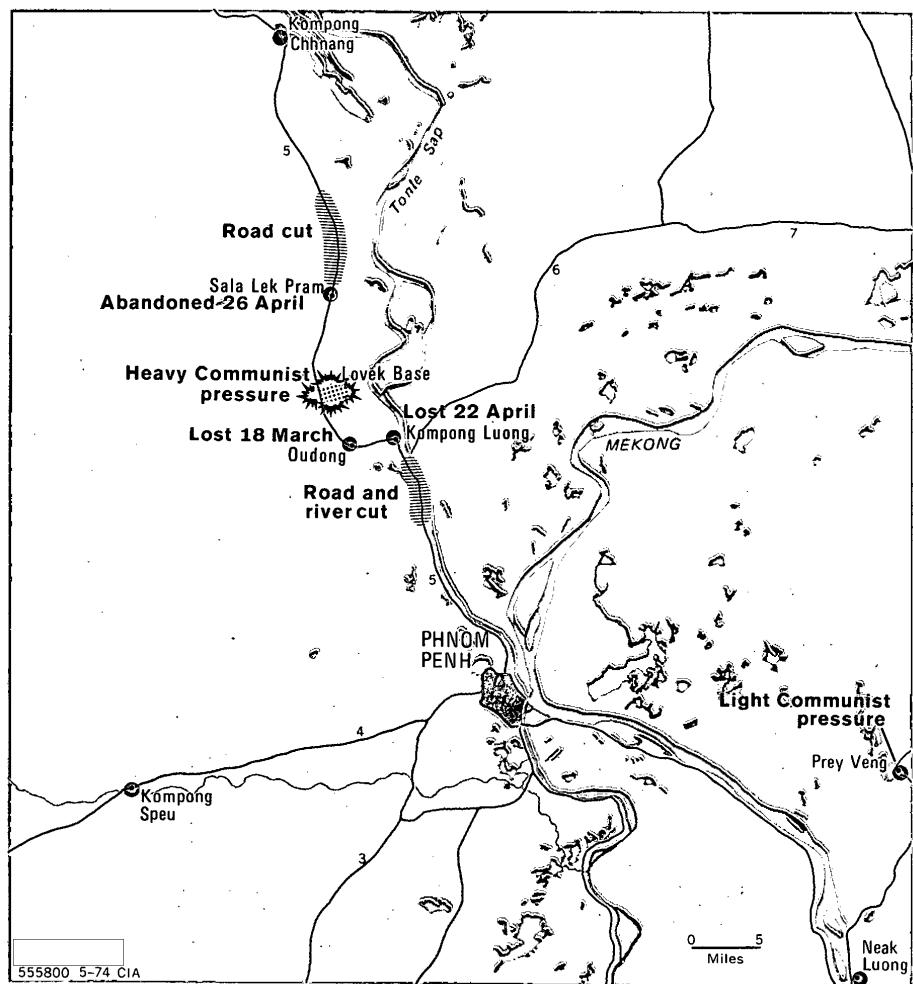
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Notes on [redacted] French [redacted] a Soviet ship visit to Cuba, and the situation in Ethiopia are on Page 6.

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**FOR THE PRESIDENT ONLY**

## CAMBODIA: Phnom Penh Area



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*FOR THE PRESIDENT ONLY*

**CAMBODIA**

The Khmer Communists are maintaining heavy pressure on the government base at Lovek, the last significant government position northwest of Phnom Penh.

The Lovek complex is being hit by intense mortar and artillery barrages, and ground pressure is becoming heavier at several points. Government defenders yesterday abandoned a number of outposts on the western edge of the complex. The Cambodian Air Force has committed most of its available tactical aircraft in an effort to stem the Communist assaults.

The loss of Lovek would be a major defeat. Government troop strength at Lovek is about 5,000, and refugees from other places have raised the number of civilians there to over 40,000. Supplies of food and water are running short.

East of Phnom Penh, the provincial capital of Prey Veng is the target of sporadic Communist artillery fire and ground probes, but the insurgents have not followed up the attacks they launched earlier this week. The Communists are apparently preparing for a prolonged siege at Prey Veng.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**LAOS**

Prime Minister Souvanna Phouma and the Lao Communists continue to spar over the roles and relative power of components of the new coalition government. Souvanna has just given in to demands of the Communists that the National Assembly not reconvene, a move that will cost him politically with the rightists. The Communists refuse to recognize this body because it was elected by Souvanna's previous government. They are determined that the new advisory political council, whose leadership is weighted in their favor, should discharge the assembly's legislative functions.

Souvanna, on the other hand, apparently hopes to persuade the King to assume the assembly's legislative role. A government spokesman stated yesterday that, under the constitution, the budget, foreign treaties, and other important documents would be sent to the King for review. The King would then issue royal decrees from which the government would draw its authority. This formula will probably be unacceptable to the Communists.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**USSR-INDIA**

The warmth in Soviet-Indian relations generated by Brezhnev's visit to India last November has dissipated, and the two countries are complaining about each other again.

New Delhi claims that Moscow's response to India's economic difficulties has been poor. Only one new economic agreement advantageous to India--a contract for kerosene and diesel fuel--has been signed since Brezhnev's visit. Moreover, the Soviets are charging India the current high market price for badly needed fertilizer and are ignoring Indian requests for food grains and additional energy relief.

The Soviets in turn do not want to be made the goat for Indian economic troubles. For example, a Soviet official in New Delhi recently called a press conference to criticize the Indians' performance in meeting their commitments for the Bhilai and Bokaro steel plants, two of the Soviet Union's largest aid ventures in India. Neither is proceeding as planned, and part of the fault does in fact rest with New Delhi.

Beyond the economic sphere, however, the Soviets presumably are also concerned about improved US-Indian relations, Mrs. Gandhi's domestic moves to the right, and New Delhi's interest in decreasing India's dependence on the USSR for military assistance. The Indians, on their side, are apparently displeased over the USSR's persistent requests for special military privileges in India and over Moscow's failure to respond to New Delhi's call for restraint in naval competition in the Indian Ocean.

The Soviet-Indian relationship has never been a smooth one, and problems of this kind are not unusual. Present difficulties could become more serious, however, should India continue to move closer to the US or should it make a real effort to improve relations with the Chinese.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

CANADA

Canada is becoming a significant exporter of nuclear power reactors. It has sold two of its CANDU nuclear reactors to India, one to Argentina, and one to Pakistan. A second one will probably be sold to Argentina. South Korea has signed a letter of intent to purchase the reactor with an option to buy a second. Romania, Denmark, Iran, Taiwan, and the UK have also indicated an interest in the system.

The CANDU reactor differs from those of US design in using natural rather than enriched uranium as fuel, and in employing "heavy" rather than "light" or ordinary water. The capital cost of a CANDU reactor is slightly higher than a similar sized light water reactor, but over its lifetime the reduced cost of using natural uranium is expected to make up this difference. The CANDU reactors will be even more competitive as the price of enriched uranium increases. A major problem at this time is the shortage of heavy water for these reactors.

The CANDU system proved itself in 1973 with the performance of Canada's Pickering nuclear station. The four reactors at this plant, each with a capacity of 540 megawatts of electricity, operated at about 85 percent of their possible capacity, producing a total of 14 billion kilowatt hours of electricity. The main reason for this high productivity is that the CANDU system can be refueled while still producing electricity. US reactors must be shut down during this operation.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

PORUGAL

There has been no serious challenge to the junta's authority after one week in power. In the coming weeks, however, it will have to produce an African policy acceptable to a wide political spectrum and face the anticipated increasing demands of the leftists.

Although Spinola favors self-determination for the overseas territories, he has called for a program of "preparation." This measured approach could well bring a clash with the leftists, who say they want a cease-fire and immediate independence. Spinola has also said that he hopes the overseas territories will continue their association with Portugal.

The liberalization measures announced this week have encouraged the leftists to move on various fronts. They have taken over key unions and have forced out the managements of the government airline and some of the news media.

The junta has announced publicly that it intends to ensure a balanced media coverage of political events. Although the left appeared to dominate radio and television broadcasts during the first few days after the coup, this week the media have focused on interviews with a dozen or so political figures, mostly from the center of the political spectrum.

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*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

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NOTES

France: [redacted]

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USSR-Cuba: Two Soviet destroyers and a diesel-powered ballistic-missile submarine have remained moored in Havana since arriving on April 30. The Cuban press says the ships will leave Havana next Monday to visit other Cuban ports. They may conduct exercises with Cuban ships before leaving the Caribbean.

Ethiopia: Labor strife abated yesterday when telecommunications workers ended their walkout. The government of Prime Minister Endalkatchew is still functioning ineffectively, however, and the US Embassy reports that there is increasing talk that military intervention will be necessary to restore order. The embassy tends to believe a report that the group of officers who won authority from Emperor Haile Selassie to arrest 15 members of the previous cabinet met again yesterday.

*FOR THE PRESIDENT ONLY*

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# The President's Daily Brief

*May 6, 1974*

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**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

May 6, 1974

**PRINCIPAL DEVELOPMENTS**

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(Page 1)

Portuguese Socialist leader Mario Soares has outlined his understanding of the junta's plans for an interim government. (Page 2)

The French presidential run-off election on May 19 could be a close race between Francois Mitterrand and Valery Giscard d'Estaing. (Page 3)

A Syrian official in Damascus reports that Soviet Foreign Minister Gromyko will leave Syria late tomorrow morning. (Page 4)

Canada's minority government is not likely to survive parliamentary debate this week on its budget message. (Page 4)

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

SYRIA-ISRAEL

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Fighting did slacken over the weekend. UN observers, however, confirm Syrian and Israeli press reports that exchanges of artillery, rocket, tank, and mortar fire were taking place yesterday in the Mount Hermon area and elsewhere on the Golan front.

Israeli aircraft flew air strikes against targets in the Mount Hermon area on Saturday. The targets included fedayeen positions on the Lebanese side of the mountain. Air activity on Sunday was limited to reconnaissance and defensive missions. No air-to-air combat was reported over the weekend.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**PORUGAL**

Portuguese Socialist leader Mario Soares outlined to Ambassador Hillenbrand in Bonn on May 3 his understanding of the junta's plans for an interim government. He said the next government, which will be appointed within two weeks, will represent the Portuguese political spectrum and will include Communists as well as Socialists. He implied that he would become prime minister. The new government will remain in office until elections next year.

Soares advanced two reasons for including the Communists in the government: if not included, the Communists would press for early elections; and it would be better to let the Communists share the successes and failures of the government than to leave them on the outside to criticize.

When asked to what extent he and Spinola are in accord, Soares replied that their views are "basically identical." He said the only difference is Socialist insistence on a more rapid pace toward decolonization.

Soares' comments are identical to what he told Foreign Secretary Callaghan in London last Thursday.

A recent press interview with the young officers who claim to have planned and organized the coup suggests that preparations for the takeover had been in progress for about a year. The officers implied in the interview that they have the power to dominate the junta. General Spinola's record as a strong leader, however, makes it unlikely that he would accept the position of a figurehead.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

## FRANCE

Francois Mitterrand and Valery Giscard d'Estaing yesterday easily won the right to face each other on May 19 in a run-off for the French presidency.

With about 90 percent of the votes counted, it appears that Mitterrand will take about 43 percent and Giscard around 33 percent of the vote. Despite a record turnout, Mitterrand seems to have failed to improve on the proportion of first-round votes usually won by the left and he received two percent fewer votes than predicted in the last opinion polls.

The outcome of the second round may be close. The latest polls indicated for the first time that Mitterrand might defeat Giscard in the second round, but the balance could easily shift back in Giscard's favor in the next two weeks. In the past, a significant percentage of the electorate has registered its dissatisfaction with government policies in its first-round votes. In the second round, however, it has voted for stability, which has been most beneficial to the voters' pocketbooks.

The French electorate clearly wants economic and social changes, and both candidates are promising reform. The middle-of-the-road voters will decide the race. They have not yet indicated clearly if they prefer Giscard's moderate proposals or if they will back Mitterrand despite his link with the Communists.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

NOTES

USSR-Syria: A Syrian official in Damascus informed the US interests section last night that Soviet Foreign Minister Gromyko will leave Syria late tomorrow morning. Yesterday, Gromyko began talks with President Asad and Foreign Minister Khaddam soon after his arrival. Secretary Kissinger is scheduled to arrive in Damascus tomorrow.

Canada: Prime Minister Trudeau's minority government is not likely to survive parliamentary debate this week on its budget message. Rising inflation and widespread labor troubles during April have led the opposition to intensify its attacks on the government's economic policies. The New Democratic Party, which holds the balance of power in parliament, is likely to support a Tory no-confidence vote, or even propose one of its own. Passage of the motion would lead to the government's resignation and new elections could then be scheduled for July 8.

*FOR THE PRESIDENT ONLY*

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# The President's Daily Brief

May 7, 1974

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## THE PRESIDENT'S DAILY BRIEF

May 7, 1974

### PRINCIPAL DEVELOPMENTS

Finance Minister Helmut Schmidt is the best bet to succeed Chancellor Brandt when parliament meets to elect a new chancellor. (Page 1)

Fighting on the Golan front yesterday was more intense than it was over the weekend. (Page 2) 25X1

The Soviets appear to be tightening the screws on President Sadat by halting arms shipments to Egypt. (Page 3)

[redacted] the Soviets are continuing to modernize SS-11 silos. (Page 4) 25X1

The Indian Government has decided to risk a showdown with the militant railway unions over the rail strike scheduled to begin on Wednesday. (Page 5)

Insurgent leaders in Portuguese Africa are not likely to accept Lisbon's offer of a cease-fire; some have already rejected it. (Page 6)

Notes on the USSR, Czechoslovakia, Tunisia-Egypt, and China - North Vietnam appear on Page 7.

FOR THE PRESIDENT ONLY

## WEST GERMANY

West German Chancellor Brandt, in his letter of resignation last night, requested that his deputy, Foreign Minister Walter Scheel, be named to head the government until the Bundestag can elect a new chancellor.

The best bet to replace Brandt as chancellor is Finance Minister Helmut Schmidt. He is a member of the moderate wing of the Social Democratic Party and would be acceptable to the coalition's smaller member, the Free Democratic Party. Despite periods of friction with Brandt, Schmidt has long been considered Brandt's number one minister and heir-apparent.

Schmidt is a dynamic politician and has stirred controversy in his party. He is nonetheless popular with the electorate and is an excellent public speaker. It will be these qualities that the Social Democrats hope will give them the much needed boost in the state elections in Lower Saxony on June 9.

Brandt's resignation came just when the Social Democrats seemed to have halted the trend against them at the polls. In the Saarland communal and county elections on Sunday, the party managed to improve its showing slightly after a series of setbacks in state and local elections during the last two months.

Brandt is expected to stay on as chairman of the Social Democratic Party. He is the only man with enough prestige and authority to hold the party's widely divergent factions together.

The US Embassy in Bonn reports that Scheel intends to remain foreign minister and head of the Free Democratic Party instead of going through with his previously announced plans to seek the office of federal president at the assembly session next week. The embassy adds that President Heinemann may now be persuaded to seek re-election.

The embassy believes that the principal victims of the Guillaume affair, apart from Brandt, may be Interior Minister Genscher and at least one high security officer. Genscher had been tapped as Scheel's replacement to head the Free Democrats and as foreign minister.

## ISRAEL-SYRIA

Fighting on the Golan front yesterday was more intense than it was over the weekend. Israeli aircraft attacked Syrian positions south of the Israeli salient, while Syrian planes struck targets inside the salient.

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[redacted] The Syrians claim they shot down four Israeli aircraft; Tel Aviv says it downed one Syrian plane. [redacted]

[redacted] neither side has admitted losses.

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Tanks and artillery units exchanged fire in several sectors of the front.

## USSR-EGYPT

The Soviets are tightening the screws on President Sadat by halting all arms shipments to Egypt. Soviet military shipments had begun to slow down in March, and only two deliveries were made in early April. The last seaborne arms shipment arrived in Alexandria over three weeks ago--a longer interval than any in recent years.

The Kremlin apparently decided in late March or early April to hold back military shipments, perhaps in response to Sadat's intense anti-Soviet polemics that began at that time.

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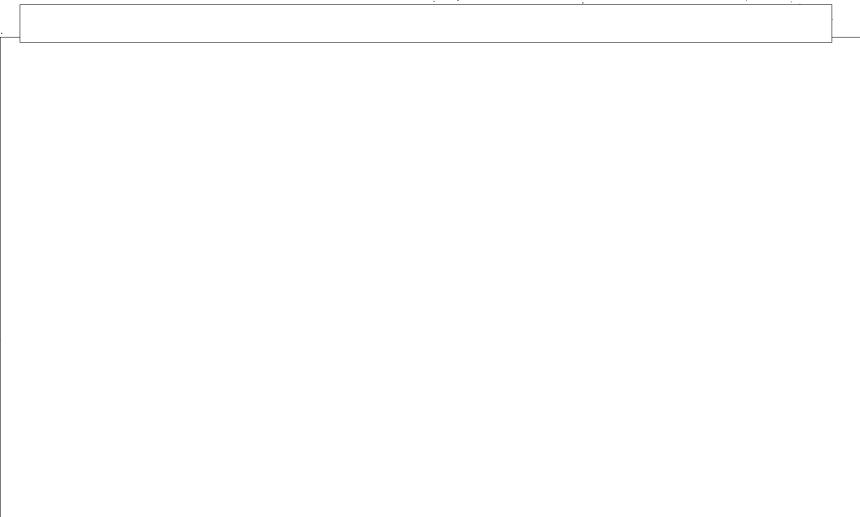
During the past few weeks, Sadat has muted his anti-Soviet line, and he and Brezhnev have exchanged letters discussing their differences. It nonetheless seems likely that the Soviets will continue their foot-dragging on military aid, although they may send token shipments. The senior Soviet military attaché in Cairo recently said that Moscow will keep a tight rein on aid, in the expectation that Cairo will find the West unresponsive and thus realize that Egypt must depend on Moscow for support. The Soviets also may hope that their military aid policies will trigger serious misgivings within the Egyptian military about the consequences of Sadat's present policies.

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USSR



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## INDIA

The government has decided to risk a showdown with the militant railway unions over the rail strike scheduled to begin on Wednesday. The army has been called out to guard, and possibly run, key rail lines in order to keep essential freight moving.

The government and the unions are now at an impasse on negotiations. The unions refuse to continue talks unless arrested union leaders are released unconditionally. The government will not negotiate unless the unions call off the strike.

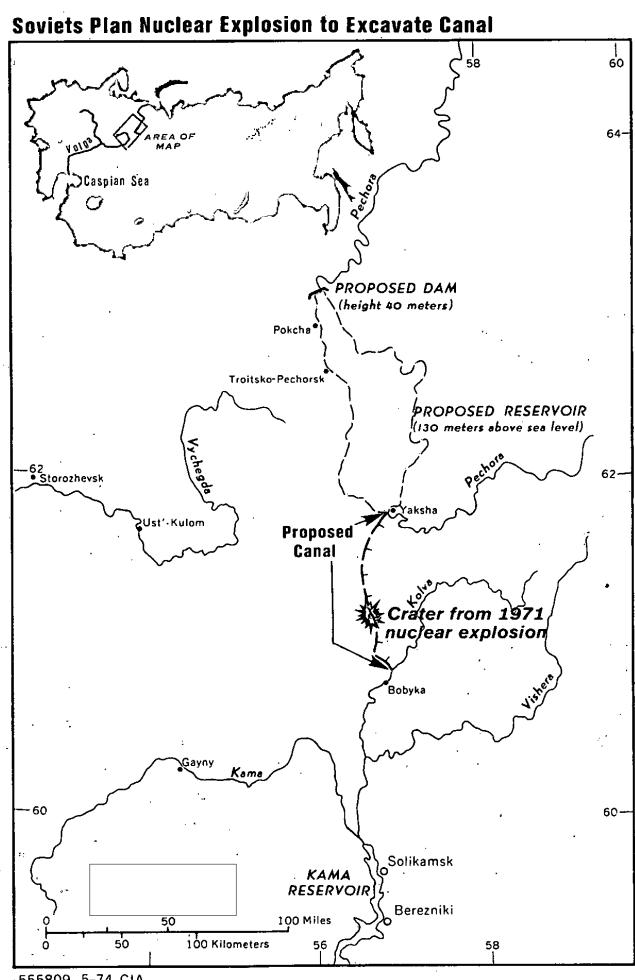
Although some of the rail unions may not participate, the large federation of communist and socialist unions has issued its "final bugle call" for the strike. This organization represents more than one third of the 1.7 million rail employees.

## PORtUGUESE AFRICA

General Costa Gomes, armed forces chief of staff, has offered a cease-fire to the insurgents in Portugal's African territories. He said that the insurgent organizations will be permitted to participate in political "dialogue" with Lisbon if they stop fighting. He challenged the insurgents to come out into the open and prove their long-held claims of popular support.

Insurgent leaders will give the offer serious thought, but are unlikely to accept it unless Lisbon agrees to negotiations leading to eventual independence. Indeed, two major insurgent groups in public statements yesterday rejected Costa Gomes' offer to negotiate.

Some insurgent leaders are under heavy pressure from militant wings in their organizations to reject the new government's program for a political settlement in Africa as nothing more than continued Portuguese hegemony under a different guise. Some insurgent groups are aware that their overstated claims of public support and territorial control would be exposed if they took part in open political activity.



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## NOTES

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USSR: The Soviets may be preparing for another nuclear explosion in connection with the 112-kilometer canal they are constructing to connect the Pechora and Kama rivers.

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[redacted] increased activity on the proposed route of the canal just south of the crater that was created by a nuclear explosion in March 1971.

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Czechoslovakia: President Svoboda is gravely ill, and Czech leaders are mulling over who should replace him. [redacted] some members opposed to party chief Husak want to kick him upstairs to the presidency--a step that would require Moscow's approval. These members reportedly would like to make Antonin Kapek, a hard-liner even by Czechoslovak standards, leader of the party. If Husak is not forced to take the presidency, the most likely candidates would seem to be Federal Assembly President Alois Indra and Prime Minister Strougal.

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Tunisia-Egypt: [redacted]

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China - North Vietnam

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# The President's Daily Brief

May 8, 1974

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exemption category 5B(1), (2), (3)  
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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

May 8, 1974

PRINCIPAL DEVELOPMENTS

Former Chancellor Brandt's proposal that Finance Minister Schmidt succeed him has been unanimously endorsed by the Social Democrats' party presidium.  
*(Page 1)*

Brandt's resignation is bound to cause considerable distress in Moscow. The Soviets, and Brezhnev personally, had set great store by their relationship with Brandt. *(Page 2)*

The proliferation of new political groups in Portugal--most of them leftist--is making it difficult for the junta to decide who will participate in the provisional government it has promised to form by mid-May.  
*(Page 3)*

The joint statement issued at the end of Gromyko's visit to Damascus suggests that the Soviets have moved somewhat closer to Syria's position on disengagement.

*(Page 4)*

Soviet

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The level of fighting on the Syrian front yesterday was down substantially from that of Monday. *(Page 6)*

Lao

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*(Page 7)*

Soviet conduct over the past six months has shown that Moscow sees important advantages in negotiations on force reductions, and will approach them seriously.  
*(Page 9)*

Dissension within Prime Minister Endalkatchew's cabinet in Ethiopia could set off a new round of political shifts. *(Page 10)*

Notes on Uruguay and France appear on Page 11.

FOR THE PRESIDENT ONLY

*FOR THE PRESIDENT ONLY*

**WEST GERMANY**

The Social Democratic Party Presidium yesterday unanimously endorsed former Chancellor Brandt's proposal that Finance Minister Helmut Schmidt be his successor. The proposal will now be submitted to the party's executive board and to its parliamentary group. Approval is virtually assured.

The Free Democrats have announced that they will support Schmidt for the chancellorship and maintain the coalition government. Brandt will exercise considerable authority in his role as party chairman and elder statesman.

If, as seems probable, Schmidt is elected chancellor in the special Bundestag vote late next week, his government will offer changes in nuance rather than basic shifts of policy. The new government can be expected to emphasize continuity and pursuit of the programs on which the coalition partners campaigned in 1969 and 1972.

Schmidt will be committed to ensuring a prominent role for West Germany in international affairs, while strongly supporting close ties to the US and Western Europe. He is not likely to disavow the Ostpolitik of his predecessor, but he may give it less emphasis and concentrate instead on pressing domestic problems, particularly in the economic field.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**USSR - WEST GERMANY**

The Soviets have limited themselves thus far to brief factual reporting of Brandt's resignation, but this development is bound to be a source of considerable distress in Moscow. The Soviets may take some time to develop a clear line on the West German situation and Brandt's successor.

The Soviets, and Brezhnev personally, had set great store by their relationship with Brandt. While there were inevitable differences, the Soviets felt Brandt was someone they could work with and trust. Moscow will view Brandt's prospective successor, Helmut Schmidt, or any other Social Democrat leader as a relatively untested quantity.

The Bonn-Moscow reconciliation, which Brandt had facilitated, is regarded by the Soviets as a cornerstone of their detente policy. Because the immediate reason for Brandt's resignation was a Communist spy case, the Soviets probably fear that opponents of Ostpolitik will be strengthened in West Germany. Even before Brandt's resignation, the Soviets were saying that the attention afforded the Guillaume affair was the work of West German "ultras."

After the dust has settled, Moscow may take some steps to strengthen the position of the Social Democrats against their opponents. They may force some gesture out of the East Germans, who are clearly defensive about their role in bringing Brandt down.

Brandt's resignation comes at a time when the Soviets already face the problem of adjusting to new personalities and politics in France and when they are showing growing concern about events in the US. These developments come at a time of more than normal political sensitivity in the Kremlin--a Central Committee meeting appears in the works for later this month.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

## PORtUGAL

The appearance of numbers of new political parties and groups has created a fluid political situation in Lisbon. A majority of the emerging organizations are leftist and include in their ranks returning political exiles, freed political prisoners, and others who are coming out of hiding after years of clandestine operations. The proliferation of these groups is making it difficult for the junta to decide who will participate in the provisional government it has promised to form by mid-May.

The new climate of political tolerance has also sparked many political demonstrations. A large one, for better pay and shorter hours, was held in front of junta headquarters. Last week, well-organized employee groups took over the telephone company, Lisbon's central market, and some local government bodies.

The junta reacted to such activity on May 5, issuing a toughly worded statement that such acts will be considered "insubordination and crimes against the Armed Forces Movement." The Portuguese Communist Party issued a similar warning, but even if it was sincere, the Communists do not control the extreme left. Concern is spreading in the business community that the country is headed for economic disorder.

Pessimism is not confined to the business community, but is also found in some West European union circles. Georges Debonne, the vice president of the International Confederation of Free Trade Unions, recently told a group of Western labor attaches that he is seriously concerned about the ability of Portuguese Socialist trade unions to compete with the better financed Communist unions. He said that he and other European labor leaders would soon visit Portugal to demonstrate their support for Socialist Party leader Mario Soares.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**USSR-SYRIA**

The statement issued at the end of Foreign Minister Gromyko's visit to Damascus suggests that the Soviets have moved somewhat closer to Syria's position on disengagement. The joint statement affirmed that disengagement "must be a step" toward total Israeli withdrawal from Arab lands occupied since 1967. This wording is weaker than earlier Soviet-Syrian pronouncements which made a tighter linkage between disengagement and complete withdrawal.

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Gromyko probably urged Damascus, nonetheless, to drive a hard bargain with the Israelis. [redacted]

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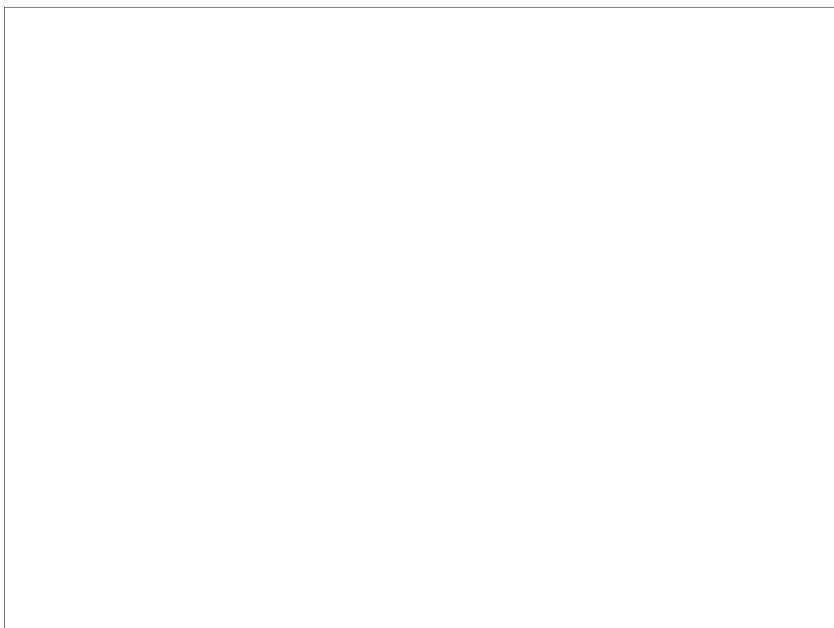
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*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

USSR-EGYPT

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*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**ISRAEL-SYRIA**

The level of fighting on the Syrian front yesterday was down substantially from that on Monday. Sporadic artillery and mortar exchanges occurred in several sectors, including Mount Hermon, but no air strikes or aerial engagements were detected. Israeli aircraft flew reconnaissance missions and defensive patrols, and Syrian aircraft were also detected flying defensive patrols.

Tel Aviv reported yesterday that the Syrians are still working on a road toward the ridgeline on Mount Hermon. Further Israeli air strikes and artillery bombardment can be expected if the Syrians persist in this effort.

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**LAOS**

The 60-day period for withdrawing foreign military personnel and exchanging prisoners, one of the most important provisions of the Lao Accords of 1973, is now half gone. Only the US and Thailand have withdrawn substantial numbers since April 5, when the period began with the formation of the coalition government.

The Joint Central Commission to Implement the Accords has done nothing about discharging its responsibility to monitor troop withdrawals and prisoner exchanges. It met for the first time on April 30; it did not outline any procedures on troop withdrawals or even take up prisoner exchange.

Thailand: Almost 70 percent of the small number of Thai volunteers have been withdrawn. The rest will be gone well before the June 4 deadline.

North Vietnam: Some 30,000 troops have been withdrawn since the Lao Accords were signed, but there is no good evidence that any of the remaining 53,000 have left since the 60-day withdrawal period began. About two thirds of these forces operate along the logistic network in central and southern Laos.

Hanoi eventually will probably remove most of its seven remaining combat infantry regiments from their highly visible positions in the Lao interior to North Vietnam, South Vietnam, or--more likely--Communist-controlled border areas from which they could be quickly reintroduced.

There is little chance that significant numbers of the North Vietnamese logistic and engineer forces will be withdrawn from the Lao infiltration corridor. Hanoi will almost certainly retain in Laos as many political and military advisers as it can to assist the Pathet Lao.

China: Since last fall, the Chinese have withdrawn all the infantry and air defense forces that were providing security for their road-building operations in northwest Laos. Some 23,000 engineering troops are currently in the country, a fairly large number for the limited amount of new road construction under way.

(continued)

*FOR THE PRESIDENT ONLY*

Peking's military presence was conspicuously ignored by both sides during the protracted Lao coalition negotiations. Prime Minister Souvanna wishes strongly to maintain good relations with Peking and is unlikely to exert any pressure to have the Chinese troops removed.

Peking may well try to characterize its remaining force as part of a civilian-oriented aid program. China clearly intends to continue to exert an influence in Laos, and it may consider its road construction and maintenance forces a useful counterweight to North Vietnamese forces.

Prisoners: The Pathet Lao admit to holding only one American--civilian contract pilot Emmet Kay, who was captured on May 7, 1973. Five US military personnel are believed also held, and 305 Americans are listed as missing. The US Embassy in Vientiane believes between 500 and 700 Thai volunteers, and perhaps a small number of Thai civilians employed by US contractors, are in Pathet Lao hands.

Vientiane holds an estimated 135 North Vietnamese; neither side has admitted it holds Lao prisoners. The Communists have suggested that they will provide information on prisoners and those missing, but thus far they have refused to say when.

*FOR THE PRESIDENT ONLY*

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MBFR

The Soviet proposal put forward on November 8 and subsequent remarks by Warsaw Pact negotiators reflect strong opposition to Western concepts that would require asymmetric reductions in Pact and NATO forces. Moscow has, however, shown some flexibility on its own proposal.

--A limitation on West European--particularly West German--forces is a key Soviet concern. Moscow probably would accept only token reductions of these forces in the first stage if it were satisfied with other elements of the negotiated package.

--The Soviets might even accept a first-stage freeze on West European forces if they were assured that movement to the second stage of reductions--where meaningful cuts in those forces would be made--would be swift and certain.

Soviet conduct over the past six months has borne out the earlier judgment that the Soviets see some important advantages for themselves in the force reduction negotiations and will approach them seriously. Even after a European Security Conference is held, the Soviets will seek to sustain the momentum of the force reduction talks. They are not, however, negotiating under any sense of urgency.

*FOR THE PRESIDENT ONLY*

## ETHIOPIA

Moderate military leaders appear content not to take a more active hand at this time, but internal dissensions within Prime Minister Endalkatchew's cabinet could set off a new round of political shifts.

Foreign Minister Minassie Haile has tendered his resignation. He has long been at odds with Endalkatchew and his other cabinet colleagues; he is particularly angry at the forced resignation of his brother-in-law, the minister of telecommunications, last week on unproven charges. Minassie is one of the few holdovers from the previous government.

At the other end of the cabinet's political spectrum, two reform-minded ministers have also threatened to resign. They not only consider the cabinet too conservative, but apparently think that if the present government goes while they still hold office, their careers may also be damaged.

The cabinet has not been functioning well for weeks. The need to cope with problems generated by civil unrest has kept its members locked in unproductive, day-long sessions and away from their ministries. It is now clear that differences among the ministers have also curtailed the cabinet's ability to reach decisions.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

NOTES

Uruguay: The military, which has been primarily responsible for governing the country for over a year, seems increasingly likely to depose President Bordaberry.

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France:

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# The President's Daily Brief

May 9, 1974

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exemption category 5B(1)/(2)(3)  
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THE PRESIDENT'S DAILY BRIEF

May 9, 1974

PRINCIPAL DEVELOPMENTS

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The Soviets

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(Page 1)

Prime Minister Trudeau's minority government was toppled when his New Democratic allies abandoned him in the belief that his economic policies were becoming an electoral liability. A hard-hitting campaign is expected to precede elections in early July.  
(Page 2)

The military situation in Cambodia is discussed on Page 3.

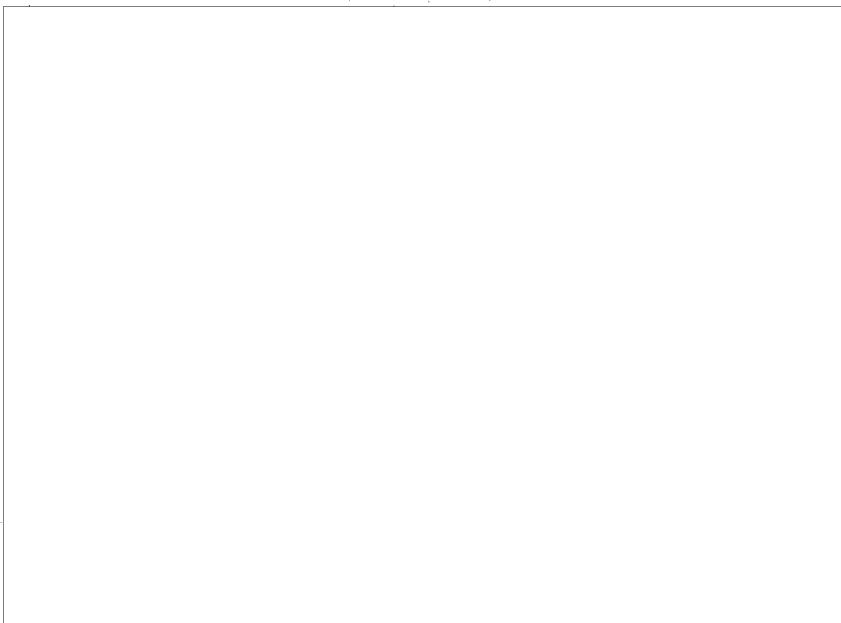
The Pluton surface-to-surface missile is now operational with one French artillery regiment. (Page 4)

Notes on the USSR, Israel-Syria, Guyana, China, and Iceland begin on Page 5.

*FOR THE PRESIDENT ONLY*

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USSR



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**FOR THE PRESIDENT ONLY**

**CANADA**

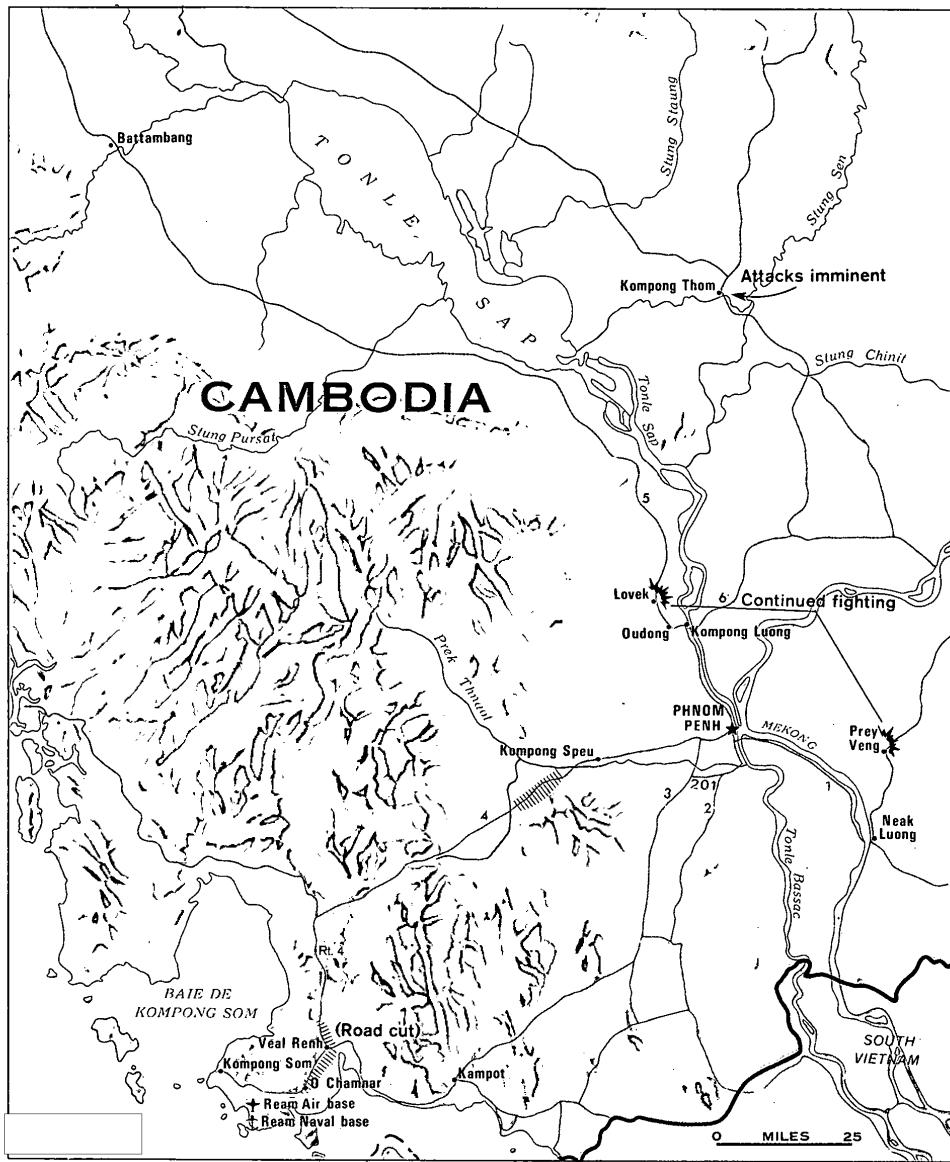
Prime Minister Trudeau's minority government was toppled last night when his New Democratic allies joined the Progressive Conservatives to reject the government's budget message. Trudeau is expected today to ask Governor-General Leger to dissolve parliament and set elections for early July.

The Liberal - New Democratic Party alliance had been showing signs of strain for several months. In face of increasingly effective criticism of government economic policies by the Conservatives, the New Democrats reassessed their position and decided to dump the Prime Minister. Many New Democrats believed that continued association with his economic policies was becoming an electoral liability.

The tone of the budget debate suggests a hard-hitting election campaign. The dominant issue will be inflation; cost-of-living rose 9.1 percent in 1973 and is running at about 10 percent this year. It seems unlikely that either the Liberals or the Tories will be able to win a majority of the parliamentary seats in July, but much will depend on how the electorate reacts to Trudeau's performance during the campaign. In 1968, his colorful style caught the voters' imagination and he led the Liberals to an overwhelming victory. In 1972, however, he chose to run a more subdued campaign and his aloofness contributed significantly to heavy Liberal losses.

The course of Canadian-US relations should remain unaffected by the results of the election. All parties favor, to one degree or another, Ottawa's present policy of trying to achieve greater independence from the US.

**FOR THE PRESIDENT ONLY**



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*FOR THE PRESIDENT ONLY*

**CAMBODIA**

Combat continues on widely separated fronts as the Khmer Communists press their campaign against government holdings in the countryside.

In the far southwest, the Communists have attacked government positions along a 20-mile stretch of Route 4 east of the port city of Kompong Som. Government casualties have been relatively light, but four 105-mm. howitzers were lost when the insurgents occupied the small towns of Veal Renh and O Chamnar. Communist strength in this area is not great, and there is no immediate threat to the nearby naval and air bases at Ream. The government nonetheless is reinforcing Ream with units from Kampot.

Closer to Phnom Penh, the base at Lovek remains the target of sporadic artillery and mortar fire. Communist ground pressure has slackened, however, and Lovek's defenders are making cautious efforts to expand their defensive perimeter. East of Phnom Penh, fighting at the provincial capital of Prey Veng has now settled into a familiar pattern of ground probes and shellings.

Kompong Thom, 75 miles north of Phnom Penh, may be the next provincial capital to come under heavy pressure. A recent intercept showed Communist plans to attack the city's outlying defenses within the next few days. The Communists have been preparing for a push against Kompong Thom since early March and may have as many as 3,000 troops in the area. The government garrison of 3,500 men is braced for the attacks.

*FOR THE PRESIDENT ONLY*

**French Pluton Missile on Launcher Vehicle**



555829 5-74 CIA

*FOR THE PRESIDENT ONLY*

**FRANCE**

The Pluton surface-to-surface missile is now operational with one French artillery regiment, according to an armed forces announcement. Five additional regiments are each scheduled to receive six launchers. The Pluton will provide nuclear fire support to French ground forces. Mounted on a modified AMX-30 tank chassis

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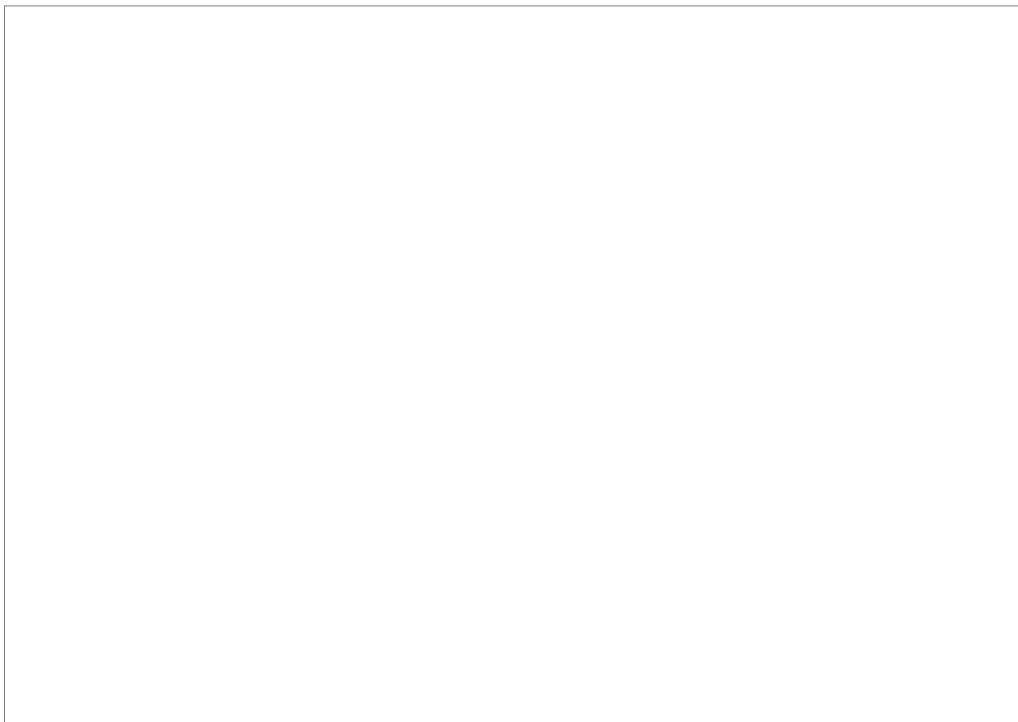
The West Germans have been concerned that the French might use the Pluton against hostile forces on West German territory without their permission. The missile does not have the range to reach beyond West Germany without being moved into it, and Paris has never negotiated the arrangements for doing so with Bonn.

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*FOR THE PRESIDENT ONLY*

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**FOR THE PRESIDENT ONLY**

**NOTES**

USSR: [redacted]

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Israel-Syria: Fighting on the Syrian front was light for the second consecutive day. Only sporadic tank and artillery fire occurred along the front. Israeli air activity was also light, with flights restricted to reconnaissance missions and defensive patrols. Israeli aircraft continued to conduct reconnaissance flights near Mount Hermon, presumably to monitor Syrian road-building activity there.

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Guyana: Prime Minister Burnham [redacted] will soon begin nationalization procedures against Reynolds Guyana Mines, a US-owned bauxite producer. The Reynolds operation, covered by \$14.3 million in OPIC insurance, is the only privately owned bauxite facility still functioning in Guyana; a much larger one owned by Alcan was nationalized in July 1971. The government is likely to compensate Reynolds, at least partially.

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China: Prospects for this year's early grain harvest, which provides China with almost two thirds of its total, are generally unfavorable. Last fall the planting of winter crops was hampered by bad weather, and the winter and spring were the coldest and driest in recent years. Lingering cold has in the past sometimes been a harbinger of more serious trouble--north China has been deluged by torrential monsoon rains, while the normally wet south has been stricken by drought.

(continued)

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

Iceland: Prime Minister Johannesson dissolved parliament early this morning and called elections for June 30. His government collapsed over anti-inflation measures he called for without consulting his coalition partners, the Liberal Left Organization and the Communists. The election will probably return to power the Social Democratic and Independent parties. Such a coalition is expected to be more inclined to negotiate a base agreement that will enable the US to maintain a sizable force at Keflavik.

*FOR THE PRESIDENT ONLY*

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# The President's Daily Brief

May 10, 1974

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exemption category 5B(1),(2),(3)  
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**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

May 10, 1974

**PRINCIPAL DEVELOPMENTS**

US diplomats at the Conference on Security and Cooperation in Europe suggest that heads of government from most of the participating states will attend to sign a final agreement. Unless there is major progress soon, however, the final stage may not get under way until fall. (Page 1)

After a two-day lull on the Golan front, Israeli planes yesterday attacked targets in the Mount Hermon area and fedayeen concentrations in southern Lebanon. (Page 2)

Those in Spain who oppose Franco's tight control are drawing encouragement from events in Portugal. Spanish officials, however, are disturbed and see further reason to proceed cautiously with the liberalization program. (Page 3)

The Vietnamese Communists reportedly have accepted a French offer to raise the level of the Viet Cong representation in Paris from information office to diplomatic mission. (Page 4)

Pilots of two US helicopters reported tracer fire from North Korea yesterday while flying a routine reconnaissance mission south of the demilitarized zone. One helicopter was damaged but landed safely. (Page 5)

Malaysia and China plan to announce establishment of diplomatic relations this month. (Page 5)

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

CSCE

The US delegation to the Conference on Security and Cooperation in Europe believes that heads of government from most of the participating countries will attend the third phase of the conference to sign a final agreement. Because the participants are divided on the question of the level of representation, and because this issue must be decided by consensus, the most likely agreement will be to allow each country to determine its own level.

At present, most West European governments doubt that the achievements of the conference will warrant a concluding session at the summit level. If leaders of the Warsaw Pact and the nonaligned nations decide to attend, however, West European leaders would find it hard not to go too.

The Soviets still have not made major concessions on free movement of people and ideas, however, and West European delegations are now more pessimistic than ever that the conference can be concluded quickly. If the West continues to hold out for these concessions, some time in the fall--perhaps October--would appear the earliest possible time for the final session.

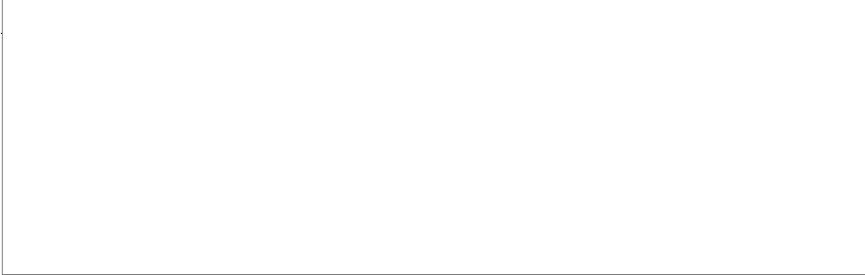
*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**ISRAEL-SYRIA**

Israeli aircraft flew combat missions yesterday after a two-day lull, attacking targets in the Mount Hermon area and fedayeen concentrations in southern Lebanon. The strikes were apparently intended to prevent the Syrians from completing a road to the top of the mountain, and to keep the fedayeen from attacking Israeli supply convoys. Both sides flew defensive patrols and exchanged sporadic artillery and mortar fire.

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*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**SPAIN-PORTUGAL**

Those in Spain who oppose Franco's tight control are drawing encouragement from events in Portugal. These same events have greatly disturbed conservative Spanish officials, who now see further reason to proceed cautiously with Premier Arias' liberalization program.

These different viewpoints have been aired in public speeches and in the Spanish media. Initial press coverage of General Spinola's takeover was uniformly favorable. Some Spanish newsmen are still stressing the junta's intention to democratize Portugal, presumably in the hope that desired inferences will be drawn in Spain. Others, however, have begun to focus on the danger that events in Portugal may get out of control because of the increasing influence of the left.

The debate in Spain is likely to grow more intense. Yesterday, Spanish police routed thousands of Madrid University students who were demonstrating their enthusiasm for the new regime in Lisbon. Spanish conservatives are sure to point to such disorders to drive home the dangers of a sudden relaxation of controls.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**FRANCE-VIETNAM**

The Vietnamese Communists reportedly agreed late last month to a long-standing French offer to raise the level of Viet Cong representation in Paris from an information office to a diplomatic mission with some immunities and privileges. This arrangement falls far short of the Communists' original demand for embassy status and for relations matching those France has with Saigon.

The Communists apparently have decided they need something they can represent as a diplomatic victory, however small. They can be expected to hail the move as a sign of the enhanced international status of the Provisional Revolutionary Government.

[redacted] The French, however, are not likely to grant full status any time soon.

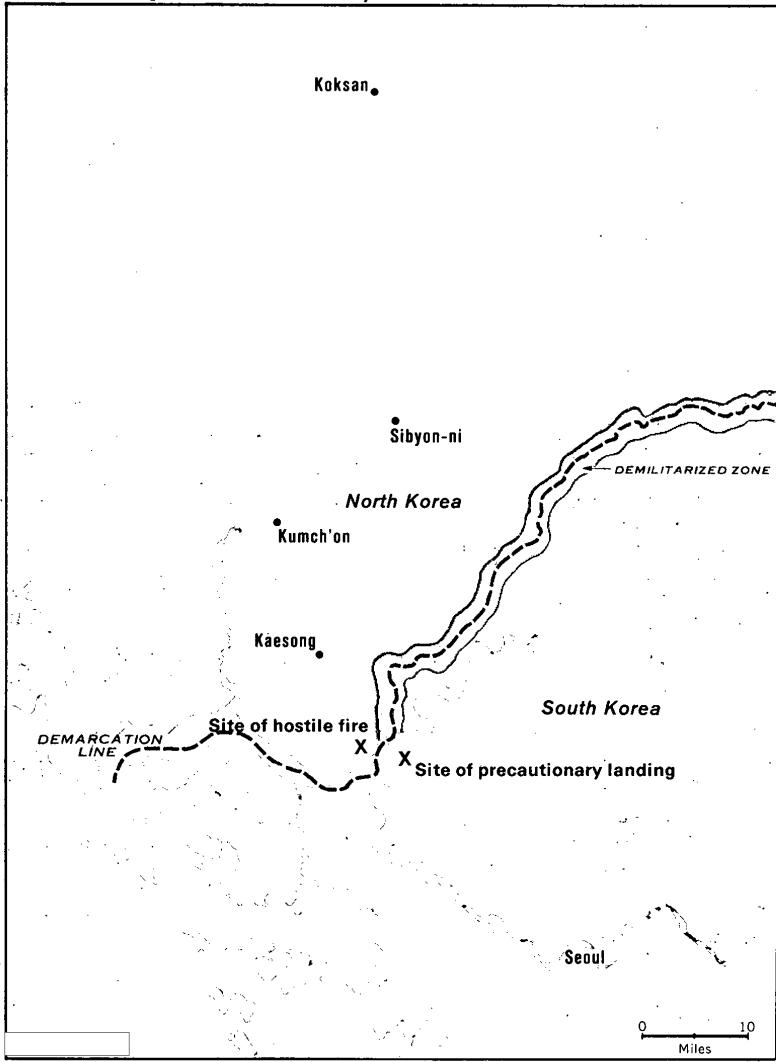
The agreement will probably not be announced until after the French election on May 19. The deal is likely to go through no matter who wins the election.

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*FOR THE PRESIDENT ONLY*

**U S Helicopters Harassed by Fire**



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*FOR THE PRESIDENT ONLY*

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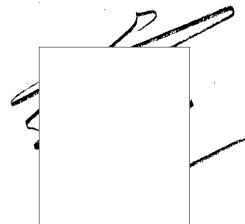
Korea: Two pilots of two US helicopters reported tracer fire from North Korea early yesterday morning while flying a routine reconnaissance mission south of the demilitarized zone. One helicopter sustained minor damage and made a precautionary landing. Preliminary reporting indicates that the helicopters were over South Korean territory when fired upon and that they never violated North Korean airspace. Pyongyang claimed last night that the South Koreans had sent a helicopter on an espionage mission over North Korean territory near the Imjin River estuary, where it drew fire from ground forces. The incident is certain to draw countercharges from Seoul, but neither side is likely to take any additional action.

Malaysia-China: Following long negotiations at the UN, Malaysia and China plan to issue a joint communiqué announcing mutual diplomatic recognition later this month. Malaysia will be the only member of the Association of Southeast Asian Nations to have established diplomatic relations with Peking. Other members are not likely to follow this lead soon. Indonesia and Singapore have strong reservations about ties with Peking; the new civilian leadership in Thailand is following a measured pace in resuming a dialogue with the Chinese; and the Philippines, despite President Marcos' interest, is in no hurry to move ahead.

*FOR THE PRESIDENT ONLY*

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# The President's Daily Brief

May 11, 1974

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exemption category 5B(1)(2)(3)  
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*FOR THE PRESIDENT ONLY*

**THE PRESIDENT'S DAILY BRIEF**

May 11, 1974

**PRINCIPAL DEVELOPMENTS**

Fighting on the Syrian front was moderate yesterday; Israeli aircraft reportedly attacked guerrilla concentrations in southern Lebanon. (Page 1)

Leaders of the major fedayeen groups reportedly have agreed to support the establishment of a Palestinian state composed of Jordan's West Bank and the Gaza strip. (Page 2)

In Israel, Labor Party leaders have authorized prime minister-designate Rabin to try to form a coalition with two minor liberal parties, a move that may permit formation of a new government within the coming week. (Page 3) 25X1

Soviet

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(Page 4)

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All of Europe has been shocked by Chancellor Brandt's resignation. (Page 5) 25X1

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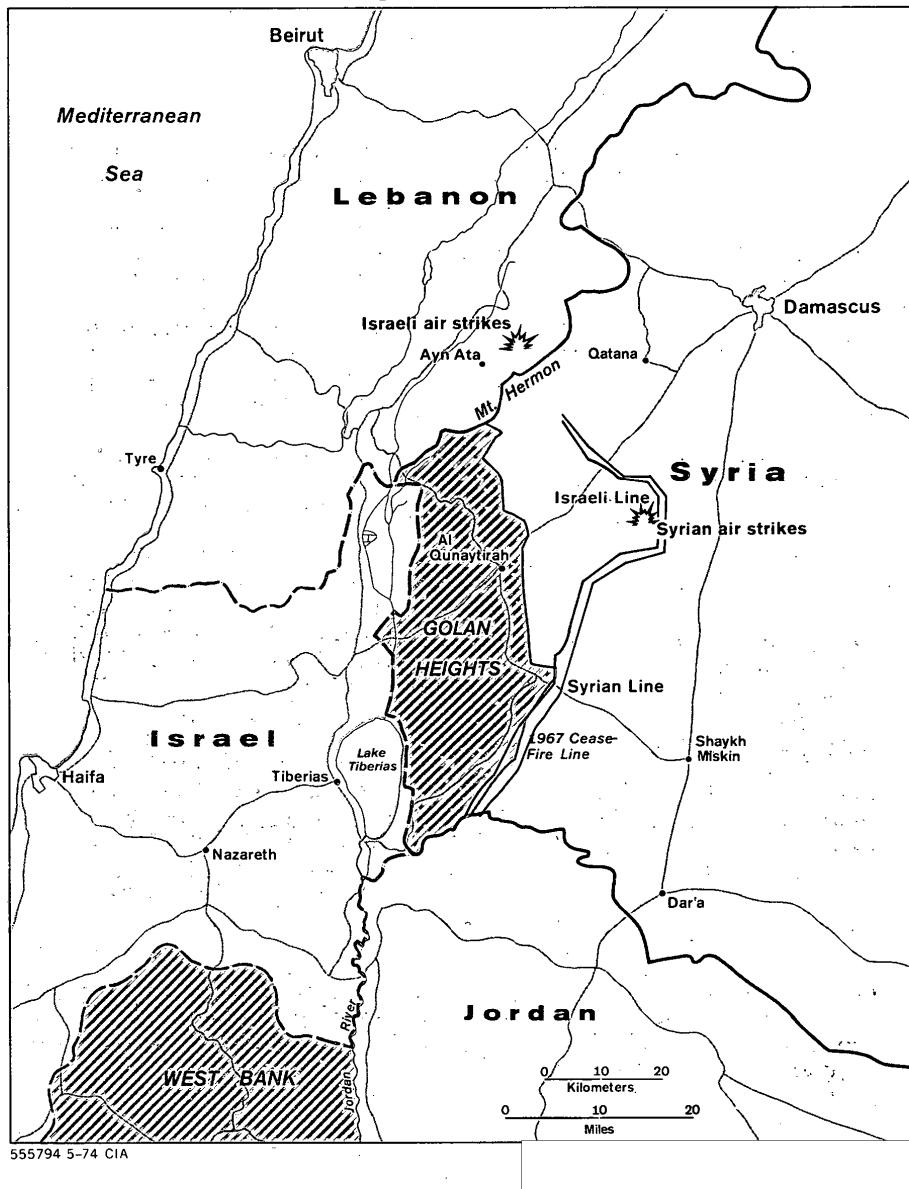
The Viet Cong yesterday pulled out of the two-party military talks in Saigon, apparently in retaliation for South Vietnam's boycott of political discussions in Paris two weeks ago. (Page 7)

Khmer Communist "defense minister" Khieu Samphan has reiterated that his side will not talk with the Phnom Penh government. (Page 8)

Arms competition between Peru and Chile continues as each worries that the other has aggressive intentions. (Page 9)

*FOR THE PRESIDENT ONLY*

### Syrian Front



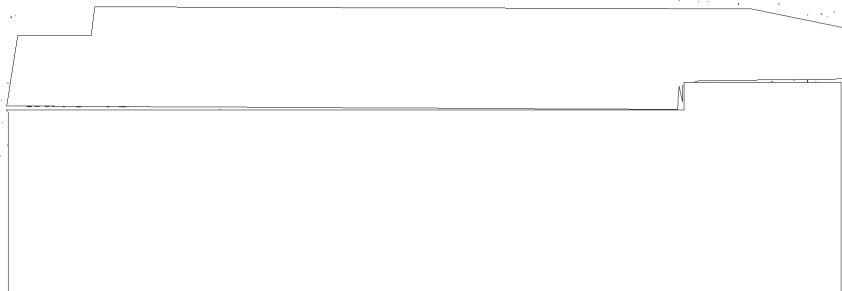
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*FOR THE PRESIDENT ONLY*

**ISRAEL-SYRIA-USSR**

Fighting on the Syrian front was moderate yesterday. Israeli aircraft attacked again near Mount Hermon; according to Tel Aviv, the targets were guerrilla concentrations in southern Lebanon. Syrian planes struck inside the Israeli-held salient. Tank, artillery, and mortar fire also was exchanged.

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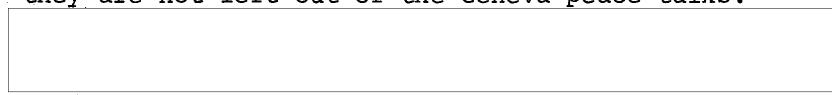
**FEDAYEEN**

Leaders of the major fedayeen groups--Fatah, the  
Syrian-backed Saipa, the Popular Democratic Front  
for the Liberation of Palestine, and the extremist  
Popular Front for the Liberation of Palestine--agreed  
[redacted] to support  
the establishment of a Palestinian state made up of  
Jordan's West Bank and the Gaza strip.

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The leaders believe that they must push their  
plan aggressively before a Syrian-Israeli disengagement  
agreement is concluded in order to make sure  
they are not left out of the Geneva peace talks.

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*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**ISRAEL**

Labor Party leaders have authorized prime minister - designate Rabin to try to form a coalition with two minor liberal parties--the Citizens Rights Movement and the Independent Liberal Party. Such a coalition would command a one-vote majority in the Knesset and would have the prospect of additional votes on vital security issues.

Labor left other options open, including the formation of a minority government. The leadership, also looking at the possibility of a broader coalition, agreed to continue contacts with the National Religious Party, although it agreed not to offer any further concessions on the religious conversion issue.

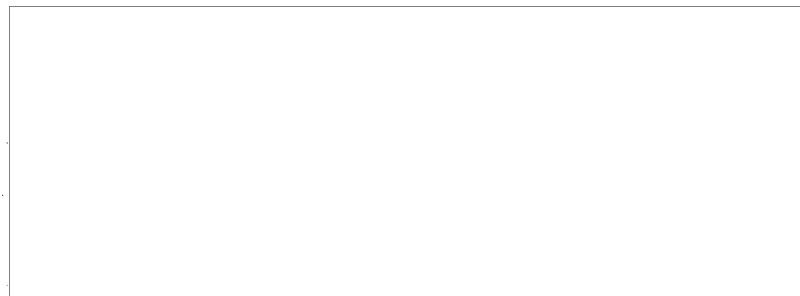
The Labor Party's decision overrode Prime Minister Meir's objections to a coalition with the small Citizens Rights Movement. Mrs. Meir has agreed, however, to support a Labor-Liberal coalition should Rabin be successful in forming one.

If, as seems likely, the party's central committee ratifies the leadership's decision on Sunday, Rabin will have a party mandate flexible enough to permit formation of a government within the coming week.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**USSR - LATIN AMERICA**



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*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**EUROPE - WEST GERMANY**

All of Europe has been shocked by Chancellor Brandt's resignation, particularly since it comes on the heels of Heath's defeat, the hardening UK attitude toward the Common Market, Pompidou's death, and uncertainty in Italy.

The French worry that Schmidt regards relations with the US as more important than relations with France. Some of Giscard's supporters, too, are citing the Guillaume case as an example of the danger of Communist participation in a Mitterrand government.

Swedish Prime Minister Palme has lashed out at the East Germans, accusing them of undermining Brandt's goals. The other East Europeans have made no effort to conceal their worry about the future of detente. As the Yugoslavs put it, "the harm done to peace in Europe is much greater than the usefulness of the information supplied."

*FOR THE PRESIDENT ONLY*

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WEST GERMANY

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*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**VIETNAM**

The Viet Cong yesterday pulled out of the two-party military talks in Saigon. The move was apparently intended as retaliation for South Vietnam's boycott of political discussions in Paris two weeks ago.

The South Vietnamese had also suspended the diplomatic privileges of the Viet Cong's military delegation in Saigon. The South Vietnamese had taken these actions in turn to protest the Communist capture of a border outpost and a general rise in the tempo of Communist military action.

Both sides have been exchanging rhetoric over who is responsible for the erosion of the cease-fire agreement, and each has left itself room to reconvene both the Saigon and Paris talks whenever the two wish.

The Viet Cong are apparently maintaining their delegation in Saigon, and they have stated that they are prepared to resume the two-party military talks once the GVN restores the privileges and freedom of movement of the Communist delegation.

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

**CAMBODIA**

Khmer Communist "defense minister" Khieu Samphan, now concluding a tour of a number of European and African countries, continues to take a hard line on negotiations. Samphan has reiterated in the course of his travels that the Communists would not talk with the Phnom Penh government, "no matter how the current dry season offensive turns out." The Communist leader boasted that the insurgents control "90 percent" of Cambodia's territory and thus have no reason to negotiate.

Looking ahead, Samphan reportedly has claimed that after a Communist victory in Cambodia he would eventually replace Sihanouk as "chief of state." Samphan has said that the Prince would be allowed to return to Cambodia in a purely figurehead capacity--an arrangement which the Prince allegedly accepts.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**NOTE**

Peru-Chile: Arms competition between Peru and Chile continues as each worries that the other has aggressive intentions. A Soviet arms carrier, delivering tank-related equipment and probably T-55 medium tanks, unloaded at Lima's port of Callao on May 9. Peru received 35 tanks last November, and more reportedly are on order. Meanwhile, Chile has apparently had some success in acquiring additional combat aircraft to counter what it views as an alarming military buildup in Peru.

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## The President's Daily Brief

May 13, 1974

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exemption category SB(1),(2),(3)  
declassified only on approval of  
the Director of Central Intelligence

*FOR THE PRESIDENT ONLY*

THE PRESIDENT'S DAILY BRIEF

May 13, 1974

PRINCIPAL DEVELOPMENTS

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	25X1
Laos	(Page 1)

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bodia (Page 2) 25X1

Fedayeen leaders are continuing the meetings begun last week to complete agreement on settlement issues.  
(Page 3)

The press of domestic business may have forced aging Premier Chou En-lai to cut back on protocol duties.  
(Page 4)

Fighting was light on the Golan front over the weekend.  
(Page 5)

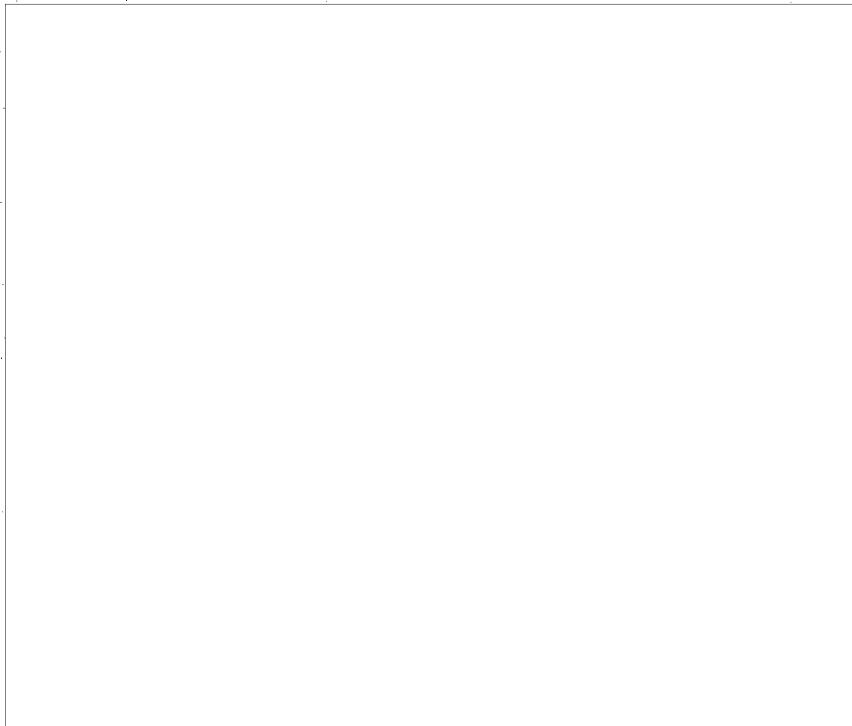
In Portugal, consultations between the ruling junta and a wide range of political leaders have increased as the junta prepares to name a provisional government this week. (Page 5)

*FOR THE PRESIDENT ONLY*

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LAOS

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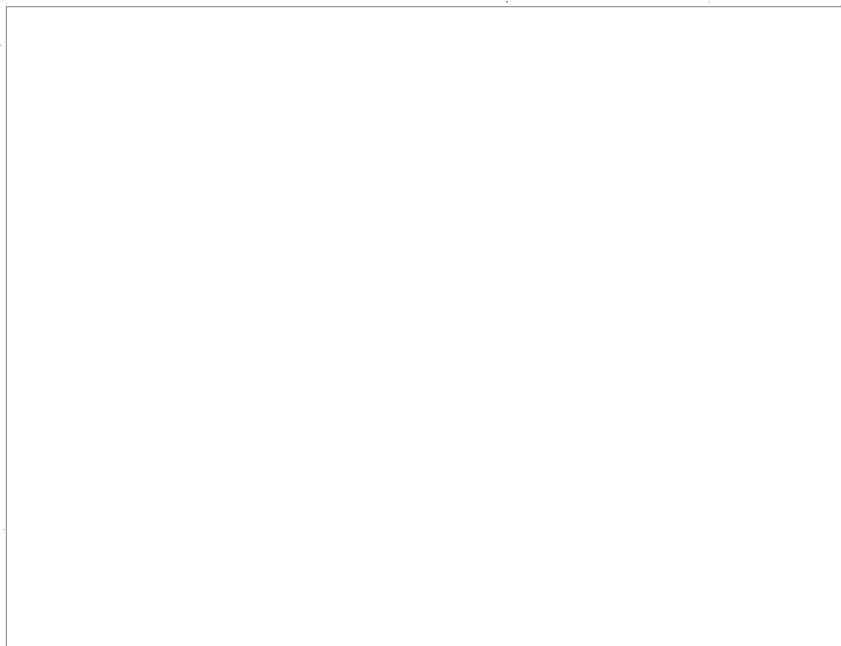
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**VIETNAM-CAMBODIA**



*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**FEDAYEEN**

Fedayeen leaders are continuing the meetings begun last week to complete agreement on settlement issues. Significant differences apparently remain over whether to attend the Geneva conference and work for the establishment of a Palestinian state made up of the West Bank and Gaza, despite a report late last week that agreement had been reached on these issues. The meetings are being attended by leaders of all fedayeen organizations except Ahmad Jabril, head of the Popular Front for the Liberation of Palestine-General Command, which carried out the April massacre on the Israeli village of Qiryat Shemona.

Agreement on going to Geneva and accepting a truncated Palestinian state probably will hinge in large measure on the success of current Syrian-Israeli disengagement negotiations. Even if the leaders unanimously acquiesce on those two points, agreement by some of the radical fedayeen figures will be largely tactical. Such individuals as George Habbash of the Popular Front for the Liberation of Palestine will not easily lower their sights from the annihilation of Israel. They probably would agree to negotiate and to establish a Palestinian state only as short-term measures designed to gain time and avoid being left behind by more moderate fedayeen leaders.

*FOR THE PRESIDENT ONLY*

## FOR THE PRESIDENT ONLY

## CHINA

The press of domestic business may have forced aging Premier Chou En-lai to cut back on some of the ceremonial aspects of his dealings with visiting foreign dignitaries. A member [redacted] around Mao and Chou has suggested that the 76-year-old Premier may pass up some purely protocol duties to concentrate on more important matters.

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These comments were [redacted] in explanation of Chou's failure to attend a banquet on May 9 given by visiting Senegalese President Senghor. The official explanation was that Chou was feeling slightly indisposed, due primarily to old age.

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There is no reason to believe that Chou intends to pass up substantive discussions with foreign visitors. Indeed, Chou met with Senghor for several hours the afternoon before the banquet, at which time he reportedly apologized in advance for having to miss that evening's activity.

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Domestic politics appear to be making greater demands than before on Chou's time [redacted]. The anti-Confucius campaign is now characterized in the provinces by increasing factional strife that seems to reflect serious differences at the top over major policy and personnel issues. Judging from the more moderate tone of the propaganda in recent weeks and the steady flow of official instructions emphasizing the orderly conduct of the campaign, Chou seems to be devoting considerable time to this problem. If, at the same time, he is beginning to feel his age, a reduction in his ceremonial duties is not surprising.

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The Chinese are anxious to make it clear that Chou's lower public profile does not signal any change in his political status. The official party newspaper noted expressly that Bhutto was visiting China at Chou's invitation, and Vice-Premier Li Hsien-nien remarked at the Senghor banquet that he was speaking on behalf of the Premier.

**FOR THE PRESIDENT ONLY**

**NOTES**

Israel-Syria: Fighting was light on the Golan front over the weekend. Only sporadic artillery fire occurred in the Mount Hermon area and in other sectors of the front. Israeli air activity was restricted to defensive patrols and reconnaissance missions. No Syrian air activity was detected.

Portugal: Consultations between the ruling junta and a wide range of political leaders have increased as the junta prepares to name a provisional government this week. General Spinola is expected to be sworn in as President early this week and the provisional government will be named shortly thereafter. There is no evidence of serious dissension between the junta and the young officers who carried out the coup and who are now organized as the "Movement of the Armed Forces." For the time being the junta is making the decisions, and members of the Movement appear to be ensuring that no significant deviation from the junta's program develops, a task they may continue during the life of the provisional government.

**FOR THE PRESIDENT ONLY**

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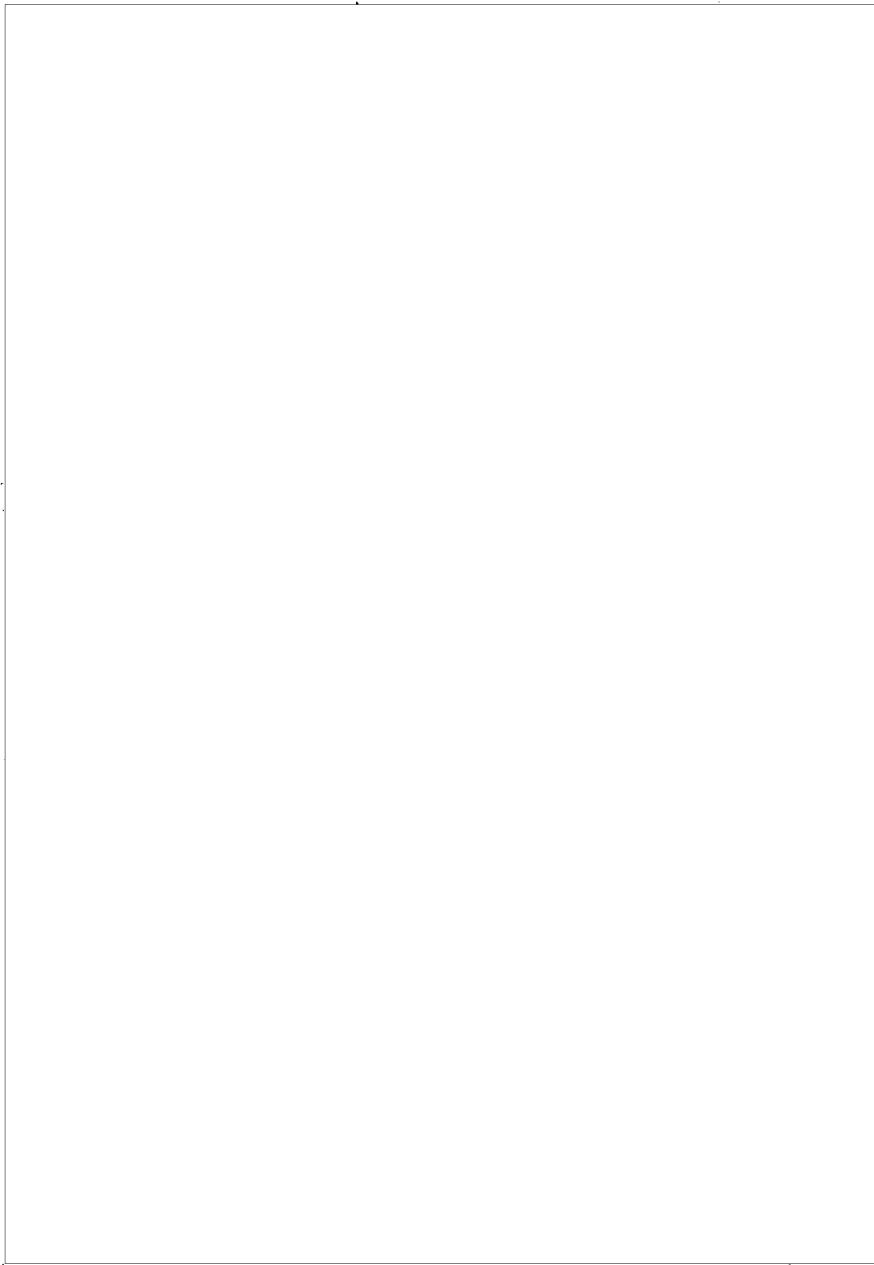
# The President's Daily Brief

*May 14, 1974*



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the Director of Central Intelligence



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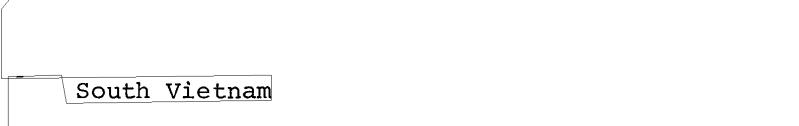
THE PRESIDENT'S DAILY BRIEF

May 14, 1974

PRINCIPAL DEVELOPMENTS

Fighting increased yesterday on the Golan front. UN observers reported heavy Syrian artillery fire east of Al Qunaytirah. Israeli planes struck targets in southern Lebanon. (Page 1)

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South Vietnam

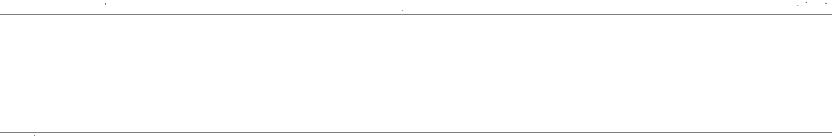
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Insurgent leaders in Portuguese Guinea announced yesterday that they are prepared for negotiations with Lisbon, cease-fire or not. The rebels in Portuguese Guinea are in a better position to win a political settlement from Lisbon than their counterparts in Angola and Mozambique. (Page 4)

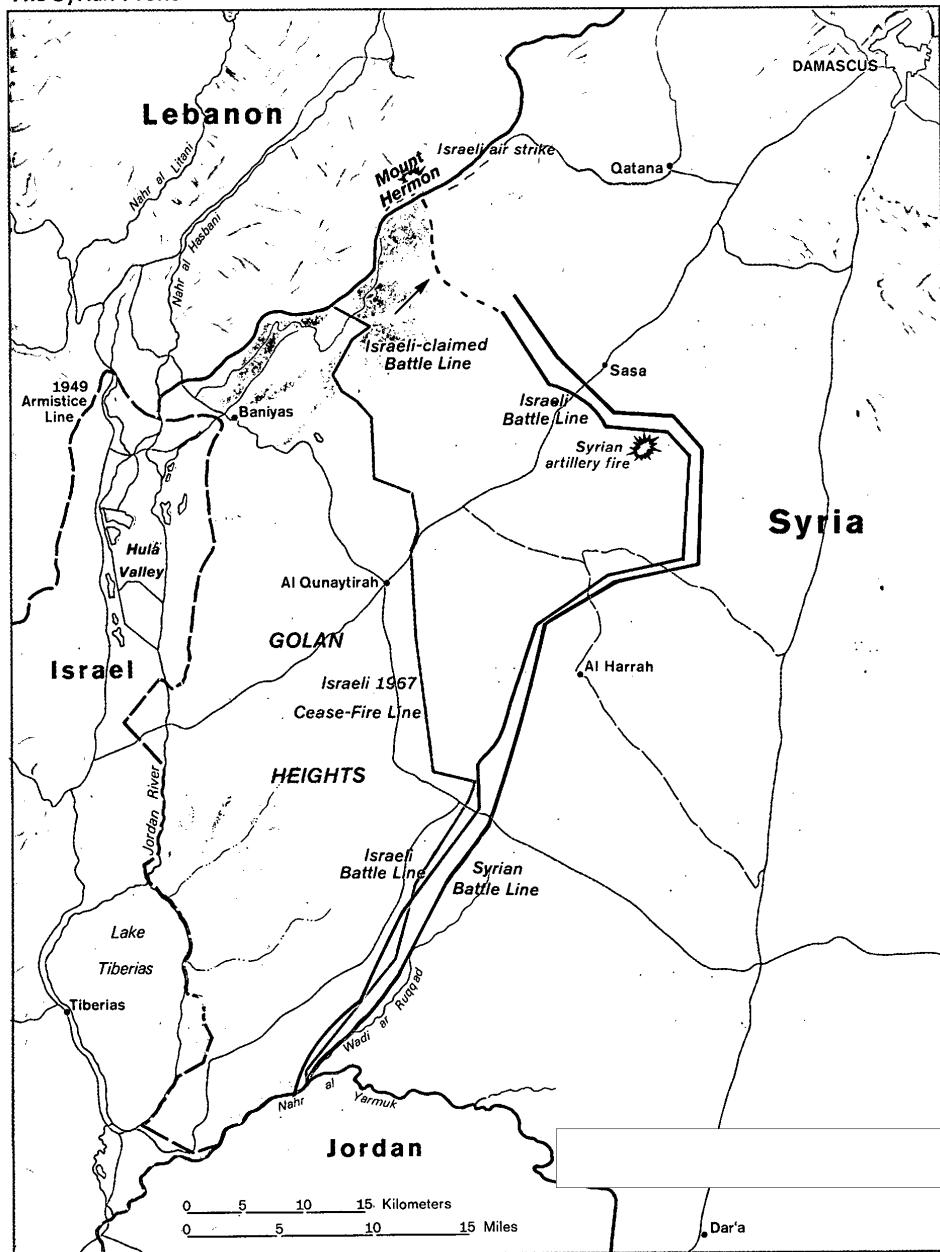
The Khmer insurgents have launched their anticipated push against the provincial capital of Kompong Thom, 75 miles north of Phnom Penh. Government defenders at Prey Veng, east of Phnom Penh, are holding their own against continued shelling and ground probes by the Communists. (Page 5)

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A note on USSR-Cuba appears on Page 5.

FOR THE PRESIDENT ONLY

The Syrian Front



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*FOR THE PRESIDENT ONLY*

**ISRAEL-SYRIA**

Fighting on the Golan front increased yesterday. Most of the firing was concentrated east of Al Qunaytirah, where UN observers reported heavy Syrian artillery fire.

For the first time since Friday, Israeli fighter-bombers yesterday struck targets in southern Lebanon. The strikes apparently were directed against fedayeen positions on the western slopes of Mount Hermon. No Syrian aircraft were reported active near the front.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**SOUTH VIETNAM**

COSVN has issued detailed plans for its "offensive phase" in South Vietnam during May and June.

The latest guidance [redacted] call for the heaviest attacks to occur after June 1. The bulk of the action apparently is to be concentrated against remote government outposts in an attempt to secure outlying areas and improve Communist access to heavily populated sections of the country.

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The two-month campaign is to cover several parts of South Vietnam, especially the delta and the provinces north and west of Saigon. Intense government counterattacks are anticipated. [redacted] the fighting is not intended to "rekindle the war" and not "all our armed forces will be used."

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[redacted] contains little new information on the Communists' intentions, but offers great detail on the scope, timing, and intensity of the campaign.

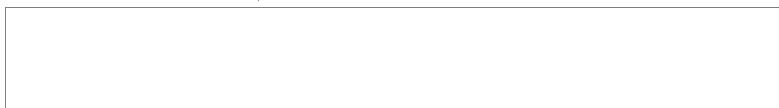
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The South Vietnamese are aware of the Communists' plans and have begun taking steps to counter them. A recent successful government operation against main-force units north and west of Saigon is an example, and plans to conduct similar operations elsewhere may take some of the muscle out of the Communists' punch.

*FOR THE PRESIDENT ONLY*

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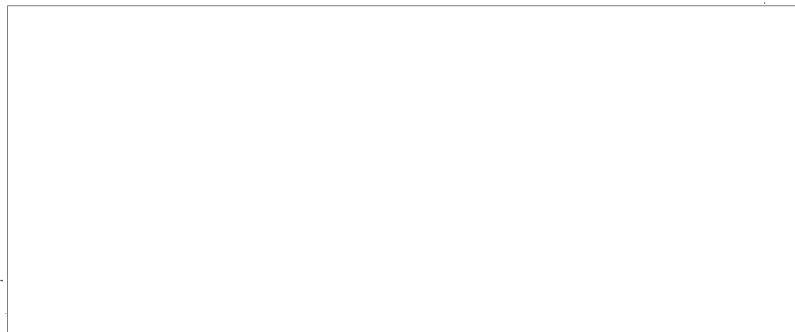
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*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

## PORtUGUESE AFRICA

Leaders of the insurgent movement in Portuguese Guinea announced yesterday that they are ready for an "immediate start of negotiations" with Lisbon "with or without a cease-fire."

The insurgents in Portuguese Guinea are in a good position to win a political settlement from Lisbon, which has no economic stake in the territory; there are few white settlers to resist a pull-out. The rebels have established a political structure that insurgent organizations in Angola and Mozambique do not have. Last fall the insurgents proclaimed the state of "Guinea-Bissau," which has been recognized by over 60 African, Communist, and other countries as well as by the Organization of African Unity. They hope to win UN membership at the next General Assembly session.

\* \* \*

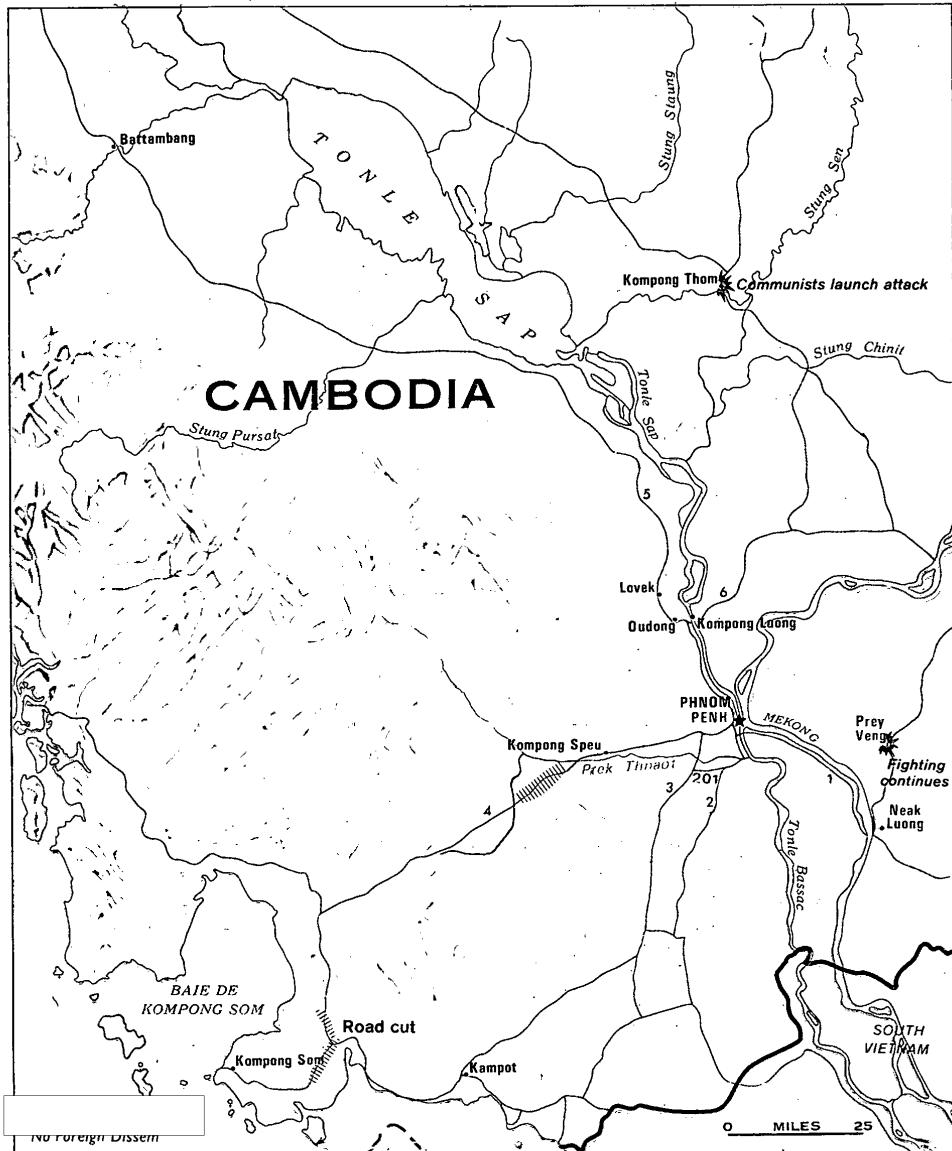
Unlike the rebels of Portuguese Guinea, representatives of liberation movements in Angola and Mozambique and the foreign ministers of the black African countries supporting them ended a meeting in Tanzania last Thursday pledging to "intensify the armed struggle" against Portugal. The foreign ministers of Zaire, Zambia, Tanzania, and Congo promised their governments' full support.

Despite the tone of the communiqué, the participants are far from united, particularly with respect to Angola. Presidents Mobutu of Zaire and Ngouabi of Congo support competing rebel groups there.

The Portuguese do not feel pressed to strike any bargains with the Angolan rebels. Insurgent activity in the territory has been at a low ebb for the past several years.

In Mozambique, the insurgents have resumed fighting after a lull to assess the Portuguese coup. Since the first of the year, the rebels have steadily infiltrated and attacked areas heavily populated by white settlers. The settlers have reacted with strong demands for better protection. So far, the Portuguese military response has been ineffective.

*FOR THE PRESIDENT ONLY*



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*FOR THE PRESIDENT ONLY*

NOTES

Cambodia: Khmer Communist forces have launched their anticipated push against the provincial capital of Kompong Thom, 75 miles north of Phnom Penh. Assaults against the city's outlying defenses have been repulsed, and the air force is ferrying reinforcements to Kompong Thom. East of Phnom Penh, insurgent gunners continue intermittent shelling of Prey Veng, while Communist infantry probes exposed government outposts. There are signs, however, that this Communist force is beginning to encounter supply problems. Government ammunition and food stocks are ample, and morale among the city's 4,000 defenders is high.

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Pakistan-Syria: [redacted]

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USSR-Cuba: [redacted]

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*FOR THE PRESIDENT ONLY*

*Top Secret*

Notes to DCI

5/15/74



## The President's Daily Brief

May 15, 1974

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Exempt from general  
declassification schedule of E.O. 14176  
exemptions category 5B(1)(2),  
declassified under authority of  
the Director of Central Intelligence

## THE PRESIDENT'S DAILY BRIEF

May 15, 1974

### PRINCIPAL DEVELOPMENTS

The new fedayeen terrorist action in Israel this morning will increase public pressure on Israeli leaders to avoid any concessions to Syria that might make Israeli settlements in the Golan Heights more vulnerable to terrorist attack. (Page 1)

Lebanese President Frangie has persuaded the Syrians to remove surface-to-air missile batteries from Lebanese territory near Mount Hermon, according to a source of the US embassy in Beirut. Military action of the Golan front was light yesterday. (Page 2)

The North Vietnamese have withdrawn their first major combat unit from Laos since the start of the 60-day countdown for foreign troop departures; the countdown began on April 5 with the formation of the coalition government. (Page 3)

A spokesman for the Portuguese military junta yesterday described as "constructive" an offer to negotiate by the insurgent movement in Portuguese Guinea. He said the rebel proposal would be considered by the new provisional government later this week. (Page 4)

Notes appear on Page 5 on the Libyan Prime Minister's visit to Moscow, the continuing standdown in Soviet arms deliveries to Egypt, [ ] Soviet [ ] and the wholesale resignations of Argentine police officers.

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FOR THE PRESIDENT ONLY

## ISRAEL

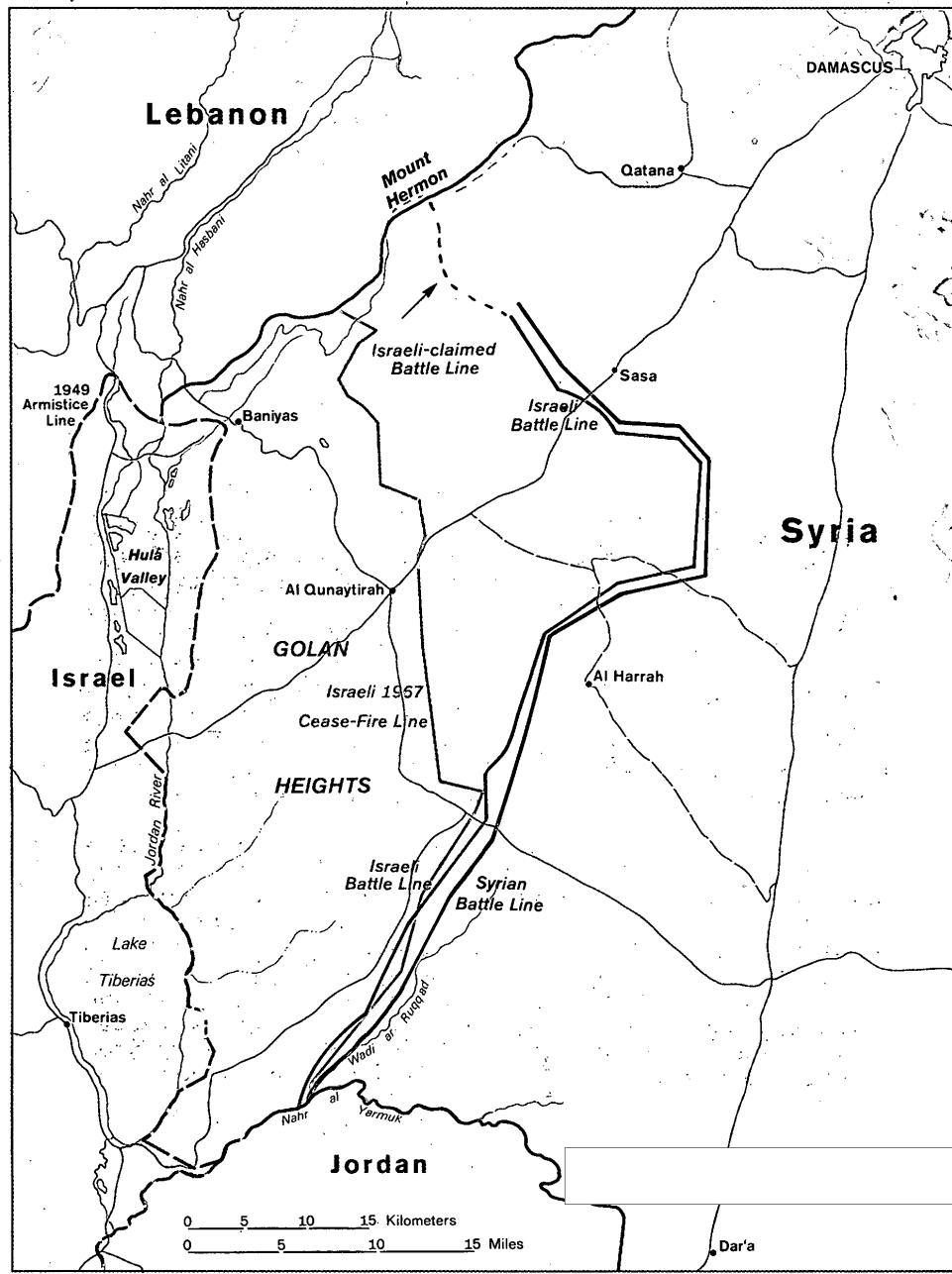
The new fedayeen terrorist action in Israel this morning is sure to increase public pressure on the Israeli government to avoid concessions to the Syrians that might make Israeli settlers on the Golan Heights more vulnerable to terrorist attack.

Arab guerrillas took a large number of Israeli secondary students hostage early today at a school in Mashov Maalot, a small farming cooperative in northern Israel. The terrorists, who have been surrounded by Israeli security forces, have threatened to kill their hostages unless the Israeli government releases some 20 to 30 imprisoned fedayeen by 6:00 p.m. Israeli time.

Earlier, the group is reported to have ambushed a vehicle carrying some Israeli Arabs, killing one person and wounding others. The terrorists presumably had entered Israel from southern Lebanon. Retaliatory Israeli action against fedayeen encampments in southern Lebanon is likely.

In the wake of this incident, Israeli security forces are sure to crack down harder on Arabs living in Israel and on the West Bank.

The Syrian Front



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## SYRIA-ISRAEL

Lebanese President Frangie has persuaded President Asad to remove Syrian surface-to-air missile batteries from Lebanese territory near Mount Hermon, according to a source of the US embassy in Beirut. The source speculated that Asad had agreed because he believes a disengagement agreement will be reached and because the missiles provided only minimal protection against Israeli aircraft. He added that Israeli air strikes against these batteries may have also been a factor in the Syrian withdrawal.

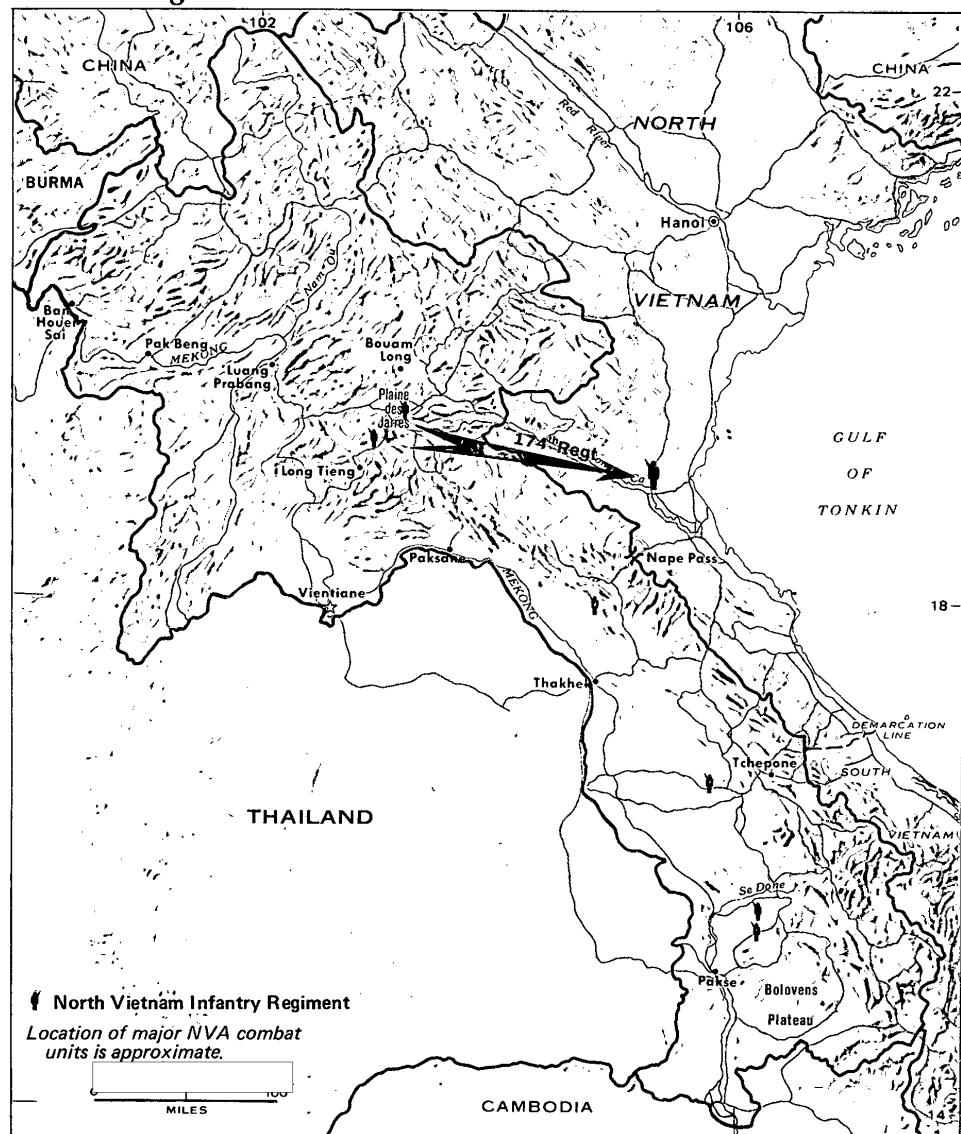
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Military action on the Golan front was light yesterday. Artillery fire was reported east of Al Qunaytirah and on Mount Hermon. [redacted]

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NVA 174<sup>th</sup> Regiment Leaves Laos



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## LAOS

Hanoi has withdrawn its first major combat unit from Laos since the start of the 60-day countdown for foreign troop departures, which began on April 5 with the formation of the coalition government.

Communications intelligence indicates that the North Vietnamese 174th Infantry Regiment withdrew from northern Laos to North Vietnam during mid-April and early May. The regimental headquarters was firmly located on May 8 in Nghe An Province in close proximity to its parent division and the division's other two infantry regiments. These latter units withdrew from northern Laos in mid-December 1973.

Two North Vietnamese independent infantry regiments are still in control of the strategic Plaine des Jarres in north Laos. Major elements of four other front-line North Vietnamese combat regiments are deployed in central and southern Laos. Sizable numbers of North Vietnamese logistic and engineer forces are located along the Lao infiltration corridor.

## PORtUGUESE AFRICA

A spokesman for the Portuguese military junta yesterday described as "constructive" an offer for negotiations announced Monday by the Portuguese Guinea insurgent movement. He said that the rebel proposal would be considered by the new provisional government later this week. The rebel offer included the condition that Lisbon recognize the right of independence for the "State of Guinea-Bissau" as well as for the peoples of Angola and Mozambique.

The new provisional government will find it difficult to accept all the conditions proposed by the rebels. It probably will make its response applicable only to Portuguese Guinea. The insurgent organizations in Angola and Mozambique do not have the political position of the insurgents in Portuguese Guinea, and the insurgents in Angola do not have the military strength of their counterparts in Mozambique and Portuguese Guinea.

## NOTES

Libya-USSR: Libyan Prime Minister Jallud was given a warm reception on his arrival in Moscow yesterday; both sides are seeking to give the impression of a new relationship. Jallud probably will be seeking more Soviet arms, as well as trade and economic development assistance. The Libyan Prime Minister will be banking for leverage on the difficulties that Tripoli and Moscow share in their worsening relations with Egypt, and their opposition to the dominant role of the US in the Middle East negotiations. The Egyptians are worried that a major arms pact between the two will tend to isolate Egypt politically and might result in a Soviet military presence in Libya.

USSR-Egypt: It is now more than four weeks since the USSR's last seaborne arms delivery to Egypt. Little, if any, military equipment has gone in by air. Despite the cutoff, the Egyptians probably have enough spare parts to maintain their Soviet equipment for several months. As for economic aid, the Soviets seem to be honoring existing commitments.

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USSR: [redacted]

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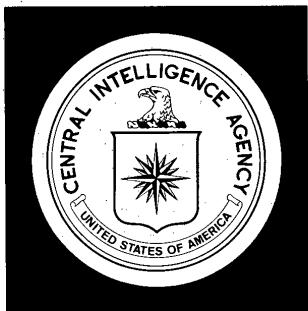
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Argentina: Wholesale resignations from the top ranks of the federal police will hamper attempts by the Peron government to counter terrorism. Seven police commissioners have quit, and 21 subordinate officers are planning to do so in protest against controversial appointments to the leadership of the 18,000-man force. Peron recently named two of his old-line rightist supporters as chief and deputy chief of the force. One is an expert on terrorism and appears to be reasonably well qualified for the job. The other is known mainly for his role as captain of the police morality squad during the military government. He reportedly was sacked after his men arrested several government officials.

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# The President's Daily Brief

May 16, 1974

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**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

May 16, 1974

**PRINCIPAL DEVELOPMENTS**

The terrorist attack on Maalot yesterday is almost certain to result in Israeli raids on fedayeen concentrations in southern Lebanon. Israel's ambassador has already warned that the incident will increase Israeli fears about "bringing tens of thousands of Arabs closer to Israel" in a Golan Heights agreement. (Page 1)

Portugal's 15-man cabinet announced yesterday by newly installed President Spinola contains Communists as minister of labor and minister without portfolio. The Socialist Party was given four portfolios, including the foreign ministry and the ministry charged with relations with Portugal's overseas territories. (Page 2)

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[Redacted] USSR and

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Japan [Redacted]

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[Redacted] (Page 4)

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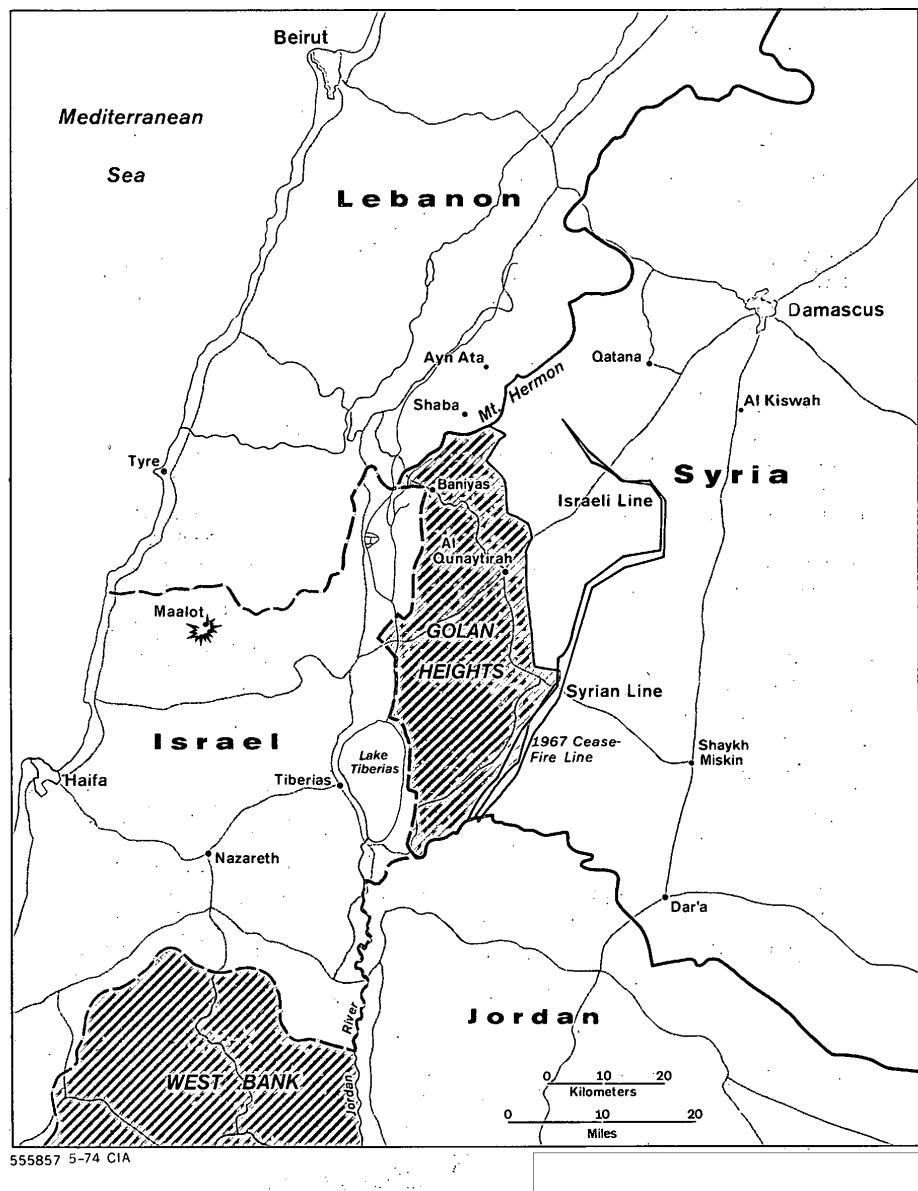
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**FOR THE PRESIDENT ONLY**



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**FOR THE PRESIDENT ONLY**

**MIDDLE EAST**

The attack on Maalot yesterday is almost certain to result in Israeli raids on fedayeen concentrations in southern Lebanon. These, in turn, will oblige Syria to offer rhetorical support for the terrorists and will cause a new diplomatic fracas between Israel and Lebanon.

Lebanon's prime minister has tried to parry Israeli charges that the attackers infiltrated Israel from southern Lebanon. A student released by the commandos states that the students believe that one of the guerrillas was an Israeli Arab who worked in Safed, the Israeli town from which the hostages had come. The Palestinian press also claims that the terrorists came from within the occupied areas. Whatever the truth of these claims, there is little doubt that the terrorists' mission was organized from outside Israel.

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Israel's ambassador in Washington has warned that the attack on Maalot will increase Israeli apprehensions over "bringing tens of thousands of Arabs closer to Israel" in a Golan Heights agreement. Such fears are widespread in Israel, where the government is again under attack for failure to halt the growing number of terrorist attacks and provide adequate security for Israeli border settlements.

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Ground activity was light with only scattered exchanges of artillery and mortar fire reported.

**FOR THE PRESIDENT ONLY**

FOR THE PRESIDENT ONLY

PORtUGAL

For the first time in Portuguese history, Communists are in the government.

A few hours after General Spinola assumed the presidency yesterday, the junta announced the members of the provisional government. Alvaro Cunhal, secretary general of the Communist Party, was named minister without portfolio; Communist Party member Avelino Pacheco Goncalves was named minister of labor.

The junta had indicated earlier in the week that Communist participation was essential to demonstrate the junta's dedication to open political participation.

The new prime minister is former bar association president Adelino da Palma Carlos, a wealthy lawyer and professor who is not aligned with any political party. The foreign ministry went to Socialist Party leader Mario Soares. Other Socialists receiving ministerial posts are: Antonio de Almeida Santos, minister of interterritorial coordination; Francisco Salgado Zenha, minister of justice; and Raul Rego, minister of information. The other eight portfolios were given to members of center parties or to persons who are apparently not aligned with any political group..

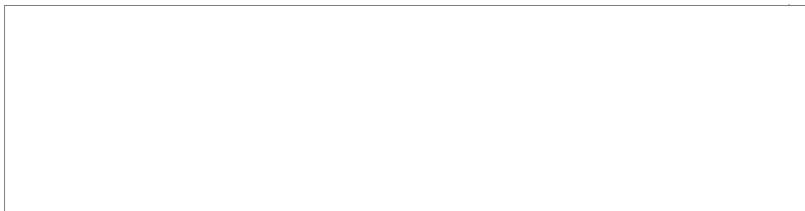
In his inaugural address, President Spinola warned against excesses and bestowed lavish praise on the Armed Forces Movement. He was especially complimentary to the "younger cadres" whose "nobility rescued the country from national tragedy." Although Spinola seems to be in control, this rhetoric may resurrect rumors that the junta is the hostage of the so-called Captain's Movement.

In contrast to the blandishments Spinola lavished on the younger officers, the junta announced yesterday that 42 senior officers had been placed on the reserve list, bringing to 66 the number of high-ranking officers who have been purged since the coup. Among those purged are several prominent conservatives who do not support Spinola's notions of self-determination for the African territories.

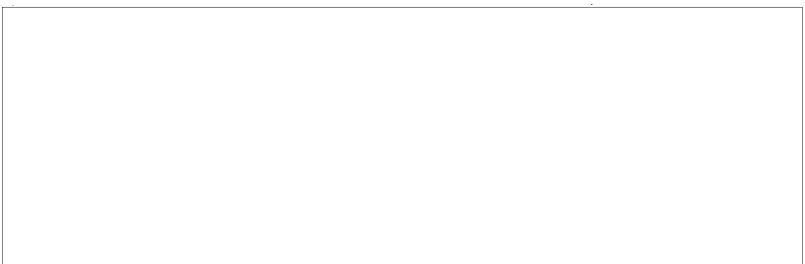
FOR THE PRESIDENT ONLY

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PAKISTAN-SYRIA



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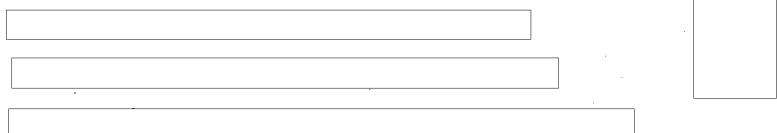
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USSR-JAPAN



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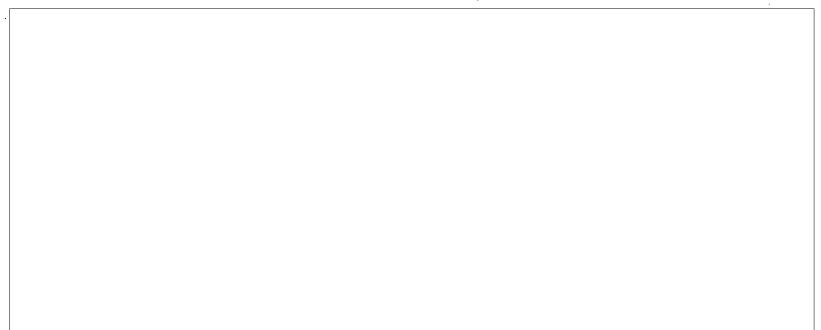
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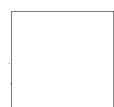
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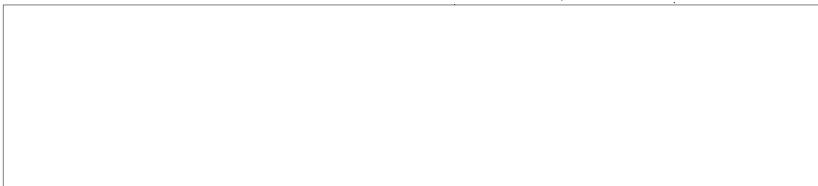


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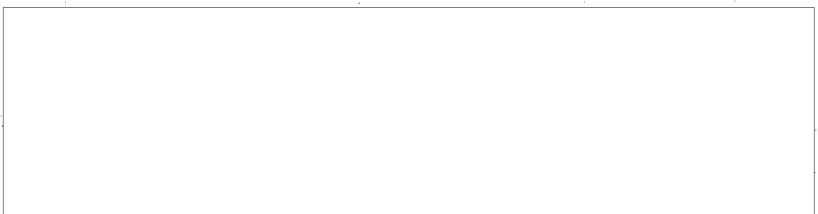
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CHINA-BURMA



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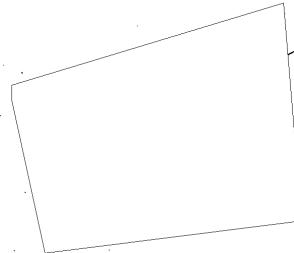
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# The President's Daily Brief

May 17, 1974

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**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

May 17, 1974

**PRINCIPAL DEVELOPMENTS**

	Egyptian-Israeli
	(Page 1)

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Israeli aircraft yesterday attacked Palestinian refugee camps in Lebanon in reprisal for Wednesday's terrorist incident at Maalot. (Page 2)

PLO chief Arafat's recent proposal that fedayeen leaders endorse terrorist activities in Israel apparently was a concession to the more radical fedayeen leaders. (Page 3)

West German Chancellor Schmidt has chosen several close associates as cabinet ministers and has included Free Democratic Party leader Genscher as vice chancellor and foreign minister. (Page 4)

The visit of Pakistani Prime Minister Bhutto to Peking this week is likely to mark the beginning of a more active Chinese role on the Indian subcontinent. (Page 5)

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The Communists have begun a new series of attacks in wide areas of South Vietnam. (Page 7)

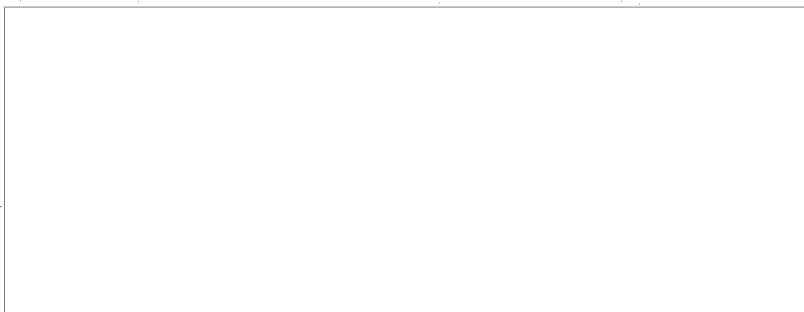
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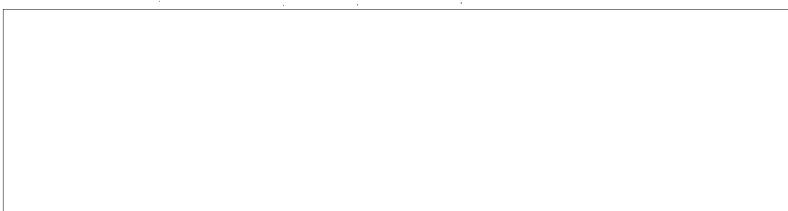
**EGYPT-ISRAEL**



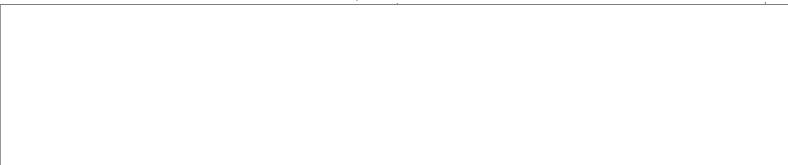
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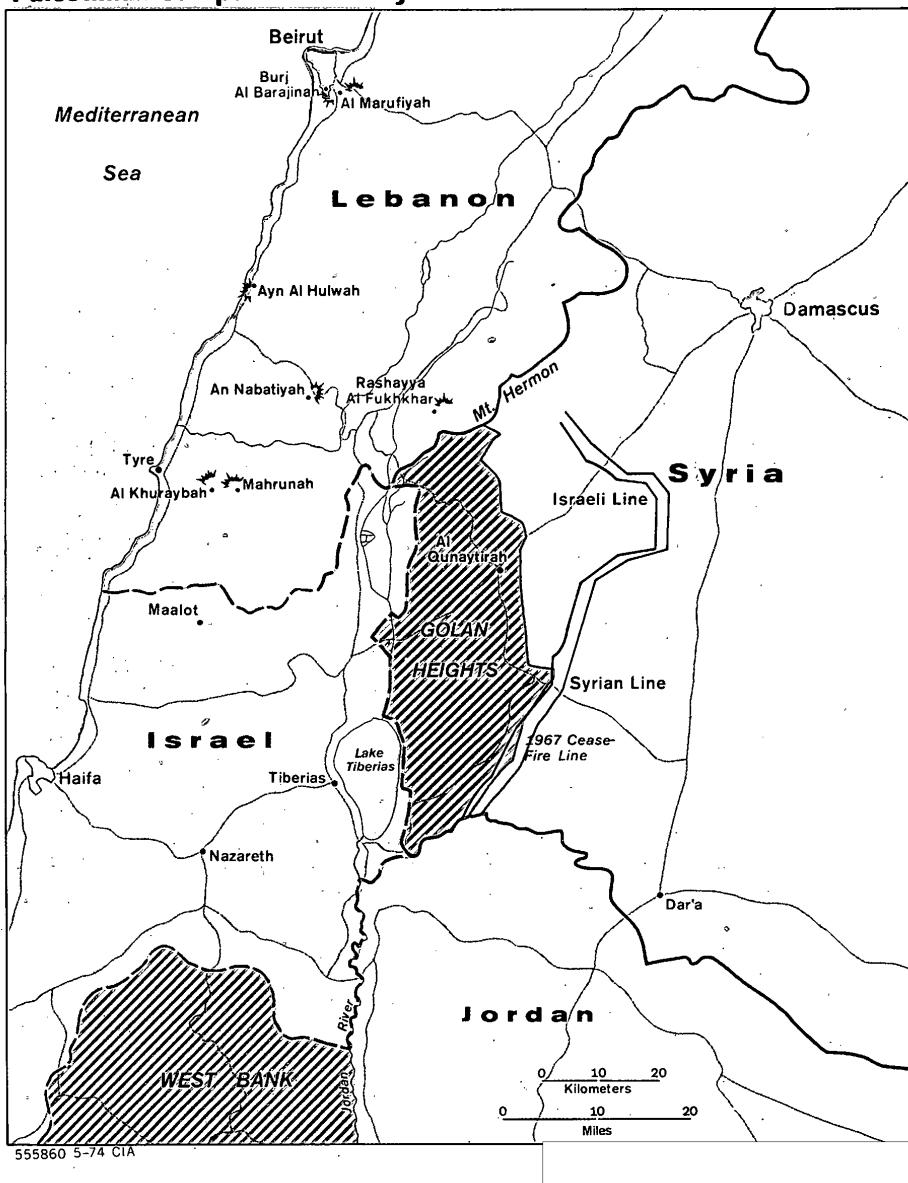
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*FOR THE PRESIDENT ONLY*

**Palestinian Camps Attacked By Israeli Aircraft**



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*FOR THE PRESIDENT ONLY*

### ISRAEL-LEBANON-SYRIA

Israeli aircraft attacked Palestinian refugee camps in Lebanon twice yesterday in reprisal for Wednesday's terrorist incident at Maalot. Lebanese officials announced that at least seven refugee camps were attacked, including one at Ayn Al Hulwah near Sidon--the largest Palestinian camp in Lebanon. Initial casualty reports from Lebanon say that over 50 people were killed and perhaps 250 wounded.

There is no report of strikes against camps previously known to be used by the Popular Democratic Front for the Liberation of Palestine, which has claimed responsibility for the attack on Maalot. The PFLP has operated out of a camp in northern Lebanon and from one in Syria. Its headquarters building in Beirut was destroyed by the Israelis in April 1973. Jerusalem nonetheless is likely to claim that the attacks were against "terrorist positions" in Lebanon where Arab guerrillas operate.

Early this morning, Israeli commandos raided the Lebanese frontier town of Majdia and blew up a house the Israelis say was being used by Palestinian guerrillas. No casualties were reported.

\* \* \*

Along the Israel-Syria front, fighting was at a low level yesterday, with only sporadic exchanges of artillery and mortar fire. Israeli aircraft flew reconnaissance missions and defensive patrols over the front, but most of Israel's air activity was directed against Palestinian camps in Lebanon. Syrian aircraft also conducted defensive patrols during the day.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**FEDAYEEN**

Palestine Liberation Organization Chief Yasir Arafat's recent proposal that fedayeen leaders endorse terrorist activities in Israel apparently was a concession to more radical fedayeen leaders, designed to win their approval for a policy of restricting more spectacular forms of international terrorism.

[Redacted]	25X1

*FOR THE PRESIDENT ONLY*

**FOR THE PRESIDENT ONLY**

**WEST GERMANY**

West German Chancellor Helmut Schmidt, who will officially announce his cabinet later today, has chosen several former close associates as cabinet ministers or secretaries and dropped some of the less effective Social Democratic ministers. His inclusion of the new Free Democratic Party leader, Hans Genscher, as vice chancellor and foreign minister represents an important agreement among leading Social Democrats to forget their resentment of Genscher's role in the Guillaume affair in the interests of coalition cooperation.

Schmidt will undoubtedly give first priority to domestic problems.

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With only three weeks remaining before the first of two major state elections this year, Schmidt's first aim will be to halt the steady erosion of public support for the party by allaying public concern over signs of economic and political instability.

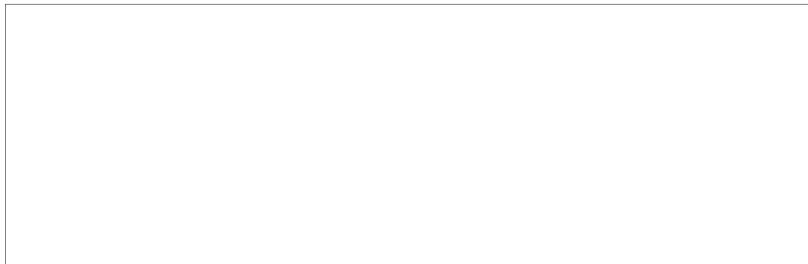
**FOR THE PRESIDENT ONLY**

**FOR THE PRESIDENT ONLY**

**CHINA-PAKISTAN**

The visit of Pakistani Prime Minister Bhutto to Peking on May 11-14 is likely to mark the beginning of a more active Chinese role on the Indian subcontinent.

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Chinese statements strongly implied that Peking is prepared to improve its own relations on the sub-continent, particularly with Bangladesh. Vice Premier Teng Hsiao-ping praised the agreements on the withdrawal of forces from occupied territories and prisoner repatriation, which have satisfied Peking's long-standing conditions for warmer relations. With no major obstacles remaining, Chinese recognition of Bangladesh appears likely in a matter of weeks.

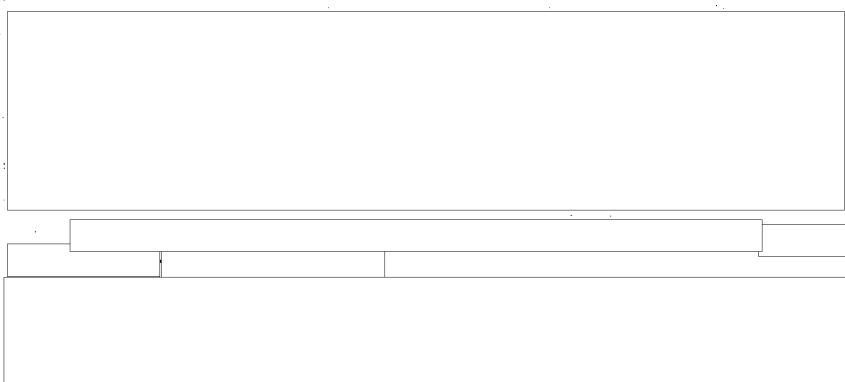
The restoration of normal Sino-Indian ties is a more complicated matter. Both Bhutto and the Chinese treated India gingerly during the visit and refrained from attacking New Delhi for past conflicts. Such restraint was more than offset, however, by explicit Chinese endorsement of Kashmiri self-determination. Such Chinese statements reinforce Indian arguments--reportedly advanced by Mrs. Gandhi--that India's close ties with the USSR are due in part to continued Pakistani claims, backed by China, to Kashmir.

The final communiqué and speeches by both sides made clear that the special China-Pakistan relationship would endure even as a new pattern of relationships in the area develops. The Pakistani press reported that Bhutto discussed ways of using a \$100-million commodity assistance loan pledged by China; the composition of the delegations suggests that the two sides also discussed military cooperation.

**FOR THE PRESIDENT ONLY**

*FOR THE PRESIDENT ONLY*

CHINA



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**FOR THE PRESIDENT ONLY**

**SOUTH VIETNAM**

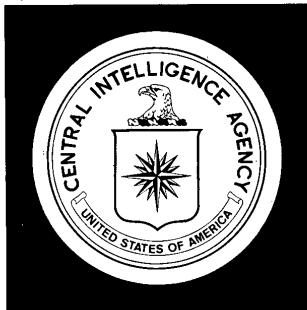
The Communists have begun a new series of attacks in wide areas of South Vietnam. In addition to capturing the South Vietnamese Ranger outpost and town of Dak Pek in northwestern Kontum Province yesterday, the Communists forced the government to abandon several outposts and villages in Binh Duong Province north of Saigon.

So far, most of the action has been directed against government positions near Route 13 and along the Saigon River corridor. Some of the fighting appears heavy, and Communist tanks reportedly were observed in one of the attacks. Government commanders report that units from at least two of the Communists' main force divisions in the region--the 7th and 9th--have been involved. Information from captured documents and defectors, however, suggests that the campaign in this sector is to be of short duration.

Fresh fighting also broke out yesterday in several of the northern provinces, and numerous small-scale attacks were reported in many provinces of Military Region 2.

**FOR THE PRESIDENT ONLY**

*Top Secret*



# The President's Daily Brief

May 18, 1974

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*FOR THE PRESIDENT ONLY*

THE PRESIDENT'S DAILY BRIEF

May 18, 1974

PRINCIPAL DEVELOPMENTS

India conducted an underground nuclear test this morning. (Page 1)

Israeli aircraft yesterday attacked Palestinian guerrilla targets in Lebanon near Mount Hermon and in an area south of Tyre. (Page 2)

French officials are preparing for possible disorders following Sunday's election, which is expected to be very close. (Page 3)

25X1

Negotiations for a cease-fire between Lisbon and the Portuguese Guinea insurgents will begin in London on May 25. (Page 4)

25X1

Soviets

25X1

(Page 5)

The Lao Communists may try to use some allied prisoners as bargaining chips to exert pressure on the US and Thailand. (Page 6)

At Annex, an interagency memo on the Arabian Peninsula - Persian Gulf concludes that recent events have in some ways enhanced the stability of the area.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**INDIA**

India carried out an underground nuclear test this morning. Foreign Secretary Kewal Singh told the US Chargé in New Delhi that the test was of an implosion device, detonated at a depth of over 100 meters in the Rajasthan desert in western India.

India has possessed for some time the technical ability to undertake a nuclear test [redacted]

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[redacted]  
[redacted] 25X1

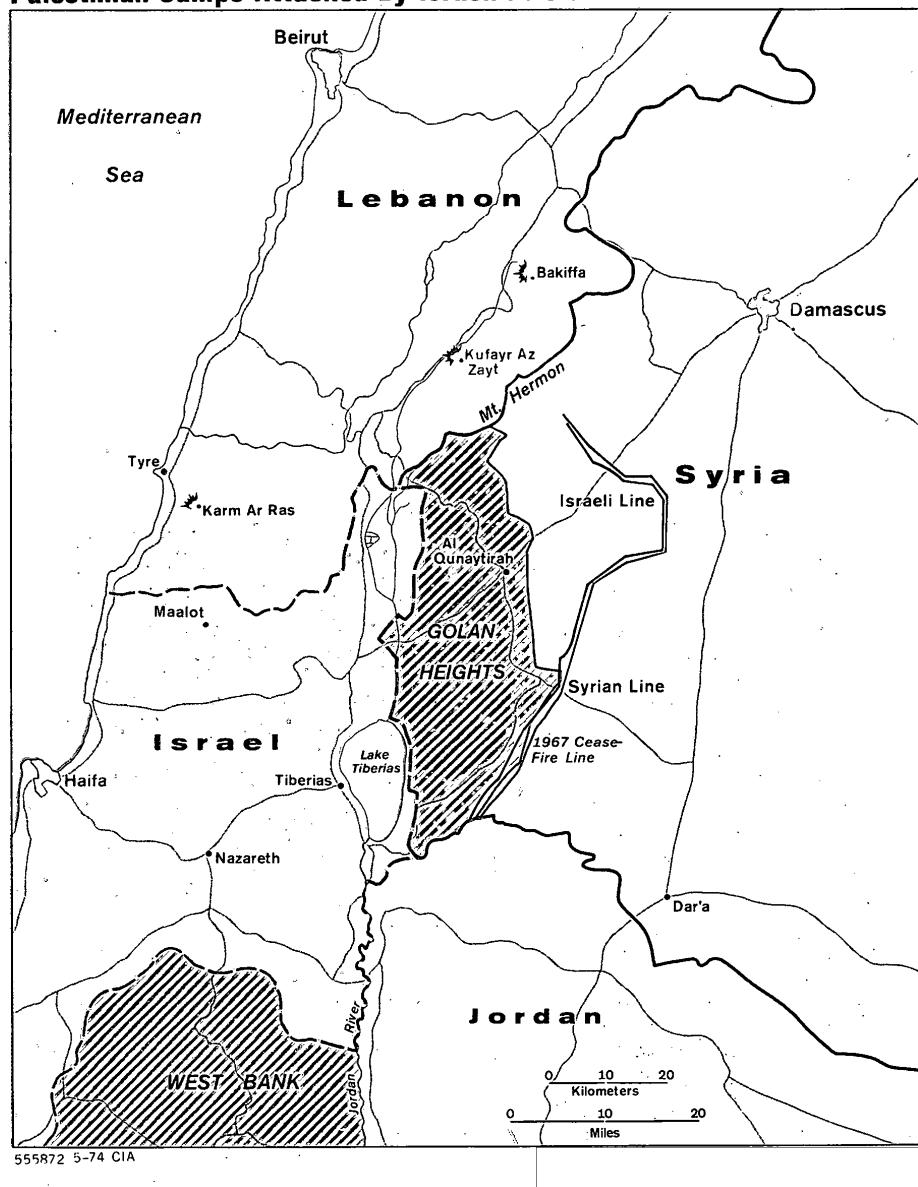
Singh insisted today that the test was for peaceful purposes. He said it was carried out to keep India abreast of technology on uses of nuclear energy for such purposes as mining and earth moving.

India has not signed the nuclear non-proliferation treaty, claiming that it discriminates against non-nuclear powers and that they want to keep the option open to conduct peaceful explosions. The government is expected to announce the test publicly later today.

[redacted]  
[redacted] 25X2

*FOR THE PRESIDENT ONLY*

### Palestinian Camps Attacked By Israeli Aircraft



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*FOR THE PRESIDENT ONLY*

**ISRAEL-LEBANON-SYRIA**

Israeli aircraft yesterday attacked Palestinian guerrilla targets in Lebanon near Mount Hermon and in an area south of Tyre. Military authorities in Damascus claim that Syrian fighters intercepted Israeli aircraft carrying out bombing missions in Lebanon and shot down one of them.

[redacted] reports now available suggest that Thursday's air strikes in Lebanon were conducted primarily against fedayeen military targets or headquarters offices. There is no evidence to indicate that Israeli planes systematically attempted to attack civilian installations.

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Lebanon lodged a complaint with the UN yesterday but has decided not to request a meeting of the Security Council, so as not to create additional complications for Secretary Kissinger [redacted]

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Fighting on the Syrian front was confined to exchanges of tank, artillery, and mortar fire. [redacted]

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*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

**FRANCE**

French officials are preparing for the possibility of internal disorders following what is expected to be a very close presidential election on Sunday. The latest public opinion poll shows Giscard and Mitterrand tied, with about 12 percent undecided.

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Interim President Poher is particularly concerned over the possibility of leftist demonstrations if a slim Mitterrand lead is overturned by late returns from the overseas territories. There is a history of voting irregularities in the overseas departments and territories, which voted almost two to one for the right in the first round on May 5. Poher is concerned not only that electoral fraud might occur abroad, but also that honest returns that give Giscard a slim victory could send leftists into the streets.

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

## PORUGAL - PORTUGUESE GUINEA

Negotiations for a cease-fire between Lisbon and the insurgent movement in Portuguese Guinea will begin in London on May 25, according to an announcement by the rebels' radio. The announcement is a major breakthrough in the lengthy military stalemate in the territory, and the chances for a cease-fire appear good.

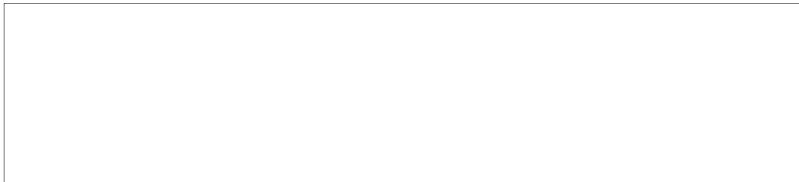
The announcement follows by less than a week a rebel offer to negotiate on the condition that Lisbon recognize the "right of independence" for the African territories. A statement by Portuguese Foreign Minister Soares on May 16 that Lisbon would "loyally accept all the consequences" of self-determination in Portuguese Guinea--implying acceptance of possible independence--apparently was enough to meet that condition.

The two sides still have to work out the details of Portuguese Guinea's future relationship with Lisbon. Lisbon probably would not be averse to giving up the territory because its political and economic interests there are negligible. The manner in which this is done is important to Portugal, however, because it could set a precedent for Lisbon's relations with Angola and Mozambique where the Portuguese have profitable interests.

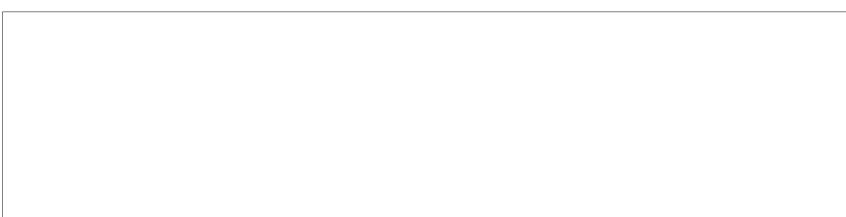
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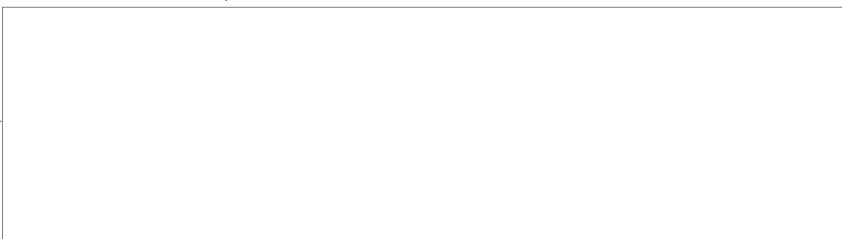
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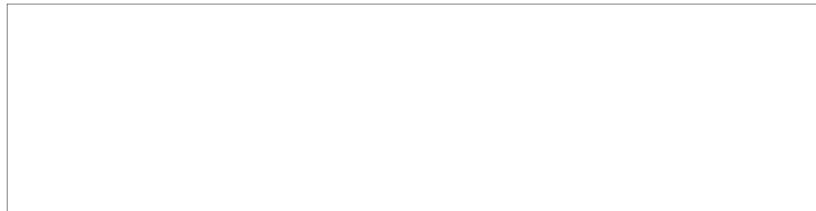
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LAOS

The Lao Communists may try to use some allied prisoners as bargaining chips to exert pressure on the US and Thailand.

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[redacted] the Communists will continue to hold captive beyond the June 4 prisoner exchange deadline an unspecified number of US and Thai prisoners, particularly those captured after the February 1973 cease-fire agreement.

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[redacted] implies that the Communists plan to link the release of these prisoners to the cessation of US aerial reconnaissance flights over Lao-tian territory and to the dissolution of "special forces" and bases. [redacted] considerable apprehension that the US and Thailand do not intend to comply with the provisions of the Lao Accords. These fears probably stem from the Communists' recognition of their own violations of the Accords.

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Heavy stress is placed on the cessation of over-flights along the eastern trail network

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[redacted] personnel captured after the cease-fire agreement are proof of continued US and Thai "aggression" against Laos, and that this argument might be used to counter anticipated allied demands for the withdrawal of all North Vietnamese troops.

*FOR THE PRESIDENT ONLY*

FOR THE PRESIDENT ONLY

ARABIAN PENINSULA - PERSIAN GULF

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An interagency working group examining the general security situation in the Arabian Peninsula - Persian Gulf area concludes that in some ways recent events have enhanced the stability of the area:

--King Faysal has achieved unprecedented prestige throughout the Arab world by his actions during and after the October war. Thus he is less susceptible to attack from Arab radicals, and his hand in playing a leading role in the stability of the Peninsula and the Gulf area has been strengthened.

--Vastly greater oil revenue, if used effectively, might hold down the discontent that has provided a fertile ground for radical movements elsewhere; it will also pay for additional modern arms, and perhaps even buy off potentially hostile neighbors.

Overall there are strong pressures for change--but within a traditional social framework. Certain developments would be of little consequence to the US. Replacement of one ruler of a small state with another, or even the replacement of the conservative regime in one of the lesser states with one of radical orientation, would not necessarily interfere with US interests.

But there is some cause for concern:

--Rivalries and frictions among Gulf and Peninsula countries are about as intense as ever. Especially troublesome are those between radical and conservative regimes; they give rise to perennial strains such as those between Iraq and Iran, between Iraq and Kuwait, between the two Yemens, and between South Yemen and Saudi Arabia. They keep alive the protracted rebellion in the Dhofar province of Oman.

--As the Gulf states achieve higher levels of development spurred on by increased oil revenues, the political sophistication of the area will also increase, making it a more fertile ground for radical ideologies.

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FOR THE PRESIDENT ONLY

*FOR THE PRESIDENT ONLY*

--An upheaval led by revolutionary forces in the larger oil-producing states is unlikely at this point, but if it occurred it would be difficult or impossible to reverse and would threaten the US position in the Gulf as a whole.

--Turmoil in one of the lesser states might lead to Iranian intervention, which in turn could set the Arabs, including Saudi Arabia, against Iran. We do not think this will happen, but if it did it could badly erode US relations with both Saudi Arabia and Iran. The relationship between the Saudis and Iranians is good, and although it is not likely ever to become close, most leaders on both sides recognize the importance of avoiding any real deterioration.

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## The President's Daily Brief

*May 20, 1974*

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exemption category 3B(1), (2), (3)  
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## THE PRESIDENT'S DAILY BRIEF

May 20, 1974

### PRINCIPAL DEVELOPMENTS

Preliminary analysis of India's first nuclear detonation

(Page 1)

25X1

Israeli patrol boats yesterday shelled the second largest Palestinian refugee camp in Lebanon. Elsewhere fighting was light. (Page 3)

Giscard d'Estaing's maiden speech as President of France is being interpreted as an effort to improve the tone of Franco-US relations. (Page 4)

Extremely close election returns in Australia so far point to the Labor government's continued control of the House, and thus the government. (Page 5)

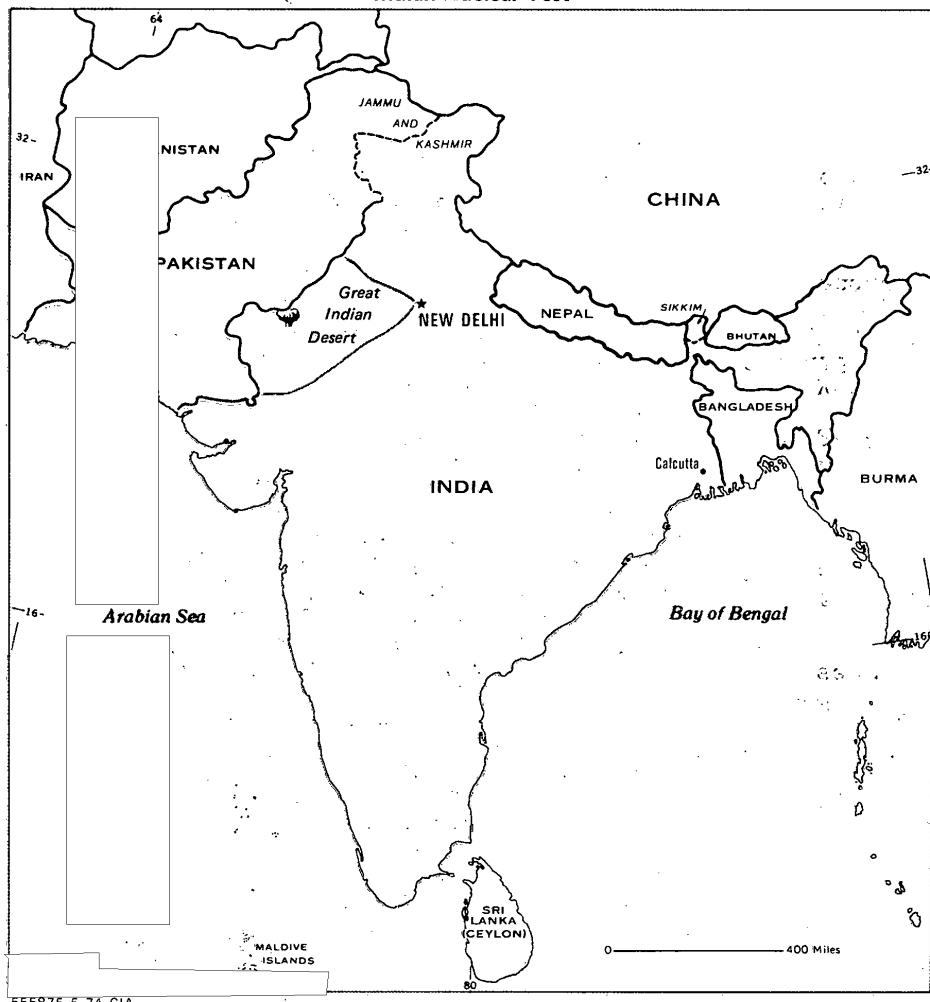
Turkish Prime Minister Ecevit announced yesterday that his four-month-old coalition government could not continue in office. (Page 6)

Communist military attacks in South Vietnam increased during the weekend. (Page 7)

Chou En-lai's public appearances this weekend show that he continues on a reduced schedule. Arab foreign and defense ministers meet today in Cairo. (Page 8)

FOR THE PRESIDENT ONLY

Indian Nuclear Test



25X1

INDIA

Preliminary analysis of seismic data from India's first nuclear detonation

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The detonation occurred at a depth of slightly more than 100 meters and was completely contained, according to the chairman of India's Atomic Energy Commission, Dr. H. N. Sethna. Indian scientists who made an aerial survey over the area within 30 minutes of the blast reportedly detected no significant radioactivity. The device reportedly utilized the "implosion" technique, a more sophisticated approach than the "gun assembly" method used by the US in the bomb dropped on Hiroshima.

Dr. Sethna was noncommittal when asked if any more tests were planned. The New Delhi press reported yesterday, however, that a series of nuclear explosions will be carried out. No program was disclosed, but Indian officials are said to have stated that the purpose would be to develop atomic devices for use in mining, canal construction, and the deepening and widening of ports.

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There will undoubtedly be strong pressures on the government to develop a military capability. [redacted] the Indians deny any intention to produce nuclear weapons, [redacted]

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Peking's initial reaction was a terse, factual announcement broadcast by the New China New Agency's domestic service some 24 hours after the test. Chinese spokesmen have thus far refused to make any comment.

China has much to sort out in formulating a substantive response. Peking has consistently maintained that its own nuclear capability is purely defensive and aimed solely at breaking the nuclear monopoly of the "superpowers." The Chinese have opposed nuclear arms limitations proposals, particularly the 1968 Non-Proliferation Treaty, on the grounds that they contribute to this monopoly. Peking has refused, for example, to take a stand against France's development of independent nuclear capabilities pending an international agreement banning all nuclear weapons.

The Indian test, however, has direct security implications for China. Peking has long looked on New Delhi as a rival in Asia, and relations between them cooled even further after India became a Soviet treaty partner in 1971.

In a hard-hitting public statement, Pakistani Prime Minister Bhutto insisted Pakistan would never be intimidated by the threat created by India's nuclear capability. He said that Pakistan would attempt to secure political assurances against India's use of a nuclear threat. Bhutto added that the possibility of a no-war pact proposed by India in 1971 is out of the question now because it would amount to capitulation to blackmail.

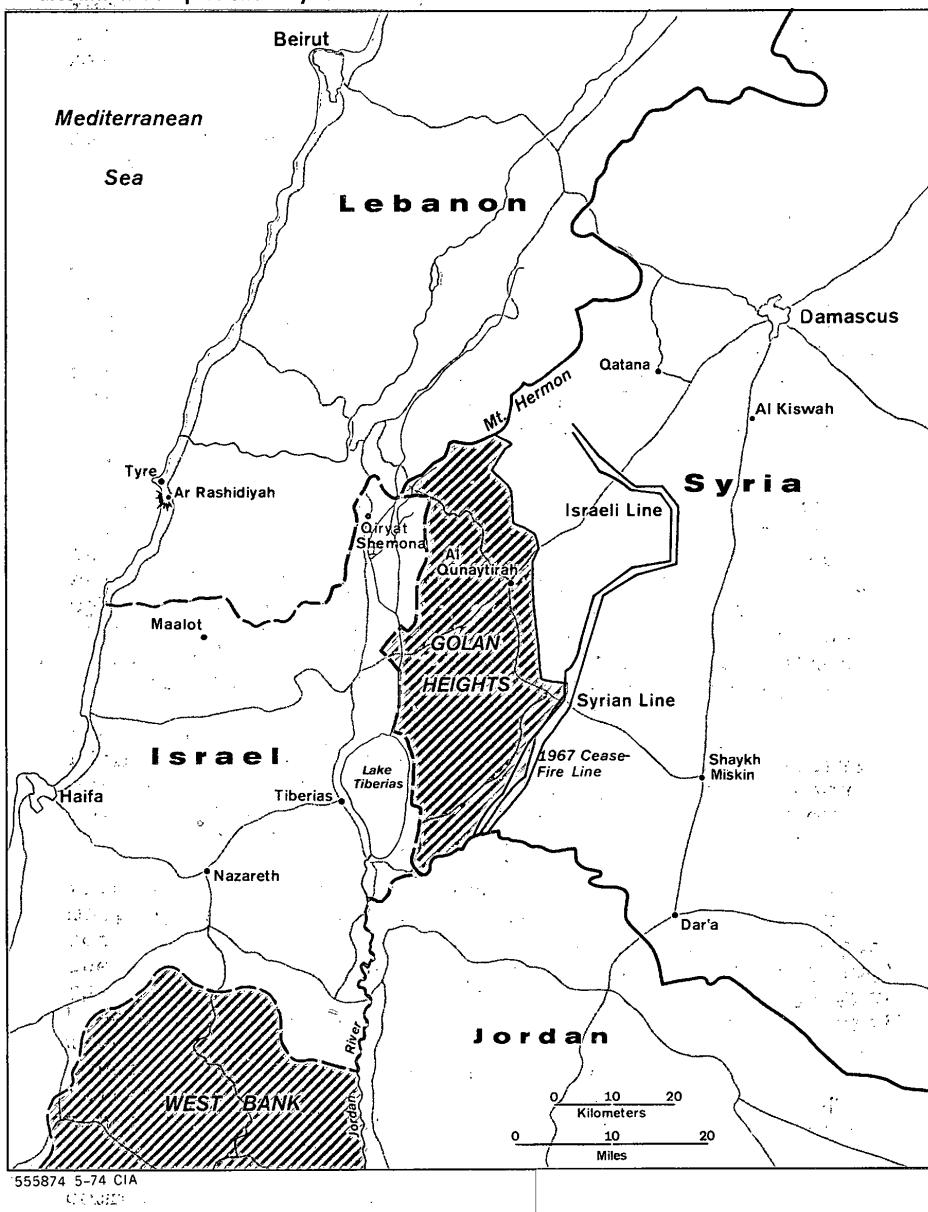
Pakistan's Foreign Secretary is being sent to China, France, and the UK, and Bhutto himself is raising the matter with Soviet leaders and officials in Canada.

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The Soviet news agency Tass called the test a "peaceful explosion" and said India was "striving to keep up with world technology in the peaceful uses of nuclear explosions."

The Japanese predictably are reacting with dismay. Tokyo papers have denounced the test, which the Japanese are likely to view as an unsettling factor in Asian affairs.

Palestinian Camp Shelled By Israeli Patrol Boats



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## ISRAEL-LEBANON-SYRIA

Israeli naval patrol boats yesterday shelled the Ar Rashidiyah Palestinian refugee camp, the second largest in Lebanon.

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[redacted]  
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Beirut reported that Lebanese army troops and Palestinian guerrillas damaged one of the Israeli patrol boats. Tel Aviv, however, states that all boats returned safely and that there were no casualties. Initial reports of Palestinian losses state that at least five persons were killed and twelve were wounded.

Israeli aircraft flew reconnaissance missions and defense patrols over southern Lebanon and the Golan Heights on both Saturday and Sunday. There were no strikes against either Lebanese or Syrian targets. Lebanese authorities reported that Israeli forces fired mortar rounds into Lebanon near Mount Hermon and into border areas between Tyre and Qiryat Shemona on Friday night. Ground fighting between Israel and Syria was light over the weekend; only sporadic artillery and mortar fire was exchanged.

## FRANCE

Independent Republican Valery Giscard d'Estaing was elected President of France yesterday by a razor-thin margin. Giscard claimed his prize in a late-night televised speech, which he immediately repeated in English. The press is already interpreting this move as his first effort to improve the tone of Franco-US relations.

Mitterrand conceded at midnight. His ally, Communist party chief Georges Marchais, added that leftist deputies will immediately demand action on Giscard's promised social and economic reforms.

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Giscard will have several months, probably until September, to set his reforms in motion before facing any serious pressures, such as strikes and demonstrations, from a dissatisfied left.

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## AUSTRALIA

Extremely close election returns to date point to the Labor government's continued control of the House of Representatives and thus the government. The government's majority, however, probably will be trimmed from the eight-seat margin it had in the previous Parliament. Senate returns are still fragmentary, and it is uncertain whether Labor will achieve control over the upper house. Whitlam's frustration with the obstructionism of the opposition-controlled Senate was what led him to call the elections.

The apparently slim margin of the Whitlam government's return to office will reduce the likelihood of its being able to move ahead on its stalled legislative program.

The final composition of the House may not be known for two weeks. Australian law requires that in case of a close House race, election authorities must wait ten days for absentee ballots to come in before proceeding to a final count. The tally of votes for the Senate will be particularly complicated under the Australian system of preferential voting, and the final Senate lineup may not be known for a month.

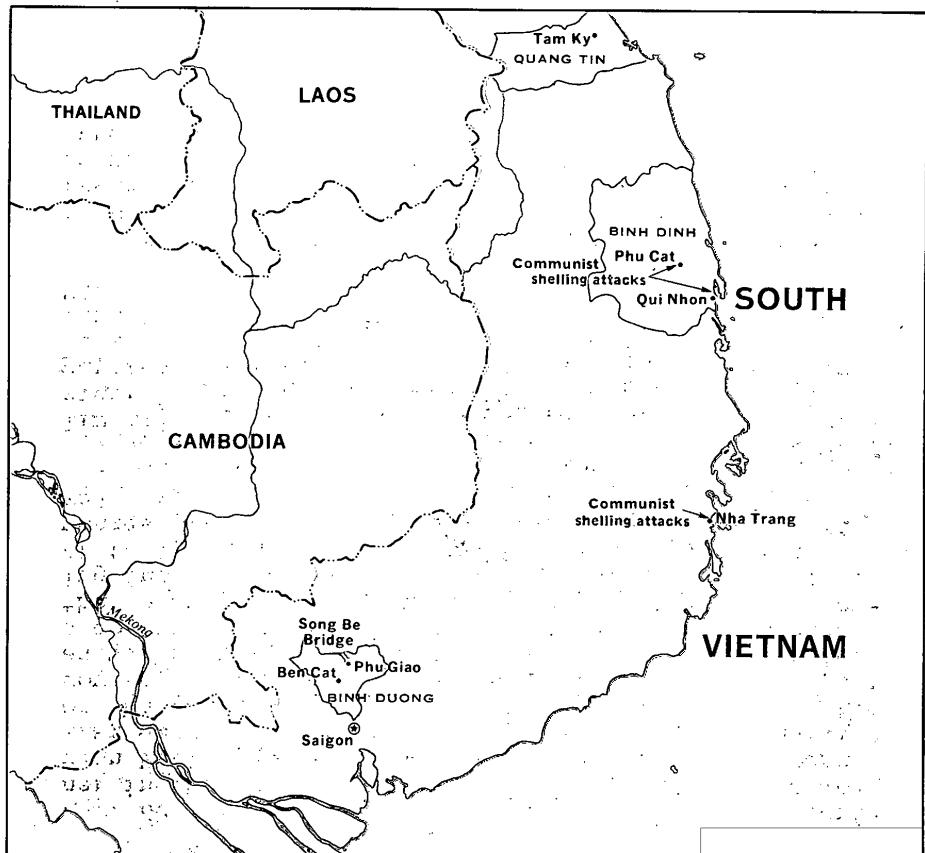
## TURKEY

Prime Minister Ecevit's Republican Peoples Party announced yesterday that the four-month-old coalition government could not continue in office "under present conditions."

Ecevit is now conferring with the minority partner in the coalition, the right-wing National Salvation Party, whose failure to support the government last week on a crucial amnesty bill put the viability of the coalition in doubt. Formal resignation of the government would usher in a period of uncertainty, as Turkey would have to undertake a fresh search for a government under the same difficult circumstances that plagued its attempt to form a government following inconclusive parliamentary elections last fall. At that time it took the political parties three months to put together a coalition with the required majority.

Ecevit's resignation would probably have only a limited effect on the government's decision to reconsider lifting the ban on opium production, as all parties now favor lifting the ban. A right-wing coalition, however, might be more sensitive to the implications of lifting the ban on relations with the US.

The alternatives now facing the government are an Ecevit-led minority government, some kind of caretaker regime, a new coalition, or elections, which no party favors holding soon. Any of these could involve a long political stalemate.



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## SOUTH VIETNAM

Communist military activity continued at an increased pace over the weekend. Sharp ground fighting was reported in several areas, particularly near Tam Ky in northern Quang Tin Province. Communist forces shelled Qui Nhon, the capital of coastal Binh Dinh Province, with rockets. South Vietnamese air bases at nearby Phu Cat and Nha Trang also were attacked with rockets.

Nearer Saigon, the South Vietnamese reinforced the Ben Cat and Phu Giao sectors of Binh Duong Province with three armored and infantry task forces. They also launched retaliatory ground and air strikes against elements of the Communist 7th and 9th Divisions, which last week overran several outposts and villages near Ben Cat and threatened to take the Song Be bridge, thus isolating the town of Phu Giao. The South Vietnamese air force claims to have destroyed two of the five or six tanks that supported Communist ground attacks in these areas.

NOTES

China: Chou En-lai's public appearances during the visit of Cypriot President Makarios this weekend show that he continues to be on a reduced schedule. Chou did not appear at the airport arrival ceremonies, but he greeted Makarios at the Peking guest house, conducted the initial round of substantive talks, and accompanied Makarios during a meeting with Mao. Vice Premier Teng Hsiao-ping stood in for Chou as host of a state banquet.

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Arab League: Arab foreign and defense ministers meet today in Cairo for a scheduled two-day session of the Arab League Defense Council. Among the issues to be discussed will be the Arab arms industry, the current situation in the Middle East, and cooperation between the Arabs and the European Communities. Arab League Secretary General Riyad stated yesterday that he would discuss Damascus' request for an Arab summit meeting with the Syrian delegation.

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# The President's Daily Brief

*May 21, 1974*

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the Director of Central Intelligence

## THE PRESIDENT'S DAILY BRIEF

May 21, 1974

### PRINCIPAL DEVELOPMENTS

Britain's Labor government will soon be facing the same kind of wage demands and strikes that brought down the Conservatives. (Page 1)

Heavy fighting continues on several battlefields in South Vietnam. (Page 2)

After heavy supply shipments and unprecedented road and pipeline construction, the North Vietnamese are in a better position to support their forces in South Vietnam than at any time during the war. (Page 3)

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The Soviets have replaced their naval force in the Indian Ocean. (Page 4)

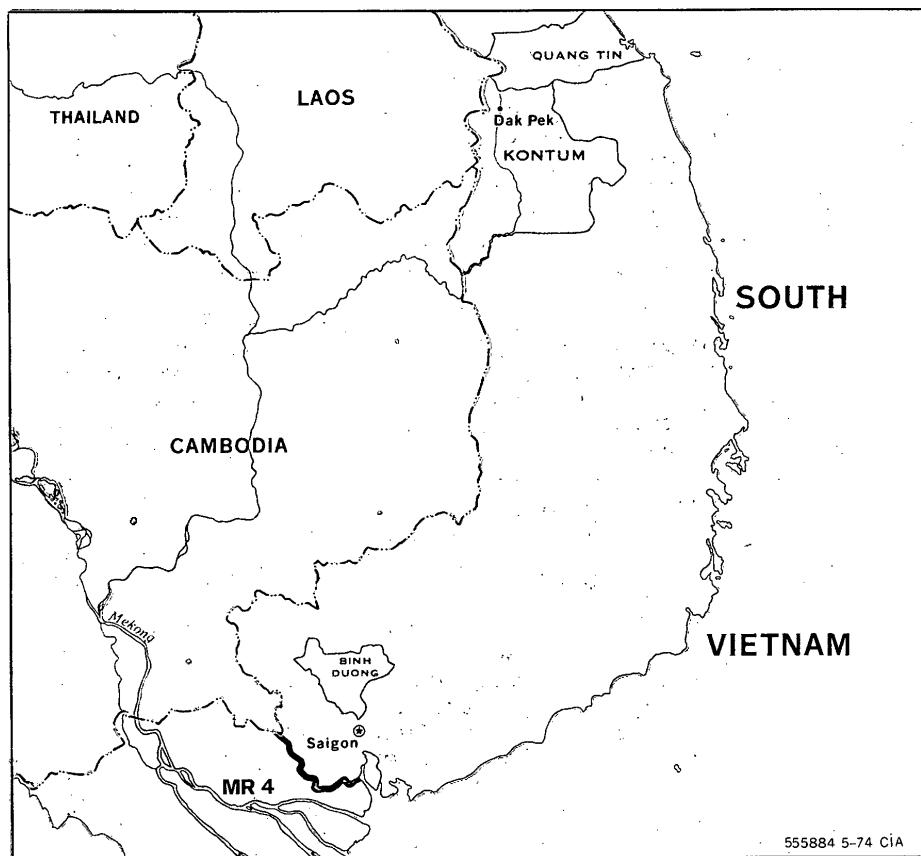
Fighting was at a low level yesterday in the Middle East. (Page 4)

FOR THE PRESIDENT ONLY

UK

In office less than three months, the Labor government is already faced with mounting wage demands and threatened strikes that are a direct challenge to Prime Minister Wilson's claim to have restored labor peace. The nation's miners, whose work slowdown earlier this year brought down the Conservative government, are on record as wanting to reopen wage negotiations. In addition, the country's nurses are threatening a nationwide walkout.

The real crunch between the government and labor, however, is not expected to come until early November, when Stage Three wage controls expire. Wilson will be forced to seek a new mandate from the electorate before that time, or face the same fate as the Tories.



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## SOUTH VIETNAM

The South Vietnamese are meeting strong Communist resistance as fighting continues on several battlefronts. The sharpest action is north of Saigon, in Binh Duong Province, where the South Vietnamese are counterattacking against units of the North Vietnamese 7th and 9th divisions that moved toward major government military bases late last week.

Farther north, heavy losses on both sides are reported from continuing battles over several villages in Quang Tin Province. There also are signs that the Communists are planning a sharp rise in offensive activity in the delta provinces of Military Region 4.

There are varied motives behind the Communists' attacks. In the Quang Tin fighting, they are trying to re-establish control over territory they claimed at last year's cease-fire, but later abandoned to the government. In overrunning the government base at Dak Pek in Kontum Province last week, the Communists eliminated a long-standing Saigon outpost deep within their territory. The Binh Duong fighting has been directed at small outposts and villages controlled by Saigon since the cease-fire, but held only by territorial forces.

The Communists have used a mix of regular and provincial forces in their attacks. Main force North Vietnamese combat units were involved in the drive against government bases north of Saigon, at Dak Pek, and probably in Quang Tin Province. Most other actions during the past few days--the rocketing and shelling of government military targets and the random shellings of several populated areas--were conducted by provincial infantry units.

## INDOCHINA

The North Vietnamese are now concluding a highly successful dry season logistic effort. As a result of heavy supply shipments and unprecedented road and oil pipeline construction since last fall, the Communists in South Vietnam are now better able to support their forces than at any previous time.

During the past dry season, a major North Vietnamese logistic unit operating along Route 9 in northern Quang Tri Province may have handled as much as 40,000 tons of ordnance. The bulk of the cargo shipped along Route 9 was destined for Communist units in South Vietnam, although small amounts went to forces in Laos and Cambodia. The ordnance, together with supplies already in storage, is sufficient to sustain heavy combat throughout South Vietnam for more than 18 months.

Over the past year, the Communists have constructed or upgraded more than 1,000 miles of roads and added some 125 miles of pipeline to the southern Laos panhandle and western South Vietnam systems. In addition to permitting near-year-round deliveries to South Vietnam, including the COSVN area, the recent road construction also has given Hanoi the ability to resupply units in the coastal lowlands in South Vietnam's military regions 1 and 2 by truck—something they were unable to do during the 1972 offensive. Deliveries from Vinh to southern South Vietnam can now be made in two to three weeks.

During the next few months, the Communists probably will improve their logistic position further. Construction and upgrading along the western supply corridor in South Vietnam is continuing. The improved road network in southern Laos also will enable Hanoi to move some supplies through this area during the rainy summer months. However, during the next few months the Communists probably will use the western supply route in northern South Vietnam for the bulk of their cargo shipments because more favorable weather conditions will prevail.

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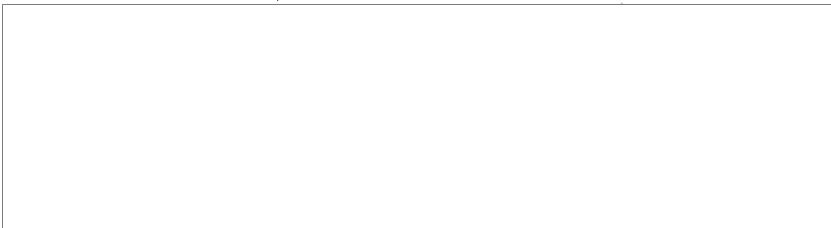


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## NOTES

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USSR: The Soviets have replaced their naval force in the Indian Ocean. The new group--the same type Moscow has kept there over the past year--consists of a Kotlin-class destroyer, two escort ships, two minesweepers, and an F-class diesel attack submarine from the Pacific Fleet. A Kresta II-class guided-missile cruiser, now west of the Canary Islands en route to the Pacific Fleet, will probably join the Indian Ocean group for a few months, as a Kresta II cruiser did last year. The incoming ships are expected to go directly to the Soviet anchorages in the Gulf of Aden, although two or three of the smaller ships may follow earlier practice and make port calls in Iraq.

Israel-Lebanon-Syria: Fighting was at a low level yesterday on the Golan front, as Israeli and Syrian forces exchanged intermittent tank and artillery fire. Israeli planes made reconnaissance flights over the Golan Heights and southern Syria, but overall Israeli air activity was low. There were no Israeli air or sea attacks against fedayeen forces inside Lebanon similar to those of the past few days. Lebanese military officers reported that a minor engagement occurred between their forces and the Israelis when an Israeli patrol tried to "occupy" a hill near Mount Hermon. Beirut also claimed that Israeli forces shelled a Lebanese border post in the same area.

*Top Secret*

Noted by DCT

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## The President's Daily Brief

May 22, 1974

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Exempt from general  
declassification schedule of E.O. 14176  
exemption category 3b(1), 2(a)  
declassified only on request of  
the Director of Central Intelligence

## THE PRESIDENT'S DAILY BRIEF

May 22, 1974

### PRINCIPAL DEVELOPMENTS

Israeli aircraft yesterday hit fedayeen positions several times in southern Lebanon and near Mount Hermon, and Tel Aviv apparently intends to continue this policy.

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[redacted] 25X1

India

[redacted] 25X1

(Page 2)

The tone of the communiqué marking the end of the visit of Libyan Prime Minister Jallud to Moscow, and its failure to mention specific new agreements except for a trade pact, suggest that Jallud's negotiations were only partially successful. (Page 3)

The North Vietnamese are strengthening their air defenses in the central part of South Vietnam. (Page 4)

25X1

The King of Thailand will probably decide within the next few days whether to accept the resignation of Prime Minister Sanya and his government. (Page 5)

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[redacted] Poland. (Page 6)

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[redacted] Northern Ireland

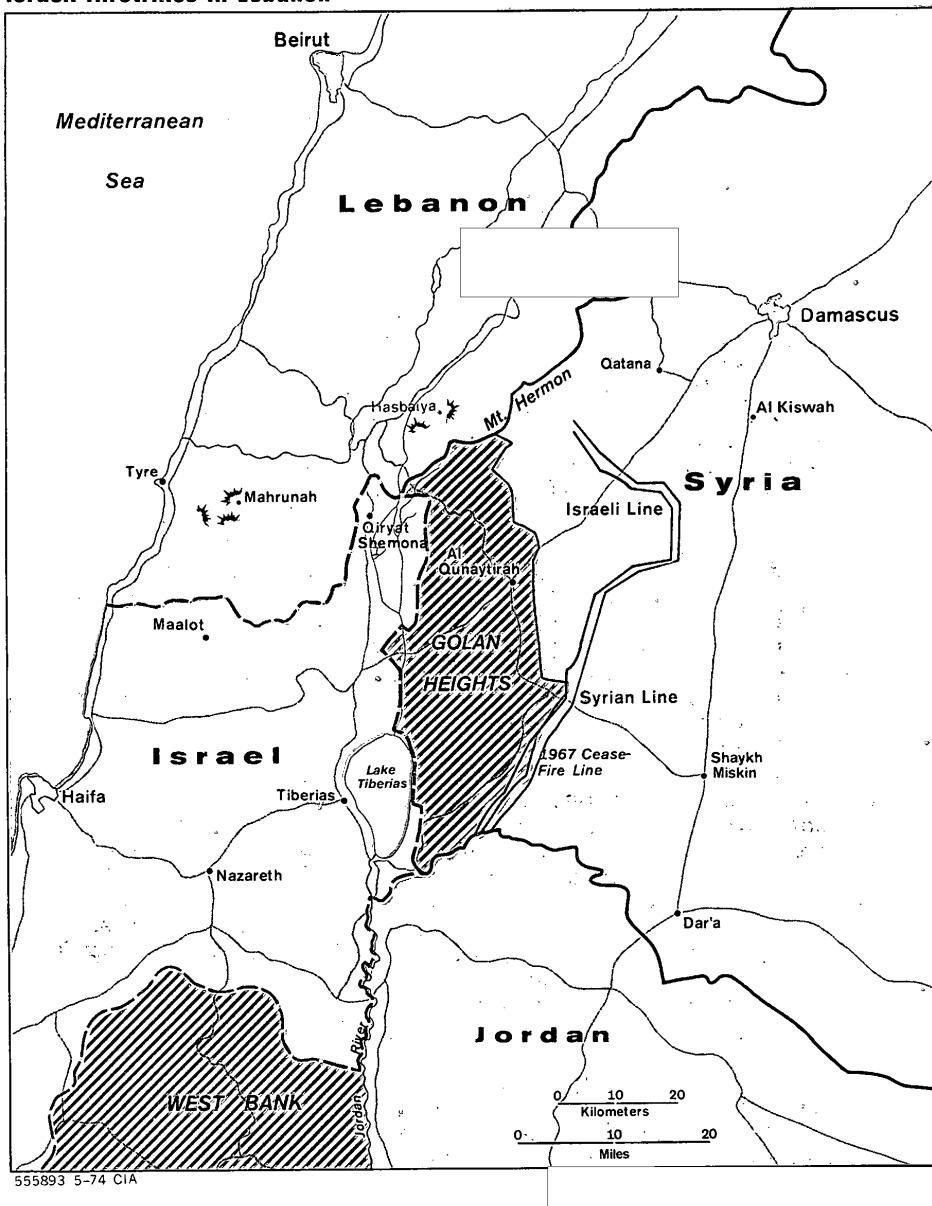
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(Page 6)

At Annex is presented an initial assessment of the impact India's entry into the nuclear club is likely to have on key countries.

FOR THE PRESIDENT ONLY

**Israeli Airstrikes in Lebanon**



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## MIDDLE EAST

Israeli aircraft yesterday again hit fedayeen positions several times in southern Lebanon and around Hasbaya near Mount Hermon. An Israeli military spokesman said these actions were part of a "new phase" in Israel's war against Arab guerrillas after the attack at Maalot last week, a statement which probably means that the Israelis intend to continue punitive strikes against fedayeen bases and facilities inside Lebanon.

[redacted] the Is-  
raelis also bombed targets near Mahrnah. A press  
dispatch from Beirut claimed that Lebanese troops  
engaged an Israeli patrol in southeastern Lebanon,  
and that Israeli artillery shelled Lebanese positions  
in the area shortly afterwards.

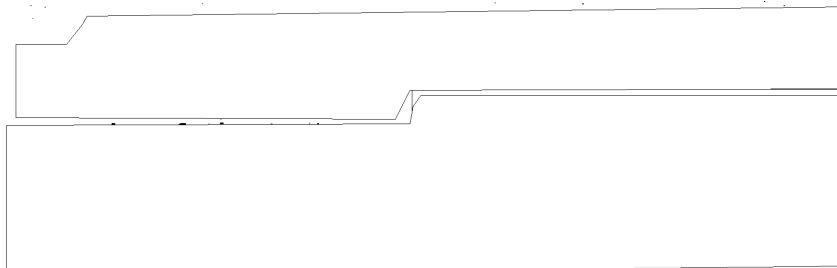
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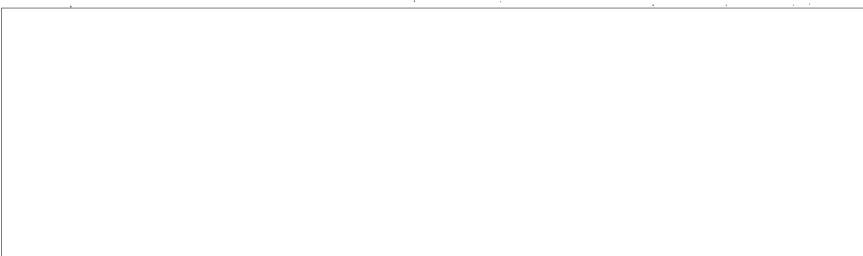
Fighting on the Golan front continued yesterday at the reduced level of the past few days. Only sporadic exchanges of mortar and artillery fire were reported. [redacted]

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INDIA



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An initial assessment of the impact India's entry into the nuclear club is likely to have on key countries is presented at Annex.

## USSR-LIBYA

The tone of the communique marking the end of the visit of Libyan Prime Minister Jallud to Moscow and its failure to mention specific new agreements except for a trade pact suggest that Jallud's negotiations were only partially successful.

Both sides set aside ideological differences to emphasize their common opposition to "imperialist advances" in the Middle East. They undoubtedly hope that the visit will promote the isolation of their mutual antagonist--Egypt's President Sadat. Nevertheless, the characterization of the talks as "frank" and the absence of specifics on the Middle East suggest that the USSR and Libya continue to differ on political tactics in the region.

Jallud undoubtedly discussed military purchases during his meetings with Kosygin and a two-hour session with Defense Minister Grechko, but there was no mention of military sales in the communique.

## SOUTH VIETNAM

The North Vietnamese are strengthening their air defenses in the central part of South Vietnam. In recent weeks, increasingly effective Communist fire has downed a number of South Vietnamese aircraft. If the losses continue to mount, Saigon could be forced to restrict its air operations over heavily defended Communist territory, thus giving the Communists a significant local firepower advantage.

In northern MR 3, South Vietnamese aircraft frequently encounter fairly heavy antiaircraft and SA-7 surface-to-air missile fire. The small, shoulder-launched SA-7 has been particularly effective despite its limited range. In the Tay Ninh area, the Communists have downed at least six aircraft with SA-7s since January, including an EC-47 hit on May 13. 25X1

South Vietnamese aircraft operating in MR 3 may soon be facing an even more effective Communist air defense. According to intercepts [redacted] a North Vietnamese AAA regiment is moving through eastern Cambodia apparently en route to the COSVN area. This unit has fire-control radar, and the South Vietnamese do not have the capability to counter such equipment.

In the western highlands of MR 2, the Communists over the past few months have doubled their air defenses by bringing in two AAA regiments from southern Laos. To minimize losses, South Vietnamese pilots have adopted the tactic of dropping their bombs from higher, safer altitudes, resulting in less accurate bombing.

Since the end of 1973 Hanoi has reduced its air defenses in MR 1, but it still has an imposing force in the region--an air defense division, 16 AAA regiments, and a SA-2 surface-to-air missile regiment. Most of this, however, is concentrated in the two northern provinces of MR 1, an area the government rarely overflies.

## THAILAND

The King will probably decide within the next few days whether to accept the resignation of Prime Minister Sanya and his government. Sanya tendered his resignation yesterday against the advice of his cabinet and presumably of the King as well, and the monarch may hope to persuade him to remain in office until elections can be held in the fall.

However the current cabinet crisis is resolved, it will set back the orderly transition from military rule to democratic government. Many Thai skeptics--especially within the military--will view the present paralysis of the government as characteristic of civilian rule.

There is no obvious candidate to replace Sanya. His resignation, however, may be merely a prelude to a cabinet reshuffle. In recent weeks there has been growing impatience with the government's indecisiveness on economic and administrative problems,

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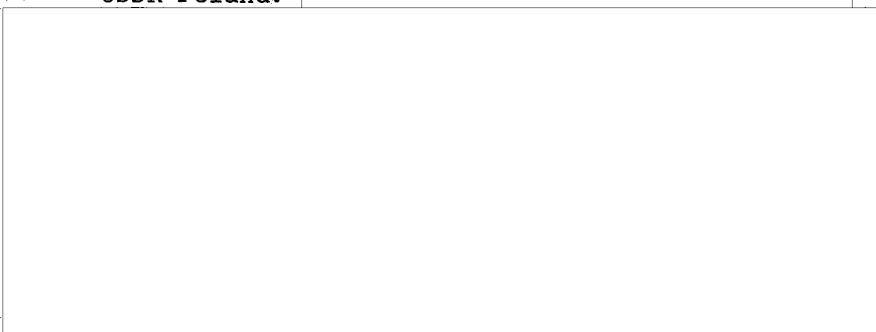
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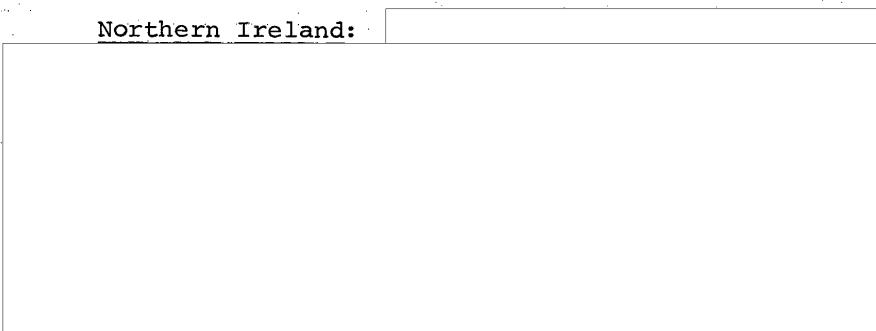
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Northern Ireland:

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## POLITICAL FALLOUT FROM INDIA'S NUCLEAR TEST

Many countries have just begun to sort out the implications of India's nuclear test for them. It is nonetheless possible at this early stage to point to some of the factors they are likely to weigh in reaching considered judgments as to how they should react.

Initial reaction in India to the nuclear explosion on May 18 has been euphoric. Except for predictable criticism from one communist faction, the event has evoked widespread enthusiasm. This enthusiasm, however, is likely to dissipate before long because of the hardships imposed by growing inflation and food shortages. India's economic problems may even get worse if, because of the test, the country runs into trouble securing new help from abroad. New Delhi hopes to receive more than \$1 billion in additional aid this year to meet the soaring costs of imported petroleum, grain, and fertilizer. The Indians will probably also ask for rescheduling of existing debts.

### Pakistan

The slow movement in recent months toward improved Indo-Pakistani relations may be interrupted as a result of the test. Prospects for an early resumption of trade and diplomatic relations are poorer than they were. Islamabad has said it will ask the permanent members of the UN Security Council to provide Pakistan with a "nuclear umbrella," but the Pakistanis are likely to concentrate on getting support and reassurance from China and the US. While the Pakistanis will probably not go so far as to seek a formal defense treaty with China, they will certainly press Peking to reiterate as strongly as possible China's support of Pakistan's territorial integrity. President Bhutto no doubt would like the CENTO countries to issue a joint condemnation of the Indian test, but his government will not place much reliance on CENTO itself to protect Pakistan's security.

### USSR

Moscow's desire to maintain close relations with New Delhi will color the way it handles India's decision to join the nuclear club, but the Soviets too will worry about the implications.

(continued)

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FOR THE PRESIDENT ONLY

On the surface, it would appear that India's move is a net plus for the USSR. Moscow and New Delhi are close and the move will enhance India's position vis-a-vis China. Soviet leaders, however, share the concern that as more nations acquire the capacity to develop nuclear weapons, there is a greater danger these weapons may some day be used. They lobbied hard, though unsuccessfully, to get India to sign the Non-Proliferation Treaty, and kept on trying to dissuade India from going nuclear.

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The Soviets therefore are probably also concerned that, with India's entry into the nuclear club, a close relationship with the USSR may become less useful in Indian eyes. That relationship owes much to India's fear of China; with a nuclear explosion behind them, the Indians may come to feel somewhat better able to stand up to Peking.

The Soviet press will put the best possible face on India's move. Behind the scenes, however, the Soviets will seek reassurance that New Delhi meant what it said when it announced that India would not develop nuclear weapons.

#### China

Peking will presumably conclude that India has become a more important security problem than before the explosion. An India hostile to China, close to the USSR, and eventually with some kind of nuclear weapons delivery capability could in the long run complicate Peking's strategic situation. The Indian nuclear test thus may add some urgency to China's already evident desire to normalize relations on the subcontinent and improve Peking's position there.

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Chinese instincts in favor of a US naval presence in the Indian Ocean and warmer US-Indian ties are likely to be strengthened too. At the same time, Peking almost certainly would hope that the US presence would continue to serve as a restraint on India and the USSR and as an assurance to Pakistan against a nuclear India.

#### Japan

Tokyo has openly criticized India's test and will probably deliver an official protest shortly. The Japanese are concerned that other countries, particularly Israel, will be tempted to go nuclear. Many

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**FOR THE PRESIDENT ONLY**

Japanese believe Moscow encouraged India's move in order to challenge China. The Japanese also are openly skeptical of the "peaceful" thrust of India's nuclear program. The Indian test will strengthen opponents of the Non-Proliferation Treaty in Japan.

Israel

Israel's nuclear intentions are shaped by its concept of security in the Middle East, and Tel Aviv will not be influenced much by India's test. The test does, of course, make it psychologically easier for Israel--or indeed any government with the potential--to avow or show that it has a nuclear capability.

Iran

Although the Shah is unlikely to allow the Indian test to affect newly improved relations with New Delhi, he may be miffed at being upstaged by India. Even before the Indian test, the Shah had expressed interest in cooperating with the US to develop major nuclear energy facilities in Iran. So far, Iran has shown no interest in developing weapons-related technology. Unlike India, Iran has signed the Non-Proliferation Treaty.

Canada

Last summer, Canada informed India that Ottawa would no longer provide technology, heavy water, fuel, or any equipment designed for use in power reactors that are not covered by safeguard arrangements. Ottawa took this action because New Delhi has refused to sign the Non-Proliferation Treaty.

Canada is still committed to assist in the construction of a second nuclear power plant in Rajasthan, which is scheduled to go into service in late 1976. Both Canadian-built reactors use natural uranium and are under safeguard arrangements that preclude their use in a weapons program. Despite Canadian criticism of India's nuclear test, Ottawa has given no sign that it will terminate existing agreements.

Latin America

In Brazil, the Indian test is likely to spur nuclear research and development. To many Brazilians, India has demonstrated that a developing country can achieve at least this attribute of great power status, and comment in the Brazilian press is tinged with admiration. The reaction in Argentina will probably be similar. Neither government has signed the Non-Proliferation Treaty.

*Top Secret*

Noted by DCI

5/23/74

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# The President's Daily Brief

May 23, 1974

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Exempt from general  
declassification schedule of E.O. 14176  
exemption category 5B(1), (2)(i), (3)  
declassified only on approval of  
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## THE PRESIDENT'S DAILY BRIEF

May 23, 1974

### PRINCIPAL DEVELOPMENTS

Premier Chou En-lai has had to change his operating style because of his years, but he still seems very much in charge of China's day-to-day affairs. (Page 1)

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[redacted] inside Israel sometime this week. (Page 2)

EC countries are preparing to make good on their proposal to offer wide-ranging cooperation to the Arab states. (Page 3)

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[redacted]  
The Soviets apparently are preparing for several major space events in the coming weeks. (Page 5)

In South Vietnam, increased Communist military action is continuing in the northern provinces but falling off in most other areas. (Page 6)

The Khmer Communists apparently intend to pursue their campaign against isolated Cambodian government enclaves well into the rainy season. (Page 7)

Portuguese officials are worried that self-determination for the African territories will have widely differing results. (Page 8)

Notes on the Middle East and India appear on Page 9.

FOR THE PRESIDENT ONLY

## CHINA

Age has finally caught up with Chou En-lai, China's 76-year-old premier, forcing a change in his operating style. Chou still seems very much the man in charge of China's day-to-day affairs, but he has cut down on protocol functions in order to concentrate on more pressing matters.

Foremost among the issues requiring Chou's attention is the anti-Confucius campaign, now in its tenth month. The premier has been deeply involved in the repeated attempts to keep the campaign from getting out of hand. Central Committee directives setting strict limitations are finally having some impact in the provinces. Unauthorized political wall posters have been removed, and provincial media have in some cases called for obeying party instructions "to the letter."

There is still much to do. At least some of the attacks on provincial leaders may not have official party sanction, and factionalism, including armed conflict, remains a problem in a number of places. Additional stages in the anti-Confucius campaign probably will include the fall of some high party leaders.

Chou's lower public profile has led to speculation outside of China that the premier is on the losing end of the campaign and has been pushed into the background by his political opponents, led by Mao's wife, Chiang Ching. It is far more likely that pressure from his opponents kept Chou in a more active role for longer than he originally intended and that he did not begin to reduce his public appearances until he felt he had the situation in hand.

The Chinese have been at obvious pains to quell rumors of Chou's political demise. He has been mentioned in the Chinese media more frequently than he would be if he were in trouble. In addition, at least two foreign visitors have been officially described as visiting China at Chou's invitation, an unusual formulation.

Chou's health could, of course, continue to decline and force a further curtailment of his activities. This could introduce a period of uncertainty, since Chou has been instrumental in keeping domestic affairs on a relatively even keel and in executing Mao's policies toward the US.

## FEDAYEEN

Fatah, the largest fedayeen organization, reportedly is planning to launch a terrorist operation

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[redacted]

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The relatively moderate stand on Middle East settlement issues taken in private recently by Fatah leaders would not preclude sponsoring a terrorist operation within Israel.

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## EC - ARAB STATES

EC countries are preparing to make good on their proposal, announced on March 4, to offer wide-ranging cooperation to the Arab states. The changes of government in London, Bonn, and Paris, as well as adverse US reaction to the proposal, prevented earlier action.

Hans-Dietrich Genscher, West Germany's new foreign minister, said publicly on May 19 that he believes the Euro-Arab dialogue will begin "in the next few weeks...the time is ripe for it." A senior West German official visited Cairo this weekend; he may go to other Arab capitals as well.

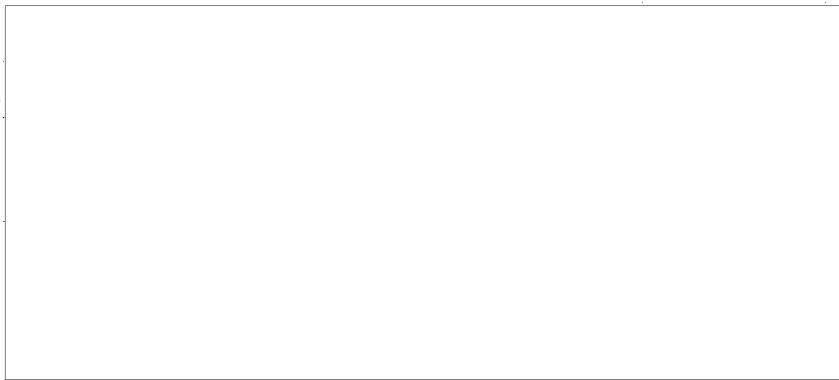
In Brussels this month, Belgian political director Davignon told a number of Arab ambassadors that the EC foreign ministers would probably take up the question of EC-Arab cooperation early in June. He suggested that they would decide to begin negotiations with the Arab states. Preliminary discussions are likely to take place at a meeting of the political directors of the Nine in Bonn on May 27-28.

On the Arab side, a committee of 11 foreign ministers, formed in March to develop a policy on EC-Arab cooperation, early this week expressed interest in a dialogue. The Arabs--in Cairo for a meeting of the Arab League Defense Council--listed topics they would like to discuss with the Europeans. These include:

- European assistance in establishing an industrial base in the Arab world,
- a flow of European technology,
- a balanced system of trade,
- balanced prices for raw materials, and
- ways to ensure stability in the value of Arab capital investments and to guard against the effects of future "monetary shocks."

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USSR



USSR

The Soviets are apparently preparing for several major space events in the coming weeks.

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The evidence suggests that a lunar probe, possibly carrying a Lunokhod rover vehicle, may be launched next week.

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The Soviets probably will also attempt to orbit a manned Soyuz spacecraft and a large Salyut space station in the coming weeks. The mission of these spacecraft cannot yet be determined. The Soyuz--with two cosmonauts aboard--might, for example, remain in orbit a few days testing equipment related to the joint Apollo-Soyuz mission scheduled for next year, or it might instead link up with a Salyut space station for a protracted mission.



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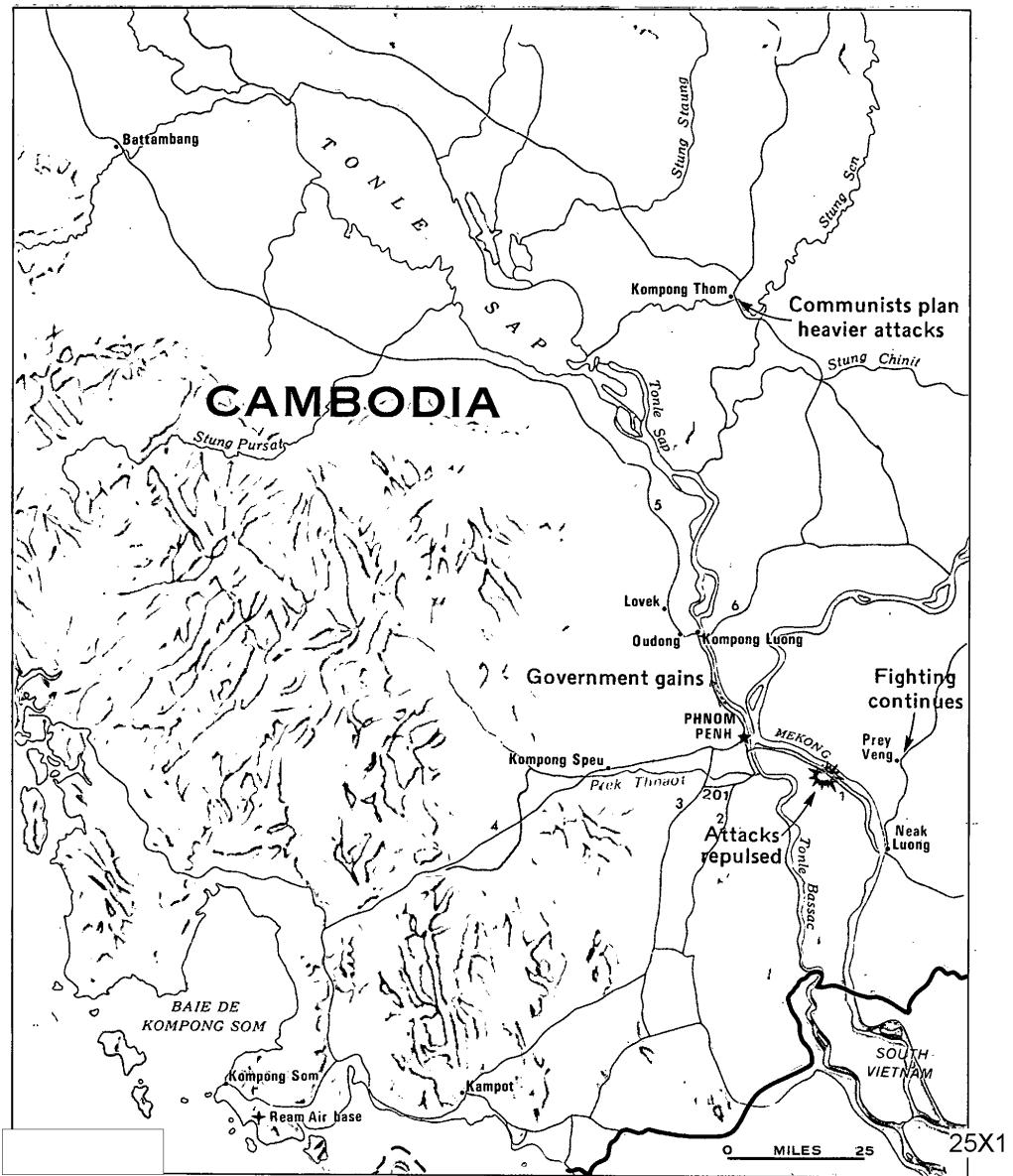
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## SOUTH VIETNAM

Increased Communist military action is continuing in the northern provinces, but falling off in most other areas. The new attacks, consisting largely of rocket and mortar shellings, have been directed at the provincial capital of Tam Ky, the Quang Ngai airfield, and several other military and civilian targets in the northern coastal area. Only scattered ground contacts have been reported in this region, however.

Communist attacks have decreased significantly in the central provinces. Route 1--the only north-south land link--remains blocked, however, because of the destruction of three bridges.

Senior South Vietnamese military officers are cautiously optimistic over the situation in the provinces just north of Saigon. In a recent assessment, they stated that elements of the North Vietnamese 7th and 9th divisions have made little headway thus far in moving against several GVN outposts and district capitals in Binh Duong Province. The officers expect further fighting, but are confident that government operations will keep the Communists off balance.



## CAMBODIA

The Khmer Communists apparently intend to pursue their campaign against isolated government enclaves well into the rainy season. According to a recent message, the Khmer Communist Central Committee has instructed regional forces to continue attacking widely separated provincial centers and supply lines through July. Among the targets specifically mentioned were the provincial capitals of Prey Veng and Kompong Thom, the southwestern reaches of Route 4, and the government base at Lovek northwest of Phnom Penh.

At the moment, the Communists are focusing their attention on Kompong Thom. Intercepted messages reflect a continuing buildup of insurgent units in the area and outline plans for a major push against the city's southern and western sectors in the near future. While preparations for this attack are being completed, the Communists are harassing Kompong Thom's defenders with sporadic shellings and ground probes.

East of Phnom Penh, Prey Veng City also remains under some pressure, but government units there have been getting the best of the skirmishing along the city's perimeter. On the capital's northern front, government forces have capitalized on Communist withdrawals to advance several miles north on Route 5. These troops have destroyed several barricades the Communists placed across the Tonle Sap River to prevent the movement of foodstuffs to Phnom Penh.

Phnom Penh itself has been hit by several rocket attacks in the past few days. These attacks have caused little damage, however. Ten miles southeast of the city, government units have repulsed attacks against defenses along Route 1.

FOR THE PRESIDENT ONLY

## PORtUGUESE AFRICA

Portuguese officials are worried that self-determination for the African territories will have widely differing results. Although they are optimistic about the prospect for peaceful political settlements in Angola and Portuguese Guinea, they have grave reservations about what may be in store for Mozambique.

In a talk with the US ambassador in Lisbon on May 20, General Costa Gomes, the number two man in the junta, said he fears a referendum on self-determination in Mozambique would result in a vote for independence and would be followed by civil war. He bases his fears on the rapid deterioration in relations between Mozambique's blacks and whites in recent years and the bitter ethnic rivalries within the territory's African majority.

Costa Gomes was clearly less concerned about the future of Angola and Portuguese Guinea, where there is less racial and ethnic antagonism. In Angola, none of the three rival liberation groups are politically or militarily capable of forcing Lisbon to negotiate independence on their terms. Prospects for ending the war in Portuguese Guinea are fairly good. The two sides will begin cease-fire negotiations in London on May 25. Lisbon recognizes that the insurgents form the only organization of any consequence there, and the Portuguese might be willing to make significant concessions.

FOR THE PRESIDENT ONLY

## NOTES

Middle East: Fighting was at an unusually low level yesterday on Israel's northern front. Only intermittent exchanges of tank and artillery fire occurred between Israeli and Syrian forces. Damascus reported that its forces shelled an Israeli settlement some eight miles north of the Jordanian border, but there have been no Israeli reports of casualties or damage at the settlement. Israeli air activity also was light, with only a few reconnaissance flights detected. Israeli naval patrol boats were operating off Beirut yesterday, but there were no Israeli air or sea attacks against the fedayeen facilities inside Lebanon.

India: Firm government action has in effect ended the nationwide rail strike that began on May 8. Employees are returning to work and train schedules are approaching normal, even though the strike is not over officially. Prime Minister Gandhi still refuses to resume negotiations with the rail unions until the strike is formally called off. Union leaders, meanwhile, are divided over whether to fight on or accept defeat. Although industrial production was hurt by disruptions in transport, the overall economic effects of the strike were not as serious as was anticipated.

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# The President's Daily Brief

May 24, 1974

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Exempt from general  
declassification guidelines O-1652  
exemption category SR 14/2(3)  
declassified only on approval of  
the Director of Central Intelligence

## THE PRESIDENT'S DAILY BRIEF

May 24, 1974

### PRINCIPAL DEVELOPMENTS

Vietnam

South

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(Page 1)

In a departure from past practice, the Soviets yesterday publicized their response to China's latest attempt to assert its claim to the large island at the confluence of the Amur and Ussuri rivers opposite Khabarovsk. The Kremlin may hope that Peking will take publication of the issue as a warning not to challenge Moscow on this sensitive point. (Page 3)

West European exasperation with the stalemated European security conference in Geneva has reached a new high, and the EC Nine may advise the Soviets that the conference will be adjourned if Moscow does not make concessions. (Page 4)

Some of the fighting between Iraqi government forces and Kurdish rebels has been heavy, but Baghdad still does not seem eager to launch a full-scale offensive. (Page 5)

Notes on the Middle East, Israel, China-Pakistan, and Thailand appear on Page 6.

FOR THE PRESIDENT ONLY

NORTH VIETNAM - SOUTH VIETNAM



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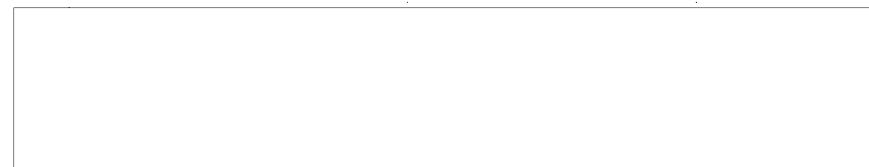
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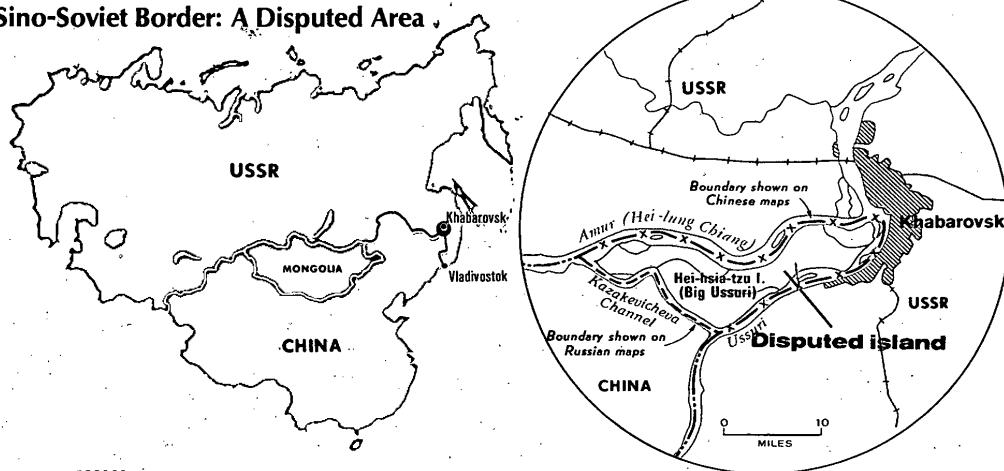


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**Sino-Soviet Border: A Disputed Area**



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## USSR-CHINA

In a departure from past practice, the Soviets yesterday publicized their response to China's latest attempt to assert its claim to the large island at the confluence of the Amur and Ussuri rivers. The island, occupied by the Soviets, lies just off Khabarovsk and has long been one of the most sensitive spots on the Sino-Soviet border.

The Soviet statement was given to the Chinese chargé yesterday. Outwardly conciliatory, the message reasserts repeatedly Moscow's contention that the waters north of the island are "Soviet inland waterways." It says that the Soviets would look favorably on Chinese requests to use those waters, as long as the Chinese take the matter up beforehand with frontier officials or through diplomatic channels.

Not surprisingly, the Chinese have repeatedly refused to do this, since such a step would give official recognition to Moscow's de facto ownership of the island. China, in fact, appears to have a good legal case. According to international regulations normally applicable to such disputes, the riverine border would follow the main navigation channel, which, in this case, runs north of the island.

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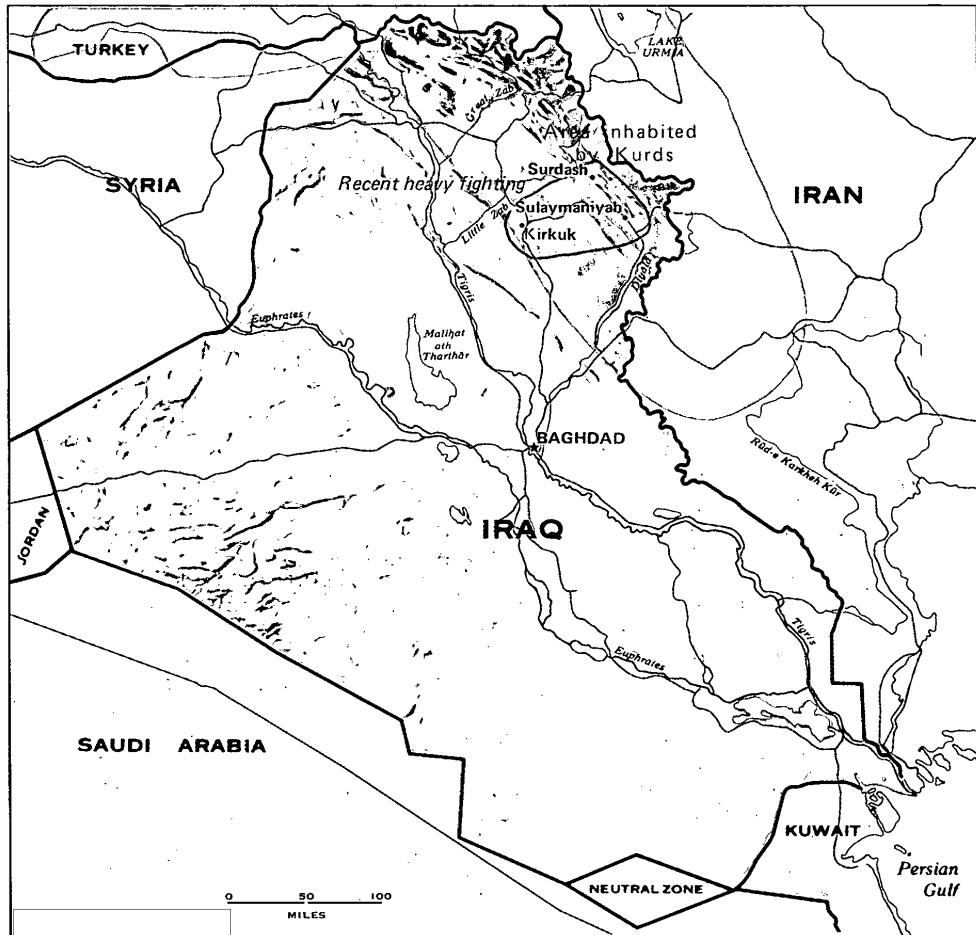
Peking has never pushed the matter to direct confrontation, but the Soviets were extremely worried this time last year that a Chinese ship was about to try to force the issue. The Kremlin was anxious then, as it is now, to head off a Sino-Soviet incident prior to a summit with the US.

The Soviets may hope that Peking will take their publication of the matter as a warning not to challenge Moscow on this sensitive point. They may also hope to derive some propaganda mileage from contrasting Moscow's ostensibly conciliatory stance with China's adamant refusal to return the crew of the Soviet helicopter which landed in China on March 14.

CSCE

West European exasperation with the stalemated European security conference in Geneva has reached a new high, and the EC Nine are considering telling the Soviets that the conference will be adjourned if Moscow does not make concessions. An adjournment could come in July and last for an indefinite period of time.

While most of the Nine had earlier favored holding a final session this summer and might have been amenable to a summit-level meeting, as the Soviets wish, the Nine now think that the results to date are too meager to justify holding a concluding session. The other members of NATO share the pessimism of the Nine. At a recent meeting of NATO's political committee, most of the Allies thought that the timing and level of representation for the final stage of the conference should not be discussed. Instead, they recommended that the results achieved thus far should be scrutinized to determine whether a final session of the conference should be held.



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555911 5-74 CIA

## IRAQ

Clashes between Iraqi government forces and Kurdish rebels are occurring daily in widely scattered parts of northern Iraq. Some of the fighting has been heavy, but Baghdad still does not appear eager to launch a full-scale offensive that would, in effect, concede the failure of its plans for Kurdish autonomy.

The government is resorting more frequently to heavy aerial and artillery bombardment, rather than close combat. The rebels are retaliating with commando raids, ambushes, and an increasing use of land mines, one of their most effective tactics. [redacted]

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At least 60 percent of the Iraqi army is now in the north for possible use against the rebellion. The substantial movement of men and materiel this deployment has involved in recent months has resulted in logistics problems, which the Kurds are compounding with their continuing campaign of sabotage. The rebels have hit oil installations and cut several key rail lines recently.

## NOTES

Israel-Syria-Lebanon: Fighting was again at a low level on the Golan front yesterday, with only occasional exchanges of artillery and tank fire. Israeli air activity was higher than on Wednesday, but it was limited to reconnaissance missions and defensive patrols, primarily over southern Lebanon and the Golan Heights. On at least two occasions, Israeli aircraft--at least one of which may have been a pilotless drone--flew over Syrian territory.

Israel: The Labor Alignment and the two small liberal parties, the Independent Liberal Party and the Citizens Rights Movement, yesterday signed a formal agreement to form a coalition government. Prime Minister-designate Rabin undoubtedly will ask President Katzir to grant him more time to form a cabinet, which is likely to have numerous holdovers from Mrs. Meir's government. Defense Minister Dayan is expected to leave the government. Deputy Prime Minister Allon and Information Minister Peres are vying for the defense portfolio. Peres appears to have the inside track. Foreign Minister Eban will probably stay on to provide the appearance of continuity.

China-Pakistan: China has agreed to provide 60 MIG-19 jet fighters to Pakistan during this year and the next. Islamabad already has 125 of these relatively unsophisticated and comparatively inexpensive planes. China is building them at a rate of about 10 to 15 per month, and the large commitment to Pakistan indicates that Peking will continue to produce the plane for some time. The Chinese have over 1,700 MIG-19s in their own air force and have exported them to North Vietnam, North Korea, Albania, and Tanzania.

Thailand: Prime Minister Sanya has responded to the urging of the National Assembly and will stay on. He is likely to make several changes in his cabinet, but none that would portend any significant departure in Thailand's foreign or domestic policies.

*Top Secret*

Noted by DCI

5/28/74

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# The President's Daily Brief

May 25, 1974

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declassification schedule of E.O. 11652  
exemption category SR(1)(2)(3)  
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## THE PRESIDENT'S DAILY BRIEF

May 25, 1974

### PRINCIPAL DEVELOPMENTS

Soviet

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Page 1.

Fighting flared on the Golan front yesterday, as Israeli and Syrian aircraft attacked targets along the battle lines. (Page 3)

The Indian nuclear test has aroused deep concern in the International Atomic Energy Agency over the viability of the Non-Proliferation Treaty and the Agency's safeguards program. (Page 4)

The Soviets are apparently seeking to suggest to Peking that Moscow will get tough if its helicopter crew is not returned soon. (Page 5)

Soviet

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(Page 6)

Greece's dispute with Turkey over oil exploration rights in the Aegean Sea continues to simmer. (Page 7)

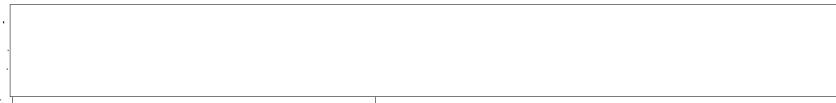
In Argentina, a successful anti-guerrilla sweep by security forces has given the government its first significant victory against the terrorists. (Page 8)

President Sadat says he has received a letter from Brezhnev putting relations on a more "positive" track, but there is still no sign that Moscow has resumed arms shipments to Egypt. (Page 9)

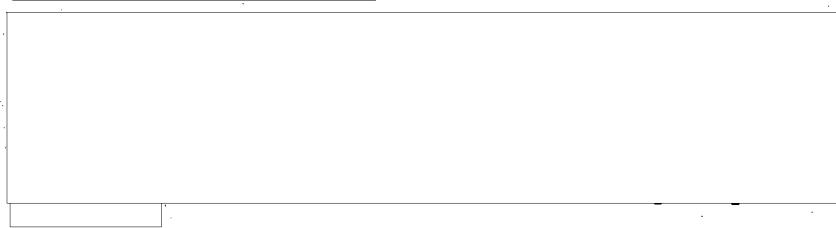
President Marcos has sent an emissary to Taipei to prepare the Nationalists for the eventual establishment of Philippine diplomatic relations with Peking. (Page 9)

**FOR THE PRESIDENT ONLY**

USSR

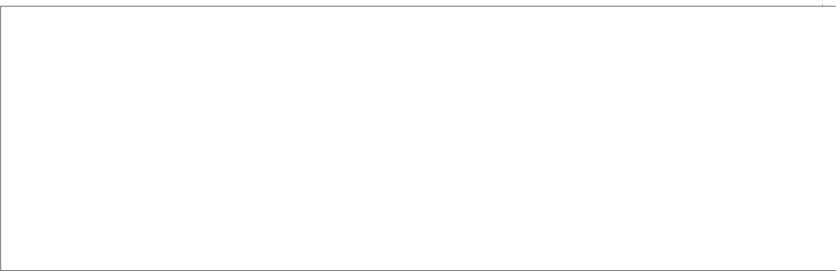


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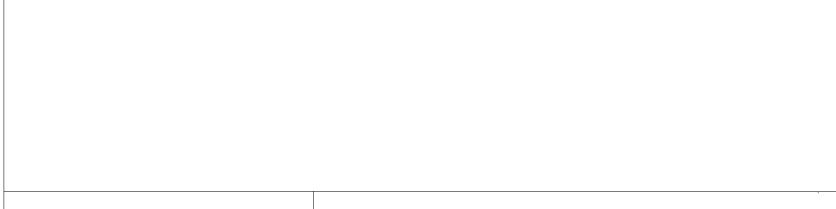
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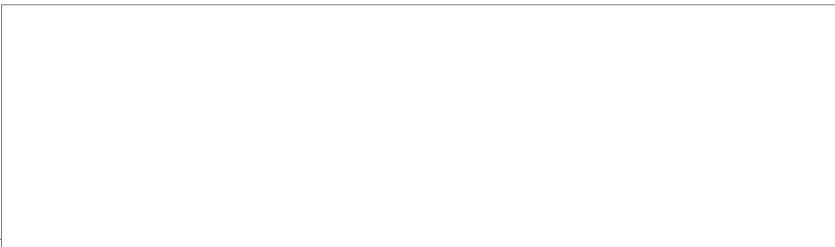


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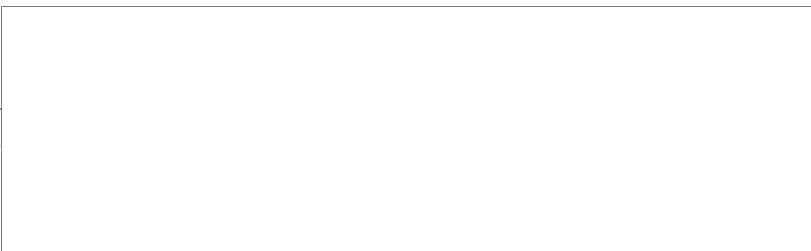
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## ISRAEL-SYRIA

Fighting flared on the Golan front yesterday, as Israeli and Syrian aircraft attacked targets along the battle lines. Tel Aviv reported that its planes attacked Syrian targets south of the Israeli-held salient into Syria. Damascus stated that its aircraft struck Israeli concentrations in the central sector of the front.

25X1

Ground fighting on the front also picked up from the low level of the past week. Israeli and Syrian forces exchanged tank, artillery, and mortar fire in several sectors of the front, including the area near Mount Hermon.

NPT

25X1

Last week's Indian nuclear test has aroused deep concern in the International Atomic Energy Agency over the viability of the Non-Proliferation Treaty and the safeguards program which the IAEA enforces.

[Redacted]

The Indian test may at least inhibit, if not prevent, new accessions to the treaty. It may also raise doubts in those countries already parties to the treaty about its value, particularly when so little progress has been made toward complete nuclear disarmament by the super powers.

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If support for the NPT falters, Ecklund continued, so will the whole safeguards program, the real political basis for the Agency's existence.

25X1

USSR

Moscow seems to be sending the Chinese a message that it will get tough unless Peking releases the Soviet helicopter crew. Mikhail Kapitsa, the Soviet foreign ministry's leading expert on China, claimed to Ambassador Stoessel that the Chinese were parading the helicopter crew through Chinese towns and might give them a public trial. He implied that the Soviets might attempt to get the crewmen back by referring to the possibility that the Soviets might find a Chinese helicopter that strayed into Soviet territory.

This is the first time the Soviets have made such a threat, although the unusual activity of Soviet helicopters along the border in late April was probably intended to make the Chinese think about such a possibility.

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The Soviets probably are discussing these issues with diplomats in the expectation that the message will get back to Peking. Kapitsa's remarks seem to betray the Soviets' frustration about their inability to settle the helicopter incident in a way that will save face and avoid a major incident. Although it is possible that the Soviets may do something out of such a sense of frustration, it seems more likely that they realize that any direct action against the Chinese would probably not yield the desired results.

USSR



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## GREECE-TURKEY

Greece's dispute with Turkey over oil exploration rights in the Aegean Sea continues to simmer. Athens' latest move is to send small artillery contingents to several islands in the eastern Aegean. This follows earlier reports of reinforcement of Greek forces along the border in Thrace. Greek leaders, both military and political, have accompanied these military preparations with statements that Athens will not initiate hostilities, but will as a last resort fight for its rights to sovereignty in the area.

US Ambassador Tasca was informed on May 21 by a source close to Greece's military leadership that his "friends" believe that all Aegean problems with Ankara are negotiable. The source indicated that the Law of the Sea conference in June is the place to resolve the issue. Although the Greeks appear to believe that delegates to the conference will lend support to their position and thus force the Turks to back off, they clearly are preparing contingency plans for the Aegean area should Ankara take "overt action against Greek interests," i.e., begin exploratory drilling.

Turkey has so far played the dispute in a lower key and has asked Athens to discuss the issue. However, this week both the foreign and defense ministers restated in general terms Ankara's intention to safeguard its rights in the area.

## ARGENTINA

A successful anti-guerrilla sweep by government security forces in Tucuman Province, begun on May 18-19, has given the Peron government its first significant victory in its counterterrorist offensive.

The large-scale operation, spearheaded by the federal police, reportedly uncovered a major training camp used by the Marxist People's Revolutionary Army. [ ] a number of prominent terrorists were captured, and many weapons and documents were confiscated. A massive search is continuing, probably in an effort to round up other extremist leaders reported in the area.

25X1

The participation of armed forces units, as well as provincial and border police, suggests that Peron's pressure to mount a coordinated drive is netting results. While a larger role for the military could improve the government's chances of neutralizing the terrorists, the struggle is expected to be a long one.

Meanwhile, a source within the Peronist-controlled labor movement told the US embassy in Buenos Aires that Peron is expected to give the nod soon to plans by militant labor unionists to move against left-wing extremists. The source added that preparations are under way to identify leftist "targets" and that actions against them would be "bloody." Implementation of these plans may coincide with Peron's planned departure for Europe. His absence would permit him to avoid close identification with repressive measures that are likely to evoke strong opposition in Argentina.

NOTES

USSR-Egypt: There is no evidence that Moscow has resumed arms deliveries to Egypt. The last sea-borne arms delivery was on April 13.

25X1

A resumption of some military shipments would jibe with President Sadat's announcement earlier this week that he had received a letter from Brezhnev that put relations on a more "positive" track.

Philippines-China-Taiwan: President Marcos has dispatched a special emissary to Taipei to prepare the Nationalists for the eventual establishment of Philippine diplomatic relations with Peking. Marcos hopes to minimize the deterioration of relations with Taipei, with which Manila has long-standing economic and security relationships. No date for the start of negotiations with Peking has apparently been set, and the discussions will probably be prolonged.

*Top Secret*

Noted by DCI  
5/28/74

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## The President's Daily Brief

May 27, 1974

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~~Top Secret~~<sup>25X1</sup>

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declassification schedule of E.O. 11652  
exemption category 5B(1),(2),(3)  
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## THE PRESIDENT'S DAILY BRIEF

May 27, 1974

### PRINCIPAL DEVELOPMENTS

Fighting increased Sunday as the Israelis and Syrians exchanged artillery fire along the Golan front. Syrian planes reportedly struck Israeli ground targets on the northern edge of the Israeli salient. The Soviets announced this morning that Foreign Minister Gromyko will arrive in Damascus today. (Page 1)

President Thieu reportedly has approved plans for a South Vietnamese initiative to resume discussions with the Viet Cong [redacted] (Page 2)

The US consulate in the Azores reports the emergence of a political group that will agitate for self-determination. The group is small and poorly organized but it may be able to rally wide support in the islands. (Page 3)

The Egyptian press yesterday published the text of a long letter from President Sadat to Libyan President Qadhafi. The letter criticized Qadhafi's handling of the abortive merger of the two countries last year. (Page 4)

The East Germans, presumably with Soviet prompting, are trying to repair relations with Bonn in the aftermath of the Guillaume affair. (Page 5)

**FOR THE PRESIDENT ONLY**

## MIDDLE EAST

Fighting increased Sunday as the Israelis and Syrians exchanged artillery fire along the Golan front. In addition, Israeli planes carried out defensive patrols and reconnaissance missions over northern Israel and southern Lebanon. Syrian aircraft flew defensive patrols, probably in reaction to Israeli activity over the Golan Heights. No air-to-air combat was noted.

Syrian planes reportedly also struck Israeli ground targets on the northern edge of the Israeli salient. These were the first such strikes on Israeli-held territory since May 10.

According to the Lebanese Defense Ministry, Israeli and Lebanese troops exchanged artillery fire yesterday as Israeli patrols attempted to take up positions on the western side of Mt. Hermon. An Israeli official acknowledged the shelling; he claimed that Israeli fire was directed against guerrilla bases in Lebanon.

\* \* \*

On the political front, the Soviets announced early this morning that Foreign Minister Gromyko will arrive in Damascus today "at the invitation of the Syrian leadership." [redacted]

25X1

[redacted]  
25X1

SOUTH VIETNAM

President Thieu has approved in principle plans for a South Vietnamese initiative to resume discussions with the Viet Cong

25X1

The Paris political talks were suspended on April 16 when the South Vietnamese walked out in protest over Communist seizure of the Tonle Cham ranger base northwest of Saigon. The Viet Cong pulled out of the two-party military discussions in Saigon on May 10, in response both to South Vietnam's boycott in Paris and to suspension of diplomatic privileges for their military delegation in Saigon.

The plans currently being considered by Thieu call first for a resumption of the Saigon talks by restoring Viet Cong privileges and immunities. If this initiative proves successful, efforts will be made to renew contacts at the Paris level.

25X1

## AZORES

The US consulate in the Azores has reported the emergence of a political group that intends to agitate for self-determination. One of the local leaders has already requested US support for independence for the islands. He stressed Lisbon's long-standing neglect of the Azores and expressed serious doubt that the new Portuguese government would be any more attentive to the islands' problems.

The consulate comments that, although the group pushing for independence is small and poorly organized, it will probably be able eventually to rally wide support. This would create a new problem for the Spinola government, and could also introduce complications into US-Portuguese negotiations for renewal of the Azores base agreement, which expires later this year.

## EGYPT-LIBYA

Egyptian radiobroadcasts and newspapers yesterday carried the full text of a long letter sent by President Sadat to Libya's President Qadhafi early this month. The bulk of the letter is a criticism of Qadhafi's handling of the abortive merger of the two states last year. Parts of the document that were released late last week dealt with Libya's criticism of Egypt's conduct of the October war and Qadhafi's subsequent decision to cut off Libyan aid to Egypt.

Sadat apparently has released the complete text of his letter to inform all Arabs, and Egyptians in particular, of the substance of his contacts with Qadhafi. He hopes to convince the Arabs that the severe strains in Egyptian-Libyan relations are the direct result of Qadhafi's wrongs and not of Egypt's policies. Sadat may also be attempting to ensure that all members of the Libyan Government do, in fact, have an accurate account of his message to Qadhafi.

The Egyptians have let the letter speak for itself. Editorial comment by Cairo newspapers, which printed the text under banner headlines, has been relatively restrained. The authoritative Al-Ahram commented that Sadat's message points out positive aspects of the Libyan "revolution" and opens the way to "rectification" of past mistakes.

NOTE

East Germany - West Germany: The East Germans, presumably with Soviet prompting, are trying to repair relations with Bonn in the aftermath of the Guillaume affair. Party chief Honecker has publicly stressed East Germany's continued commitment to detente, and has sought to project a conciliatory stance on a number of minor issues. Pankow reacted quickly to West German Chancellor Schmidt's statement to the Bundestag that, despite strains in relations, the treaty structure between East and West Germany should be further developed. The East German news agency voiced agreement with Schmidt, and added that Pankow is ready to consider broadening economic ties, modifying requirements for visitors to East Germany, and cooperating on an energy system to include West Berlin.

*Top Secret*

Noted by DCI  
5/28/74



## The President's Daily Brief

May 28, 1974

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Exempt from general  
declassification under E.O. 14176  
exemption category SR(1)(D)(1)  
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## THE PRESIDENT'S DAILY BRIEF

May 28, 1974

### PRINCIPAL DEVELOPMENTS

The Lao Communists have proposed a comprehensive political program for the new coalition government.  
(Page 1)

25X1

Yesterday morning the Soviets put an unmanned Soyuz spacecraft into orbit. (Page 2)

25X1

Northern Ireland

25X1

(Page 3)

25X1

25X1

A note on light military activity at the Golan front appears on Page 5.

*FOR THE PRESIDENT ONLY*

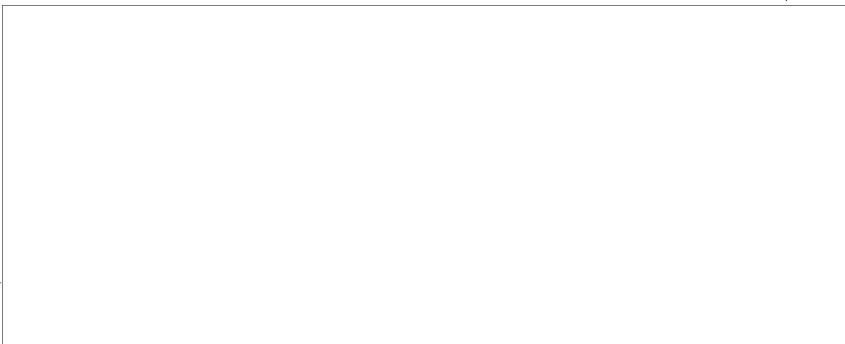
LAOS

\*Buoyed by their recent successful efforts to prevent the opening of the rightist-dominated National Assembly, the Lao Communists have again seized the political initiative by proposing a comprehensive political program for the new coalition government. Unless the non-Communist side can pull itself together, the Communists will have established a pattern of leadership which the rightists and neutralists will have great difficulty challenging.

The Communists' program, outlined recently in a speech before the coalition's Joint National Political Council by its chairman, Prince Souphanouvong, indicates that the Communists will push hard to amend the Lao constitution and the nation's electoral laws. Souphanouvong focused considerable attention on the economic, social, and cultural development of Laos, emphasizing the need for self-reliance and self-sufficiency, but made it clear that foreign economic assistance--"with no political strings attached"-- would be welcome. The US was singled out as having special responsibility for "healing the wounds of war in Laos."

Souphanouvong's program emphasized the strict neutrality of Laos, and indicated that the country would not take part in any military pact or alliance. He called for the normalization of relations with all countries regardless of their social or political systems, with top priority going to neighboring Indochinese states.

25X1



Prime Minister Souvanna reportedly has agreed to sign the document on behalf of the coalition cabinet, but it is unclear whether all of its provisions have been thoroughly examined and approved by the cabinet. Pending cabinet ratification, the document will be forwarded to the King for final approval.

USSR

Yesterday morning the Soviets put an unmanned Soyuz spacecraft into orbit. Tass identified the craft as Cosmos 656 and stated that its purpose was to continue space exploration. During this mission, the Soviets will probably continue the testing of modifications to the Soyuz spacecraft, perhaps as part of the preparations for the joint Apollo-Soyuz mission scheduled for next year or for a mission involving a rendezvous with a Salyut space station.

In a previous unmanned flight in April, another Soyuz spacecraft performed a series of orbital maneuvers that may have been designed to test modifications in its control and propulsion systems.

NORTHERN IRELAND



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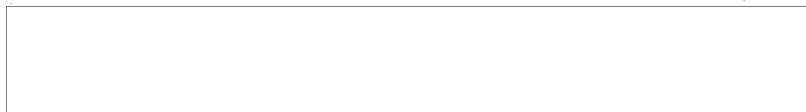


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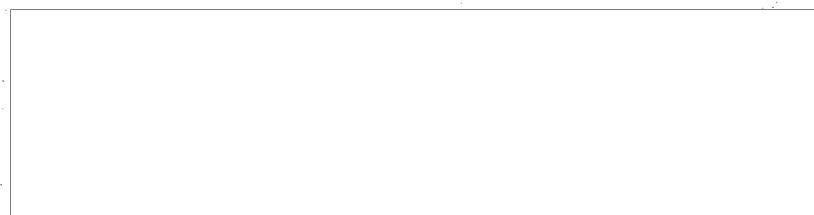
USSR



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NOTE

Israel-Syria: Military activity on the Golan front yesterday was light. The only air activity was a mid-morning reconnaissance mission by Israeli aircraft. Fighting resumed on the ground, according to a Syrian military spokesman. [redacted]

25X1  
25X1

*Top Secret*

*Notes by DCI  
5-29-74*



# The President's Daily Brief

May 29, 1974

3

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exemption category 5B(1), (2), (3)  
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## THE PRESIDENT'S DAILY BRIEF

May 29, 1974

### PRINCIPAL DEVELOPMENTS



25X1

Prime Minister - designate Rabin's proposed cabinet is likely to be approved by the Israeli parliament, perhaps within a week. (Page 2)



25X1

Khmer Communist "defense minister" Khieu Samphan appears to have achieved closer ties with the Chinese and their agreement to provide arms aid to Cambodia. (Page 5)

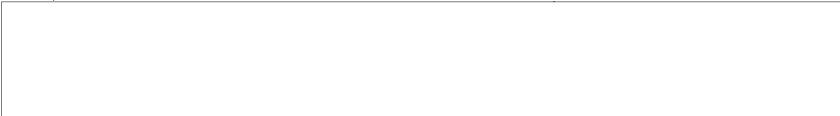
Some of the Turkish armed forces were put on standby alert over the weekend. It may be an exercise, but could also be a warning to the Greeks. (Page 6)

West German



25X1

(Page 7)



25X1

A sizable number of Cuban pilots are training South Yemenis to fly Soviet MIGs. (Page 9)



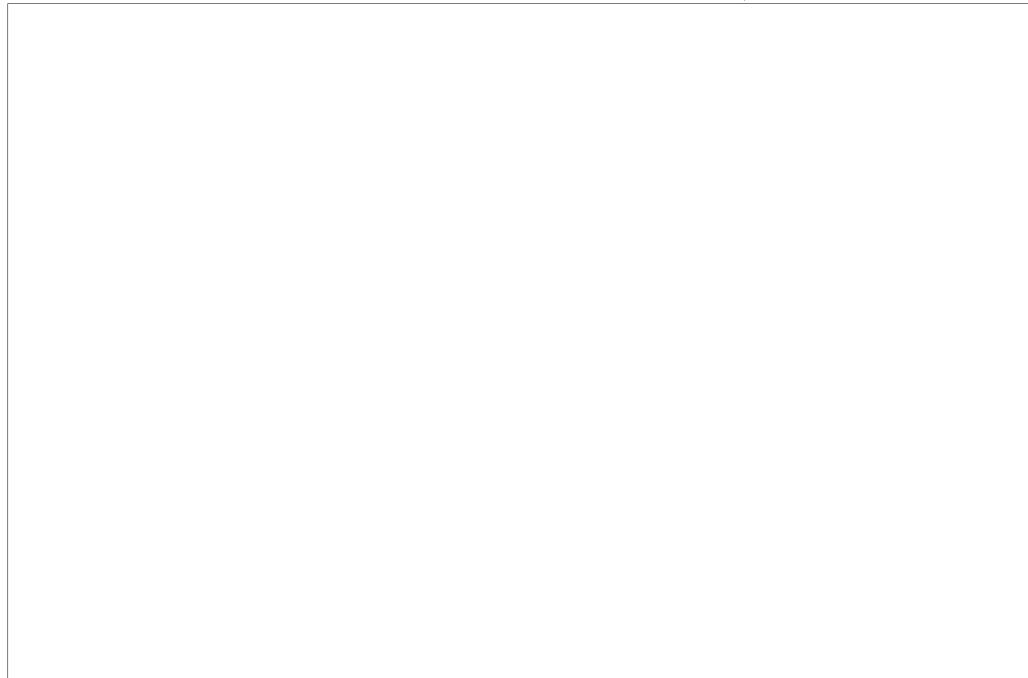
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Fighting on the Golan Heights was at a low level yesterday. (Page 10)

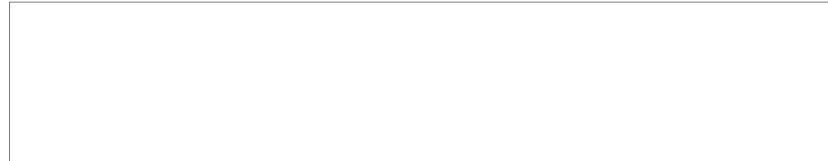
The Soviets are conducting extensive naval exercises. (Page 10)

FOR THE PRESIDENT ONLY

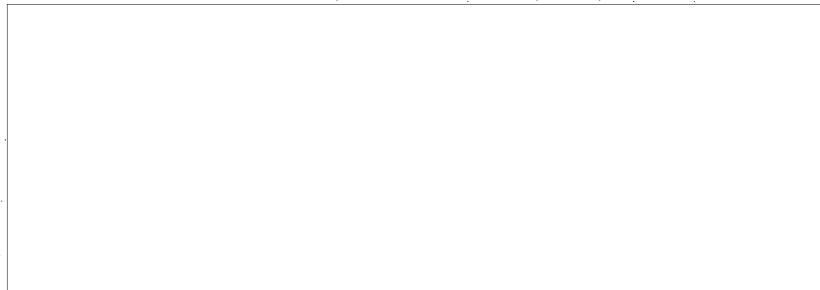
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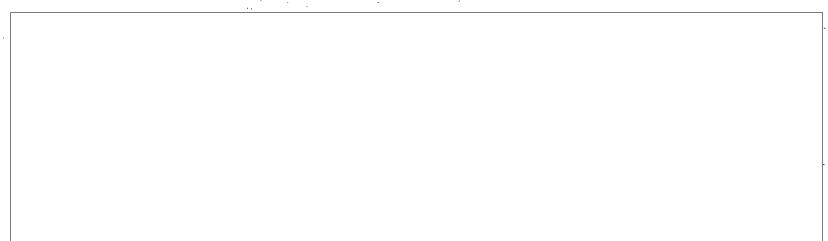
USSR



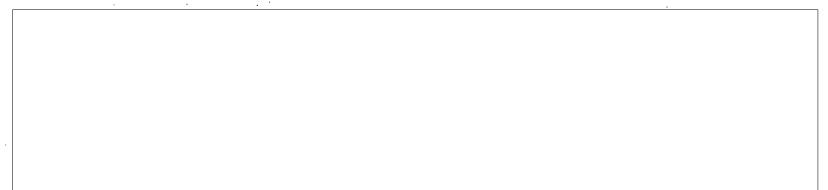
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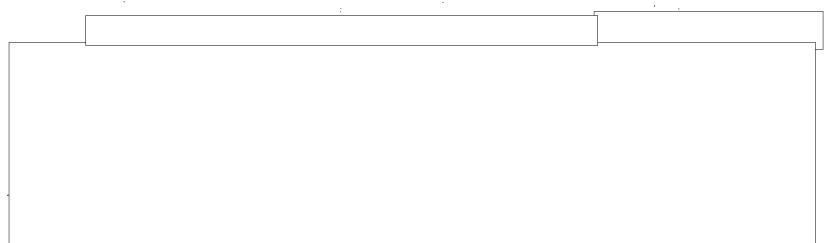
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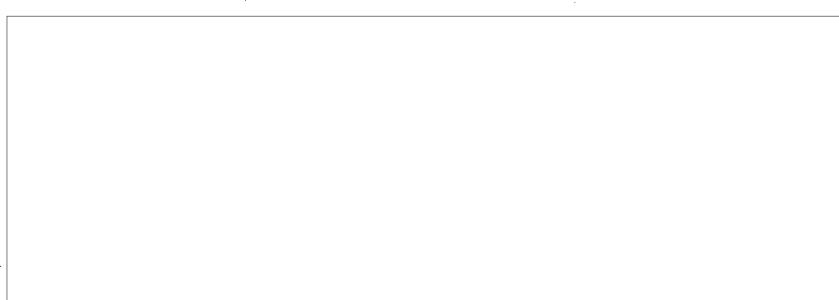
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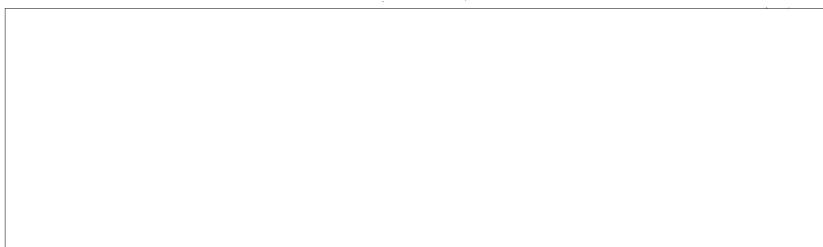
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*FOR THE PRESIDENT ONLY*

**ISRAEL**

Prime Minister - designate Rabin should have no trouble securing parliamentary approval of his proposed cabinet, probably within a week.

Rabin last night informed President Katzir that he had succeeded in putting together a cabinet to replace that of Prime Minister Meir. Shortly before, his Labor Party Executive Bureau and the Labor Alignment Knesset faction voted, after a stormy session, to approve the new line-up.



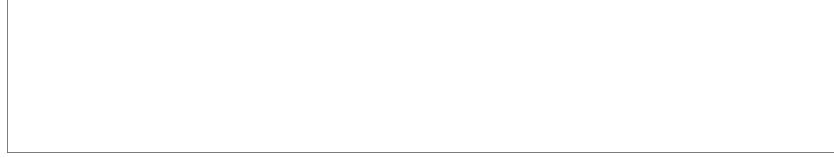
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Fifteen of Rabin's proposed 20-member cabinet are hold-overs from Mrs. Meir's outgoing government.

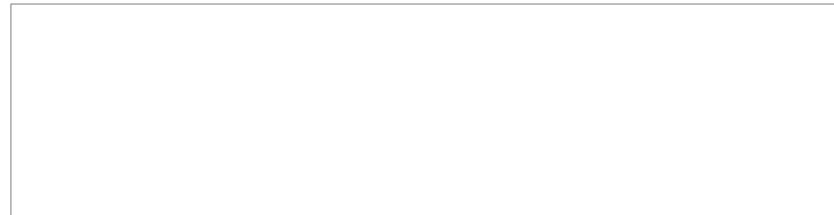
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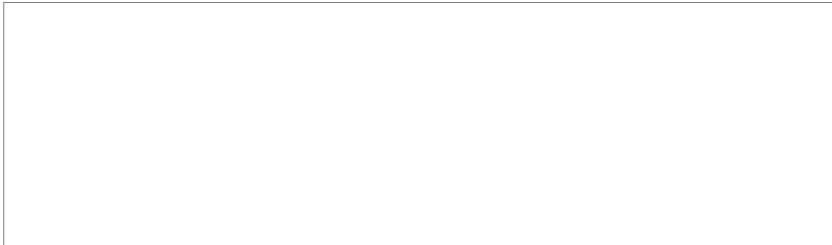
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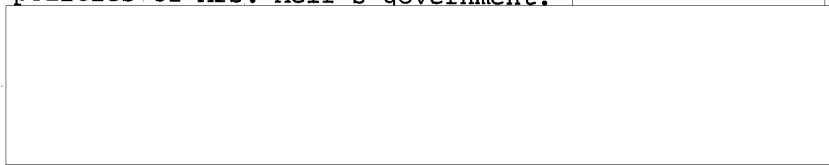


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Rabin is not expected to alter significantly the policies of Mrs. Meir's government. [redacted]



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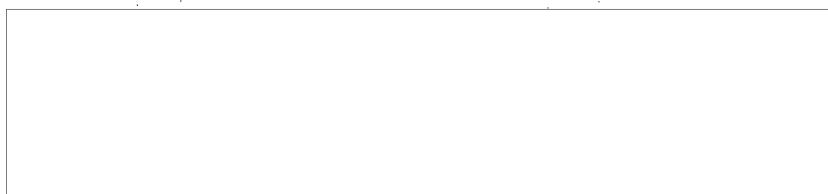
NORTHERN IRELAND



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## CAMBODIA-CHINA

Ranking Khmer Communist leader Khieu Samphan is preparing to return to Cambodia after apparently successful talks with Chinese leaders, which appear to have aligned the Khmer Communists more clearly and firmly with China. Samphan declared that Peking was "our most reliable and solid rear area" and in the joint communique issued before his departure for Hanoi on May 27 unstintingly praised Chinese leadership and policies.

While not ignoring Sihanouk entirely, the communique played down his role in the "struggle." Sihanouk apparently was not present during the substantive discussions in Peking. Peking's treatment of Samphan has made it clear that it sees him as playing a major role in a future settlement.

There was no sign in the communique, however, that Peking anticipates any early solution in Cambodia. The document reiterated Chinese calls for an end to US "aggression" in Cambodia and the withdrawal of US support to the "Lon Nol clique" in order to enable the Cambodians to resolve their differences independently. This long-held Chinese position stops short of prescribing a military solution and suggests that Peking has not yet excluded a negotiated settlement.

The communique disclosed that an aid agreement has been signed providing for "gratis" Chinese military equipment and supplies to the insurgents. The Chinese first signed a separate military aid agreement with Sihanouk's "government" on January 13, 1973. Shortly after the Vietnam cease-fire was signed in Paris, however, Sihanouk claimed that Chou En-lai had told him that the agreement precluded any further direct Chinese materiel assistance to the Khmer Communists. Instead, Sihanouk said, the Chinese would give the insurgents money to buy arms.

The conclusion of the 1974 military aid agreement so late in the year could mean that the level of Chinese support will be low. The pact probably resulted from increased Khmer Communist pressure for support, especially in light of what the insurgents consider to be continued heavy US assistance to the Lon Nol government.



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## GREECE-TURKEY

Selected elements of the Turkish armed forces apparently went on "standby alert" over the weekend. Although the alert may be related to operational readiness inspections scheduled for this week or to pending exercises, it could also be an outgrowth of the dispute between Turkey and Greece over oil rights in the Aegean.

[redacted] that activities of an alert nature took place at three Turkish air bases on May 25 and 26. [redacted]  
[redacted] that a tank regiment was issued ammunition on May 26 and had taken up camouflaged positions. In addition, gendarmerie units in Ankara reportedly were placed on an increased state of readiness.

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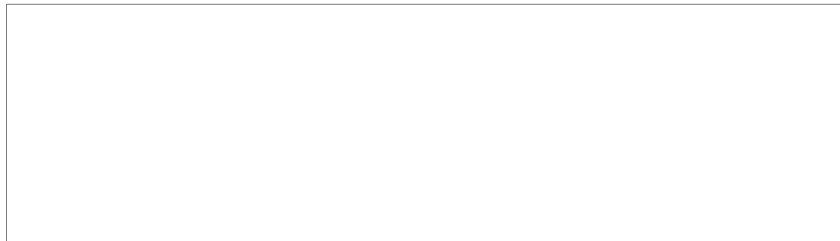
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The alert is not a general one and may stem in part from exercises under way or scheduled. Press reports from Ankara indicate that Turkish military units were scheduled to begin exercising in the Aegean yesterday. The coming CENTO exercise, "Shahbaz," which will involve Turkish, Iranian, and Pakistani air forces, could also account for some of the activity.

Nevertheless, Ankara may be taking precautionary measures in response to bellicose statements made in recent weeks by the Greek press, as well as reports of Greek troop movements. Turkey may also be demonstrating a willingness to back up with military force, if necessary, its intent to explore the Aegean.

The Greek note delivered to Ankara on May 23 suggested that Athens might be prepared to talk about arrangements for holding discussions on the Aegean problem. Greek Foreign Minister Tetenes, however, told Ambassador Tasca yesterday that Athens saw no chance for direct contact before the NATO conference in Ottawa or the Law of the Sea Conference set for next month.

WEST GERMANY



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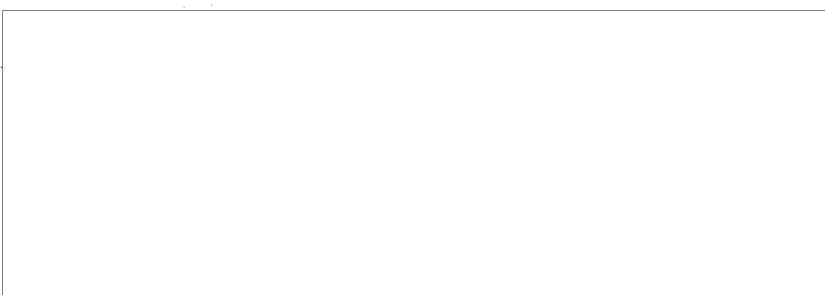
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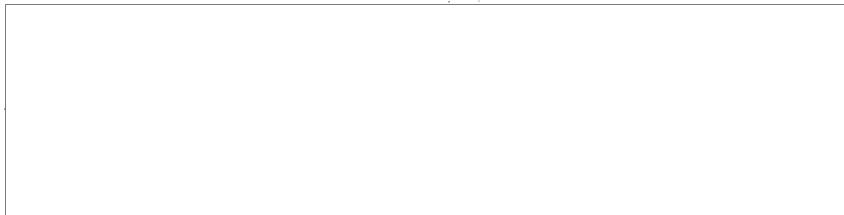
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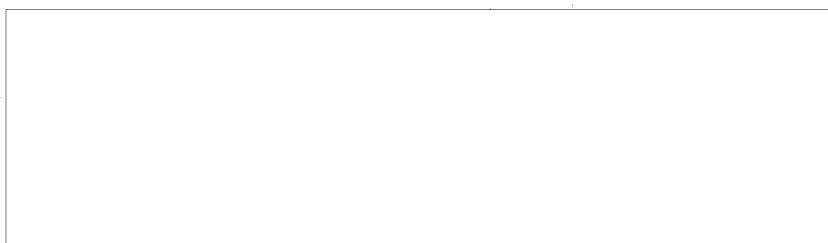
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FOR THE PRESIDENT ONLY

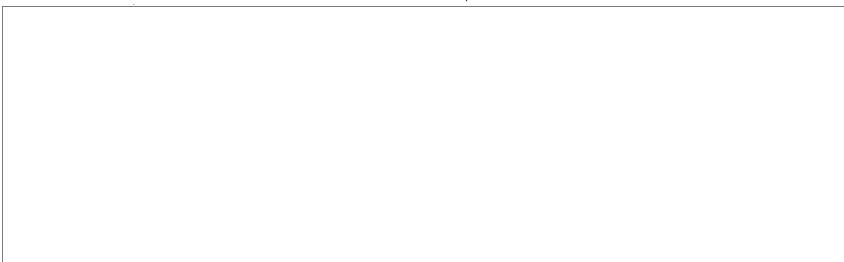
**USSR - WARSAW PACT**



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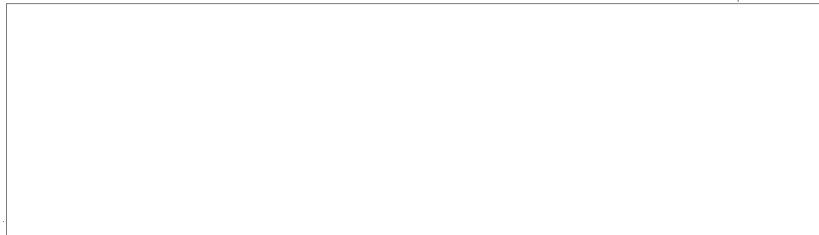


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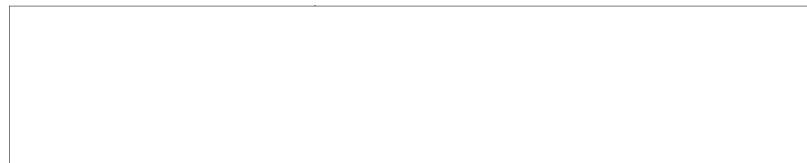


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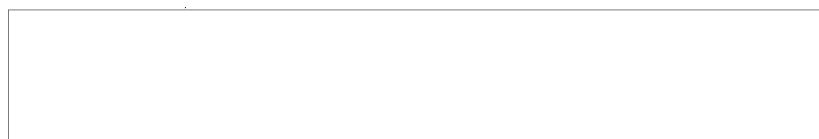
SOUTH YEMEN - CUBA



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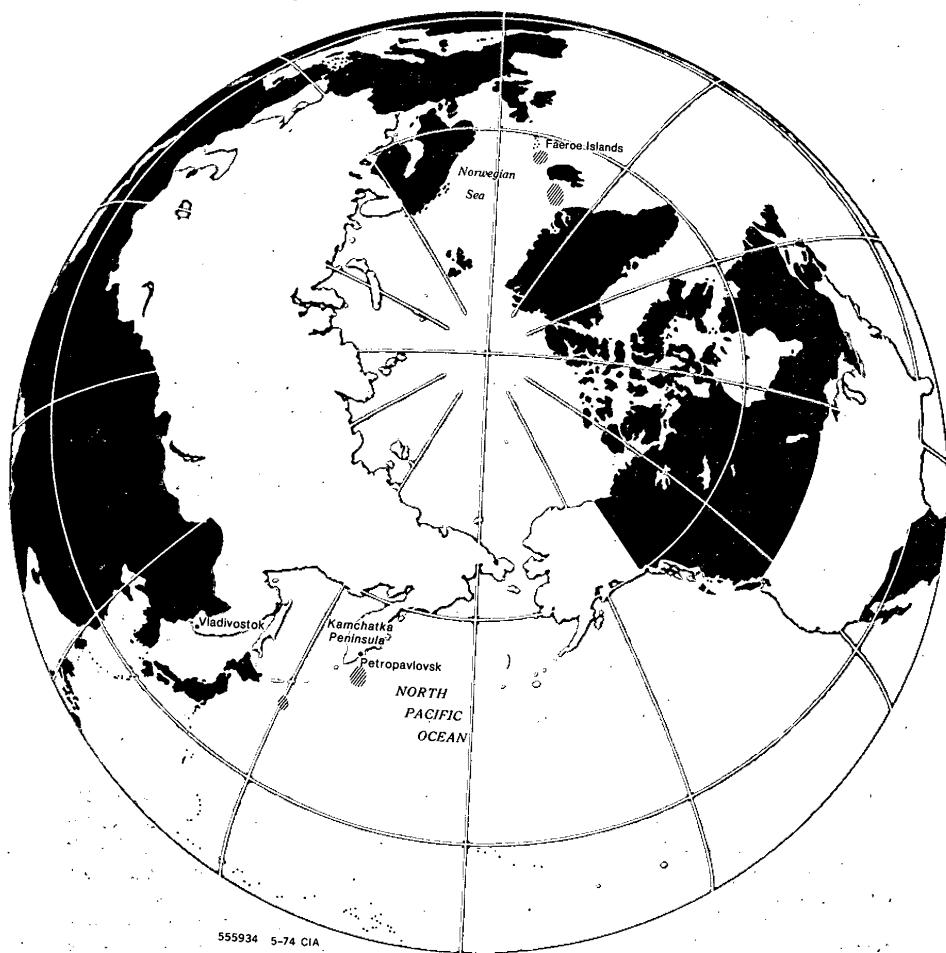


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**Soviet Naval Exercises**



NOTES

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[redacted] US naval personnel in Egypt have reported that security measures were to be increased along the Suez Canal yesterday.

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[redacted] Egypt has increased its state of military readiness on previous occasions when fearful that Israel was undertaking unusual military activity.

Israel-Syria-Lebanon: Fighting was at a low level yesterday on the Golan front, with only sporadic exchanges of tank and artillery fire. The Israelis shelled fedayeen positions near Mount Hermon, and exchanged fire with Lebanese units in southern Lebanon. Israeli aircraft flew several reconnaissance missions over southern Lebanon.

USSR: The Soviets are now conducting extensive naval exercises in both the Norwegian Sea and the northwest Pacific. These are consistent with the Soviet practice in recent years of annually conducting a series of brief, sharply focused exercises, instead of just two or three large exercises.

*Top Secret*

Noted by DCT  
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# The President's Daily Brief

May 30, 1974

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~~Top Secret~~

Exempt from general  
declassification schedule of E.O. 11652  
exception category 5B(1),(2),(3)  
declassified under authority of  
the Director of Central Intelligence

## THE PRESIDENT'S DAILY BRIEF

May 30, 1974

### PRINCIPAL DEVELOPMENTS

The Soviets, on the second anniversary of the first summit between President Nixon and General Secretary Brezhnev, are clearly looking toward a second meeting. (Page 1)

Turkey, impatient over Greece's hesitation to commit the Aegean Sea dispute to negotiation, apparently is exploring the disputed area for oil under a military cover. Greek forces are reported on alert. (Page 2)

Pakistani President Bhutto is looking for diplomatic support in the wake of India's nuclear test. (Page 3)

In South Vietnam, Communist plans for the remainder of their May-June offensive appear to be focused on Tay Ninh, Binh Duong, and Hau Nghia provinces. (Page 4)

President Spinola warned yesterday that Portuguese armed forces would respond with force if necessary to prevent "anarchists" from undermining the existing order. (Page 5)

Israel has built its fourth guided-missile patrol boat. (Page 6)

A Soviet lunar probe was launched yesterday and a Soyuz spacecraft was brought down after two days in orbit. (Page 6)

Ethiopia's Prime Minister is more confident about working with reformers among the military. (Page 6)

Czechoslovak party chief Husak is reported ready to take over the presidency after the incumbent dies. (Page 6)

FOR THE PRESIDENT ONLY

## USSR

Soviet commentators have marked the second anniversary of the first summit meeting between President Nixon and General Secretary Brezhnev with high praise for the state of US-Soviet relations and a renewed call for a campaign to make detente irreversible.

In contrast to recent signs of nervousness in Moscow regarding the status of the coming summit, a Tass item Tuesday cited preparations for the President's scheduled trip to the USSR as evidence of "the successful development of Soviet-American relations." Moscow radio observed on the same date that the most authoritative representatives of the American public now are fully behind detente and are actively seeking concrete progress in bilateral cooperation.

Other Soviet commentaries in recent days have taken the line that the difficulties of the past two years--Vietnam, the Middle East war, and the coup in Chile--have tested the strength of the Soviet-American commitment to normal relations and have proven its vitality and effectiveness.



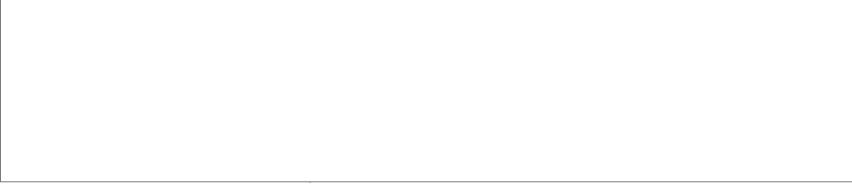
## GREECE-TURKEY

Ankara, impatient over Athens' hesitation to commit the Aegean Sea dispute to negotiation, apparently is pursuing its "rights" in the area under a military cover. It announced yesterday that it has sent a research ship to the eastern Aegean, where it will engage in preliminary oil exploration.

The Turkish foreign minister has announced that the research ship was preceded by a number of warships. Another official said that the exploration will take place in "disputed waters." The Greeks are on record as saying that such an action would be regarded as "illegal" and would lead Greece to defend its "rights" in the Aegean Sea with force.

Turkish naval sources have said that a flotilla consisting of at least four submarines, several minesweepers, and gunboats sailed early yesterday from the Turkish base at Golcuk on the Marmara Sea. This apparently is the force accompanying the research ship. It put to sea ostensibly to participate in an exercise with US ships.

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According to press reports late yesterday, Greek armed forces were in an advanced state of readiness in reaction to Turkish moves. Official Greek sources, however, have not confirmed this information.

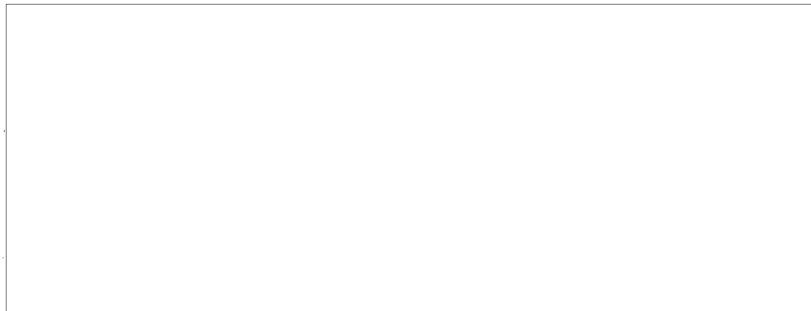
PAKISTAN

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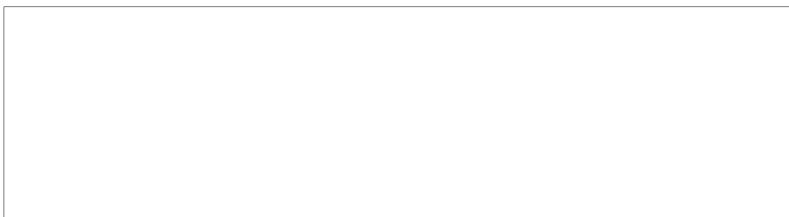
Prime Minister Bhutto has launched an extensive diplomatic campaign in the wake of India's nuclear test.



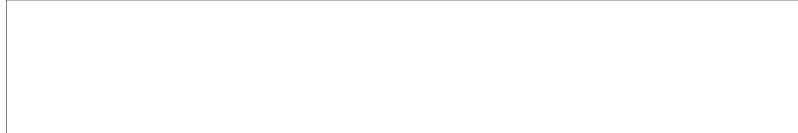
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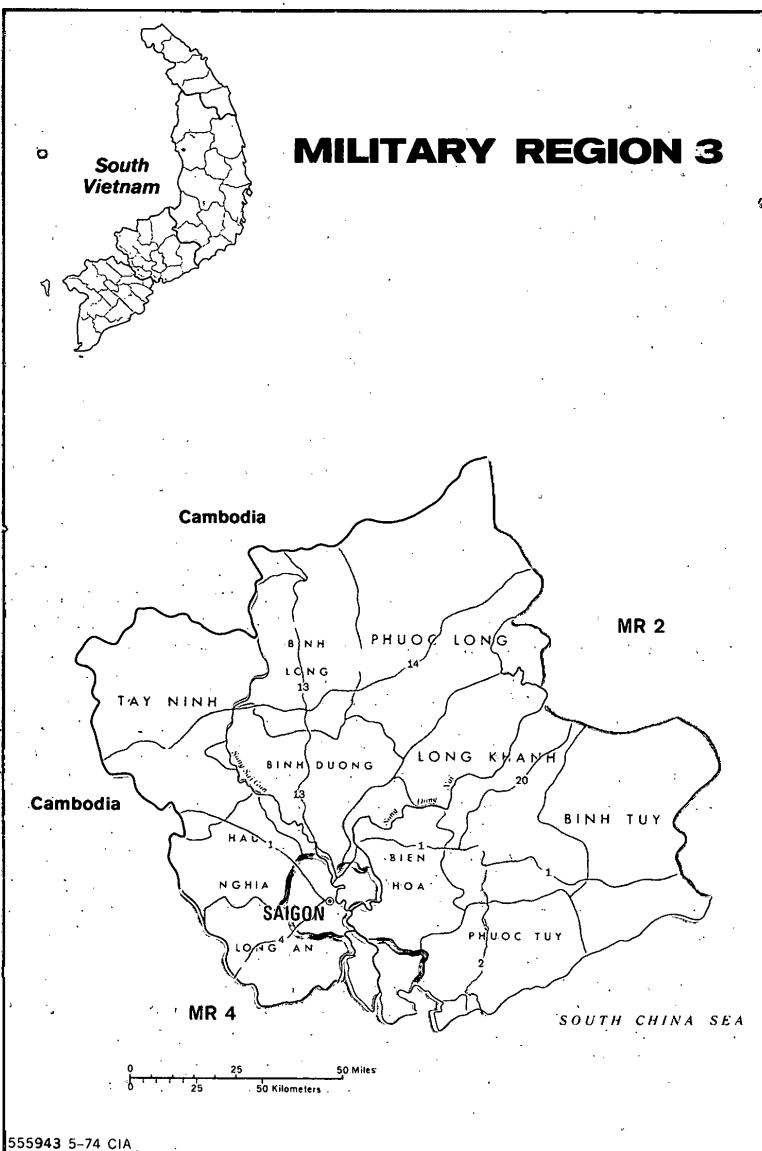
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## SOUTH VIETNAM

Communist plans for the remainder of their May-June campaign in Military Region 3 appear to be focused on Tay Ninh, Binh Duong, and Hau Nghia provinces.

[redacted] a fresh wave of fighting in these areas may occur as soon as June 1. The attacks will largely be limited to government strongpoints and to on-going South Vietnamese operations against Communist territory and forces. They appear to be a continuation of the campaign that COSVN announced in early May to inflict heavy casualties on government units and to improve the Communists' military position in the countryside.

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[redacted] government military commanders remain confident that they can contain any new fighting. [redacted]

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## PORtUGAL

President Spinola warned yesterday that the armed forces would respond with force if necessary to prevent "anarchists" from undermining the existing order. The authorities are particularly concerned about immoderate labor demands, some of which are being pressed by far-left extremists outside the Communist Party.

The government's attitude is supported by the Democratic Movement, a coalition of Liberals, Socialists, and Communists, which issued a communique to that effect on May 27. In publicly throwing their support to the government, the Communists seem motivated by the desire to protect their newly respectable position and by fear that far-left extremism could lead to a coup.

It is not clear how much influence Communists exert within the Democratic Movement, but it is apparent that the Portuguese Communist Party is well-entrenched in the rudimentary trade union movement. The US Embassy in Lisbon believes that Communists control industrial and service sectors of the trade unions and that they are working without serious resistance to influence the agricultural and civil service sectors where there are no existing labor institutions.

The Socialists and other non-Communist parties in Portugal do not have the experience, funds, or membership to compete with the Communists, and the gap in organizational strength is widening. Socialist Party leader Mario Soares is preoccupied with his duties as foreign minister, and no non-Communist leader appears to be concentrating on building a political organization.

**Israeli-Built Guided-Missile Patrol Boat**



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## NOTES

Israel: Tel Aviv was scheduled to launch its fourth Israeli-produced guided-missile patrol boat yesterday; it will probably be operational by mid-July. Two more are to be completed by the end of the year. The boats are equipped with at least six Gabriel antiship missiles each, can remain at sea for several weeks at a time, and can operate over considerable distances. The first two boats of this class were sent to the Red Sea two months ago, and the third and fourth will probably join them this fall.

USSR: The mission of the Soviet lunar probe launched yesterday is to conduct scientific research from orbit around the moon, according to a Tass announcement. The probe will arrive in the vicinity of the moon on June 2; the Soviets probably do not intend to land a payload on the lunar surface. The Soviets yesterday also brought down their latest unmanned Soyuz spacecraft after two days in orbit.

Ethiopia: Cabinet appointments announced this week indicate Prime Minister Endalkatchew's increased confidence in working with reform-minded military elements. The changes include the transfer of Interior Minister Zewde, who has the confidence of military moderates, to the less sensitive post of foreign minister and the return of some old-line conservatives to the cabinet. Although the military moderates still hold the balance of power in Ethiopia, they apparently have decided to compromise with the government on some matters in order to avoid violence and to hold traditional rivalries in check. The moderates will continue to press for reform, and they believe their long-term prospects are good.

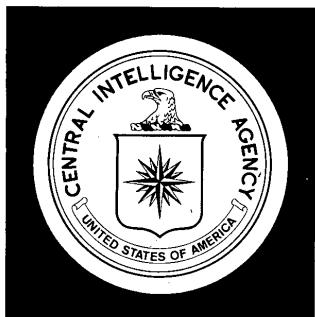
Czechoslovakia: Czech leaders reportedly have agreed that Gustav Husak will assume the presidency and remain secretary general of the party upon the death of President Svoboda, who is seriously ill. This arrangement would not upset the delicate factional balance within the leadership. It would, however, revive unpleasant memories of the repressive regimes of Gottwald and Novotny, each of whom held both posts.

*Top Secret*

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Notes by DCI

5/31/74



# The President's Daily Brief

May 31, 1974

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~~Top Secret~~

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Exempt from general  
declassification schedule of E.O. 14176  
exemption category 5B(1), (2), (3)  
declassified only on approval of  
the Director of Central Intelligence

## THE PRESIDENT'S DAILY BRIEF

May 31, 1974

### PRINCIPAL DEVELOPMENTS

According to sensitive embassy reports, Saudi Oil Minister Yamani believes Saudi Arabia can prevent a decision to increase posted prices at the Quito meeting of OPEC on June 15 and can force down world oil prices this summer. (Page 1)

There is a risk of military confrontation between Greece and Turkey in the eastern Aegean, but both sides seem to want to settle the dispute through negotiations. (Page 2)

In Cambodia, the present lull in military action is probably only temporary on some battlefronts. (Page 3)

Italy

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(Page 4)

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FOR THE PRESIDENT ONLY

## SAUDI ARABIA

Saudi Oil Minister Yamani believes Saudi Arabia can prevent a decision to increase posted prices at the Quito meeting of OPEC on June 15 and can force down world oil prices this summer, according to sensitive embassy reports.

Yamani has implied that if the other OPEC members push to raise posted prices at Quito, Riyadh will threaten to withdraw from active participation in OPEC, increase production, and unilaterally cut its posted prices.

Another Saudi strategy would involve holding a major auction of Saudi crude oil this summer. Yamani believes that, if two million barrels per day were put on the market, there would be a sharp decline in world prices--probably to about \$8.00 per barrel from its present price, which he gives as \$10.00-\$12.00. Saudi Arabia would obtain this extra oil for auction by "substantially" increasing production and by taking a share of participation oil from ARAMCO.

Yamani apparently has the support of both King Faysal and Prince Fahd in pursuing his objectives.

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## TURKEY-GREECE

The arrival yesterday of a Turkish oil exploration ship escorted by warships in the eastern Aegean has raised the risk of a military confrontation between Greece and Turkey. Some military forces in both countries are on alert, but both sides want to settle the dispute through negotiations.

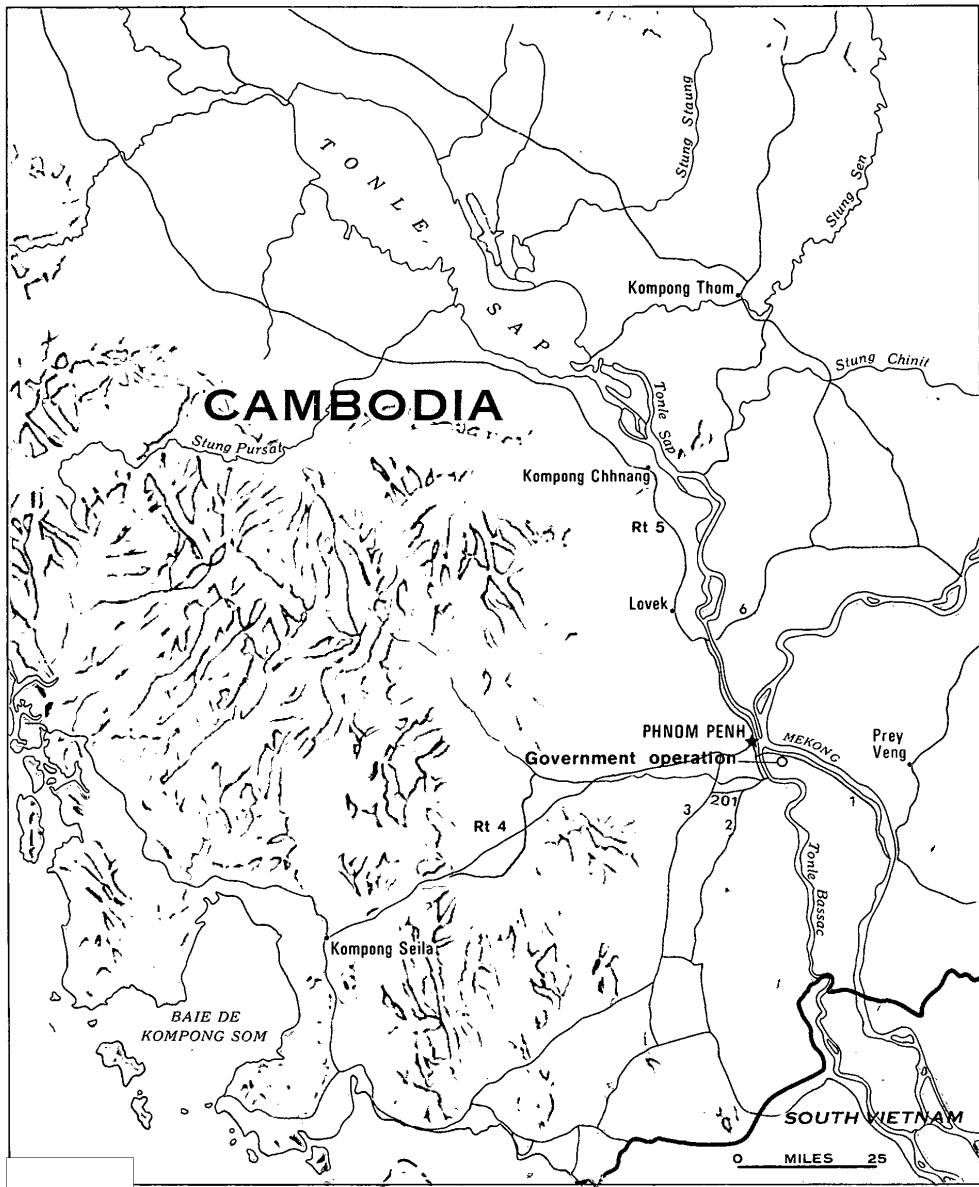
A Greek foreign ministry official has informed Ambassador Tasca that Athens is taking a "very serious view" of the situation, but that Greece will remain "cool-headed." Greek strongman Ioannidis has told a US official that he will try to handle the problem by "non-military means."

Ioannidis said that the Greek government had learned that Turkey had decided to send a "seismological" ship to the Aegean five days before Ankara announced it was doing so. He expressed anger that warships were also sent, but added that this was not "grounds for a military reaction." Ioannidis said his government would take whatever action is necessary if the Turks seem to be clearly preparing for "armed conflict" or if they begin drilling in waters claimed by Greece.

The US consul in Thessaloniki has reported that forces in northern Greece have been placed on alert and that fighter aircraft have been moved to the area. He also noted that one amphibious landing ship was loading army troops in Thessaloniki yesterday.

A high-level Turkish official told the US embassy yesterday that Ankara sent the exploration ship to "make it clear" to the Greeks that it intended to defend its interests in the disputed area. This ship, he said, would be in the area for about a week, probably accompanied by naval escorts.

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## CAMBODIA

Military activity is for the moment relatively light. In the Phnom Penh area, Cambodian army units continue to meet moderate resistance as they try to force Khmer Communist troops from positions southeast of the capital between the Bassac and Mekong rivers. Insurgent infiltrators from this area and Communist gunners a few miles northeast of Phnom Penh are still within rocket and mortar range of the capital, but their sporadic shellings of the city have caused only light casualties.

North of Phnom Penh, government defenders at Lovek continue to repel minor attacks. Government forces that have been conducting clearing operations along Route 5 south of Lovek are resting and refitting. Elsewhere in the north, a Khmer navy convoy moved up the Tonle Sap River from Phnom Penh to Kompong Chhnang City on May 28--the first transit of that important supply waterway since the Communists began their interdiction campaign five weeks ago.

Communist pressure against the northern provincial capital at Kompong Thom and against Prey Veng City on the east bank of the Mekong River has slackened in the past few days. In the far southwest, the Communists are continuing to harass the government garrison on Route 4 at Kompong Seila, some 90 miles from Phnom Penh.

The present lull in military action probably is only temporary on some battlefronts.

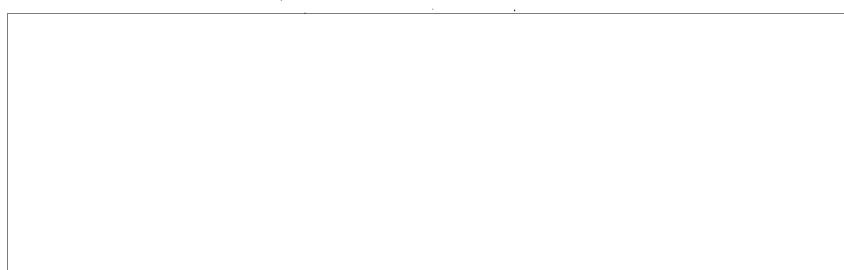
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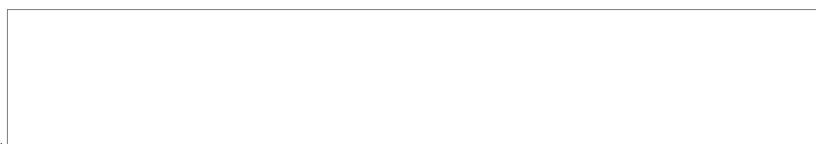
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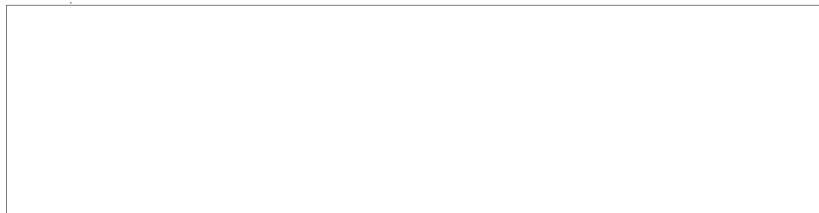
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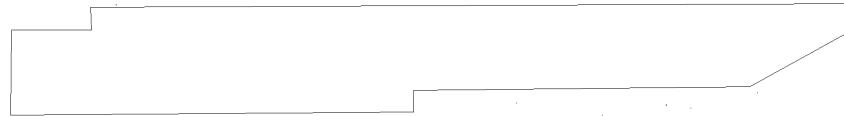
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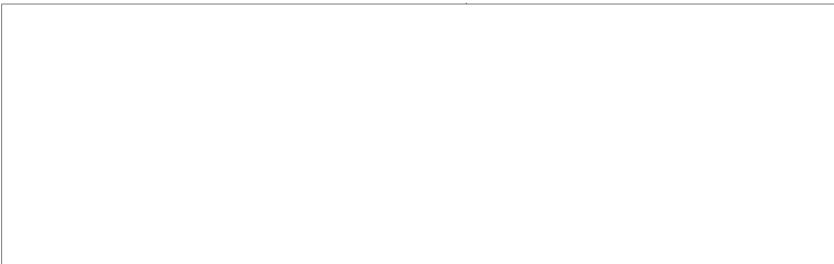
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