MEMORANDUM

THE WHITE HOUSE

Approved for Release by CIA
Date 9/0/12

WASHINGTON

TOP SECRET-SENSITIVE CONTAINS CODEWORD

October 17, 1973

EO 13526 3.3(b)(1)>25Yrs

MEMORANDUM FOR SECRETARY KISSINGER

CONFIDENTIAL

FROM:

The Situation Room

SUBJECT:

Evening Notes

OAPEC Decision to Cut Oil Production: The Organization of Arab Oil Producing Countries today announced its decision to cut oil production by not less than five percent immediately and an additional five percent each succeeding month until Israel withdraws from occupied Arab lands and Palestinian refugees' rights are restored.

Mideast Situation: Information on ground activity on both fronts remains sparse, although both sides report that a large-scale tank battle is raging in the central sector of the Egyptian front. Tel Aviv claims that its armored corps has destroyed 60 Egyptian tanks in the battle and that its air force has downed several Egyptian aircraft. Cairo, on the other hand, claims to have inflicted serious losses on the Israelis. Both sides also continue to issue conflicting reports on the status of the small Israeli force on the west bank of the canal. The Israelis acknowledge that the force is under attack by two Egyptian armored brigades but claim that Israeli air attacks have prevented the Egyptians from enveloping it. Egyptian sources, however, insist that the Israeli force has been encircled and is in the process of being destroyed. There is no indication that Tel Aviv is attempting to reinforce the Israeli element on the west bank.

Jobert Assails U.S.-Soviet Mideast Policy: French Foreign Minister Jobert today bitterly assailed the United States and the Soviet Union for feeding the war in the Middle East and said they were capable of halting the conflict if they wished. He urged them to stop the war "before it is too late and the consequences become intolerable."

TOR SECRET-SENSITIVE CONTAINS CODEWORD

Approved for Release by CIA Date 2 9 10 12

North Vietnamese Aircraft Purchases: North Vietnamese commercial representatives in Moscow are about to complete negotiations for the purchase of four YAK-40 light short-haul jet transports and three additional MI-8 helicopters as well as technical assistance and aircrew training, according to North Vietnamese messages. Two YAK-40s were designated "specialized craft" and two passenger carriers. This aircraft can operate from small grass or dirt airfields and is ideally suited for North Vietnamese transport operations. Three MI-8s were probably delivered to Haiphong in late August; two were also delivered in April and are already in service.

"Localization" of the North Vietnamese 1st Division in the Delta: The North Vietnamese 1st Division located in the Mekong Delta is reportedly implementing a plan to "localize" its subordinate elements. According to defectors, prisoners, and captured documents, the division will be disbanded. The 101-D Regiment will be strengthened and subordinated to Viet Cong Military Region 3 in the southern Delta. The division headquarters and two other regiments will be reassigned to an unspecified "eastern region." All future replacements arriving from North Vietnam will be given Viet Cong uniforms when assigned to the unit. The division, which has had a relatively poor record since its formation in late 1967, has recently encountered severe difficulties in procuring rice and other supplies because of the government economic blockade.

Communist Sabre-Rattling on Vietnam: Both Hanoi and the PRG are threatening to step-up the level of fighting unless U.S. and South Vietnamese "violations" of the cease-fire agreement cease. A PRG spokesman in Saigon today warned that the Communists would strike "heavier and heavier blows" until the violations end. He added that "if they attack us in one place," we not only shall fight back on the spot, but we shall also hit them in other places." He threatened that the PRG would attack the GVN in its base areas if aircraft and artillery continued to be used against "liberated areas." An editorial in Nhan Dan today laid heavy emphasis on U.S. complicity in the "present tense situation," claiming that the southern Communists must "stay the criminal hands of the U.S. and Saigon administration and deal appropriate counterblows."

Chinese Nuclear Test: China's 16th nuclear test could occur in the near future.

-3-

The Washington Star - News: The largest question looming in Bangkok today after the student-led overthrow of Thailand's army-dominated regime is what role the new government will expect the U.S. to play in Thailand's troubled future.

Jeremiah O'Leary reports that President Nixon and you will meet at the White House today with the Foreign Ministers of the four Arab oil-producing states amid conflicting reports about whether continued U.S. arms resupply to Israel will precipitate a reduction or cut-off of Arab oil exports to the West.

Oswald Johnston writes that a crucial battle is shaping up in the Sinai in the wake of the Israeli success in putting a task force of unspecified size across the Suez Canal to attack missile sites behind Egyptian lines.

Drew Middleton states that the use of missiles limits strategy in the Mideast war.

James Reston feels you will get a lot of arguments and even some sneers against your Nobel Peace Prize, but in his corner it is an honor you earned under very difficult circumstances.

George Sherman reports that the American resupply of Israel is timed to an assessment that the turning point in the Middle East war is at least a week away, according to knowledgeable U.S. officials.

Jeremiah O'Leary states that U.S. diplomats striving to find a way to end the Mideast fighting believe none of the flurry of proposals coming from world capitals has any chance of bringing peace until some military decision becomes apparent in the war zone.

Andrew Borowiec reports the embattled Arab world appears to have opted for a strategy of political moderation coupled with a determination to continue the war of attrition against Israel.

ZOP SECRET-SENSITIVE CONTAINS CODEWORD

TOR SECRET-SENSITIVE CONTAINS CODEWORD

Approved for Release by CIA
Date _ 9/10/12

A Star editorial on the Nobel Prize states no one is more dedicated to the cause of peace than you, but your selection for the Nobel Prize comes as a surprise -- a pleasant one.