



The President's Daily Brief

14 January 1971

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~~Top Secret~~



FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

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PRINCIPAL DEVELOPMENTS

Egypt has made an informal proposal through the US Interests Section in Cairo. (Page 1)

The situation in Jordan is discussed on Page 2.

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[Redacted] (Page 3)

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In Laos, the government has launched another harassing operation into the heart of the infiltration corridor. (Page 4)

In the aftermath of Monday's abortive coup, Torres is encouraging leftist elements to expect radical action by the government. (Page 5)

The breakdown in talks between Western oil companies and petroleum exporting countries is discussed on Page 6.

Week-long demonstrations in Manila are becoming increasingly violent and are taking an anti-American turn. (Page 7)

The joint South Vietnamese - Cambodian task forces are moving toward the Pich Nil pass from north and south. (Page 8)

FOR THE PRESIDENT ONLY**EGYPT-ISRAEL**

Retired General Abd al-Munim Amin, an original member of Nasir's Free Officers who claims close personal ties with President Sadat, has conveyed an "informal proposal" to the US Interests Section in Cairo in order to "achieve some progress toward peace before 5 February." The proposal, made on Sadat's behalf, allegedly grew out of Dayan's recent suggestion of mutual Israeli-Egyptian withdrawal to a limited distance from the Suez Canal. If the proposal received a positive response, Amin said, the Egyptians were willing to have it placed in official channels.

The plan conveyed by Amin calls for the Israelis to withdraw first to the Mitla hills, a natural line of defense some 40 kilometers east of the Canal. Egypt, for its part, would then "thin-out" its ground troops within a 40-kilometer zone west of the Canal but leave its air defense system in place. If these steps were taken, other measures could follow: work on opening the Canal to ship traffic, exchange of prisoners, abandonment of Cairo's threat to go to the Security Council, and the extension of talks through Jarring for another six months or a year. Cairo would also agree to proscribing flights of Egyptian and Israeli aircraft within an agreed distance from the Canal.

Amin said he would not be seeing Sadat again until 18 or 19 January when the President would be returning from the Aswan celebrations.

This approach comes at a curious time, as it cuts across the Jarring talks just as they are being launched again. More light on Egypt's motives may come if Minister Bergus has a follow-up meeting with Amin today as scheduled, but the proposal appears to underline again Egypt's anxiety to avoid expiration of the cease-fire. Cairo cannot expect a quick Israeli acceptance of this plan, but it may believe that if an exchange of views is in progress it will have a pretext to back off its February 5 ultimatum.

Israel may find the proposal prickly to handle. Its content is clearly more forthcoming than the usual fare from Cairo. Moreover, Amin touted it as a response to Dayan's scheme and it is perhaps most significant as a signal that Egypt may be willing to get a dialogue--albeit informal--going at last.

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JORDAN

The government and the central committee of the Palestine Liberation Organization reached another cease-fire agreement early this morning. The new pact, arranged in the presence of the Arab cease-fire observer commission, covers many of the same points listed in other agreements that have been made in the last four months. The most significant new point is that a joint government-fedayeen committee has defined locations for the fedayeen bases, and the fedayeen are required to go to these bases immediately.

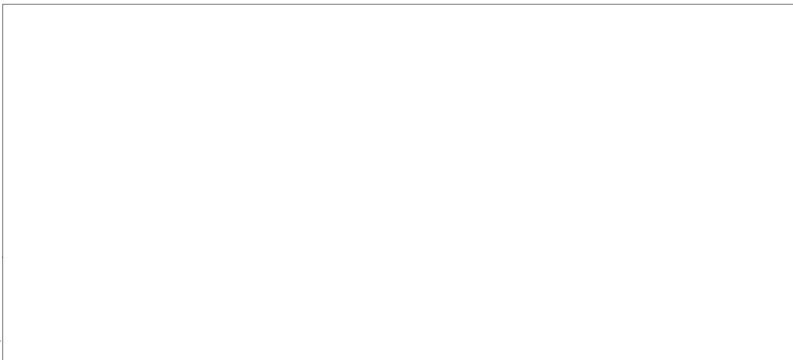
The issue is whether the PLO central committee can carry out the new terms, for there is little doubt that the army will crack down quickly if there are violations of the cease-fire. The PLO leadership will be hard pressed to enforce the terms. The recent fighting has shown that it does not have the allegiance of the radical groups and that it has lost the loyalty of some members of Fatah and the Palestine Liberation Army.

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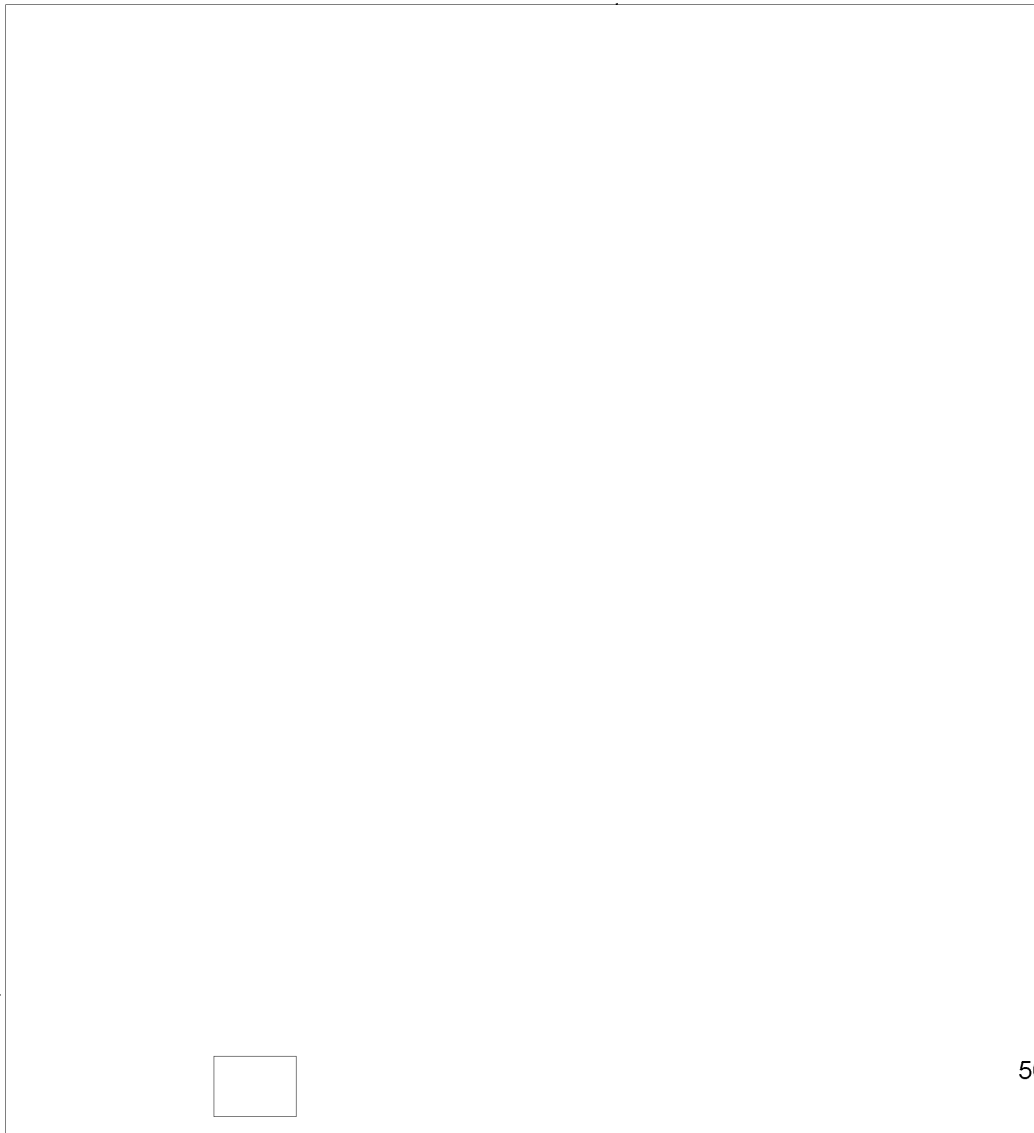


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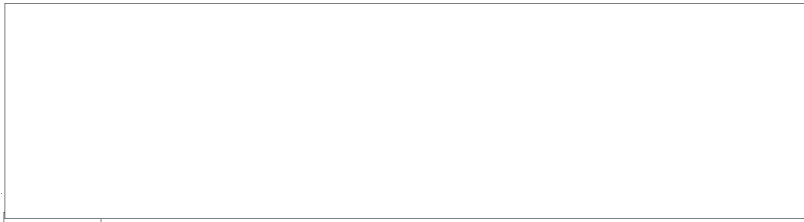


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SOUTHERN YEMEN



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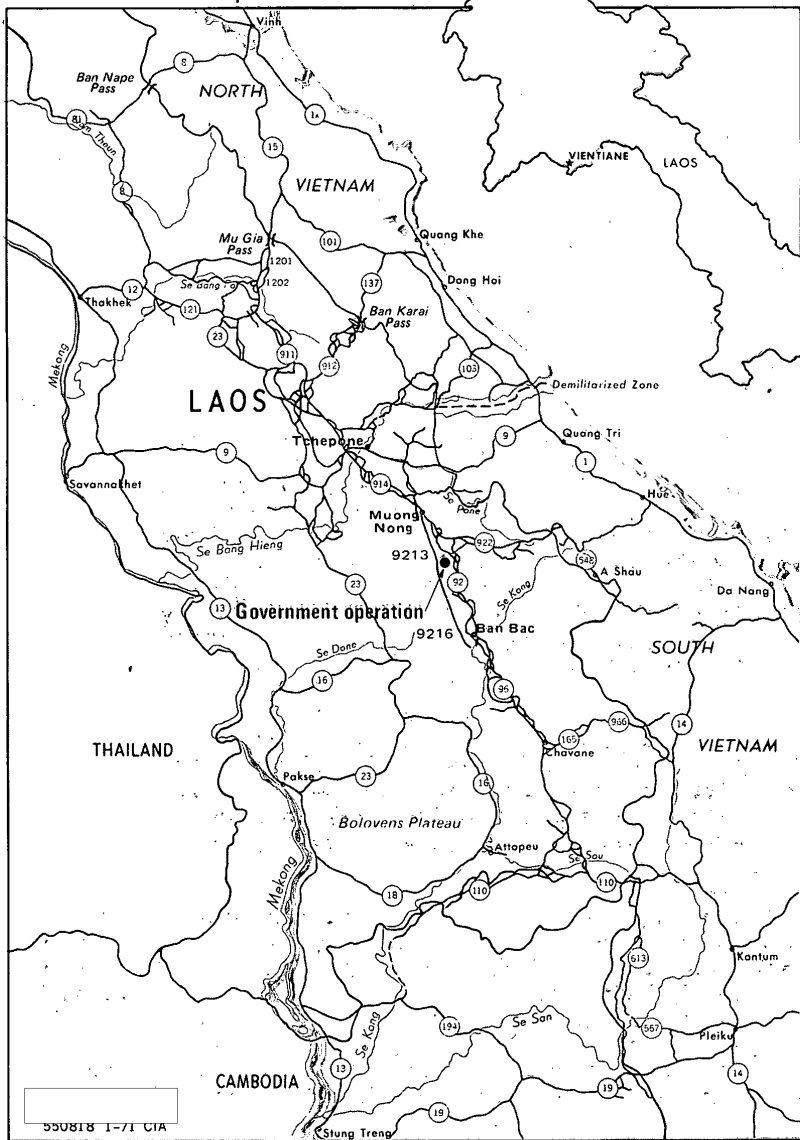
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LAOS: Government operation launched



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LAOS

Four government irregular battalions plus three special action teams and an intelligence team have been airlifted to eastern Savannakhet Province in an attempt to interdict Route 9213, the road recently completed by the Communists as an alternative to heavily bombed routes 92 and 96. The units also hope to destroy enemy supply depots and installations in the area.

Although the government forces have encountered no resistance thus far, the Communists are likely to want to contest this latest operation. No major Communist combat units are known to be in the immediate area, however, and a significant counter-attack may be slow to develop.

This is the third government operation into the infiltration corridor this dry season. One earlier effort managed to get into the Communist supply center at Tchepone for three days, while a second, into the Ban Bac area, ran into heavy opposition in its attempt to harass Route 96.

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BOLIVIA

Addressing a large "antifascist" rally in La Paz on Tuesday, President Torres said he would begin immediate discussions with students, workers, and representatives of popular organizations to form a "popular assembly." Repeating previous promises that additional unspecified "revolutionary measures" would be taken, he said he would extend the revolution "to the limits the people desire." He added that the activities of "some international agencies" (a common expression in La Paz for the US Government) were being investigated. The national labor organization is already calling for expulsion of all "imperialist missions."

Torres has begun paying his debt to the leftist groups that opposed Monday's abortive coup. By encouraging leftist elements to expect immediate radical action, however, Torres is fostering the growth of pressure on the government to satisfy the varying demands.

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INTERNATIONAL OIL

The Organization of Petroleum Exporting Countries (OPEC) is to meet in emergency session Tuesday to work out its next move following the break-off of talks with Western oil companies in Tehran. Negotiations between the companies and the OPEC subcommittee collapsed on 12 January when OPEC refused to deal with the low-level officials sent by the companies.

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The Shah is irate that the Consortium was unprepared to negotiate with the subcommittee this week, but two Iranian Government officials have been more conciliatory. They say that negotiations could still be held if top-level Consortium negotiators were to arrive in Tehran quickly.

OPEC, with headquarters in Vienna, embraces Iran, Libya, Saudi Arabia, Kuwait, Iraq, Abu Dhabi, Qatar, Indonesia, Algeria, and Venezuela. The present agreement on oil negotiations is one of the few times radical and moderate members of the group have joined together even temporarily to present a united front to the oil companies.

FOR THE PRESIDENT ONLY

PHILIPPINES

A strike by drivers of Manila's jeepneys--mini-buses that are a major part of the city's transportation system--has brought near paralysis to the city. The strike, sparked by a hike in gasoline prices, is supported by student activists critical of the American oil companies involved in the price rise. Several youths were fatally shot yesterday by Manila police who were attempting to disperse the demonstrators.

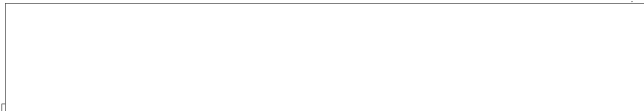
These deaths are likely to inflate an already ugly mood, and demonstrations at the US Embassy could develop. The student radicals, after a summer and fall of relative inactivity, now have found a cause--one that can be linked with the anniversary on 26 January of last year's student violence.



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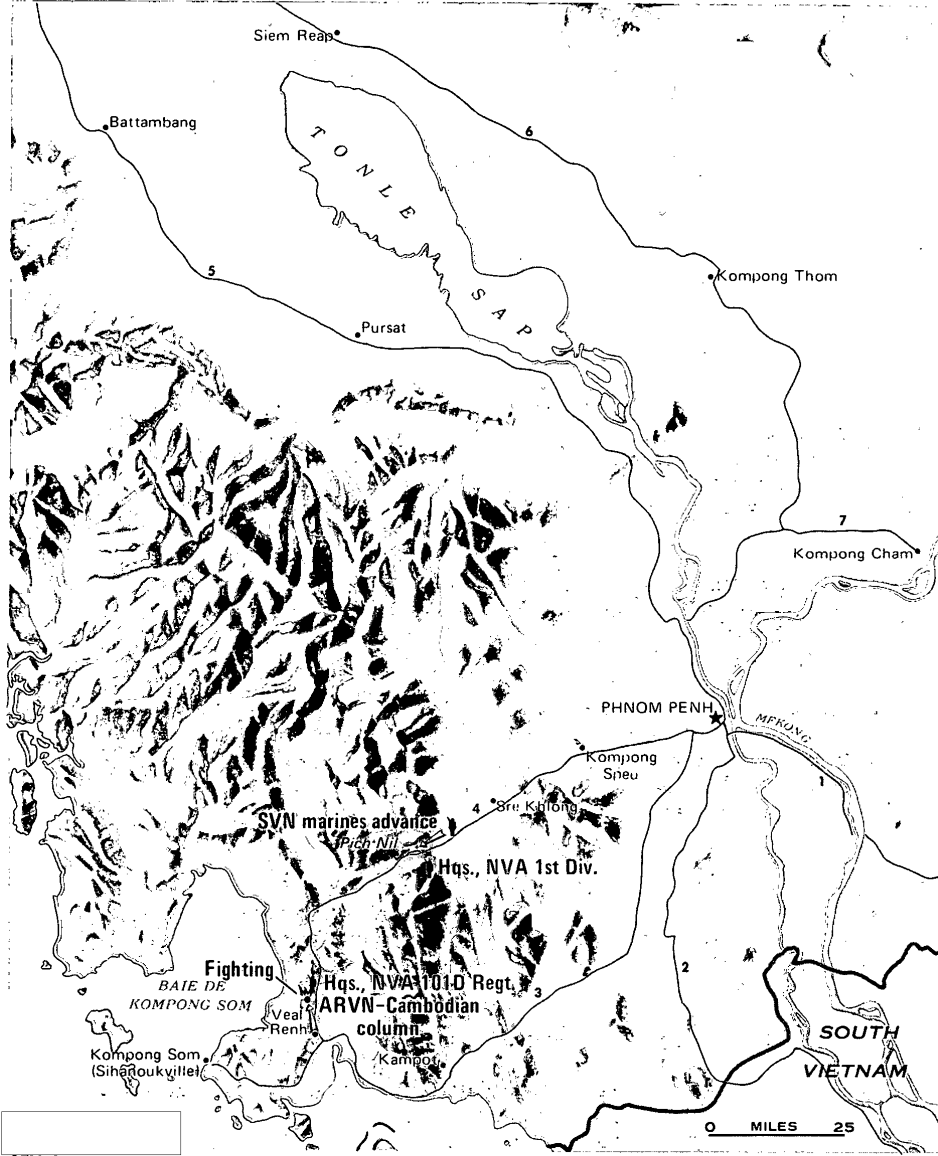


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CAMBODIA: Current Situation



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NOTE

Cambodia: South Vietnamese lead elements of the task force pushing up from the south along Route 4 claimed they killed 30 Communists in their first skirmish with the enemy yesterday a few miles north of Veal Renh. Some of the enemy casualties may have been from the North Vietnamese 101D Regiment, whose headquarters recently was located 15 miles north of Veal Renh. Press reports indicate that South Vietnamese marine units with the smaller task force coming from the north had moved to within five miles of Pich Nil pass early yesterday. Intercepts placed the NVA 1st Division in the vicinity of Pich Nil on 8 January, but if the Communists follow past tactics they will try to avoid major fighting.

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