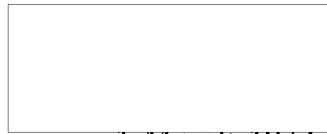


The President's Daily Brief

25X1



1 March 1972

46



~~*Top Secret*~~

25X1

FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

1 March 1972

PRINCIPAL DEVELOPMENTS

Chinese leaders have made clear to the Chinese population that they are generally pleased with President Nixon's visit. (Page 1)

The Lebanese president is moving to curtail the fedayeen. (Page 2)

[Redacted]

25X1

Jordanian officials claim UN mediator Jarring found the Egyptians "conciliatory" during recent talks in Cairo; no flexibility was seen in Jerusalem, however. (Page 4)

[Redacted] 25X1

Venezuelan President Caldera has been increasing pressure on US oil companies. (Page 5)

At Annex

[Redacted] Soviet and Chinese [Redacted]

25X1

FOR THE PRESIDENT ONLY

COMMUNIST CHINA

Peking has underlined for its own population its endorsement of President Nixon's visit. A crowd of 5,000 was on hand at Peking airport to greet Chou En-lai on his return from Shanghai yesterday--an exceptional turnout for such an occasion. The official account of this greeting set the scene firmly in an atmosphere of unity. It noted that virtually all active members of the Politburo resident in Peking were on hand and stressed that "commanders and fighters of the People's Liberation Army" were present.

The account also made the unusual point that all members of the Politburo--including Mao's wife and ideologist Yao Wen-yuan, who were deeply involved in Red Guard excesses during the Cultural Revolution--"warmly" shook hands with Chou and his party. The account stressed that all present "expressed warm support for Chairman Mao's revolutionary line in foreign affairs and their resolve to carry it out."

Such treatment of what would normally be a routine domestic flight by the Premier back to the capital after seeing off a foreign dignitary serves several purposes. It makes clear that the Chinese leaders are generally pleased with the Presidential visit as a whole. It provides an indirect endorsement by the military establishment and by Mao himself of the joint communiqué. It also underlines the strong position of Chou En-lai in the present structure of power in Peking. Indeed, the generally favorable atmosphere produced by the President's visit may have strengthened Chou's hand.

FOR THE PRESIDENT ONLY

LEBANON-FEDAYEEN

President Franjiah is moving to curtail fedayeen activity within Lebanon. According to the US Embassy in Beirut, the president has the support of the army and has warned the major politicians that there is a serious possibility that Israel will permanently occupy Lebanese territory unless the fedayeen are brought under control. As part of Franjiah's action, the Lebanese Army moved into the Mt. Hermon border area to replace the fedayeen on Monday evening.

The fedayeen are organizing demonstrations against the government. The first occurred yesterday evening when an estimated 15,000 people participated in the funeral service for seven fedayeen killed in the clashes with the Israelis.

25X1

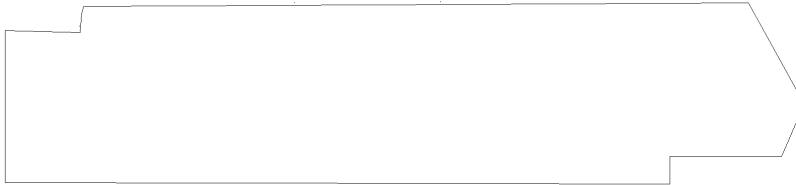
Israeli Army units, meanwhile, remained in the Mt. Hermon area yesterday. Director of Military Intelligence General Yariv last night told US officials in Tel Aviv that most Israeli forces had been withdrawn from Lebanon by Monday evening, but that "small, light forces" had been left behind to man observation posts. These, he explained, would be necessary until the Israelis were satisfied that all the fedayeen there had been replaced by the Lebanese Army.

Lebanese Commander in Chief Ghanim has told US officials that the Israelis withdrew their road-building equipment yesterday afternoon, but said that he would order Lebanese troops to fire on the Israelis should they return today.

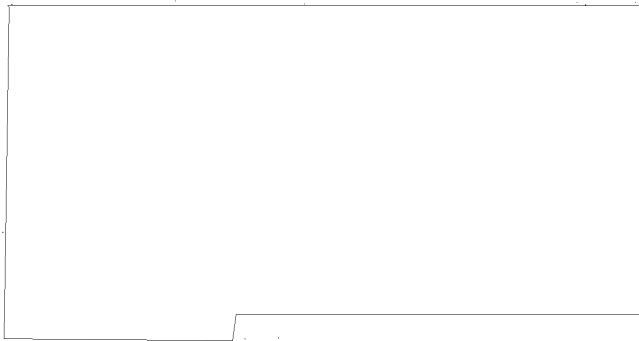
The Lebanese are well aware that they would come off second best in any battle with the Israelis and can be expected to avoid any such action if possible. Nevertheless, the presence of Israeli "observers" in Lebanon could touch off a clash.

FOR THE PRESIDENT ONLY

GREECE-CYPRUS



25X1



25X1

FOR THE PRESIDENT ONLY**MIDDLE EAST - UN**

Jordanian officials in Amman have told Ambassador Brown that UN mediator Jarring, during his talks in Cairo from 18 to 20 February, found Egyptian Foreign Minister Ghalib "conciliatory" and ready to resume talks under Jarring's auspices if Israel showed signs of flexibility. Ghalib also expressed a willingness to see continued US efforts to open proximity talks, although his stated preference was for Jarring as the proximity talks mediator. Ghalib indicated further that Egypt could accept an informal Israeli response to Jarring's memorandum of February 1971 that would encompass something similar to the non-annexation formula suggested by the OAU mission. He asked Jarring to probe the Israeli position for signs of flexibility.

No such signs emerged from Jarring's visit to Jerusalem and, indeed, his round of visits to three Middle East capitals accomplished little beyond reassuring Jordan that it had not been forgotten. While Ghalib indicated some flexibility on the Israeli response to Jarring's memorandum--the principal stumbling block to continued Jarring talks--neither Egypt nor Israel indicated any give on the key issues which separate them. The most significant impression to emerge from the trip is Egypt's continuing interest in proximity talks and its failure to veto a US role in them.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

VENEZUELA

Since last summer President Caldera has been increasing pressure against the US oil companies. Last July a "reversion law" gave the state all installations and equipment when the companies' concessions expire (in most cases 1983) and required the firms to deposit up to ten percent of their annual depreciation write-offs at the Venezuelan central bank. In December the government imposed minimum export quotas on the companies. Most of the companies are trying to work out a compromise, but Creole, which is the largest, refuses to comply. Caracas rejects Creole's explanation that its declining production results from market conditions and regards its cutbacks as an assault on national sovereignty. Other recent manifestations of Caldera's growing nationalism include his government's denunciation of the US-Venezuelan trade agreement and proposals for new restrictive codes for foreign investment.

Additional measures against the oil companies may be in the offing as the government sees its revenues decreasing along with production. Caldera apparently believes that the companies are crying "wolf" and that they can still make a profit under the new controls. He argues that the US need for Venezuelan oil is so important that some accommodation is assured. His state of the union message tomorrow will provide additional clues to his future course.

25X1

FOR THE PRESIDENT ONLY

NOTES

Israel-Syria: The Israelis this morning hit fedayeen bases in Syria with aircraft and artillery, apparently in an effort to demonstrate that fedayeen attacks from Syria are just as unacceptable as those from Lebanon. Terrorist activity along the Israeli-Syrian cease-fire line in the Golan Heights had increased following Israel's punitive strikes into Lebanon.

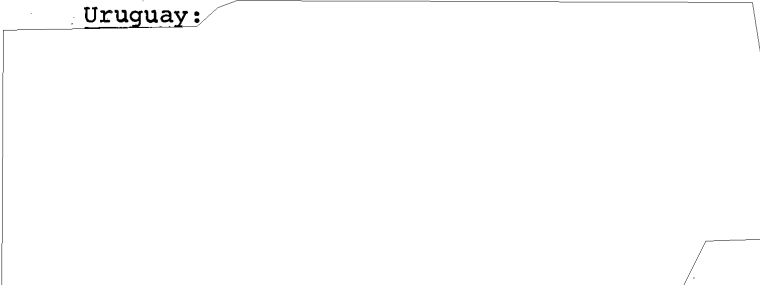
USSR-Bangladesh: Prime Minister Mujibur Rahman's current visit to Moscow may lead to an economic aid agreement. A Soviet delegation is currently in Dacca studying possible aid projects. An aid agreement could involve the resumption of projects undertaken before the war in what was then East Pakistan. The US Embassy in New Delhi believes India has become somewhat displeased at Moscow's cultivation of Bangladesh and speculates that Indian Policy Planning Chief Dhar, also currently in Moscow, may be trying to secure better Soviet-Indian coordination of relations with Bangladesh.

Panama: The government has given no indication that it is about to change from its tough position on a new canal treaty as the negotiations resume in Washington next week.



25X1

Uruguay:



25X1

25X1



FOR THE PRESIDENT ONLY

SOVIET AND CHINESE



25X1



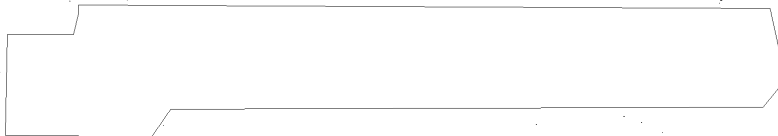
25X1



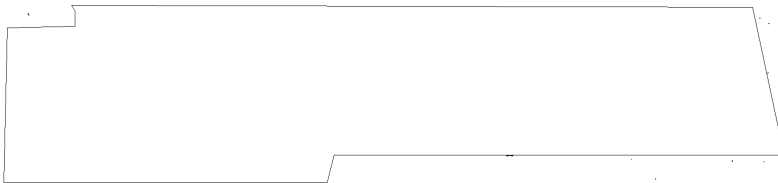
25X1



25X1



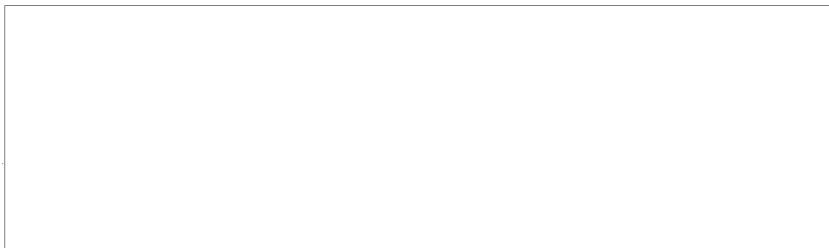
25X1



25X1



25X1



25X1

A1

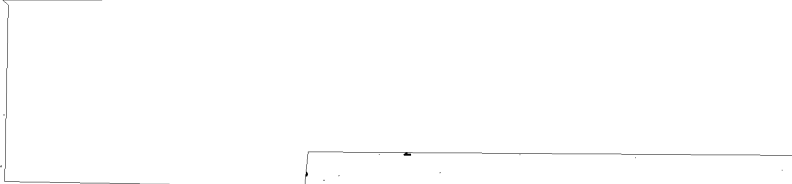
A
N
N
E
X

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY



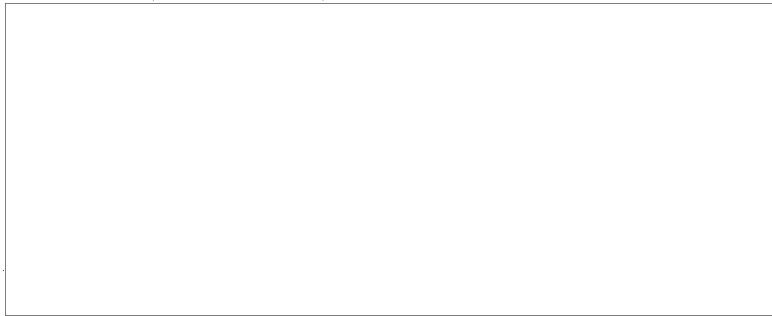
25X1



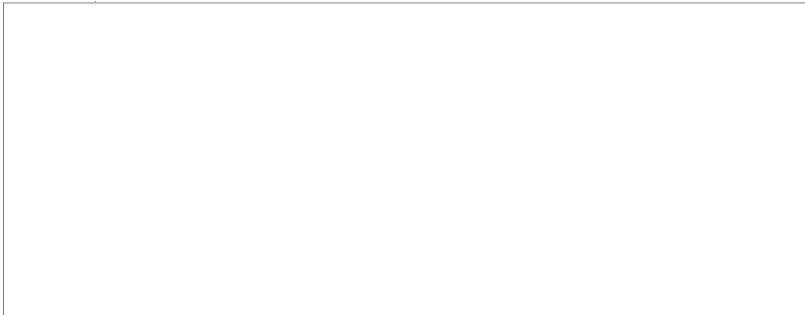
25X1



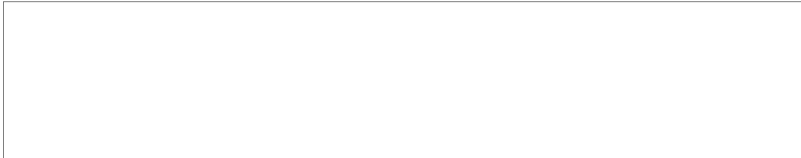
25X1



25X1



25X1



25X1



25X1

A2

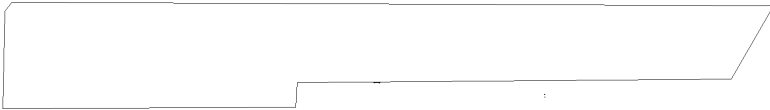
FOR THE PRESIDENT ONLY



25X1

25X1

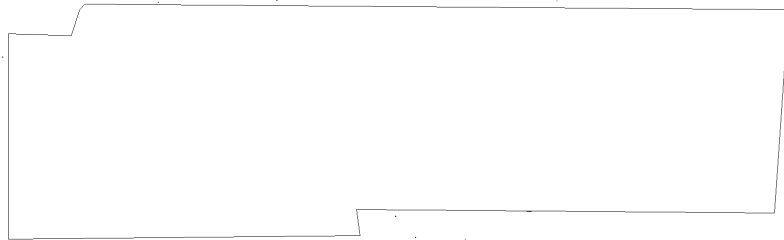
FOR THE PRESIDENT ONLY



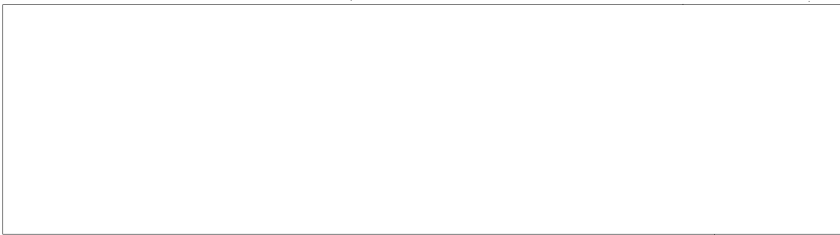
25X1



25X1



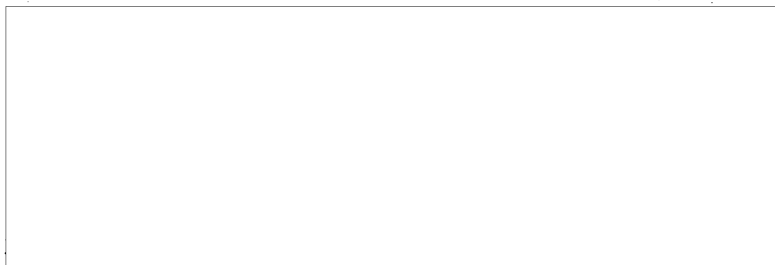
25X1



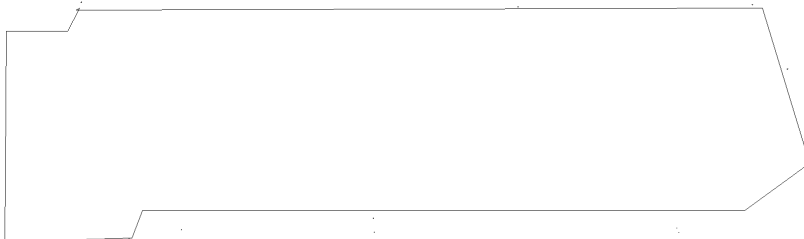
25X1



25X1



25X1



25X1

FOR THE PRESIDENT ONLY

25X1



Top Secret