



The President's Daily Brief

13 October 1973

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

13 October 1973

PRINCIPAL DEVELOPMENTS

The Israelis are making hard-won advances in the Golan Heights and in their efforts to penetrate deeper into Syria. There has been little action in the Sinai. (Page 1)

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Soviet airborne divisions apparently have gone on alert because of the Arab-Israeli war. [redacted]

[redacted]

[redacted] Soviet [redacted] US

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[redacted] Israel. (Page 4)

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The Thai Government is running scared as unrest sparked by student demonstrations has grown. (Page 5)

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Rice stocks are dangerously low in Phnom Penh and there is some fear that the capital is on the verge of food riots like those in September 1972. (Page 6)

The Italian decision to limit exports of heating oil could effect US imports. Other West European countries may also seek to impose controls on petroleum exports because of shortages caused by the Arab-Israeli war. (Page 7)

West Germany plans to offer subsidized credits to Poland in an effort to breathe new life into Ostpolitik. (Page 8)

A note on nervousness among Lao military leaders as Pathet Lao troops begin to move into Vientiane appears on Page 9.

FOR THE PRESIDENT ONLY

ARAB STATES - ISRAEL

As the fighting on the Golan Heights died down last night, Israeli forces were about 12 miles beyond the cease-fire line, but were unable to achieve a decisive breakthrough on the road to Damascus. In the southern sector of the Heights, the Syrians claim to have made some advances. The Syrians are reportedly withdrawing tank units from the front and deploying them to a defense line nearer Damascus. For the first time, Damascus has acknowledged publicly that Israeli troops have made progress on the "war's northern front." The Israeli Air Force conducted more than 400 sorties yesterday, the largest number in a single day since the war began. Despite heavy losses in dogfights, the Syrians continued throughout most of the day to fly ground-support missions.

Activity on the Sinai front yesterday was limited to artillery exchanges and a reduced number of Israeli air strikes. Neither side claimed significant advances, and neither suffered serious losses. Early yesterday the Israelis charged that the Egyptians had moved four SAM batteries to the east side of the canal, but they now believe that they are dummies.

[redacted] the Egyptians mounted helicopter assaults at three points on the Sinai coast.

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[redacted] Soviet experts have reviewed three areas--Port Said, Ismailia, and Dumyat--as possible sites for surface-to-surface missiles. The Israelis previously have reported that Soviet SCUD SSMs have been sent to Egypt, but this has not been corroborated by any other source.

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After a week of fighting, Israeli losses are estimated at 100-105 aircraft, 650-700 tanks, as many as 4 ships, and 2,700-3,200 men. Arab losses are estimated at 210-220 aircraft, 950-1,000 tanks, 20-25 ships, and 12,600-15,600 men.

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(continued)

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The movement to Syria of a Jordanian brigade that was scheduled for tonight reportedly has been postponed until Sunday night, when it is to take up a position between Dar'a and Shaykh Miskin. There may be further delays, however, because of opposition to the move from some high-level Jordanians.

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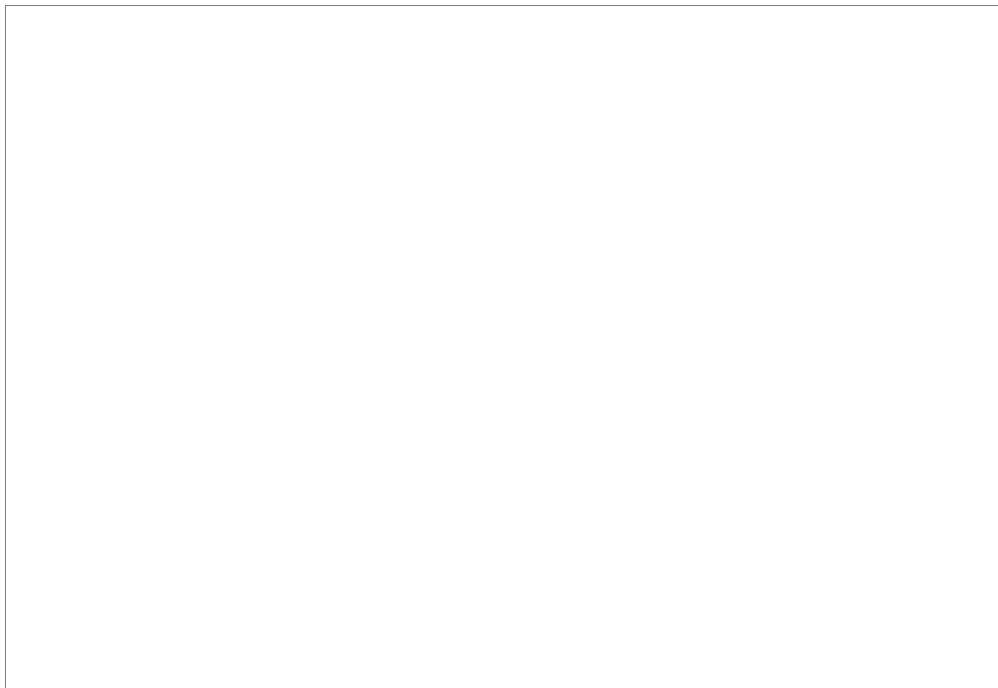


The Saudi brigade that was to have left for Syria on October 11 has encountered further delays. King Husayn told Ambassador Brown yesterday that the Saudis still have not crossed the border into Jordan.

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Fatah, the largest fedayeen organization, may be preparing to attack US oil interests in the Middle East. The attacks reportedly will occur if the US supplies Israel with aircraft or involves the Sixth Fleet in the hostilities. The Palestine Liberation Organization last night accused Jordan of "actual coordination" with Israel and called on the Jordanian Army to fight Israel even if it means the downfall of King Husayn. The fedayeen continue to carry out minor operations against Israel. Fifty-five commandos had infiltrated Israel as of October 11.

Muhammad Haykal, chief editor of the authoritative Egyptian newspaper Al Ahram, has joined in the call for using oil as a weapon to bring pressure against the US. Haykal warned in an Al Ahram article that Arab oil producers have the power to "deny the US access to its interests in the Middle East."



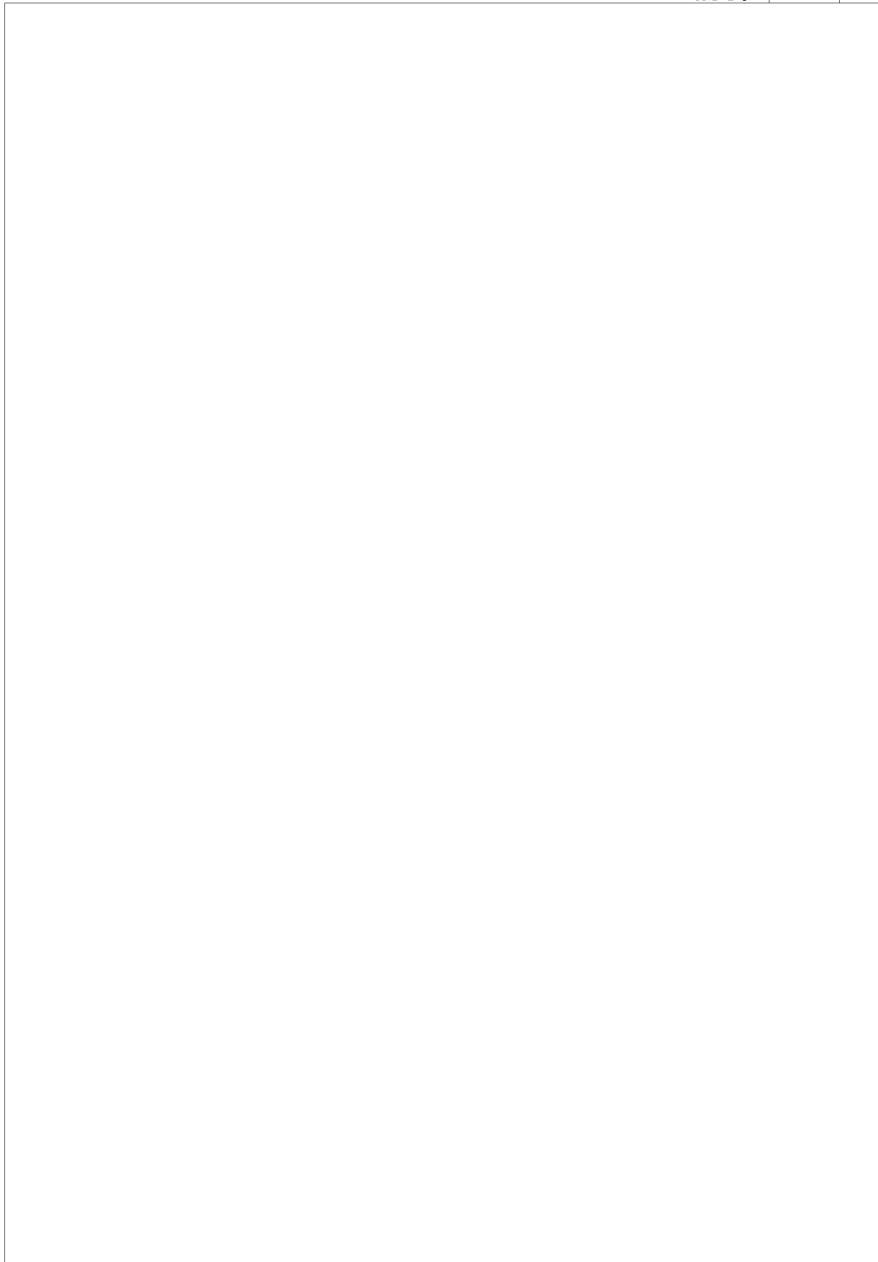
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USSR - MIDDLE EAST

Soviet airborne divisions apparently have gone on alert because of the war in the Middle East.

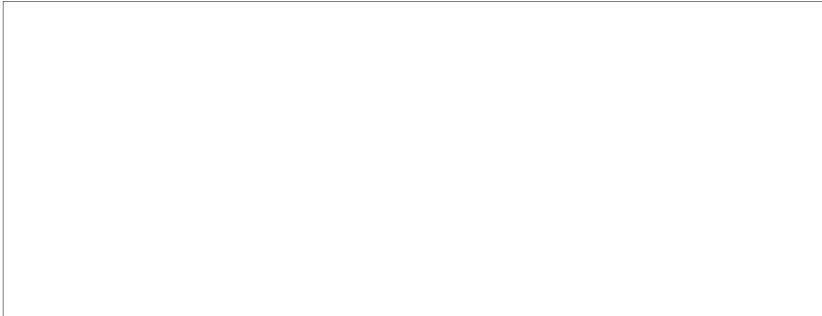
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USSR - US - MIDDLE EAST

In discussions with Arab officials, the Soviet leadership is playing down the possibility of direct US intervention in behalf of Israel.



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The Soviets are also going out of their way in discussions with US officials to create the impression that the Arab-Israeli war should not be allowed to endanger the "larger picture" of Soviet-US detente. The Soviet ambassador in Paris, for example, told a US military attaché that it was important for the two superpowers to remain friends and not permit the war to alter the relationship developed over the past year. Soviet military attachés in Finland and Algeria on October 11 took a similar line with their US counterparts.

FOR THE PRESIDENT ONLY

THAILAND

Unrest sparked by the student demonstrations has grown, and the government is running scared. Responding to student threats to take to the streets, the government offered yesterday to release on bail the 13 students and politicians whose arrest earlier this week precipitated the campus demonstrations. According to late press reports, the students have flatly rejected the offer.

The government is also trying to cope with demands that a new constitution be promulgated soon. Deputy Prime Minister Praphat, who has been a staunch opponent of parliamentary rule, has stated publicly that work on the new constitution will be speeded up. Thai leaders evidently hope that this concession will satisfy the students' immediate demands and deny the radicals a popular issue on which to build support for more significant changes. The tactic may not be successful.

Both the students and the government now face a situation without clear historical precedent in Thailand. The government clearly is at a loss about how to cope with the more than 50,000 students who are currently massed in Bangkok, as well as with the thousands of demonstrators in other Thai cities. There is a danger that inexperienced local officials may lose their aplomb, and that the leadership's patience may wear thin if the situation drags on.

Evidence of support from prominent Thai officials from within and without the government and from the non-student population in Bangkok is likely to increase the students' sense of euphoria. The fact that money is being raised for the students even within the bureaucracy is clear evidence of the extent to which criticism of the Thanom-Praphat leadership has struck a responsive chord.

Cooler heads may yet prevail. Some influential Thai newspapermen, who have supported the students, are now urging compromise to avoid violence. The students are not well organized and the great mass of them may have little stomach for pushing the government too far. Even if the government muddles through, however, the events of the past few days are likely to have important repercussions. Thanom and Praphat, who have ruled Thailand for a decade, have lost some political standing. Some military leaders, who have long felt that the two should move aside, may feel the time is now right to press the issue.

FOR THE PRESIDENT ONLY

CAMBODIA

Rice stocks are dangerously low in Phnom Penh. At current distribution rates, only about 12-days' supply is now on hand. There is some apprehension that the capital is on the verge of food riots like those in September 1972.

The airlift of rice from Battambang to Phnom Penh is bringing in only 20 percent of daily requirements. Another airlift is scheduled to begin within the next few days to transport small quantities of rice from Kompong Chhnang and from Cambodian stocks in Saigon. The South Vietnamese agreed last night to provide an additional 5,000 tons of rice for early shipment to Phnom Penh. The next shipment of Thai rice is scheduled to arrive in Phnom Penh on October 22 via special Mekong convoy. By that time government rice stocks will have dwindled to less than seven-days' supply.

Timely imports to solve the Cambodians' rice shortage have been difficult to obtain because of tight world grain markets this year. The government has contracted for an additional 25,000 tons of Thai rice that should begin to arrive at the end of October. A contract for 20,000 tons of South Korean rice was signed last week with shipment scheduled by mid-November. These supplies will be essential to cover Cambodia's needs until US PL-480 rice deliveries begin in December.

FOR THE PRESIDENT ONLY

WESTERN EUROPE

Rome moved this week to limit exports of heating oil and kerosene in an effort to avoid domestic shortages. Last year Italy accounted for about 11 percent of US imports of heating oil, or 1-2 percent of US requirements. Exports to EC countries will not be affected, but Rome is considering ways to assure that exports to EC countries are not re-exported.

The decision apparently was not related to the outbreak of the Arab-Israeli war. Petroleum shortages in Western Europe caused by the war, however, could lead other West European countries to impose controls. Western Europe's oil supply already has been reduced by about 8 percent, or 1.3 million barrels a day.

FOR THE PRESIDENT ONLY

WEST GERMANY - POLAND - USSR

In an attempt to breathe new life into Ostpolitik, Bonn intends to offer subsidized credits to Poland. The West German plan, publicly disclosed by a government official earlier this week, is expected to win cabinet approval before Foreign Minister Scheel visits Warsaw in mid-October. The offer involves an untied credit of more than \$400 million.

The credit apparently will not be linked to any specific project. Funds will be paid in several annual installments, with the West German Government providing a subsidy to bring the interest rate down to about 6 percent.

The West Germans hope their offer will get Scheel's talks in Poland off to a good start. They are particularly interested in persuading Warsaw to allow an increase in the low rate of repatriation of ethnic Germans. Although the Poles have never expressly linked progress on repatriation to West German economic concessions, both sides see the connection as a fact of life.

Scheel will also go to the USSR early next month, and Bonn has been weighing a response to Moscow's persistent expressions of interest in West German credits and industrial cooperation. The West Germans are contemplating credits to the USSR linked to specific projects. Their offer probably will not fully satisfy the Soviets, who have pressed for cooperation on mammoth ventures. Bonn hopes, however, that even limited progress on economic matters will improve the political mood.

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NOTE

Laos: Lao military leaders have expressed concern to US Embassy officers over the manner in which the peace agreement is being implemented. Their nervousness is probably due in part to the necessity of accepting Pathet Lao troops in Vientiane. There is no evidence that the military is seeking to upset the political balance. The fact that the generals have voiced their concern to US officials suggests that they are, in fact, looking for assurances that all will be well. Small incidents, however, can become blown out of proportion during this delicate period as Pathet Lao troops begin to move into Vientiane.

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