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The President's Daily Brief

February 5, 1974

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

February 5, 1974

PRINCIPAL DEVELOPMENTS

The South Vietnamese General Staff believes the Communists are planning new attacks in the central highlands within the next two weeks. (Page 1)

King Husayn has decided to return to Amman directly from London today as dissidence continues in units of the Jordanian Army. (Page 2)

With last week's West European Communist party meeting in Brussels safely behind them, the Soviets are now promoting an all-European Communist conference. (Page 3)

The Saudis are said to have agreed to supply Italy with an additional 20 to 30 million tons of crude oil over the next three years. The agreement should help to cool the debate in Rome over Italy's Middle East policy. (Page 4)

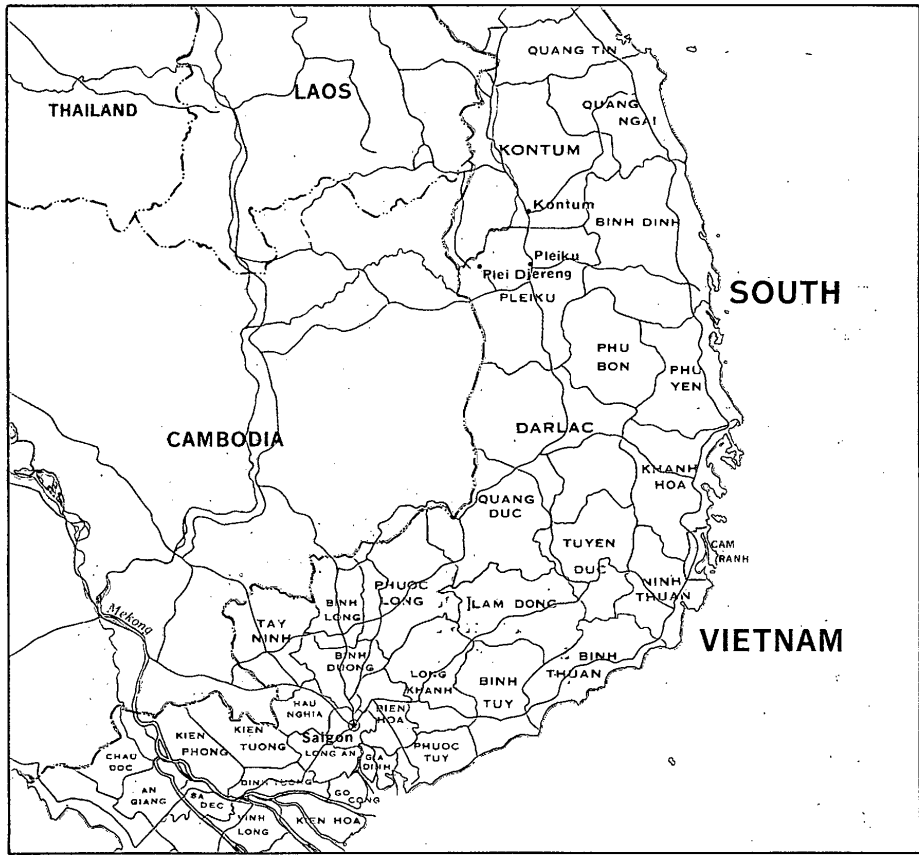
Australian Prime Minister Whitlam, speaking in Thailand, reiterated his advocacy of a US military withdrawal from Southeast Asia and criticized the former US bombing of Vietnam from Thai bases. (Page 5)

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Notes on Argentine-Soviet trade talks [redacted] and a South African uranium enrichment process appear on Page 6.

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SOUTH VIETNAM

Saigon's Joint General Staff believes the Communists are preparing for new military action in the central highlands within the next two weeks.



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Communist moves in the highlands appear designed to discourage further government probes into their western redoubts, and it seems unlikely that they will try to take any of the major population centers in the highlands such as Kontum and Pleiku cities. The Communists may fear that the government operation to recapture the Plei Djereng outpost in Pleiku Province will push farther west into Communist infiltration routes and base areas. Indeed, the government's commander for the highlands, General Toan, recently claimed that his troops had regained the initiative in the area and would continue attacking the Communist forces.

Neither side currently has enough strength to inflict a major defeat on the other in the highlands. Both, however, have sufficient troops and firepower to keep up a fairly intense rate of fighting for several weeks.

JORDAN

Jordan's King Husayn is cutting short his trip and returning directly to Amman from London today, according to a sensitive State Department cable. He has asked that his visit to the US be postponed until later this month. No reason was given for the postponement, but it is almost certainly because of the trouble that broke out in the Jordanian Army last weekend.

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[Redacted]

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Yesterday, the elements of Jordan's elite 40th Armored Brigade that were responsible for the initial incidents Sunday appeared to gain support from other units of the 3rd Armored Division.

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[Redacted]

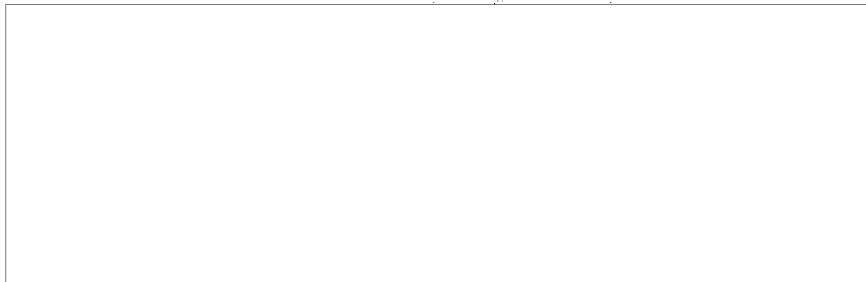
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The mutiny had appeared to lose momentum when Crown Prince Hussan and armed forces chief Majali succeeded Sunday in calming the original group of dissidents--about 40 enlisted men--by promising to take up their complaints with King Husayn upon his return to Jordan. The protesters, however, have apparently solicited and received support from the lower ranks of other units.

The soldiers' demands are primarily non-political--higher pay and special grants to pay off debts, such as higher ranking officers receive. Some, however, are calling for dismissal of the chief of staff, Sharif Zayd bin Shakir, and the return of Sharif Nasir, the King's uncle, as army commander. On learning of the trouble, Shakir returned from London and is touring army units in an attempt to placate the dissidents. So far, there has been no violence. The incident has not yet appeared in the press, but news is being spread in Amman by word of mouth.

USSR

With last week's West European Communist party meeting in Brussels safely behind them, the Soviets are now promoting a pan-European Communist conference. The Moscow-oriented West German Communist Party has openly endorsed such a conference, and Soviet and East European media lost no time picking up the statement. The Soviets apparently view a European meeting this year as a prelude to a world meeting in 1975.



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ITALY - SAUDI ARABIA

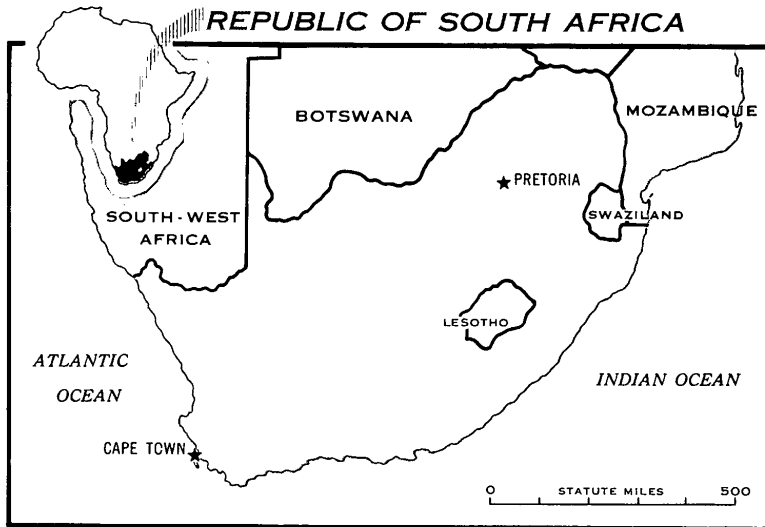
The Saudis reportedly have agreed in principle to supply Italy with an additional 20 to 30 million tons of crude oil over the next three years. Italy's oil consumption came to over 100 million tons in 1972. The details of the agreement, which apparently was concluded during Foreign Minister Moro's visit to Saudi Arabia last weekend, will be worked out between the two state oil companies. It involves agricultural and industrial cooperation and may include the exchange of Saudi oil for Italian industrial plants.

Although Moro apparently was unable to arrange any new oil deals during his visits to Kuwait and Iran, the Saudi agreement should help cool the debate in Rome over Italy's Middle East policy. Prior to the Foreign Minister's swing through the Middle East, the government was under sharp attack from business and political circles for following a policy calculated to offend no one while other West Europeans arranged separate deals with Arab oil producers.

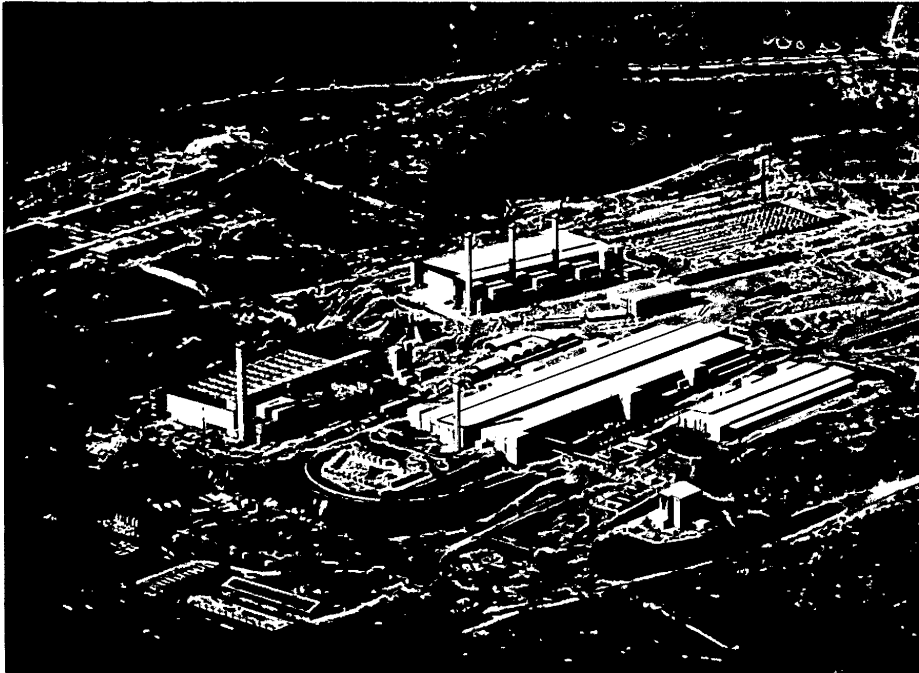
AUSTRALIA

During Prime Minister Whitlam's four-day visit to Thailand, he reiterated his advocacy of a US military withdrawal from Southeast Asia and criticized the former US bombing of Vietnam from Thai bases. These remarks were applauded by the Thai press, which only a year ago roundly denounced similar comments by Whitlam. This change in press treatment reflects the newly critical view of US-Thai relations that has emerged in Bangkok since the overthrow of the Thanom regime.

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Uranium Enrichment Plant Under Construction Near Pretoria, South Africa



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NOTES

Argentina-USSR: A large Soviet economic delegation arrived in Buenos Aires last week to discuss the sale of equipment for electric power projects, off-shore oil exploration, coal mining, petrochemicals, and fishing. Argentina wants to sign a long-term agreement for the export of beef and other consumer goods to the USSR. The Soviets, however, will insist that the Argentines buy more Soviet goods in order to correct the persistent imbalance in trade between the two countries.

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Argentina:

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South Africa: A new uranium enrichment pilot plant built near Pretoria apparently will use an "aerodynamic" process that involves the use of large amounts of helium. The method of enrichment may involve a technique developed by a West German scientist. This process has never been used commercially, however. The government claims that the process, which will be tested in the pilot plant late this year, will be economically competitive. Although it, like any isotope separation process, is designed to produce reactor fuel, it could be adapted to produce weapons grade material.

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