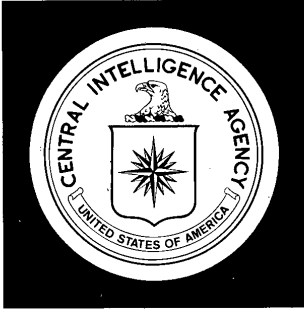


Saturday
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The President's Daily Brief

March 30, 1974

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~~*Top Secret*~~ 25X1

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

March 30, 1974

PRINCIPAL DEVELOPMENTS

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Soviet

[Redacted]

25X1

[Redacted]

(Page 1)

In China, the current political turmoil may have claimed its first high-ranking provincial victims.

(Page 2)

In recent press interviews President Sadat has compared the Soviet Union unfavorably with the United States. (Page 3)

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[Redacted]

Soviets

25X1

[Redacted]

(Page 4)

25X1

The NATO permanent representatives have overwhelmingly supported continuation of work on the US-NATO declaration regardless of action on the US-EC declaration. (Page 5)

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Algerian President Boumediene

[Redacted]

[Redacted] would support Nouria as the next president of Tunisia. (Page 6)

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Notes on West Germany - South Vietnam, South Korea, and South Asia appear on Page 7.

FOR THE PRESIDENT ONLY

USSR-CHINA

[Redacted]

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the USSR would be more conciliatory to China in bilateral discussions such as the border talks and economic negotiations.

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[Redacted]

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[Redacted]

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[Redacted]

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[Redacted]

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[Redacted]

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[Redacted]

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[Redacted]

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[Redacted]

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[Redacted]

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Moscow's motives for following the line of this briefing presumably spring mainly from a desire to cool the more inflammatory aspects of Soviet relations with Peking and thereby limit the leverage that Moscow believes Washington gets from prolonged, open bitterness between the USSR and China. Moreover, in Soviet eyes, there is always a danger that Sino-Soviet tensions might reach a flash point and affect other Soviet policies, particularly detente with the West.

Looking ahead, as the Soviets move closer to calling upon the world's Communists to condemn the Chinese at another international conference, they must convince the more reluctant parties that Moscow has done everything possible to improve relations with the Chinese. Another longer term consideration is that the Soviets also want to prepare the ground for dealing with a post-Mao Chinese leadership.

FOR THE PRESIDENT ONLY

CHINA

The current political turmoil may have claimed its first high-ranking provincial victims. [redacted]

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[redacted] political wall posters condemning by name the top two party and government leaders in Shansi Province. Hsieh Chen-hua and Tsao Chung-nan are probably being blamed for promoting an opera which includes an unflattering portrayal of a character apparently modeled on Madame Mao. There are indications that leaders in Shantung Province may also come under attack. Another opera first presented there includes a similar character. In Honan, it appears that a provincial leader is also in trouble, although no politically objectionable operas are known to have been produced there.

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The attacks on the operas and the struggles over some other issues seem to add up to an effort by Madame Mao and her supporters to alter the force and direction of the anti-Lin, anti-Confucius campaign. If so, it would also seem that her forces are still in a relatively strong position.

The attacks on provincial figures may foreshadow eventual criticism of high-level political figures in Peking. A People's Daily article on March 27 that attacked the Shansi opera warned that "whoever you are, however senior your official position, if you do not follow Mao Tse-tung's revolution line we shall strongly resist and struggle against you vigorously."

FOR THE PRESIDENT ONLY

EGYPT-USSR

In recent press interviews President Sadat has compared the Soviet Union unfavorably with the United States, and he may be planning to sharpen his criticism of the Soviets in a major speech next week. A journalist close to Sadat, Ali Amin, predicted in a Middle East News Agency dispatch from Yugoslavia yesterday that Sadat, after he returns to Cairo from Belgrade, will "unveil political secrets connected with the behavior of certain big powers." An "important decision" is to be announced at the same time, according to Amin.

Amin's statement followed the Egyptian rebroadcast of a BBC interview with Sadat in which he praised the "radical change" for the better in the US attitude toward peace in the Middle East, expressed hope for better relations with Britain, and gave a tempering reply to a leading question on the "ambiguity" of his relations with the Soviets. The Middle East News Agency also carried an interview with a Lebanese journalist in which Sadat charged that the Soviets had attempted to deceive him about alleged Syrian desires for a cease-fire on the opening night of the October war.

Soviet-Egyptian relations have reached the lowest point since the expulsion of Soviet military advisers in 1972. The Soviets, who were upset at having been excluded from the negotiations for the Egyptian-Israeli disengagement, have been increasingly critical of Sadat's friendly gestures toward the US and his interest in Western economic assistance and investment. Moscow has criticized Sadat's claims that US policy toward the Middle East has changed, and more recently condemned Sadat's support of the decision to lift the oil embargo on the US.



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USSR



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NATO

At an informal meeting this week, the NATO permanent representatives overwhelmingly supported continuation of work on the US-NATO declaration regardless of action on the US-EC declaration.

Belgian NATO Ambassador de Staercke had urged that the representatives adopt such a policy. Secretary General Luns agreed, noting that the original US invitation for an Atlantic declaration was addressed to all NATO members and only later did the EC Nine opt for a separate declaration on US-EC relations. The West German, Italian, Norwegian, Dutch, Turkish, and Greek ambassadors all supported De Staercke. Only the French and Danish ambassadors questioned the proposal.

The Bonn Foreign Office has indicated agreement with UK Foreign Minister Callaghan's position that the fifteen should complete the US-NATO declaration in time for signature by the foreign ministers at the April meeting commemorating NATO's 25th anniversary.

FOR THE PRESIDENT ONLY

ALGERIA

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Tunisian Prime Minister Nouira	
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[redacted] is a logical choice for the Algerians to back. He led the opposition to the short-lived Tunisia-Libya merger agreement of last January, and has been working to improve relations with Algeria since the merger fiasco. Nouira has also been friendly to the US.

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FOR THE PRESIDENT ONLY

NOTES

West Germany - South Vietnam: The West German Foreign Ministry has agreed in principle to provide South Vietnam with more than \$17 million in aid for specific projects. Although the German package in itself will do little to help Saigon's balance-of-payments problem, it could encourage other potential donors to go ahead with their own economic assistance projects. Bonn is still withholding assistance from North Vietnam, largely because of Hanoi's continuing violations of the Paris accords as well as its demands for recognition of the PRG.

South Korea: Seoul will seek \$3 billion in foreign loans over the next two years. South Korea needs help to offset a projected \$1.1-billion trade deficit this year. Major Western donors, meeting in Paris this week, already have agreed on the need to increase funds. Based on South Korea's economic record, including a real growth rate of 17 percent last year, they believe that South Korea will be able to weather its economic difficulties.

South Asia: India, Pakistan, and Bangladesh are proceeding with plans to hold a high-level meeting in New Delhi on April 5 to settle the fate of 195 Pakistani POWs in India accused of war crimes by Bangladesh. Although it was feared the sudden illness and treatment in Moscow of Prime Minister Mujib would force a postponement of the tripartite conference, the Bengalee leader has apparently given his approval for the meeting. Some 75,000 of the more than 90,000 Pakistani POWs have already been repatriated, and soon all but the 195 will have been freed.

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