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The President's Daily Brief

September 2, 1974

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

September 2, 1974

PRINCIPAL DEVELOPMENTS

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Cairo has accepted a Soviet proposal that Foreign Minister Fahmi visit Moscow in mid-October. *(Page 3)*

There is no obvious candidate for New Zealand's ruling Labor Party to select as prime minister to replace Norman Kirk who died suddenly last Saturday, but Wellington's traditionally close relations with the US will probably be little affected no matter who is chosen. *(Page 4)*

A note on the new Syrian cabinet appears on *Page 5*.

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USSR

In a tour d'horizon with Ambassador Stoessel on August 30, Foreign Minister Gromyko expressed his government's confidence that relations with the US will continue undisturbed during your administration. He went on to analyze critically US positions on such key issues as arms control, the Middle East, and Cyprus.

Gromyko indicated his availability for meetings in Washington on September 25, the day after he addresses the UN General Assembly. He arrives in New York on September 16, after a brief stopover in Bonn.

The foreign minister commented that the Soviet government has been following your statements on relations with the USSR closely and has concluded that you fully endorse former President Nixon's policies.

Gromyko noted with interest Secretary Kissinger's statements on the question of most-favored-nation status for the USSR, and commented that if this problem is overcome, relations with the US will be placed on a "firmer basis."

The foreign minister complained that he was not briefed to discuss the problem of family reunification and attempted jokingly to dismiss the subject. He warned that the US should not expect "lightning-like" action on cases submitted by the embassy.

SALT

Gromyko characterized SALT, the arms race, and similar matters as a complex of "old but new" related problems that must be resolved piecemeal, and only after hard negotiation. He was disturbed by continued nuclear proliferation, a problem made current by India's recent nuclear test. He endorsed efforts by the US to influence countries to ratify the Nuclear Non-Proliferation Treaty and suggested that such efforts be made not on a "campaign" basis but systematically.

Gromyko repeatedly referred to SALT as one of the most important and acute problems faced by the two nations. He hoped that the US delegation would

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be ready to go to work when the talks resume on September 17. Quantification appeared to be a particularly bothersome problem, and Gromyko asked how one was to quantify geographic factors. He said that each side had to be objective and realize that the other's security cannot be reduced, in the end the two sides might have to rely on "natural reason." A further point was that the two countries will eventually have to face the role of those states affected by the agreements who have not taken part in the negotiations.

The Middle East

Gromyko characterized the Middle East situation as acute. In his view, the US approach seemed to be to engage in non-binding consultations; what the Soviets wanted was "concerted action" to resolve the problem. The two powers should jointly help the Arabs and Israelis reach agreement and not wait to reconvene the Geneva peace conference until all questions had been solved.

The USSR did not want military bases but did want an end to hostilities. Under certain circumstances, the Soviets were prepared to consider "regulation" (normalization) of relations with Israel and would back any necessary international guarantee of Israel. Gromyko mused that it would not be difficult to cause trouble, but immediately disclaimed any Soviet intention to do so.

Cyprus

Turning to Cyprus, Gromyko said that "frankly" he did not understand the US position. He asked why the US did not stop the Greek junta from pursuing its plans for Cyprus and why the US did not make a more effective contribution toward a settlement. He said the USSR does not believe the issue is one that involves Cyprus alone, nor is it one that can be resolved by the three-power forum at Geneva. The USSR does not seek any bases in the area, rather it wants all foreign troops removed. Gromyko said that Cyprus represents an opportunity for the US and the USSR to demonstrate the benefits of cooperation, but the US attitude prevents this from taking place.

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USSR-EGYPT

Cairo has accepted a Soviet proposal that Foreign Minister Fahmi visit Moscow in mid-October.

[redacted] Egyptian Chief of Staff Lieutenant General Gamasy will accompany Fahmi. This suggests that Cairo will seek a steady flow of new military equipment from the Soviets.

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Egyptian President Sadat has been under pressure from domestic critics to mend fences with the USSR, especially since Moscow abruptly canceled a visit Fahmi was to have made to Moscow in mid-July.

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[redacted]

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NEW ZEALAND

There is no obvious candidate for the ruling Labor Party to select as prime minister to replace Norman Kirk who died suddenly last Saturday, but Wellington's traditionally cordial relations with the US will probably be little affected no matter who is chosen. The dynamic and popular Kirk had been preeminent in his party for 10 years and had never felt the need to groom a successor.

Finance Minister Rowling, an able and shrewd politician who has visited the US on both Fulbright and leader grants, appears to be the strongest candidate to take over the leadership, in the opinion of the US embassy. Deputy Prime Minister Watt, who is now acting leader of the government, stands a chance because of a desire in the party for continuity, but he has not distinguished himself in his several cabinet positions.

Other leading contenders are Trade and Industry Minister Freer, Justice Minister Finlay, and Defense Minister Faulkner.

The opposition National Party is in no position to take advantage of any disarray in the Labor Party as a new leader seeks to establish himself. Labor's strong parliamentary majority makes it unlikely that elections could be forced before they are due in November 1975.

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NOTE

Syria: President Asad yesterday signed a decree installing Prime Minister Mahmud al-Ayyubi's new cabinet. Ayyubi reshuffled ministries dealing primarily with domestic and economic affairs, but made no changes in the foreign, defense, interior, economic, or foreign trade ministries. A government spokesman emphasized that the changes will have no effect on Syrian foreign policy.

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