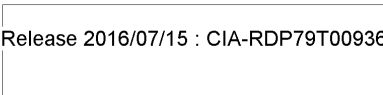
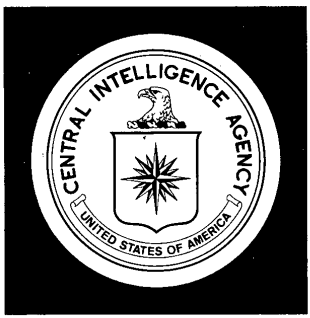


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The President's Daily Brief

December 16, 1974



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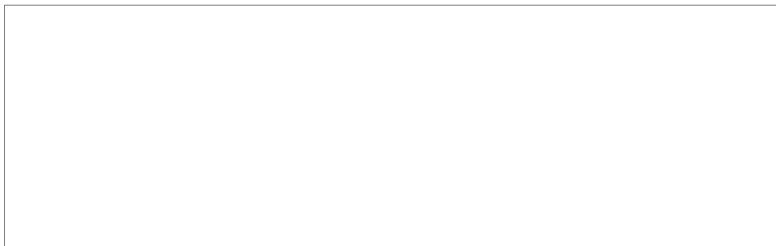
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EGYPT

Cairo media have avoided referring to Foreign Minister Fahmi's demand on Friday that Israel either agree to the formation of a single Jewish-Muslim-Christian state or return to the UN partition plan of 1947. Instead, media commentators have concentrated on the demand that Israel allow no immigration for 50 years.

The omission may indicate that Cairo is having second thoughts about its bold attempt to redefine Israel's pre-1967 borders. At the same time, there is nothing in the commentary to indicate that the Egyptians are backing off from their new demands on the immigration issue-demands that could themselves upset negotiations and at a minimum will revive Israeli doubts about Egyptian willingness to coexist with Israel.



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Sadat had appeared to be willing to proceed with a second-stage withdrawal in the Sinai Peninsula in order to ease domestic military pressures and to justify his reliance on US mediation. Israeli leaders have hinted broadly, however, that such a withdrawal would be the last for several years.

Sadat may have concluded that he could not participate in such a scheme if there were no hope for some quick movement also on at least the Syrian front. He may thus have adopted a position more Arab than the Arabs' to bolster his image with his allies.

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FRANCE

Prime Minister Jacques Chirac's election as head of the Gaullist Party on Saturday probably presages an attempt by him to strengthen the movement's position in the government.

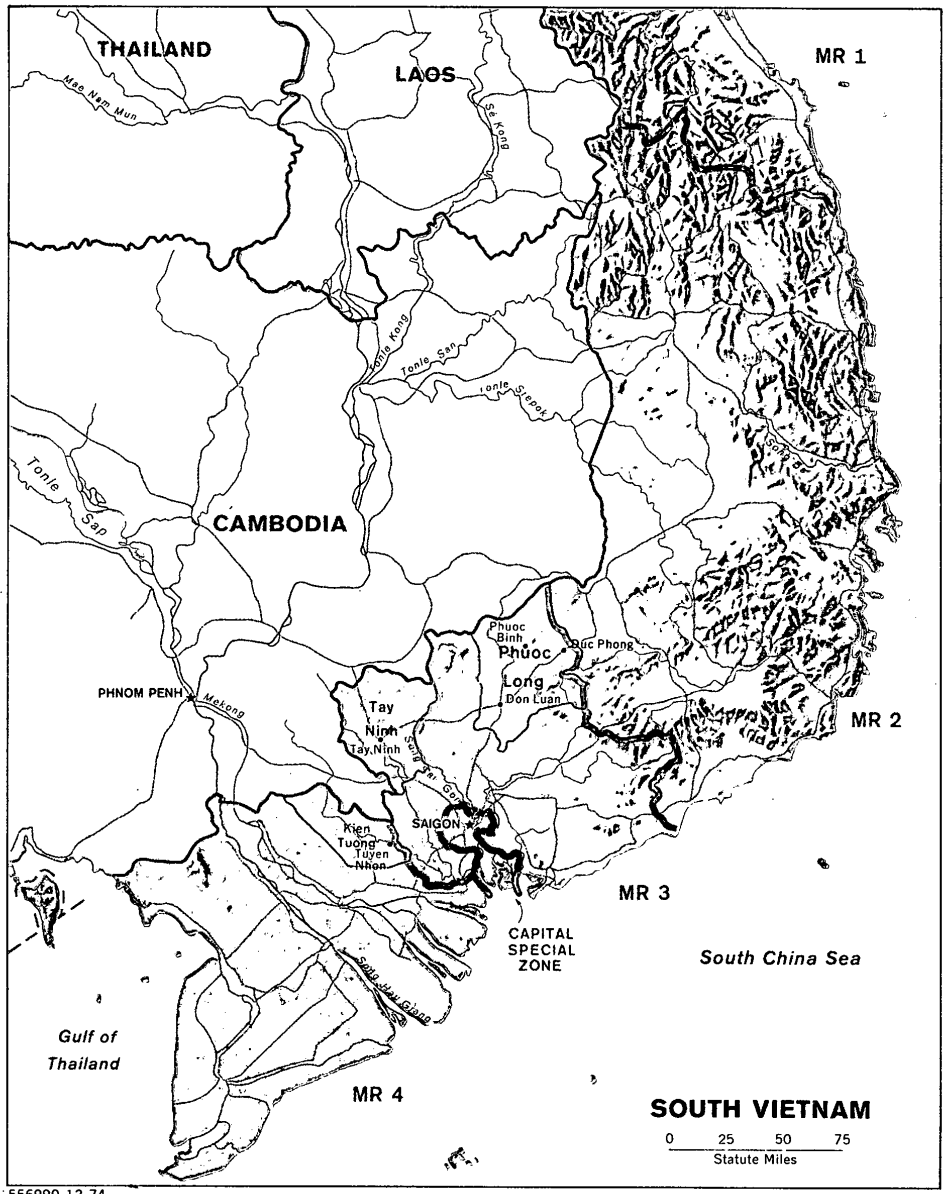
First, however, Chirac will have to convince old-line Gaullists to give him more than the grudging support they have thus far granted him as Prime Minister. Caught by surprise on Saturday, the party "barons"--the bosses who dominated the movement under De Gaulle and Pompidou--accused the Prime Minister of "treason" and "strong arm tactics." Chirac has been mistrusted by orthodox Gaullists since he deserted their candidate Jacques Chaban-Delmas in the presidential election last May and cast his lot with Giscard.

If the barons can be convinced to accept Chirac's leadership, the Prime Minister would be able to swing the party into line behind Giscard's government. An early indication of support would be acceptance of a cabinet post by one of the barons.

Although addition of more Gaullists to the cabinet would be a setback for Giscard's scheme to form a "new majority" of the center, the presence of important Gaullists in the government could give Giscard more latitude to cooperate with the US. In addition, with some 175 seats in the 490-seat National Assembly, the Gaullists control the largest bloc in Giscard's parliamentary majority.

Chirac's move this weekend may have resulted from threats to his control of the party. Recently disaffected Gaullists have been wooed by former foreign minister Michel Jobert. Jobert has never been a member of the Gaullist movement, but his appeal to nationalism closely mirrors that of De Gaulle. He has organized a movement of his own which reportedly has been gaining support from many Gaullists.

There have also been rumors of comeback bids by the barons--Chaban-Delmas, Maurice Couve de Murville, Michel Debre, and Olivier Guichard. Guichard in particular has been touted as a man who could lead the Gaullists back to dominance.



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SOUTH VIETNAM

Communist forces overran Duc Phong district town north of Saigon on Sunday after nearly five hours of heavy shelling and are maintaining heavy pressure against several other government positions and population centers in the southern half of the country.

Communist forces in the Duc Phong area--believed to include a North Vietnamese regiment--also overran a government military encampment farther south and are threatening the adjoining district capital at Don Luan. Rockets and artillery have been fired into the provincial capital at Phuoc Binh.

Heavy fighting continues in Tay Ninh Province where South Vietnamese units are having trouble trying to reinforce local militia units at two locations on the outskirts of the provincial capital.

In the delta, action has diminished in Kien Tuong Province after six days of heavy fighting, but new communist assaults are expected soon. Units from the North Vietnamese 5th Division infiltrating the area now have almost complete control of Tuyen Nhon district.

Military activity elsewhere in the country is light, although there are reports that the fighting will intensify soon in the southern and central provinces of Military Region 2. Heavy rains in Military Region 1 have kept the pace of action slow there.

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RHODESIA

Prime Minister Smith has taken the first step toward implementing his truce agreement with Rhodesian insurgents by allowing rebel leaders who had been long imprisoned to resume political activity.

Late last week, Joshua Nkomo and Ndabaningi Sithole, leaders of the Zimbabwe African Peoples Union and the Zimbabwe African National Union, respectively, made their first public appearance in a decade. They issued a joint statement in Salisbury after returning from Lusaka, Zambia, where they had formulated a common bargaining position with exiled Rhodesian insurgents and negotiated the truce with Smith's envoys.

The appearance of the two followed Smith's announcement that, in return for a cease-fire agreement, he was releasing all detained black nationalists. Nkomo and Sithole were joined in their appearance by Bishop Muzorewa, head of the non-insurgent African National Council, the only nationalist group that has been allowed to function openly in Rhodesia.

Exiled nationalist leaders, who have been directing guerrilla operations inside Rhodesia from bases in Zambia, may not be willing to honor an immediate cease-fire as implied in Smith's announcement of the truce. These leaders, who also participated in the Lusaka talks, have not spoken out since the talks.

The exiled nationalists may be waiting assurance that Smith's promise of amnesty applies to them, or they may be waiting to see whether Smith will make further concessions.

Herbert Chitepo, who has directed the Zimbabwe African National Union's insurgent efforts from Zambia, opposed accepting the cease-fire at the Lusaka talks until Smith guaranteed an early transition to majority rule in Rhodesia. Chitepo argued against giving up the tactical advantages gained by his group, which has fielded most of the guerrilla units operating inside Rhodesia since 1972. It is doubtful that Sithole could get these units to honor a cease-fire without Chitepo's concurrence.

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