



The President's Daily Brief

March 6, 1975

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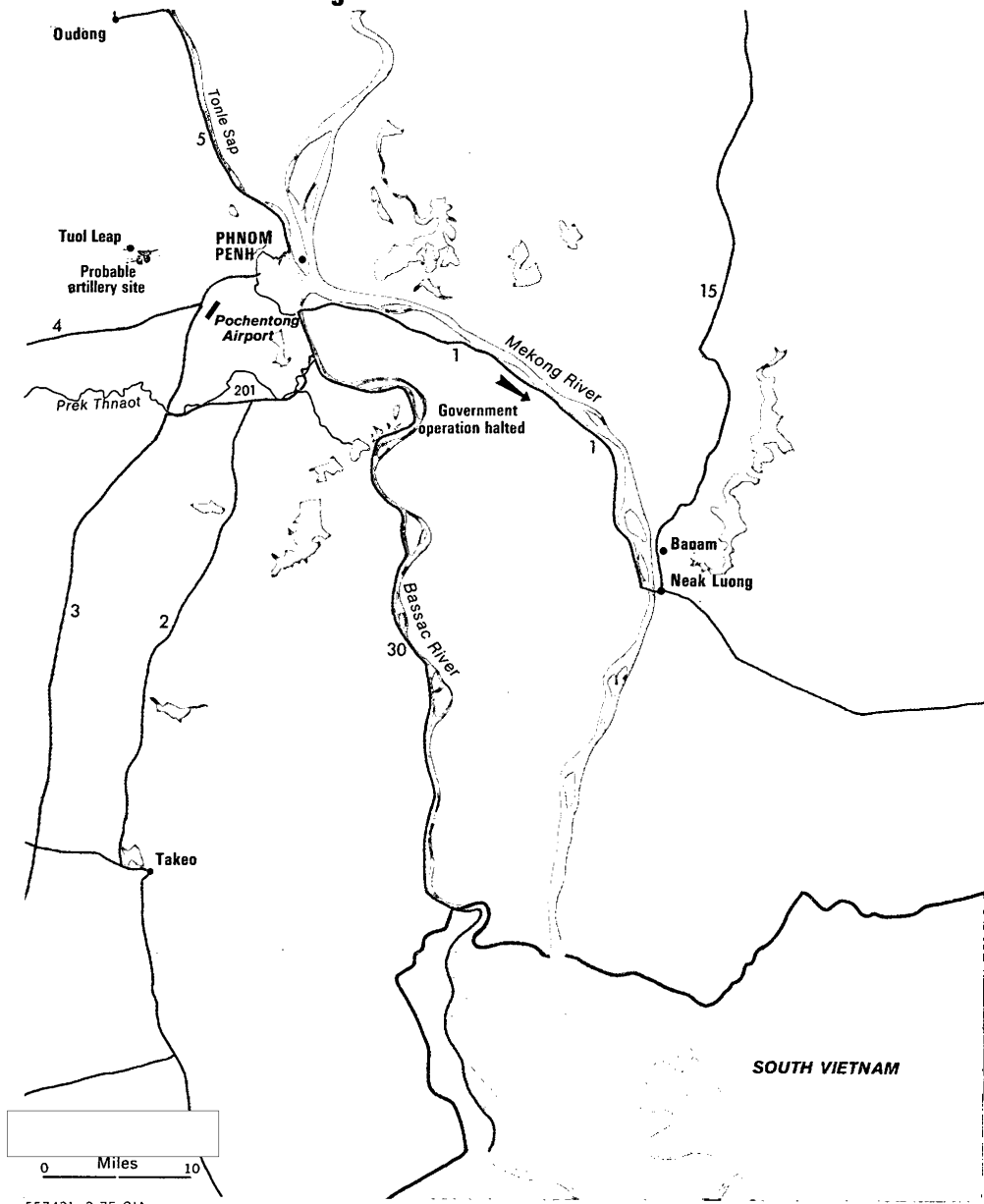
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Cambodia: Lower Mekong



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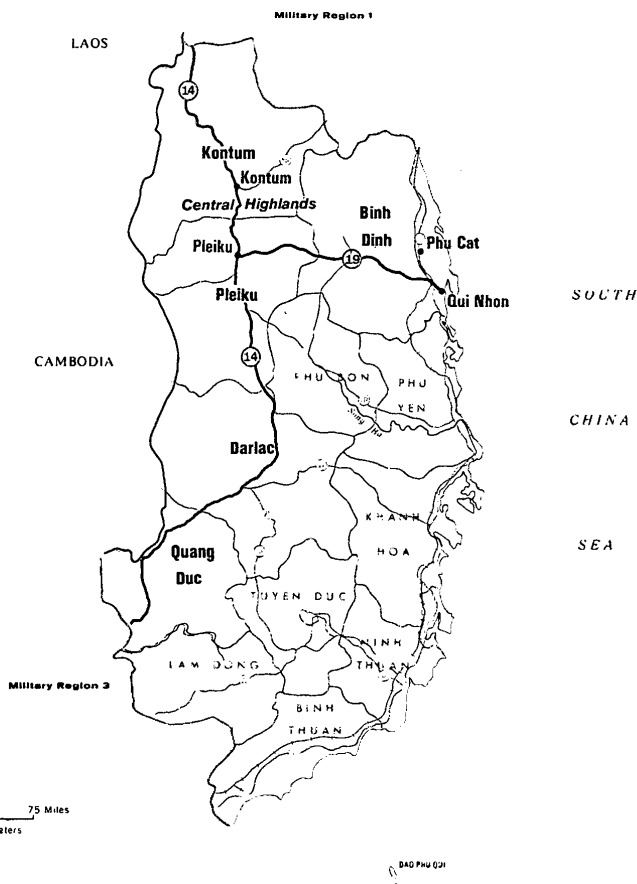
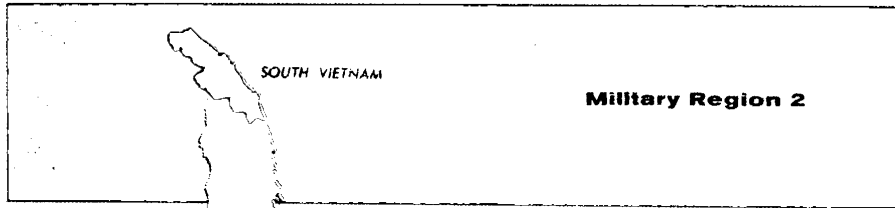
CAMBODIA

Airlift operations at Pochentong airfield resumed this morning following a temporary suspension yesterday.

A US civilian DC-8 cargo plane involved in the resupply of Phnom Penh was damaged yesterday, reportedly by 105-mm. howitzer fire. The artillery fire apparently came from the Tuol Leap area north of Route 4, where a government operation is planned for today. The range and accuracy of 105-mm. artillery pose a greater threat to Pochentong than do rocket attacks.

Along the Mekong River, government forces have reopened a secondary road that links Banam and Neak Luong. Communist pressure increased on the west bank of the river opposite Neak Luong, where government troops have recovered two of four positions. Farther north, the government task force trying to push down Route 1 toward Neak Luong has been instructed to halt operations. Supporting artillery and armored units have been withdrawn from the Route 1 front to help in the defense of Phnom Penh.

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SOUTH VIETNAM

The upsurge in fighting in the central highlands suggests that the North Vietnamese have started their spring campaign in that area.

Communist units have attacked and overrun several outposts in Kontum and Pleiku provinces and have cut strategic Highway 19, which links the highlands to the coast. The communists have also shelled two of the government's important airbases at Pleiku and Phu Cat in Binh Dinh Province.

Increased attacks have been reported in the northern provinces and north of Saigon, but these could be in response to expanded South Vietnamese military operations.

Communist planning apparently involves gradually increased pressure against the two highland capitals of Pleiku and Kontum. The government's principal task is to reopen the highway between Pleiku City and Qui Nhon, so as to avoid the difficulties of airlifting supplies into the highlands to hold the two capitals.

Even with the highway open, the South Vietnamese could face a difficult situation in the highlands. Kontum City appears especially vulnerable. It is the last remaining stronghold in Kontum Province and depends upon Highway 14 from Pleiku City for resupply. The communists can easily cut this road, and the city's small airfield would have difficulty handling the number of flights needed to resupply the garrison by air.

The communists currently have four divisions which could be committed to the fighting in the highlands and along the coast. South Vietnamese forces in the region consist of two infantry divisions and ranger units. In terms of manpower and firepower they are as strong as the North Vietnamese forces, but with limited resupply capabilities and a large area to defend, these units will be under pressure if the communists decide to launch heavy and sustained attacks.

FOR THE PRESIDENT ONLY

CYPRUS

An inflammatory anti-American campaign that began last week in the Greek Cypriot press could bring acts of violence against US personnel and facilities.

The campaign, which the US embassy in Nicosia believes is inspired by President Makarios, began after four US airmen assigned to a British base were detained temporarily by Greek Cypriot authorities. Press accusations followed that the US was using Cyprus as a base for espionage and was working against Greek Cypriot interests at the UN. Charges of US complicity in the Turkish invasion of Cyprus last summer have also been revived.

The embassy speculates that Makarios is orchestrating the campaign in order to deflect the frustration of Greek Cypriots away from himself, now that it has become apparent that he has failed to force Turkish concessions. The campaign has been effective among refugees and students; many of them are joining radical leftist Vassos Lyssarides' party, which supports Makarios and has been the most vocal critic of the US.

Alternatively, the embassy speculates that the campaign may be intended to condition Greek Cypriots to a change of policy toward the Soviet Union. This would involve risks, however, because the Greek government and at least some of the Greek Cypriot right would undoubtedly oppose such a move. The remnants of the EOKA-B terrorist organization, which participated in the coup against Makarios last July, might react violently.

It is doubtful that Makarios would turn to the Soviet Union, however, until the outcome of the current Security Council debate on Cyprus is clear. He would also want to receive firm assurances of support from Moscow before taking any steps that might lead to an enhanced role for the Soviets on Cyprus.

The Soviets would like to exploit Makarios' predicament to obtain a greater role for themselves in any future Cyprus settlement, but they have thus far moved cautiously, in part to avoid antagonizing the Turks.

FOR THE PRESIDENT ONLY

ISRAEL-FEDAYEEN

The seaborne fedayeen raid on Tel Aviv should have no adverse effect on the coming Israeli-Egyptian negotiations.

The attack, for which various Palestinian groups are claiming credit, apparently was launched from southern Lebanon. It almost certainly will embroil the already shaken Sulh government in further controversy over Lebanese-fedayeen relations and will probably worsen relations between Palestine Liberation Organization chairman Yasir Arafat and President Sadat.

Given the spectacular nature of the fedayeen attack, pressure may build in Tel Aviv for a swift retaliatory strike against fedayeen bases along the southern Lebanese coast.

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The Israelis are unlikely to feel bound by the truce they concluded with Lebanon last month, in which they agreed to limit their retaliation against minor border incidents.

Tel Aviv may stay its hand because of Secretary Kissinger's coming visit and perhaps because of the apparently deteriorating political situation in Beirut. The resignation yesterday of a cabinet minister who demanded the dismissal of Lebanon's army commander for his handling of the recent incident in Sidon could provoke a cabinet crisis. According to press accounts, there were also gunfights and explosions yesterday during a demonstration held in Beirut to demand withdrawal of the fedayeen and support for the army.

Prime Minister Rabin can be expected to use the latest terrorist incident to press his argument that it would be "a great mistake" for Israel to negotiate with the PLO, even if the Palestinian group indicated a readiness to accept the existence of Israel. Israeli hardliners will point to the raid as proof that the PLO will never accept Israel and that any sign of moderation by the Arabs is a chimera.

FOR THE PRESIDENT ONLY

SYRIA

President Asad's interview in yesterday's Washington Post is a continuation of his efforts to pressure Egypt into linking a Sinai accord with progress on the Syrian front and on the Palestinian question.

Asad refused to attack President Sadat directly for adhering to our negotiating strategy, but his comments seemed designed to cast Sadat in unfavorable light in the Arab world if Egypt moves to sign a separate agreement with Israel.

Asad's own position was a reiteration of his willingness to negotiate another disengagement agreement on the Golan Heights. He insisted, however, that it would have to be within the context of a general interim accord on all three fronts--Sinai, Golan Heights, and the West Bank. He characterized a separate Egyptian-Israeli agreement as a step that might "block peace." Asad did not reject the possibility that he may boycott the Geneva talks if they are reconvened after only a Sinai agreement.

On Golan Heights negotiations, Asad insisted again that Syria was interested only in discussing an Israeli pullback all along the present disengagement line. We continue to believe, however, that he would probably settle for whatever he could get, even if it amounts to only a symbolic withdrawal of a few kilometers.

Asad's strong pitch for the US to recognize the PLO as the "sole representative of Palestinian people" may have been calculated in part to embarrass the Egyptians, who have recently been having their troubles with fedayeen leaders. He also may have wanted to strengthen his domestic position by posturing as the Palestinians' chief Arab supporter.

FOR THE PRESIDENT ONLY

NOTES

The Israelis regard the next round of negotiations for a second Egyptian-Israeli agreement as a major test of Prime Minister Rabin's leadership.

Rabin's success depends to a great extent on his ability to get support for his negotiating position from conservative members of the cabinet. Defense Minister Peres, in particular, has shown little public flexibility on negotiations with Egypt. The Prime Minister therefore will be hard pressed to find an agreement acceptable to everyone. Our embassy believes that the government, with the support of small leftist parties outside the coalition, will be able to obtain parliamentary approval for an agreement even if a minor cabinet split occurs.

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The Kuwaiti oil minister announced yesterday in Algiers that his country has taken 100-percent ownership of the oil and gas industry, effective immediately.

Kuwait had planned to increase its 60-percent share to 100-percent ownership sometime before 1979, but the government has faced pressure from the National Assembly for immediate action. The key issues for British Petroleum and Gulf Oil representatives, who have been asked to negotiate arrangements next week for the take-over, are whether they will continue to have preferential access to crude supplies, what and how they will pay for the oil they buy, and what they will receive by way of compensation.

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OPEC members accounted for about one third of the record \$33 billion pledged as either bilateral or multilateral economic aid to developing countries in 1974.

Egypt, Syria, and Pakistan, by receiving the largest share of the oil producers' aid, have emerged as the leading recipients of total economic assistance. Other developing countries benefited very little from the aid increase. After allocations made to Egypt, Syria, and Pakistan, only about \$3.5 billion of OPEC aid was left to be divided among the other 46 countries. We expect this high level of assistance to continue this year, but Muslim nations will receive the largest share.

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FOR THE PRESIDENT ONLY

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Soviet Deputy Foreign Minister Firyubin is in Indochina, presumably to sound out the North Vietnamese on their military intentions in South Vietnam during the present dry season and to discuss the Cambodian problem. He arrived in Laos on March 5 after a visit to Hanoi.

Until recently the Soviets had been openly urging negotiations and stating that a military solution in Cambodia was not possible. Now they find themselves in the position of having diplomatic relations with the Lon Nol government, weak ties with the Khmer Communists, and little prospect of working with Sihanouk, who has been dependent on Peking. Moscow probably wants to develop closer ties with the Khmer Communists. Firyubin may caution both the North Vietnamese and the Khmer Communists to avoid punitive actions in Cambodia that would evoke a sharp public reaction in Southeast Asia and elsewhere.

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South Korea



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