

SENSITIVE

PAGE 1 - 342

SITUATION LISTING

DATE 04/24/73//114

SITUATION: HAK
 SUBJECT CATEGORY: OUTGOING III

MESSAGE / ANNOTATION:

ANNOTATIONS:
 SCOWCROFT, LORD

MESSAGE:

UNK542
 VZCZCWHM112
 OO MEXICO
 DE WTE #1286 0851017
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 FM THE SITUATION ROOM TOHAK112
 TO JON HOWE FOR DR, KISSINGER
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 UNCLAS WH30874
 TOHAK 112
 WEEKEND NEWS REVIEW
 MARCH 26, 1973
 PAPERS AND NETS DOMINATED BY 3 STORIES: CONTINUING IMPASSE OVER
 POW RELEASE; FOODPRICES AND EM CALLS FOR TOUGHENED CONTROLS;
 AND THE MCCORD LETTER (BANNED IN ALL SAT PAPERS W/"TO LIFT LID,"
 "MAY TALK," "BLOWS WHISTLE", AMONG HEADS) AND HIS SUBSEQUENT
 MEETING W/ERVIN COUNSEL DASH AT WHICH LA TIMES SAYS HE NAMED DEAN
 AND MAGRUDER AS "INVOLVED IN PREPARATIONS FOR THE BUGGING." WH
 HAS DENIED.
 BOTH NETS LED SAT W/ STILL UNRESOLVED POW DISPUTE AND SUN, NBC
 LED W/OVER 4 MINUTES, FEATURING VALERIANI, ON RN'S FLAT STATE-
 MENT THAT NO MORE GIS ARE LEAVING SVN TIL ALL POWS -- INCLUDING
 9 HELD IN LAOS -- ARE RELEASED. NVN SAYS THE 107 IT HOLDS CAN
 COME HOME TUES AND WED BUT NOT TIL ALL GIS, INCLUDING 159
 MARINES AT SAIGON EMBASSY ARE REMOVED -- A NEW CONDITION AND
 REFUSED BY US. "A STATEMATE," SAID NBC ALTHO VALERIANI DOUBTS
 IT'S ALL THAT SERIOUS AND SAID RELEASES COULD COME TUES/WED --
 DEADLINE IN ACCORD -- AND ADMIN IS CONFIDENT SITUATION WILL WORK
 OUT. AS TO NVN ASSERTION THAT IT DOESN'T CONTROL POWS HELD BY
 PATHET LAO -- ALTHO HANDI PROMISED ON SUN. THEY'D BE RELEASED
 W/OUT GIVING A DATE -- VALERIANI NOTED THE 9 HAVE BEEN IN NVN...
 WIRES NOTE POW FAMILILES ARE BACKING RN'S STANCE...IN ONE OF
 LAST REPATRIATIONS OF POWS HELD BY SVN, 210 REFUSED TO GO NORTH
 --THE BIGGEST MAS DEFECTION SINCE C-F, NBC SAID THERE'VE STILL
 ONLY 235 DEFECTORS OUT OF 27,000 --- LESS THAN 1 PERCENT...
 SVN REPORTS LOWEST NUMBER OF VIOLATIONS SINCE C-F BEGAN JAN. 28...
 CANADA IS EXPECTED TO STAY W/ICCS ANOTHER 30-60 DAYS AT LEAST.
 5 MORE DIE IN N. IRELAND, INCLUDING 4 BRITISH SOLDIERS LURED TO
 "COLD, CALCULATED MURDER" BY GIRLS...PARTICULARLY GLOOMY NBC
 FILM ON INCREASING VIOLENCE AND DIVISION -- ROUGHEST ON POOR

SENSITIVE

SENSITIVE

PAGE 1 - 343

SITUATION LISTING

DATE 04/24/73//114

SITUATION: HAK
 SUBJECT CATEGORY: OUTGOING III

MESSAGE / ANNOTATION:

STUCK IN BELFAST GHETTO BUT EVEN RICH IN SUBURBS ARE HAVING
 TROUBLE AVOIDING VIOLENCE.

INDOCHINA

POWS

VALERIANI SAID THO WH SAYS THERE WERE NO SECRET UNDER-
 STANDINGS IN PARIS IT INSISTS NVN GAVE PRIVATE ASSURANCES THAT
 LAOS POWS WOULD BE FREED AND RN IS NOW TRYING TO MAKE THE 9
 A FORMAL PART OF ACCORD. (RATHER SAID NOTHING ABOUT US STAND ON
 UNDERSTANDING; HE ONLY SAID POWS IN LAOS WEREN'T MENTIONED IN
 AGREEMENT.) IT'S HOPED HIS EMPHATIC AND PERSONAL STATEMENT
 WILL BREAK THE DEADLOCK. WH FELT IT WAS BEING "DOUBLE-CROSSED"
 AGAIN -- THUS RN ACTED. AS FOR WHAT'S IN IT FOR NVN, VALERIANI
 SAID HE COULDN'T QUOTE WHAT A SENIOR ADMIN OFFICIAL SAID AS
 IT'S NOT FIT FOR FAMILY SHOWS, BUT IN EFFECT, NVN WAS
 SAID TO BE ITS USUAL TROUBLE-MAKING SELF AGAIN...NBC'S UTLEY
 RECALLED HOW OFTEN IN PAST THE VN NEGOTIATIONS HAVE APPEARED
 HOPELESSLY DEADLOCKED, BUT PROBLEMS WERE ALWAYS SOLVED AND THEY
 WILL BE AGAIN, THO PERHAPS NOT BY WED. IT'S ANOTHER TEST OF
 STRENGTH AND ENDURANCE BY THE 2 SIDES.

END PAGE ONE

SAT, NVA GEN HUA OF JMC SAID ON NBC FILM HE KNOWS NOTHING
 OF UNDERSTANDING ON POWS TAKEN BY PATHET LAO AND US IS
 RESPONSIBLE FOR ALL DELAYS...SCHIEFFER OF CBS SAID SAT THAT
 THERE WAS NO EVIDENCE OF ANY SIGN OR HINT OF APPROACHING AGREEMENT.
 UPI LEADS: "WHILE HOMETOWN CROWD CHEERED RETURN OF LONGEST-HELD
 POW IN NVN, RELATIVES OF 2 STILL HELD SAID THEY SUPPORT RN DECISION
 NOT TO W/DRAW MORE GIS TIL POWS ARE FREED."...MRS. PURCELL
 SAID: "I DEFINITELY WANT HIM HOME, BUT WE'LL JUST HAVE TO TRUST IN
 THE C-I-C. I'VE PUT TRUST IN THE PRES. IN THE PAST, SO WE'LL JUST
 HAVE TO SEE WHAT HAPPENS."...EVERETT'S UNCLE SAID: "I GUESS RN IS
 PROBABLY RIGHT, IT'LL PROBABLY DELAY THEM SOME, BUT I SUPPOSE IT'S
 THE BEST WAY TO DEAL W/THAT CROWD, THE NVN CROWD IS HARD TO
 COPE WITH."

RETURNEE CROWSON SAYS CAPTORS WERE GENERALLY HUMANE AND
 USUALLY PUNISHED HIM ONLY FOR "SMARTING OFF." WHEN 1ST CAPTURED,
 "I THOUGHT THEY WERE GOING TO KILL ME."

TALLEY AGREES THAT STEPPED-UP BOMBING PROBABLY GOT THEM HOME
 SOONER. "IT GOT SOMEBODY'S ATTENTION, IT GOT ME HOME."... AND
 DRAMESI ADDS, ALTHO BOMBING WAS CLOSE--"AND THE CEILING WAS
 FALLING IN, MOST OF US WERE CHEERING."

EX-POW MEHL SAYS THEY KENENW ABOUT THE DEC RAIDS WHICH WERE
 "INSTRUMENTAL IN BRINGING US HOME," HE AND MECLEARY OPPOSE
 BLANKET AMNESTY AND WERE PLEASED W/ SETTLEMENT. MEHL SAID:
 "WE REACHED OUR GOALS, WE GAVE SVN A CHANCE TO DEFEND ITSELF,"
 AND MECLEARY SAID POW EXPERIENCE CAUSED HIM TO DECIDE HE'D STAY
 W/ NAVY -- HE DISCOVERED WHERE HIS VALUES LAY.

SENSITIVE

SENSITIVE

PAGE 1 - 344

SITUATION LISTING

DATE 04/24/73//114

SITUATION: HAK
 SUBJECT CATEGORY: OUTGOING III

MESSAGE / ANNOTATION

END PAGE TWO

OTHER INDOCHINA

NVN'S GEN TRA PREDICTED PEACE AND NATIONAL RECONCILIATION
 BECAUSE "NO FORCE CAN REVERSE THE WILL OF HISTORY," BUT HE SAID
 "WHAT JMC HAS ACCOMPLISHED DOESN'T MEET W/ OUR WISHES".....
 HE SAID US CHARGES OF NVA VIOLATIONS WERE "PURELY FABRICATIONS"

VC SATHEY HT

SAMS IN KHE SANH BEFORE THE TRUCE, IT
 ALSO ACCUSED US OF TRYING TO COVER UP "ILLEGAL" ARMS SHIPMENTS
 TO DA NANG BY BRINGING UP THE ISSUE.
 HANOI SAYS IT'LL BEGIN PULLING OUT ITS 825-MAN JMC DELEGATION
 MONDAY AND WILL COMPLETE TASK WED., WHEN JMC IS DUE TO DISBAND...
 2 INDONESIAN ICCS OFFICERS WERE INJURED WHEN SNIPER FIRED ON THEIR
 CAR IN CAN THO...NEARLY 5,000 SVIETS BID FAREWELL TO THE LAST GIS
 IN NORTHERN REGION, SENDING THEM OFF W/"BON VOYAGE" AND "AULD
 LAND SYNE."

"BIG MINH", SAYS ONLY A "3RD FORCE" COULD GUARANTEE THE SPIRIT
 OF RECONCILIATION AND CONCORD CALLED FOR BY AGREEMENT, BUT THAT
 FORCE CAN'T DEVELOP TIL FULL LIBERTIES ALLOWED IN SVN...THIEU WOULDN'T
 HAVE MUCH CHANCE IF 250,000 POLITICAL PRISONERS BEING ILLEGALLY
 HELD WERE RELEASED, ACCORDING TO SON OF ONE OF THIEU'S OPPONENTS,
 DAVID TRUONG, AS QUOTED BY UPI FROM ILL., TRUONG SAID: "US IS
 ALLOWING THIEU TO CLASSIFY THEM AS COMMON CRIMINALS, THUS BYPASSING
 LEGITIMATE RELEASE," THE 28-YEAR OLD HAS BEEN IN US SINCE '64 AND
 WORKED FOR RFK, IN '68 AND MCG IN '72. HE'S A FREQUENT SOURCE FOR
 WECHSLER.

US HAS REPORTEDLY ADVISED LON NOL TO LIFT ASAP THE EMERGENCY
 MEASURES WHICH FOLLOWED THE BOMBING OF PALACE...UPI SAYS THAT
 "W/HUNDREDS OF DISSIDENTS UNDER ARREST AND MILITARY IN COMPLETE
 CONTROL, LON NOL APPEARS TO HAVE WON AN OVERWHELMING VICTORY
 IN HIS STRUGGLE TO RETAIN POWER DESPITE LOSS OF POPULAR SUPPORT."
 BUT A PROMINENT BUSINESSMAN TOLD UPI THAT "CAMBODIA HAS LOST...THE
 REPUBLIC HAS LOST...EVERYDAY ONE HEARS OF MORE AND MORE
 STUDENTS AND YOUNG PROFS, WHO'VE LEFT THE CITY TO JOIN THE
 RESISTANCE."

END PAGE 3

SIRIK MATAK, ERSTWHILE LON NOL COLLEAGUE, NOW UNDER VITRUAL
 HOUSE ARREST, TOLD TIMES THAT CURRENT GOV'T "MUST NOT AND WILL
 NOT LAST," AND IF US CONTINUES TO BACK LON NOL, MATAK SAYS
 CAMBODIA WILL FALL TO COMMUNISTS...KAMM OF TIME'S SAYS THE
 CAMBODIAN GOV'T IS "TEETERING ON THE WRECKAGE OF THE DEMOCRATIC
 REPUBLIC IT SET OUT TO CREATE 3 YEARS AGO...THE SPIRIT OF DOOM IS
 SO DEEP THE YEARNING FOR AN END TO THE WAR -- ANY END -- IS THE
 MOST VIVID EMOTION," AND THE TIMESMAN SAYS LON NOL'S POPULARITY
 IS SO LOW THAT PREDOMINANT REACTION TO BOMBING OF PALACE IS
 "REGRET" THAT PRIMARY TARGET WAS MISSED.

SENSITIVE

SENSITIVE

PAGE 1 - 345

SITUATION LISTING

DATE 04/24/73//114

SITUATION: HAK
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NBC W/LENGTHY LOOK AT US ROLE IN LAOS-- NO UNIFORMED GIS THO 3,000 AMERICANS, INCLUDING DEPENDENTS, IN VIENTIANE WHICH CIA AGENTS -- "SOLDIERS IN SPORT SHIRTS" -- USE AS BASE TO DIRECT 80,000 LAO TROOPS, EMPHASIS ON KEY US ROLE IN LAO ECONOMIC AND MILITARY LIFE -- \$50M/YEAR IN US ECONOMIC AID KEEPS LAO ECONOMY AFLOAT, ALTHO US PRESENCE IS CERTAIN TO DECLINE SOON AND RAPIDLY, REPORTER SAID KEY ROLE IN CIVIL AIR TRANSPORT PLAYED BY AIR AMERICA AND CONTINENTAL MEANS PATHET LAO MAY TOLERATE OTHER PRIVATE AIR CONCERNS COMING IN AFTER WAR, EXTENT OF FUTURE US ROLE IS UP TO HILL AND COALITION GOV'T DESIRES, RICH POINTED OUT-- 2 FACTORS YET UNRESOLVED.

THE SUNDAY OKLAHOMAN SAYS DOD SOURCES HAVE CONCLUDED MY LAI "WAS PLANNED AND COORDINATED W/CIA IN DELIBERATE ATTEMPT TO WIPE OUT AN ENTIRE VILLAGE AND ITS CIVILIAN POPULATION AS A LESSON TO THE ENEMY."

US/USSR/PRC

ACCORDING TO PRC SOURCES IN MOSCOW, BREZHNEV WILL VISIT US IN JUNE, A MOSCOW PAPER SAID ONLY "MORALLY UNSTABLE" JEWS WANT TO LEAVE AND THEY ARE PARTICIPANTS IN A ZIONIST PLOT, AND THOSE WHO TRY TO HELP THEM EMIGRATE ARE MEDDLING "W/DIRTY INTRIGUES" IN SOVIET DOMESTIC AFFAIRS, IT NOTED SOME WHO WENT TO ISRAEL WANT TO RETURN HOME AND ARE LIVING IN "DIRTY, COLD, OVERCROWDED ROOMS, IN AUSTRIA, IT DIDN'T EXPLAIN WHY THOSE WEREN'T PERMITTED TO RE-ENTER.

END PAGE FOUR

PHYSICIST SAKHAROV, ONE OF THE ARCHITECTS OF SOVIET H-BOMB, SAID KGB --FOR 1ST TIME -- QUESTIONED HIM OVER HIS CIVIL RIGHTS ACTIVITIES AND CALLED HIM NOT "MORALLY SOUND."

NEWS WEEK REPORTS "RUSS DIPLOMATS IN DC DROPPED DAVID ROCKEFELLER AS A HINT THEY'D LIKE A BUSINESSMAN AND AN IMPORTANT ONE, FOR AMB, ACCORDING TO MAG, STATE IS TOUTING MALCOLM TOON, NOW IN BELGRADE, AS CHOICE AMONG CAREERISTS,

ESTABLISHMENT OF PERMANENT US-PRC TRADE TIES IS A CLOSE REALITY BUT WON'T BE A CURE-ALL FOR US BUSINESS, ALEXANDER ECKSTEIN, A LEADING AUTHORITY ON PRC ECONOMY SAID, HE POINTED OUT PRC'S "TRADE IS SMALLER THAN BELGIUM OR HOLLAND, AND RECENT US-PRC TRADE IS NEARLY NEGLIGIBLE IN TERMS OF TOTAL US TRADE."...ANOTHER PRC EXPERT, ALLEN WHITING, SAID CHINA'S MILITARY POWER HAS BEEN OVER-DRAMATIZED FOR YEARS, AND HAS ONLY RECENTLY BEEN CITED FOR THE REAL STRENGTH IT IS, HE SAID "PRC HAS HAD NUMEROUS OPPORTUNITIES TO PARTICIPATE IN 'LIBERATION STRUGGLES'...BUT ITS INVOLVEMENT HAS BEEN ONLY MARGINAL."

END PAGE FIVE

MIDEAST:

PM SIDKY'S 14-MONTH-OLD GOV'T RESIGNED TO PAVE WAY FOR SADAT TO TAKE PERSONAL COMMAND OF CABINET AND LAUNCH NEW POLICIES WHICH REPORTEDLY WILL AIM AT GEARING EGYPT MORE ACTIVELY TO MILITARY

SENSITIVE

SENSITIVE

PAGE 1 - 346

SITUATION LISTING

DATE 04/24/73//114

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 SUBJECT CATEGORY: OUTGOING III

MESSAGE / ANNOTATION:

CONFRONTATION W/ ISRAEL TO REGAIN OCCUPIED TERRITORY.

A UPI MIDEAST FEATURE LEADS W/ AN ARAB DIPLOMAT'S QUOTE:
 "IF USSR PERSONNEL EXPELLED FROM EGYPT HAD REMAINED TIL TODAY,
 SITUATION WOULD STILL BE VERY MUCH THE SAME." IN FACT DEPARTURE
 MAY HAVE HAD "A SALUTARY EFFECT" ON SADAT'S POSITION.

ADMIN OFFICIALS ARE CONVINCED TIME IS RIPE FOR NEW EFFORT TO
 PROMOTE MIDEAST PEACE DESPITE RECENT VIOLENCE.

ISRAEL SAYS IT HAS AN AIR-TO-AIR MISSILE OF ITS OWN, THE LATEST
 IN A SERIES OF NEW WEAPONS UNVEILED AS PART OF 25TH ANNIVERSARY....
 AN ISRAELI OFFICIAL SAYS GOV'T WILL PUBLISH OFFICIAL REPORT THAT
 ISRAELI AGENCIES LOOTED FOREIGN-OWNED PROPERTY IN SINAI.... ISRAEL
 WILL SEND A SPORTS TEAM TO MOSCOW. IT ALSO HINTED IT'S GIVING SOME
 CREDENCE TO REPORTS THAT KREMLIN HAS STOPPED TAXING EMIGRANT JEWS.

IN UPI GREAT DECISIONS FEATURE, WRITER LEADS: "NEARLY 6 YEARS
 AFTER '67 WAR, THERE'S NOT BEEN A SINGLE POSITIVE ACHIEVEMENT
 LIKELY TO LEAD TO LASTING PEACE IN MID EAST. DIPLOMATS SEE NO PROSPECT
 OF SUCCESSFUL EFFORT IN NEAR FUTURE BECAUSE THERE'S NO IMPETUS."
 EMPHASIS ON POWER OF GUERRILLAS TO BLOCK ANY PROGRESS.

NUMAIRI BECAME 1ST AFRICAN REVOLUTIONARY LEADER INVITED TO
 LUNCH WITH QE II, TO CONFER WITH HEATH AND FETED BY LORD MAYOR.

AL FATAH LEADER DAQUD, WHOSE LIFE W
 S SPARED BY HUSSEIN, HAS

CONFESSED HIS ORG CARRIED OUT ALL TERRORIST OPERATIONS ATTRIBUTED
 TO BLACK SEPT, INCLUDING MUNICH MASSACRE.... A POPULAR FRONT LEADER
 SAID IT "HAS DEFINITELY GIVEN UP HIJACKS OR ANY OTHER ATTACK AGAINST
 CIVIL AIRCRAFT." DECISION TAKEN AFTER PERSUASION BY ARAB STATES,
 USSR, AND PRC.... ANOTHER UPI MIDEAST FEATURE BEGINS: "ISRAELI
 MILITARY HAS BEGUN EXPRESSING CAUTIOUS CONFIDENCE THAT 'IT'S ONLY
 A MATTER OF TIME' BEFORE GUERRILLAS ARE BROUGHT TO HEEL AND ATTACKS
 STOPPED.".... FRENCH POLICE TIGHTENED SECURITY AFTER BLACK SEPT
 THREATENED TO ATTACK FERRIES CROSSING ENGLISH CHANNEL.... A PARIS
 SMAG SUGGESTED BLACK SEPT MAY BE AN ISRAELI OPERATION USED TO
 DISCREDIT ARABS.

END PAGE SIX

NBC NOTED 5 ISRAELIS FOUND FUGUILTY OF ORGANIZING AND LEADING A
 SYRIAN SPY RING BENT ON OVERTHROWING ISRAEL.

PANAMA/OTHER LATIN AMERICA:

ALTHO STATE IS PLAYING DOWN REPORTED THREAT OF VIOLENCE AGAINST
 SCALI AND PUBLICLY ACCEPTING PANAMA'S EXPLANATION OF "MISUNDERST-
 ANDING," NEWS SAYS SOME OFFICIALS WERE STILL INCENSED OVER
 "INEXCUSABLE" INCIDENT AND ROGERS WAS SAID TO HAVE BEEN "BOILING
 MAD.".... SCALI DECLINED COMMENT, SAYING "THE IMPORTANT THING IS
 THERE WAS NO VIOLENCE."

"THERE'S LITTLE DOUBT IN PANAMA CITY... THAT US SUFFERED NOT ONLY
 A DIPLOMATIC DEFEAT AT PANAMA'S HANDS, BUT WILL LIKELY FACE IN
 MONTHS AHEAD EMBOLDENED HOSTILITY THRU THE HEMISPHERE," SAYS

SENSITIVE

SENSITIVE

PAGE 1 - 347

SITUATION LISTING

DATE 04/24/73//114

SITUATION: HAK
 SUBJECT CATEGORY: OUTGOING III

MESSAGE / ANNOTATION:

GOODSELL, MONITOR'S LONG-TIME LATIN SPECIALIST WHO ADDS THAT SOME OBSERVERS ARE SURPRISED US "EVER ALLOWED SELF TO GET MANUEVERED INTO CASTING THE VETO," MANY FEEL US BELIEF THAT THEY WERE CLOSE TO AGREEMENT W/ PANAMA ON RESOLUTION REFLECTED MISREADING OF TORRIJOS STANCE.

INQUIRER CALLS UN VETO "AN VETO "AN UNFORTUNATE CASE OF OVERKILL." ABSTENTION "WOULD HAVE SERVED AS WELL...THE VETO MERELY FANNED THE FLAMES (OF ANTO-ANTI-AMERICANISM), PLAYING INTO HANDS OF UN DELEGATES MAY WHO LIKE TO MAKE US SQUIRM."...TRIB REPORTS PANAMA'S COCKY LEADERS MAY HAVE OUTSMARTED THEMSELVES BECAUSE THE VERBAL ABUSE HEAPED ON US IS LIKELY TO HURT IN ANY SENATE DEBATE ON NEW TJEATY, BUT TORRIJOS "CONTINUES TO GLOAT" AND IS "STILL REELING FROM HIS HEADY PROPAGANDA TRIUMPH."

AP LEADS: MORE QUESTIONS THAN ANSWERS EMERGED FROM 1ST 3 DAYS OF SENATE INQUIRY INTO ALLEGED ITT ATTEMPTS TO STOP ALLENDE FROM TAKING OFFICE." AP ASKS: "WHAT DID CIA DO, IF ANY-THING, TO HELP PREVENT EXPROPRIATION? WHAT DID ITT INTEND FOR GOV'T TO DO W' / A \$1M OFFER."...INDIGNATION ON AGRONSKY SHOW OVER ITT-CIA STORIES CAME CLOSE TO IRE EXPRESSED OVER WATERGATE. "APPALLING" WAS THE CONSENSUS WORD W/ AGRONSKY ASKING, FOR U UMPTENTH TIME, "WHAT HAS HAPPENED TO THE CAPACITY FOR MORAL INDIGNATION IN US?"

END PAGE SEVEN

ALLENDE WILL ANNOUNCE ECONOMIC AUSTERITY MONDAY/ W/ NEW CABINET, THERE'LL PROBABLY INCLUDE SOME RATIONING OF FOODS.

ECHEVERRIA HAS PUT ON UNEXPECTEDLY HEAVY POLITICAL TONE ON HIS 6-NATION WORLD TOUR"--INCLUDING USSR AND PRC VISITS-- AND NOW CALLS IT " A MISSION FOR PEACE." UPI SAYS THE MEX PRESS, SURPRISED CORRESPONDENTS BY INSISTING HIS MAIN GOAL IS POLITICAL-- "AN EPO CH OF WORLD PEACE." SINCE TRIP WAS 1ST ANNOUNCED, HE HAS TALKED MAINLY OF EXONOMIC ADECONOMIC AND TRADE GOALS. HE "REPEATEDLY CHIDED US" BUT SAYS NO REASON FOR HOSTILE RELATIONS.

OTHER FOREIGN AFFAIRS:
 UNEMPLOYMENT DROPPED TO LOWEST LEVEL IN 2 YEARS, AND BROUGHT "A SPRING TONIC" TO BRITAINS GOV'T, REPORTS UPI ON THE 3.1 PCT LEVEL.

US AMB TO SPAIN REIVERO HAD HIS CAR STONED BY MADRID STUDENTS FRI. AT A TIME WHEN CONTROVERSY BUILDS OVER ALLEGEDLY POOR CONDITION OF US WARSHIPS PROVIDED SPAIN.

TURKISH SENATE TURNED DOWN EXTENSION OF PRES SUNAY'S TERM, THUS KILLING MOST LIKELY CHANCE OF BREAKING DEADLOCK IN PRESIDENTIAL ELECTIONS.

UGANDA SAID IT CRUSHED INVASION BY 3,500 TANZANIANS.
 DOLLAR TRADE:

W/ONLY 2 DISSENTS (PROXMIRE AND BLACKBURN THE JOINT EXONOMIC COMM SAID RN SHOULD MEET W/LEADERS OF CANADA, JAPAN AND W.

SENSITIVE

SENSITIVE

PAGE 1 - 348

SITUATION LISTING

DATE 04/24/73//114

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 SUBJECT CATEGORY: OUTGOING III

MESSAGE / ANNOTATION:

GEUROPE "AT EARLIEST POSSIBLE DATE" TO DEAL W/TRADE AND MONETARY REFORM. AND IT SAID RN SHOULD SEEK AN AGREEMENT IN WHICH US WOULD BE REPAYED IN FULL "FOR OUR NET OVERSEAS EXPENDITURES" FOR DEFENSE.... JAVITS PROPOSED MAJOR W Z. EUROPEAN AND N. AMER COUNTRIES HOLD SUMMIT TO COMBAT DISUNITY W/IN THE ALLIANCE. "THESE IS A TIME OF SERIOUS CRISIS," JAVITS SAID.

US NATO OFFICIALS CALCULATE THAT 310,000 GIS IN EUROPE PUTS US BALANCE OF REPAYMENTS ANOTHER \$2.5B IN RED EVERY YEAR. (MANSFIELD SAYS IT'S \$5B.) GOODPASTER SUGGESTS AN INTERNAT'L FUND TO COMPENSATE FOR THE LOSS....AFTER NOTING \$365,000 TAKEN FROM ARMY FINANCE AT
 END PAGE EIGHT

FT. POLK, UTLEY SAID ARMY IS "ARMY LOSING LOTS MORE OVERSEAS" DUE TO DEVALUATION AND LFLOAT -- IN FACT "A GREAT DEAL" W/\$100M ALREADY GONE DUE TO DEVALUATION. ARMY COMPTROLLER ON FILM DISCUSSING PROBLEM AND HOPES FOR WASHINGTON HELP LEST FURTHER DRASTIC CUTBACKS ON SERVICES BE REQUIRED....SPARKMAN DISAGREED W/DEM PROPOSAL THAT US UNILATERALLY W/DRAW A SUBSTANTIAL NUMBER FROM EUROPE. "WE'VE NO RIGHT TO W/DRAW ON A UNILATERAL BASIS," HE SAID.

UPI LEADS: "DOLLAR COMPLETED FIRST POSTE--CRISIS WEEK IN PRETTY GOOD SHAPE."....MINISTERS OF DEVELOPING WORLD EXPRESSED DISSATISFACTION W/PROGRESS TOWARD MONETARY REFORM AND PLEDGED TO PRESS NEED TO LINK ECONOMIC PROGRESS TO REFORM. THEY FEEL FLOAT HANDICAPPED THEM....SUN FINDS LITTLE PROGRESS IN COMM. OF 20 PREPARATIONS FOR SESSIONS OPENING MONDAY AND AP REPORTS MOST US OFFICIALS BELIEVE THE FINANCIAL EXPERTS WILL MARK TIME DURING LOAT TO SEE HOW THINGS WORK OUT.

JAPAN'S TRADE MINISTER BRUSHED ASIDE RN'S CRITICISM OF TOKYO POLICY AND SAID US WAS RESPONSIBLE FOR INTERNAT'L ECONOMIC TROUBLES THRU ITS OWN ECONOMIC "DIARRHEA."

USDA SAYS PROSPECTS APPEAR TO BE IMPROVING FOR FURTHER BIG SALES OF COTTON TO PRC....UPI FEATURE LEADS W/VIEW OF A US COMPUTER FIRM'S PRES: "YUGOSLAVIA, 3RD FORCE IN COMMUNIST WORLD AFTER USSR AND PRC, IS A FERTILE FIELD FOR US BUSINESS." IN FACT

CHARLES LECHT SAYS "THE YUGOSLAVS APPEAR TO LIKE AMERICANS MORE THAN SOME OF NON-COMMUNIST COUNTRIES OF EUROPE."
 DEFENSE

AP LEADS: "STILL NEW AT DOD, RICHARDSON IS FEELING WAY TOWARD WESTABLISHING TIGHTER CIVILIAN CONTROL AT TOP WHILE INVOLVING OFFICER CORPS MORE BROADLY IN SHAPING POLICIES."....MONDAY HE MAKES 1ST APPEARANCE ON HILL SINCE TAKING DOD. AP'S HOFFMAN SAYS THE SECY "STILL IS GOING FOR SPECIFIC WAYS TO BRING ABOUT CHANGES HE HAS HIN MIND. HE SEEMS TO WANT TO PULL TIGHTER ON REINGS THAN LAIRD, BUT TO STOP WELL SHORT OF RETURNING TO MCNAMARA'S

SENSITIVE

SENSITIVE

PAGE 1 - 349

SITUATION LISTING

DATE 04/24/73//114

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MESSAGE / ANNOTATION:

AUTORITARIAN STYLE," UPI NOTES RICHARDSON PROGRAM "CALLS FOR
REVISION OF MANAGEMENT POLICIES, BUT FEW CHANGES IN WORLD WIDE
MILITARY STRATEGY."

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