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FM THE SITUATION ROOM//TOHAK 10//

ON-FILE NSC RELEASE
INSTRUCTIONS APPLY

TO ADAMS/BARBAIN FOR THE SECRETARY

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DOS Review
Completed.

JULY 15, 1975

MEMORANDUM FOR SECRETARY KISSINGER

FROM: THE SITUATION ROOM

SUBJECT: INFORMATION ITEMS

MULTILATERAL TRADE NEGOTIATIONS RESUME IN GENEVA THIS WEEK: THE TRADE NEGOTIATIONS COMMITTEE OF THE MULTILATERAL TRADE NEGOTIATIONS IS MEETING IN GENEVA THIS WEEK. THE COMMITTEE WILL REVIEW THE PROGRESS MADE SINCE FEBRUARY BY THE VARIOUS NEGOTIATING GROUPS AND DRAW UP A PROGRAM OF WORK UNTIL THE NEXT FULL-SCALE MEETING, PROBABLY IN DECEMBER. FEW NEW INITIATIVES ARE LIKELY, BUT SEVERAL CONTENTIOUS ISSUES WILL PROBABLY ARISE INCLUDING TARIFF TREATMENT ON EXPORT OF TROPICAL PRODUCTS AND EXPORT RESTRICTIONS AND SECURE SUPPLIES OF RAW MATERIALS. MANY REPRESENTATIVES SAY THAT THE OVERALL TRADE NEGOTIATIONS WILL BE JEOPARDIZED IF SPECIFIC AGREEMENTS ARE SOUGHT AND NOT REACHED. EARLY AGREEMENTS COULD, ON THE OTHER HAND, DEMONSTRATE THE VALUE OF THE NEGOTIATIONS AND HELP COUNTERACT A DRIFT TOWARD PROTECTIONISM.

25X1

VIETNAM MAY PLAN TO TRAIN THAI INSURGENTS: [REDACTED]

25X1

PROVIDED AN UNVERIFIED ACCOUNT OF VIETNAMESE COMMUNIST INTENTIONS TOWARD THAILAND OVER THE NEXT YEAR. INFORMATION OBTAINED FROM AN ALLEGED SOUTH VIETNAMESE COMMUNIST REVEALED THAT OVER THE NEXT YEAR VIETNAM INTENDED TO TRAIN SOME 500 THAI-BORN VIETNAMESE AND A SIMILAR NUMBER OF ETHNIC THAI INSURGENTS AND THAT ANOTHER 1,000 SOUTH VIET-

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NAMESE STUDENTS WOULD BE SENT TO WORK AMONG THE VIETNAMESE POPULATION IN NORTHEASTERN THAILAND. THE COMMITTEE SAID THE OBJECTIVE OF THIS PROGRAM WAS TO PROMOTE AN ANTI-AMERICAN MOVEMENT IN THAILAND AND HELP DEVELOP THE INSURGENCY. ALTHOUGH HIS ACQUAINTANCE DID NOT SAY SO, THE SOURCE CONCLUDED FROM THE CONVERSATION THAT THE VIETNAMESE PLANNED TO INCREASE THE SUPPLY OF WEAPONS, AMMUNITION, AND OTHER MATERIALS TO THAI COMMUNISTS. WE HAVE NO WAY OF VERIFYING THAT THE COMMUNIST OFFICIAL WOULD HAVE ACCESS TO THE ALLEGED PLANS, BUT THEY ARE PLAUSIBLE.

CHINA, JAPAN SEEKING LONG-TERM OIL AGREEMENT: SINO-JAPANESE NEGOTIATIONS ON A LONG-TERM OIL AGREEMENT MAY BE COMPLETED BY THE END OF THE YEAR. THE DEPENDABILITY OF OIL REVENUES BECAME AN URGENT ISSUE TO PEKING WHEN JAPAN FAILED TO TAKE DELIVERY OF ALMOST A FIFTH OF THE 100,000 BARRELS A DAY OF CRUDE CONTRACTED FOR IN 1974. WITH A NEW FIVE-YEAR PLAN (1976-80) NOW BEING DRAFTED, CHINESE PLANNERS NEED TO KNOW HOW MUCH OIL INCOME CAN BE COUNTED ON TO FINANCE PURCHASES OF WESTERN MACHINERY AND EQUIPMENT. PEKING REPORTEDLY IS READY TO SELL "TENS OF MILLIONS" OF TONS A YEAR THROUGH 1980, AND JAPAN IS WILLING TO REDUCE THE SHARE OF IMPORTS OBTAINED FROM THE MIDDLE EAST AND INDONESIA TO MAKE ROOM FOR CHINESE CRUDE. JAPAN WANTS TO DIVERSIFY ITS SOURCES OF CRUDE IN ORDER TO REDUCE VULNERABILITY TO ANOTHER ARAB OIL CUTOFF AND ENHANCE THEIR BARGAINING POWER OVER PRICE WITH INDONESIA, WHOSE CRUDE IS SIMILAR TO CHINA'S. THE CHINESE, FOR THEIR PART, ARE BEGINNING TO RECOGNIZE THAT JAPAN IS THE ONLY MAJOR MARKET IMMEDIATELY ON THE HORIZON AND ARE WILLING TO SOFTEN PRICES.

THE WASHINGTON STAR NEWS-

JOHN FIALKA REPORTS THAT A TWO-MAN SOVIET SOYUZ ROCKET LAUNCHED THE WORLD'S FIRST INTERNATIONAL MANNED SPACE MISSION TODAY AND WEATHER CONDITIONS AT THE KENNEDY SPACE CENTER INDICATED THAT A "GO" WILL BE GIVEN TO THE U.S. APOLLO SPACECRAFT THIS AFTERNOON.

JEREMIAH O'LEARY WRITES THAT YOU HAVE ISSUED A CLEAR WARNING THAT THE UNITED STATES MIGHT BE FORCED TO WITHDRAW FROM THE UNITED NATIONS UNLESS THERE IS A REVERSAL OF THE TREND THAT HE SAID THREATENS TO TURN THE WORLD BODY INTO A WEAPON FOR BLOC POLITICS.

HENRY S. BRADSHAW REPORTS THAT DANG VAN QUAN WHO HAS BEEN ORDERED DEPORTED FROM CANADA BECAUSE OF "NEFARIOUS ACTIVITIES" IN THE DRUG TRADE WHILE HE WAS A SOUTH VIETNAMESE GENERAL, IS SEEKING WITH THE AID OF TWO AMERICAN SPONSORS RESIDENCE IN

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THE U.S.

FRED BARNES REPORTS THE WHITE HOUSE, ALARMED BY THE ADVERSE REACTION TO PRESIDENT FORD'S REFUSAL TO SEE RUSSIAN AUTHOR ALEXANDER SOLZHENITSYN, IS ARDENTLY TRYING TO EXTINGUISH THE POLITICAL FLAP CAUSED BY THE AFFAIR. IN THE LAST FOUR DAYS, THE WHITE HOUSE HAS MADE A SPECIAL EFFORT PUBLICLY AND PRIVATELY TO SPREAD THE WORD THAT THE PRESIDENT IS NOW WILLING TO MEET WITH THE NOBEL PRIZE WINNING NOVELIST.

ROBERT M. SMITH REPORTS THAT THE \$80,000 PAYMENT EARMARKED FOR THE ITALIAN COMMUNIST PARTY BY THE EXXON CORPORATION'S ITALIAN AFFILIATE WAS TO HAVE GONE TO THE PARTY THROUGH A COMMUNIST NEWSPAPER OR FRONT ORGANIZATION, ACCORDING TO AUTHORITY SOURCES.

NORMAN KEMPSTER REPORTS THAT ALTHOUGH THE FUTURE OF THE INQUIRY REMAINS VERY MUCH IN DOUBT, THE STAFF OF THE HOUSE SELECT INTELLIGENCE COMMITTEE TODAY WAS PREPARING TO INVESTIGATE THE EXTENT OF INFLUENCE WHICH THE CIA EXERTS ON THE NATION'S GOVERNMENT.

A STAR EDITORIAL SAYS THE GLACIER-LIKE MOVEMENT TOWARD A NEW INTERIM AGREEMENT IN THE MIDEAST APPEARS TO HAVE BEEN NUDGED FORWARD SLIGHTLY IN THE COURSE OF YOUR LATEST SWING THROUGH EUROPE. AT THE VERY LEAST A BETTER UNDERSTANDING BETWEEN ISRAEL AND THE U.S. APPEARS TO BE EMERGING. AS A RESULT OF THESE MOST RECENT "CLARIFICATIONS" THE PRESSURES THEMSELVES SEEM TO HAVE EASED SOMEWHAT. TODAY THERE IS LITTLE TALK ON ANYONE'S PART OF A RETURN TO GENEVA AND AMERICAN OFFICIALS, HAPPILY, ARE NOT INSISTING SO LOUDLY THAT THE ONLY ALTERNATIVE TO A NEW AGREEMENT WILL BE A NEW WAR AND A RESUMPTION OF THE ARAB OIL EMBARGO. EXPECTATIONS OF AN AGREEMENT THAT MAY PROVIDE AT LEAST SEVERAL YEARS OF RELATIVE TRANQUILITY HAVE BEEN MEASURABLY STRENGTHENED IN THIS LATEST ROUND OF TALKS.

CROSBY S. NOYES WRITES THAT THE ONE THING THAT IS CERTAIN ABOUT THE LATEST BRAINCHILD OF PORTUGAL'S MILITARY RULERS IS THAT IT WON'T WORK. THEIR SCHEME FOR BYPASSING THE COUNTRY'S POLITICAL PARTIES BY WHAT THEY ARE PLEASED TO CALL "DIRECT DEMOCRACY" WOULD SEEM TO BE A PRESCRIPTION FOR INSTANT CHAOS. THE PLAN, AS OUTLINED LATE LAST WEEK, CALLS FOR SETTING UP A SYSTEM OF NEIGHBORHOOD AND WORKER COMMITTEES THROUGHOUT THE COUNTRY. INGENIOUS AS IT MAY BE, HOWEVER, IT IS HARD TO SEE HOW THE NEW PLAN IS ANY SORT OF A SOLUTION TO THE REAL PROBLEMS. IT PROVIDES THE COMMUNISTS WITH A MEANS OF TAKING OVER CONTROL, IT WILL NOT LESSEN THE TENSION AND RESISTANCE OF THE GENUINELY DEMOCRATIC FORCES IN THE

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COUNTRY. THE HARSH REALITIES THAT CONFRONT PORTUGAL TODAY
WILL NOT YIELD TO SLOGANS OR FANCIFUL POLITICAL FORMULAS.
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