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FM THE SITUATION ROOM TOHAK170

TO AMEMBASSY GENEVA

T O P S E C R E T/SENSITIVE EXCLUSIVELY EYES ONLY CONTAINS CODEWORD

WH37741 [REDACTED] SECTION ONE OF TWO

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DELIVER OPENING OF BUSINESS
TO LARRY EAGLEBURGER FOR SECRETARY KISSINGER

DECEMBER 21, 1973

MEMORANDUM FOR SECRETARY KISSINGER

FROM: THE SITUATION ROOM

SUBJECT: MORNING REPORT
EMERGENCY AID TO ISRAEL: REUTER REPORTS THAT THE SENATE TODAY
VOTED TO AUTHORIZE 2.2 BILLION DOLLARS IN EMERGENCY AID TO
ISRAEL TO REPLACE ARMS LOSSES SUSTAINED IN THE OCTOBER MIDDLE
EAST WAR.
VIETNAM PRESS REVEALS SECRET AGREEMENT: A NEWS DISPATCH FROM
SAIGON TODAY STATES THAT THE UNITED STATES AND NORTH VIETNAM
REACHED A SECRET AGREEMENT JUST PRIOR TO THE SIGNING OF THE
TRUCE IN PARIS LAST JANUARY UNDER WHICH NORTH VIETNAMESE TROOPS
WERE TO BE WITHDRAWN FROM LAOS AND CAMBODIA, A SENIOR SOUTH
VIETNAMESE POLITICIAN SAID TODAY. BUT NORTH VIETNAM DID NOT
KEEP ITS PART OF THE BARGAIN AND AMERICA HAD TO MAINTAIN AIR-
CRAFT AT BASES IN THAILAND, ACCORDING TO TRAN VAN LAM, PRESI-
DENT OF THE SOUTH VIETNAMESE SENATE. LAM WAS QUOTED BY THE
OFFICIAL VIETNAM PRESS AS SAYING THE NORTH VIETNAMESE HAD
AGREED TO WITHDRAW THEIR TROOPS FROM LAOS AND CAMBODIA 15 DAYS
AFTER THE CEASE-FIRE BEGAN IN SOUTH VIETNAM JANUARY 28.
LAM SAID HE THOUGHT THE NORTH VIETNAMESE WERE NOW IN A POSITION
TO BEGIN A GENERAL OFFENSIVE IN THE SOUTH BUT WERE AWAITING

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State Dept Review
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THE OUTCOME OF NEGOTIATIONS IN PARIS BETWEEN YOU AND LE DUC THO. SOVIETS PASS WORD ON BREZHNEV TRIP TO CUBA: A SOVIET FOREIGN MINISTRY OFFICIAL HAS TOLD THE U.S. EMBASSY IN MOSCOW "UNOFFICIALLY" THAT THE BREZHNEV DELEGATION WOULD BE GOING TO CUBA AROUND JANUARY 15. AN OFFICIAL STATEMENT WILL APPEAR LATER. THIS REPORT IS THE FIRST FROM A SOVIET OFFICIAL. THE SOVIET MADE NO ACKNOWLEDGEMENT THAT A LATE DECEMBER DEPARTURE FOR CUBA HAD BEEN PLANNED EARLIER. REASONS FOR THE POSTPONEMENT ARE OBSCURE. IT IS POSSIBLE THAT BREZHNEV WANTS TO REMAIN IN MOSCOW DURING THE DELICATE EARLY STAGES OF THE MIDDLE EAST PEACE CONFERENCE. IT IS ALSO HIS TURN TO DELIVER THE SOVIET LEADERSHIP'S TRADITIONAL NEW YEAR'S EVE ADDRESS.

DEATH OF SPANISH PRIME MINISTER: PRIME MINISTER CARRERO'S DEATH THIS MORNING ELIMINATES ONE-HALF OF THE DUAL SUCCESSION THAT FRANCO HAD ARRANGED TO REPLACE HIM. CARRERO WAS TO CONTINUE AS THE HEAD OF THE GOVERNMENT AND PRINCE JUAN CARLOS, APPOINTED KING-DESIGNATE IN 1969, WILL BECOME CHIEF OF STATE AFTER FRANCO DIES OR BECOMES INCAPACITATED. INITIAL REPORTS SUGGESTED CARRERO'S DEATH WAS ACCIDENTAL, AND THAT HIS CAR JUST HAPPENED TO DRIVE OVER AN EXPLODING GAS MAIN. THE FIRST OFFICIAL REPORT STATED THAT THE EXPLOSION WAS OF UNKNOWN ORIGIN. THE SPANISH GOVERNMENT LATER ANNOUNCED THAT CARRERO'S DEATH RESULTED FROM A BOMB BEING PLANTED IN A TUNNEL BENEATH THE STREET. THE BASQUE SEPARATIST ORGANIZATION, ETA, HAS CLAIMED RESPONSIBILITY FOR THE ASSASSINATION. CARRERO ATTENDED MASS DAILY AND HIS CAR HAD JUST PULLED AWAY FROM THE CHURCH. THERE IS A BETTER THAN EVEN CHANCE THAT THIS DEATH WAS CAUSED BY EXTREMISTS AND THAT ITS TIMING -- APPROXIMATELY AN HOUR BEFORE THE OPENING OF THE TRIAL OF TEN DISSIDENT LABOR LEADERS -- WAS DESIGNED TO DRAW ATTENTION TO THE "CARABANCHEL TEN." EARLIER THIS WEEK THE SPANISH SECURITY SERVICE INFORMED FRANCO THAT SOME UNREST WAS EXPECTED IN CONNECTION WITH THE TRIAL BUT THAT THE SITUATION WAS WELL IN HAND. WITHIN TEN DAYS FRANCO IS SUPPOSED TO APPOINT A NEW PREMIER CHOSEN FROM THREE CANDIDATES PROPOSED BY THE COUNCIL OF THE REALM. FRANCO MAY WISH TO CONTINUE FERNANDEZ MIRANDA ON AN ACTING BASIS FOR A LONGER PERIOD. MIRANDA HIMSELF IS A LEADING POSSIBILITY FOR APPOINTMENT IN THE POST FOR A FULL 5-YEAR TERM.

CIA BELIEVES THE REGIME CAN BE EXPECTED TO CLAMP A TIGHT SECURITY LID ON THE ENTIRE COUNTRY AND TO RESPOND TO ANY DEMONSTRATIONS WITH REPRESSIVE MEASURES. WE HAVE NOT RECEIVED ANY REPORTS OF TROOP MOBILIZATION OR UNUSUAL CURFEW REGULATIONS. THE TRIAL OF THE CARABANCHEL TEN OPENED THIS MORNING, AND ACCORDING TO PRESS REPORTS WAS "SUSPENDED" AT NOON WITHOUT HAVING BEEN OPEN TO THE PUBLIC.

COMMON MARKET ENERGY COMMISSIONER SUPPORTS U.S. PROPOSALS: HENRI SIMONET, ENERGY COMMISSIONER OF THE COMMON MARKET, TODAY

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URGED EUROPE TO RALLY BEHIND YOUR PROPOSED U.S.-EUROPEAN-JAPANESE ALLIANCE TO WORK ON ENERGY PROBLEMS. SIMONET TOLD NEWSMEN THAT YOUR IDEA OF A JOINT FRONT WOULD HELP STABILIZE SOARING FUEL PRICES AND DECREASING SUPPLIES OF OIL FROM THE MIDDLE EAST. HE SAID SOME EUROPEAN GOVERNMENTS SHIED AWAY FROM YOUR PLAN, PROPOSED IN LONDON LAST WEEK, BECAUSE THEY FEARED IT WOULD BE DOMINATED BY THE UNITED STATES TO THE DISADVANTAGE OF EUROPE WHICH FACES AN INCREASINGLY DESPERATE ENERGY SHORTAGE. SIMONET STRESSED THE NEED FOR THE NINE-NATION COMMON MARKET TO FRAME A JOINT ENERGY POLICY, WHICH IT HAS NOT YET BEEN ABLE TO DO. HE WARNED THAT A FREE-FOR-ALL RACE FOR OIL AMONG INDIVIDUAL COMMON MARKET COUNTRIES, AS WELL AS THE U.S. AND JAPAN, WOULD LEAD TO OVERBIDDING AND DRIVE PRICES EVEN HIGHER.

THE WASHINGTON STAR-NEWS: TWA HAS ACKNOWLEDGED THAT THEY ARE TRAINING ARAB COMMERCIAL PILOTS IN JETLINERS THAT BURN U.S. DOMESTIC FUEL.

GEORGE SHERMAN REPORTS THAT MOSCOW AND TEL AVIV ARE EXPECTED TO ESTABLISH DIPLOMATIC RELATIONS EARLY NEXT YEAR. DIPLOMATIC SOURCES ARE QUOTED SAYING THAT VINOGRADOV IS READY TO OPEN SIDE TALKS AT GENEVA WITH ISRAEL ON THIS QUESTION. AMERICAN SOURCES INDICATE THAT DUE TO THE STRAINED LINKS WITH SYRIA AND IRAQ THAT THE SOVIETS MUST MOVE CAUTIOUSLY. SHERMAN SAYS AMERICAN OFFICIALS HAVE BEEN STRUCK BY THE SOVIET DIPLOMATS' IGNORANCE OF ISRAELI AFFAIRS, APPARENTLY CAUSED BY THEIR LACK OF DIRECT CONTACT.

MILTON VIDORST BELIEVES THE ENERGY CRISIS IS THE PRODUCT OF SINISTER MEN. HE STATES THAT WE HAVE CREATED A GLUTTONOUS ENERGY-POWERED SOCIETY OVER THE LAST TWENTY YEARS AND THAT THE ARAB OIL PRODUCERS NOW HAVE THE INDUSTRIAL WORLD IN A FIX. VIDORST SAYS ITS SILLY TO THINK THE APPEASEMENT ON THE ISRAELI QUESTION WILL CHANGE THE PICTURE MUCH -- ISRAEL IS NOTHING MORE THAN A SYMBOL TO RALLY THE MASSES. YOU HAVE SHOWN GREAT SKILL AND ENERGY IN ATTEMPTING TO FIND A FORMULA FOR AN ARAB-ISRAELI AGREEMENT BUT THAT IS ONLY THE FIRST STEP.

CROSBY NOYES SAYS THE ARABS ARE COURTING DISASTER BY PUTTING THE INDUSTRIAL WORLD OUT OF BUSINESS. THEY ARE CHARACTERISTICALLY OVERPLAYING THEIR HAND -- WITNESS THE ARAB MINISTERS FROM ALGERIA, TUNISIA, SUDAN AND UAE WHO MADE THREATS TO WESTERN EUROPEAN NATIONS AT THE RECENT COPENHAGEN CONFERENCE. THE ARABS MAY BE RIGHT IN CALCULATING THAT EUROPE HAS NEITHER THE UNITY NOR THE GUTS TO TAKE MILITARY SANCTIONS BUT "EUROPE HAS THE MEANS AND IF THE OIL BOYCOTT CONTINUES IT WOULD HAVE AMPLE JUSTIFICATIONS UNDER INTERNATIONAL LAW TO TAKE WHATEVER MEASURES MIGHT BE NECESSARY."

GENEVA PEACE CONFERENCE CONVENES TODAY: EGYPT, JORDAN AND ISRAEL HAVE SENT DELEGATIONS TO THE MIDDLE EAST PEACE CONFER-

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ENCE WHICH OPENS TODAY IN GENEVA. THE SECRETARY-GENERAL OF THE UNITED NATIONS WILL PRESIDE AT THE FIRST SESSION AND THE U.S. AND USSR WILL SERVE AS CO-CHAIRMEN. THE PUBLIC POSTURE OF THE MIDDLE EAST PARTICIPANTS ON THE EVE OF THE CONFERENCE HAS GENERALLY BEEN CONSTRUCTIVE. FOR EXAMPLE:

- PRIME MINISTER MEIR STATED THAT ISRAEL IS PREPARED TO DISCUSS THE SEPARATION OF FORCES EVEN BEFORE A NEW GOVERNMENT IS FORMED NEXT MONTH. FOREIGN MINISTER EBAN STATED THAT ISRAEL "AGREES TO THE NEED FOR CONCESSIONS TO HARMONIZE THE ARAB DESIRE TO RECOVER CERTAIN TERRITORIES WITH THE NEED...FOR ISRAEL TO HAVE FIRM RECOGNIZED FRONTIERS."
- JORDAN'S PRIME MINISTER STRESSED HIS COUNTRY'S DESIRE FOR CLOSE COOPERATION WITH THE OTHER ARAB PARTICIPANTS IN ORDER TO KEEP THE ARAB STAND UNITED. IT IS NOTEWORTHY THAT MOST OF THE JORDANIAN DELEGATION TO THE CONFERENCE CONSISTS OF PALESTINIANS.
- A RANKING MEMBER OF THE EGYPTIAN DELEGATION STATED THAT ALL PARTIES MUST SHOW FLEXIBILITY AND TOLERANCE. IN PRIVATE, THE EGYPTIANS ARE REPORTED TO BE SURPRISED AND DISTRESSED BY SYRIA'S DECISION NOT TO ATTEND. THE SYRIAN DECISION IS ATTRIBUTED TO INTERNAL DIFFICULTIES AND THE LIKELIHOOD THAT NO PROGRESS WOULD BE MADE ON ISSUES INVOLVING SYRIA AT THIS STAGE OF THE CONFERENCE. IT IS WIDELY BELIEVED IN THE ARAB WORLD THAT SYRIA WILL DECIDE TO PARTICIPATE IN JANUARY WHEN THE QUESTION OF DISENGAGEMENT OF FORCES IS DEALT WITH.

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OFFER THE SAUDI GOVERNMENT A FULL 100 PERCENT TAKEOVER IN PLACE OF THE PARTICIPATION AGREEMENT. THE PARENT COMPANIES WOULD RECEIVE COMPENSATION, WOULD TRY TO RETAIN ACCESS TO SAUDI CRUDE OIL, AND WOULD SEEK A NOMINAL VOICE IN ISSUES SUCH AS SETTING PRODUCTION LEVELS.

THIS OFFER IS LIKELY TO BE PRESENTED TO THE SAUDIS AS EARLY AS NEXT MONTH. IF ACCEPTED, IT WILL MEAN THAT SAUDI ARABIA WILL CONTROL ITS OIL RESOURCES ON THE SAME BASIS SET BY IRAN EARLIER THIS YEAR. (QUANDT)

INDO-U.S. DEVELOPMENTS -- MOSTLY FAVORABLE: THE PRESIDENT HAS APPROVED FOR IMMEDIATE TRANSMITTAL TO CONGRESS THE TERMS OF THE RUPEE AGREEMENT INITIALLED IN NEW DELHI LAST WEEK. THE AGREEMENT MUST NOW LIE FOR REVIEW BEFORE THE RELEVANT CONGRESSIONAL COMMITTEES FOR 30 DAYS. CONGRESS IS ABOUT TO RECESS UNTIL JANUARY 21; THEREFORE, IN ORDER THAT THE ENTIRE 30 DAYS NOT ELAPSE WHILE CONGRESS IS IN RECESS, THE COMMITTEES HAVE ASKED -- AND STATE AND AGRICULTURE HAVE AGREED -- THAT THE TIME BE COUNTED ONLY WHILE CONGRESS IS ACTUALLY IN SESSION. THIS MEANS THE 30 DAYS WILL END AROUND THE THIRD WEEK IN FEBRUARY. AFTER THAT, THE AGREEMENT CAN BE SIGNED AND ENTER INTO FORCE. THERE REMAINS, OF COURSE, THE POSSIBILITY THAT SENATOR BYRD OR OTHER LEGISLATORS MAY MAKE ANOTHER ATTEMPT BETWEEN NOW AND THE SIGNING TO RESTRICT THE USG'S ABILITY TO CONCLUDE THE AGREEMENT.

MEANWHILE, THE AGREEMENT HAS RECEIVED HEAVY AND MOSTLY VERY FAVORABLE MEDIA COVERAGE IN INDIA. YOUR MEETING EARLIER THIS MONTH WITH AMBASSADOR KAUL ALSO RECEIVED POSITIVE PLAYBACK IN THE INDIAN PRESS, WHICH CHARACTERIZED THE MEETING AS A SIGN OF CONTINUING IMPROVEMENT IN U.S.-INDIAN RELATIONS AND REPORTED THAT WITH THE RUPEE ISSUE NEARING FINAL SETTLEMENT, THE U.S. AND INDIA COULD NOW DISCUSS SUCH SUBJECTS AS EXPANSION OF TRADE, SCIENTIFIC AND TECHNOLOGICAL COOPERATION, AND CULTURAL EXCHANGES. FOREIGN MINISTER SINGH, MEANWHILE, RECENTLY TOLD THE INDIAN PARLIAMENT THAT INDO-U.S. RELATIONS HAVE ENTERED AN IMPROVED PHASE IN WHICH "A CONSTRUCTIVE, COOPERATIVE, AND MATURE RELATIONSHIP CAN BE BUILT." SINGH ALSO REBUFFED A LEGISLATOR'S CALL FOR A DISCUSSION OF THE U.S. NAVAL PRESENCE IN THE INDIAN OCEAN, A SUBJECT TOWARD WHICH THE INDIAN GOVERNMENT HAS BEEN TAKING A RELAXED ATTITUDE.

AT THE UN EARLIER THIS MONTH, INDIA ABSTAINED ON THE UNGA VOTE TO OUST THE LON NOL GOVERNMENT IN FAVOR OF SIHANOUK, WHILE MOST SOUTH ASIAN AND OTHER AFRO-ASIAN COUNTRIES VOTED AGAINST US. THIS WEEK, ON THE OTHER HAND, THE INDIANS VOTED IN FAVOR OF THE UNSUCCESSFUL MOTION TO REJECT THE LON NOL REGIME'S CREDENTIALS. IN ANOTHER DEVELOPMENT, THE ESTABLISHMENT OF RELATIONS BETWEEN INDIA AND BOTH NORTH AND SOUTH KOREA WAS ANNOUNCED DECEMBER 10, AND BANGLADESH FOLLOWED SUIT BY ESTABLISHING RELATIONS WITH BOTH KOREAS THIS WEEK. (APPELBAUM)

GREEK DEVELOPMENTS: AMBASSADOR TASCA TOOK THE OCCASION OF

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A DECEMBER 19 MEETING WITH PRIME MINISTER ANDROUTSOPOULOS TO STATE THAT THE U.S. CONTINUES TO ATTACH GREAT IMPORTANCE TO STRONG AND FRIENDLY RELATIONS WITH GREECE AND THAT WE REMAIN PARTICULARLY APPRECIATIVE OF GREECE'S CONTRIBUTION TO THE SECURITY OF THE ATLANTIC ALLIANCE. TASCA STRESSED THAT OUR GOOD RELATIONS WITH GREECE GOING BACK OVER THE YEARS WERE NOT A QUESTION OF ANY PARTICULAR REGIME. HE ADDED THAT WHILE THE U.S. SHARES THE BELIEF THAT CONSTITUTIONAL STABILITY BASED ON VIABLE DEMOCRATIC PRINCIPLES -- SUCH AS THOSE TO WHICH ANDROUTSOPOULOS HIMSELF HAD REFERRED -- IS IMPORTANT FOR THE GREEK PEOPLE'S PROGRESS AND WELL-BEING, THE U.S. VIEWS GREECE'S FORM OF GOVERNMENT AS A GREEK MATTER AND NOT SOMETHING WHICH COULD BE DICTATED OR IMPOSED FROM OUTSIDE. HE SAID THAT HE WAS SURE THE GREEK GOVERNMENT WAS AWARE OF AND WOULD CONSIDER U.S. PUBLIC AND CONGRESSIONAL OPINION AND NATO ATTITUDES, BUT THAT THESE MATTERS ALSO WERE ESSENTIALLY A GREEK PROBLEM. TASCA CONCLUDED BY SAYING THAT THE U.S. WOULD BE FOLLOWING THE GREEK GOVERNMENT'S EFFORTS SYMPATHETICALLY AND DID NOT WISH TO CREATE PROBLEMS FOR GREECE.

OTHER REPORTING FROM GREECE INDICATES THAT THERE APPEARS TO HAVE BEEN A SLIGHT INCREASE IN ANTI-AMERICAN SENTIMENT IN RECENT WEEKS; THAT ANTI-AMERICAN ATTITUDES MAY BE FINDING ADHERENTS AMONG STUDENTS, YOUTH AND INTELLECTUALS BUT APPARENTLY NOT AMONG THE REST OF THE POPULATION; AND THAT FURTHER ECONOMIC DIFFICULTIES OR HARSH GOVERNMENT SUPPRESSION COULD LEAD TO AN UPSURGE IN ANTI-AMERICAN SENTIMENT TO THE EXTENT THAT THE U.S. IS IDENTIFIED IN THE PUBLIC MIND WITH THE GREEK REGIME. MEANWHILE, THE STUDENT DEMONSTRATIONS EXPECTED EARLIER THIS WEEK FIZZLED OUT, APPARENTLY BECAUSE THE GOVERNMENT TOOK A NUMBER OF PRECAUTIONARY STEPS (SUCH AS CLOSING THE UNIVERSITIES FOR CHRISTMAS VACATION A WEEK EARLY) THAT MADE IT DIFFICULT TO MOUNT DEMONSTRATIONS. (APPELBAUM)

AFRICAN HEADS OF STATE TO VISIT POPE: THE VATICAN HAS INFORMED OUR EMBASSY IN ROME THAT HAILE SELASSIE AND PRESIDENT NIMIERI (SUDAN) AND KAUNDA (ZAMBIA) ARE SCHEDULED TO SEE THE POPE DECEMBER 22 TO DISCUSS THE MIDDLE EAST SITUATION. EARLIER REPORTS SPECULATED THE AFRICANS WISHED TO ENGAGE THE POPE'S MORAL AUTHORITY TO FOCUS ATTENTION ON THE PALESTINIAN PROBLEMS AND THE STATUS OF JERUSALEM.

POOR NORTH VIETNAMESE HARVEST: NORTH VIETNAM'S RECENT RICE HARVEST PROBABLY AMOUNTED TO A DISAPPOINTING 2.5 MILLION TONS. ACCORDING TO NORTH VIETNAMESE PRESS REPORTS, THIS YEAR'S AUTUMN RICE CROP RANKED FIFTH AMONG THOSE OF THE PAST FIFTEEN YEARS, AND THE OUTPUT EXCEEDED ONLY THE 1968 AND 1971 CROPS. THE FALL HARVEST, TOGETHER WITH THE SPRING HARVEST, WILL PROBABLY COVER ONLY THREE QUARTERS OF NORTH VIETNAM'S CONSUMPTION REQUIREMENTS AND WILL ENTAIL RECORD FOOD IMPORTS -- IN EXCESS OF THE 1968 PEAK OF ABOUT 800,000 TONS. THE POOR RICE CROP MAY FURTHER COMPLICATE WHATEVER PLANS HANOI MAY HAVE FOR LARGE-SCALE OF-

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DEFENSIVE OPERATIONS IN THE SOUTH. (ADAMS)
 KHMER COMMUNISTS WARM UP RELATIONS WITH SIHANOUK: THE KHMER COMMUNISTS LATELY APPEAR TO HAVE BEEN MAKING A MORE POSITIVE PUBLIC LINE ON SIHANOUK. THE SENIOR KHMER COMMUNIST OFFICIAL IN PARIS SAID PRIVATELY ON DECEMBER 8 THAT THE KHMER COMMUNISTS HAVE BEEN UNDER PRESSURE FROM "CERTAIN OF OUR ALLIES" TO RESOLVE ALL REMAINING DIFFERENCES WITH THE PRINCE. THIS THEME WAS PICKED UP BY A KHMER COMMUNIST "MINISTER" IN SIHANOUK'S "GOVERNMENT" WHO VISITED PARIS LAST WEEK. HE COMPLAINED TO A GROUP OF LOCAL KHMER COMMUNISTS THAT ALTHOUGH SOME OF SIHANOUK'S DECLARATIONS HAD UNDERMINED UNITY, THE PRINCE MUST BE PUT IN A FAVORABLE PUBLIC LIGHT AND DIFFERENCES WITH HIM PLAYED DOWN. THE NEW PUBLIC "PRO-SIHANOUK" STANCE ADOPTED BY THE COMMUNISTS WAS CLEARLY EVIDENT IN A MESSAGE TO THE PRINCE FROM IENG SARY, THE FORMER TOP KHMER COMMUNIST OFFICIAL IN PEKING WHO LEFT THE CHINESE CAPITAL IN EARLY NOVEMBER TO RETURN TO THE "LIBERATED AREA" IN CAMBODIA. THE MESSAGE, WHICH WAS RELEASED BY THE KHMER COMMUNISTS ON DECEMBER 18, EFFUSIVELY PRAISED SIHANOUK'S LEADERSHIP AND HIS CONTRIBUTIONS TO THE INSURGENCY. THE KHMER COMMUNIST RADIO HAS ALSO TAKEN RECENTLY TO BROADCASTING AN UNUSUAL NUMBER OF SIHANOUK MESSAGES IN CONTRAST TO A LONG PERIOD THIS FALL WHEN NO REFERENCE TO SIHANOUK WAS AILED.

WHILE THE COMMUNISTS' NEW PUBLIC DEFERENCE TO SIHANOUK IS ONLY COSMETIC AND MAY BE A TEMPORARY TACTIC, IT IS NOT INCONCEIVABLE THAT UNCERTAINTY OVER THE MILITARY SITUATION AND ENHANCED INTERNATIONAL SUPPORT FOR SIHANOUK MAY HAVE CAUSED THE KHMER COMMUNIST LEADERSHIP TO MEND FENCES WITH HIM. (ADAMS)

U.S.-PANAMA NEGOTIATIONS: U.S. PANAMA CANAL NEGOTIATOR MOREY BELL -- AMBASSADOR BUNKER'S DEPUTY -- AND PANAMANIAN AMBASSADOR GONZALEZ REVILLA SIGNED ON DECEMBER 19 A SET OF EIGHT PRINCIPLES AD REFERENDUM TO THE CHIEF NEGOTIATORS THESE PRINCIPLES, WHICH HAVE BEEN APPROVED BY GENERAL TORRIJOS AND FOREIGN MINISTER TACK, CONTAIN PANAMANIAN CONCESSIONS ON ALL POINTS OF MAJOR CONCERN TO THE U.S. THE PANAMANIAN GOVERNMENT IS CONCERNED IT MAY HAVE ACCOMMODATED THE U.S. TO SUCH A DEGREE THAT IT WILL BE SEVERELY CRITICIZED AND CONSIDERS IT IMPERATIVE THAT -- ASIDE FROM ANY UNILATERAL ACTION WHICH THE U.S. MIGHT BE CONTEMPLATING -- AMBASSADOR BUNKER SHOULD APPEAR IN PANAMA BEFORE JANUARY 9 TO RESUME NEGOTIATIONS.

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