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Reviews
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FM THE SITUATION ROOM
TO AMEMBASSY TEHRAN

ON-FILE NSC RELEASE INSTRUCTIONS APPLY

T O P S E C R E T SENSITIVE CONTAINS CODEWORD EXCLUSIVELY EYES ONLY
[REDACTED] DELIVER AT OPENING OF BUSINESS #H3055

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TOHAK110

PASS TO BREMER/GOMPERT FOR THE SECRETARY

NOVEMBER 2, 1974

MEMORANDUM FOR SECRETARY KISSINGER

FROM: THE SITUATION ROOM

SUBJECT: INFORMATION ITEMS

VENEZUELA SEEKING DIALOG WITH U.S.: VENEZUELAN PRESIDENT PEREZ, WHILE CONTINUING STRONGLY TO DEFEND HIS ADMINISTRATION'S INTERNATIONAL ECONOMIC POLICY, IS NOW CALLING FOR A DIALOG WITH THE U.S. APPARENTLY AIMED AT EASING DIFFERENCES OVER VENEZUELA'S PETROLEUM POLICY. HE RECENTLY TOLD THE PRESS THAT THE U.S. WOULD ALWAYS BE VENEZUELA'S "NUMBER ONE" PARTNER AND THAT "FULL HARMONY AND DIALOG" ARE NECESSARY. PEREZ SAID HE HOPES NEW AGREEMENTS CAN BE WORKED OUT TO TRANSFER TECHNOLOGY TO DEVELOPING COUNTRIES AND TO REGULATE PRICES FOR ALL RAW MATERIALS, INCLUDING PETROLEUM. HE ASSERTED HIS ADMINISTRATION IS NOT SEEKING A FIGHT WITH THE U.S. AND IS SYMPATHETIC TO U.S. CONCERN OVER THE POSSIBLE BREAKDOWN OF WORLD ECONOMIC ORDER.

THESE RECENT STATEMENTS INDICATE THAT PEREZ ATTACHES A HIGH PRIORITY TO ESTABLISHING A DIALOG WITH THE U.S. CONCERNING OIL PRICES. RESPONSE TO THIS COULD HAVE AN EFFECT ON NEGOTIATIONS FOR THE NATIONALIZATION OF THE LARGELY FOREIGN-OPERATED PETROLEUM INDUSTRY. THESE NEGOTIATIONS ARE EXPECTED TO BEGIN EARLY NEXT YEAR. (LOW)

HONDURAN RECONSTRUCTION THE U.S. ANNOUNCED WEDNESDAY A GRANT OF \$5 MILLION FOR HONDURAN RECONSTRUCTION. REACTION HAS BEEN QUITE FAVORABLE. HOWEVER, CONCERN OVER RENEWED IMMEDIATE RELIEF PROBLEMS HAS CAUSED THE HONDURAN GOVERNMENT AGAIN TO REQUEST THE USE OF HELICOPTERS. WE HAD ENCOURAGED SEEKING SUCH ASSISTANCE FROM THE OAS; BUT IN VIEW OF ITS FAILURE TO REPLY PROMPTLY TO THE REQUEST AND BECAUSE OF CONTINUING PRESSURE TO PROVIDE SUCH HELICOPTERS, OUR AMBASSADOR HAS NOW RECOMMENDED THE U.S. MAKE AVAILABLE SUCH HELICOPTERS AND CREWS FOR OPERATION IN HONDURAS FOR ONE WEEK. THE COST WOULD BE DEDUCTED FROM THE \$5 MILLION RECONSTRUCTION ASSISTANCE. WHILE HE WOULD PREFER TO RESERVE RESOURCES FOR THE LONG-TERM REBUILDING EFFORT, THE AMBASSADOR IS CONCERNED THAT FAILURE TO PROVIDE THE CRAFT WILL ERODE THE OVERWHELMINGLY FAVORABLE IMAGE OF THE U.S. WHICH HAS RESULTED FROM DISASTER ASSISTANCE TO DATE. (LOW)

ARGENTINE POLICE CHIEF ASSASSINATED: ARGENTINA'S FEDERAL POLICE CHIEF AND HIS WIFE WERE KILLED FRIDAY WHEN THE YACHT ON WHICH THEY WERE SPENDING A HOLIDAY WAS BLOWN UP. THE FEDERAL POLICE FORCE AND SOME MILITARY UNITS HAVE BEEN PLACED ON ALERT IN REACTION TO THE ACT. LEFTIST TERRORISTS HAVE BEEN SEEKING TO PROVOKE A MORE REPRESSIVE MILITARY REACTION IN AN EFFORT TO UNDERCUT PUBLIC SUPPORT OF THE GOVERNMENT. THEY RECENTLY ANNOUNCED THEIR INTENTION TO BEGIN ASSASSINATING WIVES AND CHILDREN OF MILITARY OFFICERS. (LOW)

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