



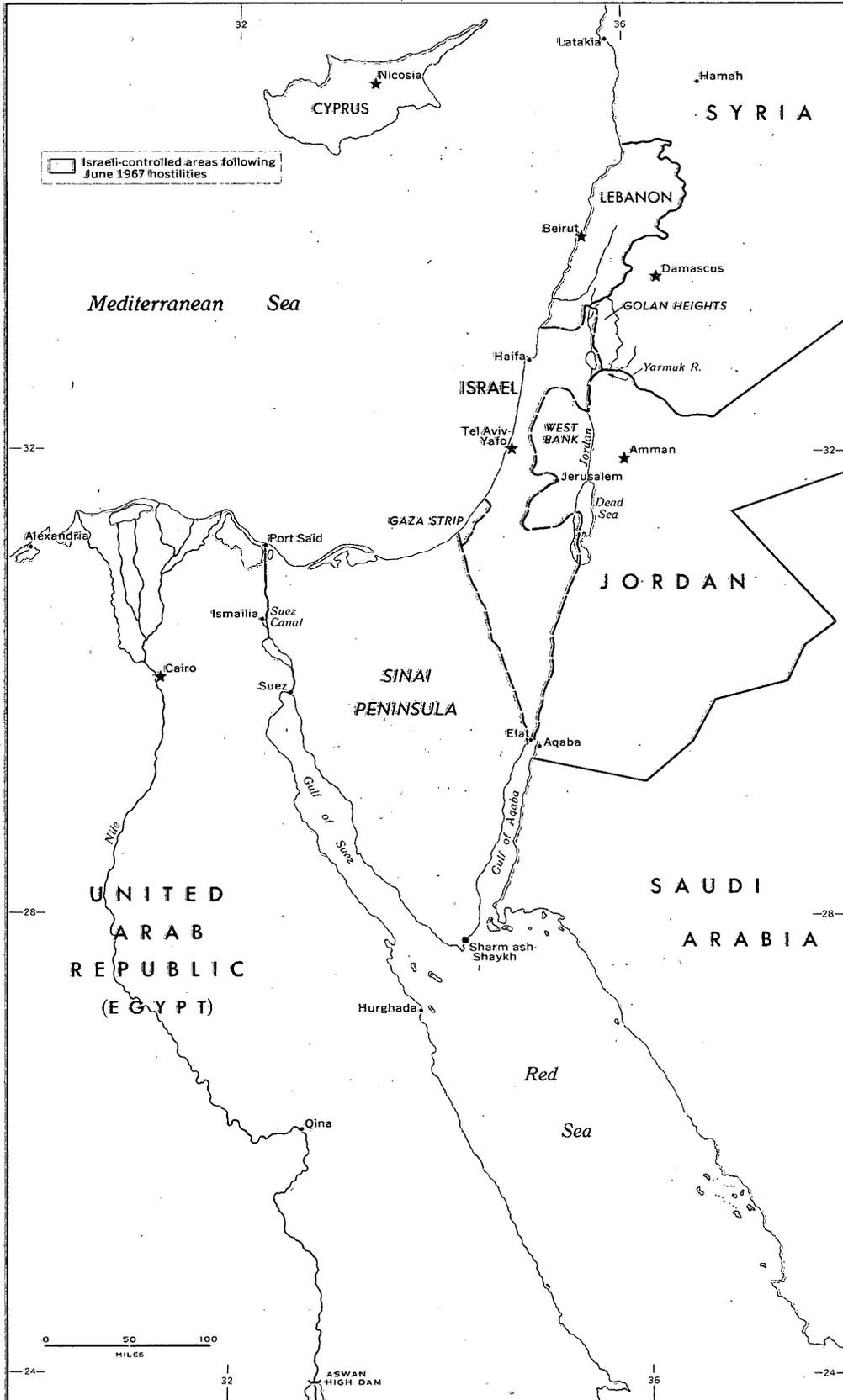
The President's Daily Brief

8 April 1969

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9 April 1969

LATE NOTES FOR THE PRESIDENT'S DAILY BRIEF OF
8 APRIL 1969

I. MAJOR PROBLEMS

MIDDLE EAST

President Hilu has informed Ambassador Porter through an intermediary that the fedayeen presence in southern Lebanon has grown markedly over the past week. The influx was represented in large part by Syrian-supported units which were able to infiltrate more easily as melting snow made the terrain more accessible. Hilu was increasingly concerned that new fedayeen raids may be mounted from Lebanese territory primarily into Israeli-occupied Syria. He urged the US to continue efforts to restrain Israel from reprisals that would only worsen the situation. [REDACTED]

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Cairo says there was a second artillery duel across the Suez Canal late yesterday, lasting some ninety minutes. This followed the considerably longer fire fight that began Tuesday morning. A UN source in Jerusalem says the firing along the canal yesterday was "extremely heavy" and, contrary to the usual practice, the Israelis fired first. (AP, 9 Apr; [REDACTED])

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There is nothing significant to report on Europe, Soviet Affairs, and Vietnam.

II. OTHER IMPORTANT DEVELOPMENTS

PERU

Velasco is extremely concerned over the lack of credits from foreign financial institutions resulting from uncertainties over US economic sanctions. In a meeting with US

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officials he characterized the situation as "asphyxiation" for lack of credit and said that in effect the amendments were already being applied. He believes the government cannot take measures to deal with its problems so long as the talks with the US are going on and uncertainty about application of the amendments continues.

Leaders of various political parties have publicly castigated the US. Officials of minor parties of the far left, who visited Velasco on 7 April to express their support, called the deferral as prejudicial to Peru as actual application of sanctions would have been. The pro-US APRA has also published a call for "unified action in defense of national sovereignty...."

Several other Latin American leaders have expressed relief that the US has not applied the Hickenlooper Amendment.

A Peruvian Communist youth group is to join other "anti-imperialist" organizations in a protest march today, according to a Lima newspaper. Other such demonstrations had been planned in other Peruvian cities prior to the announcement that sanctions had been deferred, and there is no information that these have been canceled. (Central Intelligence Bulletin, 9 Apr)

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I. MAJOR PROBLEMS

MIDDLE EAST

Egyptian presidential adviser Fawzi, feeling perhaps that he had seemed unforthcoming in his previous exchanges with US officials, told Ambassador Yost Monday that he was willing to make a public as well as a private affirmation of Egypt's desire for peace. This breaks new ground for the Egyptians, but they will have to think long and hard before actually making a public declaration on the subject. Moreover, what they finally say will probably fall short of an outright declaration of peaceful intent toward Israel. We suspect the Egyptians will want to be assured of some major Israeli quid pro quo before taking such a step.

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At Annex today we discuss the problems facing Nasir in the search for a Middle East settlement.

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This morning's exchange around Aqaba and Eilat resulted from a temporary breakdown of the unwritten agreement between the Israelis and the Jordanians to keep the lid on in this touchy area. Perhaps because Husayn is out of the country, the Jordanians failed to pass the word to Tel Aviv that they were taking action against the terrorists responsible for the rocketing of Eilat. The Israelis retaliated more quickly than in the past,

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launching a short, sharp air attack which was clearly designed to remind the Jordanians of their obligations under the agreement and to keep Tel Aviv's "active defense" policy fresh in Jordanian minds. The almost instantaneous retaliation implicit in "active defense," in fact, is going to make such understandings as that for Aqaba and Eilat increasingly fragile.

EUROPE

Foreign Minister Debré's Directeur du Cabinet Haberer, in a recent "clarification" of De Gaulle's thinking on Europe, stressed that the General's statements to Ambassador Soames, Chancellor Kiesinger, and President Nixon represented his "long-range thinking," and not a "plan which would be unveiled 'as a whole' in the near future." According to Haberer:

--France is basically satisfied with the present situation in the Common Market but is ready to enter into the "long negotiations" necessary to set up a "satisfactory substitute" if the Five wish.

--De Gaulle is increasingly suspicious of Britain in the wake of the Soames affair and remains opposed to British entry.

--In the longer run, however, if London mends its ways and stops "undermining France," it might be brought into closer political and defense arrangements with France.

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--De Gaulle believes French security is most threatened by the possibility that Bonn will acquire nuclear weapons and become more assertive about unification-- a possibility which necessitates the continued presence of US forces in Europe.

--The era of Franco-Soviet cooperation is at an end because of Czechoslovakia.

Much of the above reflects De Gaulle's views fairly accurately, but Haberer's comments on the Common Market are misleading. De Gaulle has long desired a substitute for the present structure which would be larger, less binding, and uncommitted to supranational goals. In effect, he is giving the Five a choice: accept the Common Market at its present level of integration or continue to press for British entry with the danger that France will then try to erect the kind of European grouping which it wants and the others oppose.

Moreover, it is an exaggeration to say that Franco-Soviet cooperation is at an end, although [redacted] scientific and technical cooperation [redacted] has been severely limited. Despite Czechoslovakia, De Gaulle probably still sees benefits in a special relationship with Moscow. He has always been aware of the inherent limits in cooperation but has had solid political motives for pursuing such a course. His present "rapprochement" with the US might be intended in part to warn the Soviets that he has other options available.

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Haberer, in implying that he was explaining "new elements" in De Gaulle's policy, overstated the case. His interpretation makes no allowance for the kind of tactical shift for which De Gaulle is famous. Also, experience has taught us to be wary when French officials purport to explain what De Gaulle thinks or intends.

SOVIET AFFAIRS

Gromyko told Ambassador Beam yesterday that the USSR would face an "intolerable" situation if it ratified the nonproliferation treaty and West Germany did not. In response to the suggestion that Moscow and Washington synchronize the formal exchange of their instruments of ratification, as in the case of the limited test ban and outer space treaties, Gromyko said that Moscow was undecided on when to act. Beam thought Gromyko saw some merit in the argument that joint US-Soviet action would serve as a prod to the West Germans, but Gromyko gave the impression that the Kremlin had taken a preliminary stand against ratifying before Bonn signs.

Gromyko complained that Bonn's position was "far from clear," and that its foot-dragging was responsible for Moscow's indecision. Uncertainty about Bonn's intentions is indeed a chief sticking point for Moscow; Gromyko clearly wants us to apply pressure.

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II. OTHER IMPORTANT DEVELOPMENTS

There is nothing significant to report.

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NASIR'S PROBLEMS IN APPROACHING A SETTLEMENT

Nasir seems to be genuinely interested in a political solution to the impasse in the Middle East if, as he puts it, he can do so "with honor." He doubts, however, that one can be achieved. To him, a political settlement means primarily Israel's withdrawal from the Egyptian territory it occupies. Nasir realizes that he is now unable to eject the Israelis forcibly from the occupied territories and he thinks it will be some time before he is strong enough to do so. He knows that another large-scale military defeat probably would spell the end of his regime and so proceeds cautiously. He also knows that the large powers will not allow the Arabs to "drive Israel into the sea," even if the Arabs had the capability. On the other hand, he clearly does not want to go down in history as the Arab leader who "sold out to Israel." Cairo's goals therefore are limited, confined for the moment to obtaining Israeli withdrawal from Arab territory. His ultimate intentions toward Israel remain obscure.

Nasir's need for some movement in the situation, however, is clear. Domestic pressures on him are mounting as many Egyptians become more and more impatient with the no war, no peace situation. The vocal student elements who launched demonstrations in November 1968 among other things decried their governments's use of force against them and not Israel; they are likely to become more impatient as the impasse continues. Elements in the armed forces too are unhappy with inaction. As they forget the harshness of their defeat and regain confidence through extensive rearmament and training, some will probably

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press harder for an opportunity to utilize their new skills against the Israeli forces in the Sinai. Nasir will find it increasingly difficult to ignore their demands for action.

There are those in Egypt, however, who are tired of the smoldering conflict with Israel which has flared periodically over the past 20 years. They would like the attention and resources that have been dissipated on foreign adventures turned to Egypt's domestic problems. Their voices are not loud, and Nasir must still take care to avoid an overly conciliatory position toward the problem of Israel, or he will risk mass outcries that might threaten his political position at home.

In addition to domestic pressures, attitudes within the Arab world also affect Nasir's position on a Middle East settlement. These too compel him to move with caution as he searches for a political settlement. On the one hand, Nasir must not provoke attacks from the vocally militant Arab states like Algeria and Syria lest he lose his hold on popular emotions. On the other, he must take into account the sensitivities of the conservative Arab nations of Libya, Kuwait, and Saudi Arabia, lest he lose some \$250 million in annual subsidies which these nations provide Egypt to compensate for the closure of the Suez Canal. Although the Egyptians might be tempted to work out a settlement that ignored Jordan's interests in the settlement process, they are not willing to face the inevitable charges that Nasir was selling out his Arab brother Husayn, and abandoning Muslim interests in Jerusalem.

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The Arab terrorist movement represents a new and most serious challenge to Nasir's position in the Arab world, and one he may not be able to overcome. The terrorists have caught the imagination of an Arab public hungry for retribution following the humiliating defeats Israel has handed the Arabs. They have become a movement to be reckoned with by the Arab governments, and a leading symbol of Arab nationalism as Nasir's prestige has waned. He would like to undercut the terrorists' recent rise in popularity but cannot; instead he has talked of a fedayeen organization of his own in the Sinai, and has attempted to gain some influence over the larger well-established groups. One of the few options open to him is to try to arrange a political settlement and hope that it would undermine the fedayeen's raison d'etre and bring a sharp decline in the extensive support they are receiving. But here too there are doubts and problems.

Arab and Israeli positions will probably shift somewhat if the settlement process intensifies. But the great distance between the positions of the opposing parties on the terms, and their mutual distrust suggest that an agreed settlement remains a remote possibility. Israel ultimately requires direct negotiations and contractually binding peace treaties with the Arabs, two concepts which are anathema to the Arabs. The Egyptians will probably continue to regard as virtually impossible Israel's insistence on the stationing of its own troops at the Strait of Tiran to ensure continued free passage of Israeli ships into the Gulf of Aqaba. Egypt would accept the repositioning of UN troops there but Israel has no confidence in or respect for the safeguards

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such a UN contingent might provide. Egypt will also find it extremely difficult to agree to Israel's demand for the complete demilitarization of the Sinai peninsula after a withdrawal.

Besides sharp substantive differences, Egypt and Israel are at odds on the form of the final settlement and will probably remain so. Israel insists that any settlement must be freely and independently arrived at by the parties concerned. Egypt, even though it has publicly decried an imposed solution, actually seems to feel that a settlement must give the appearance of having been forced on it in order to placate those critical of any Arab dealings with Israel. Cairo also believes that only external pressure can bring the Israelis to offer terms acceptable to the Arabs. The problem of the Arab terrorists poses yet another obstacle in the way of a workable settlement. Israel will require a guarantee that any settlement include an end to terrorism. Given the growing strength and popularity of the movement, it is extremely doubtful that any Arab state or combination of Arab states would be able to satisfy Israeli demands on this issue if the terrorists wished to carry on.

Egypt will almost certainly be forced to alter its stated position on the terms it could accept for a settlement, especially if new dimensions to the crisis develop (for instance, if the Egyptians become convinced that Israel had developed a nuclear weapon). Cairo's decision makers themselves have almost certainly not thought through what the final Egyptian position might be. Nasir has an abiding fear that any action,

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any concession on his part will be used against him by his domestic and foreign enemies. This in turn induces him to postpone difficult decisions and then to make them hastily in light of what he sees as the immediate tactical situation.

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