



# The President's Daily Brief

*6 December 1973*

45



~~Top Secret~~<sup>25X1</sup>

Exempt from general  
declassification schedule of E.O. 11652  
exemption category 5B(1)(2),(3)  
declassified only on approval of  
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

6 December 1973

PRINCIPAL DEVELOPMENTS

Angered by the stalemate at Kilometer 101, the Egyptians are voicing new doubt with respect to US willingness to exert pressure on Israel. Al Ahram has taken the line that responsibility for the impasse must be fixed before Secretary Kissinger visits Cairo again. The military front is tense but relatively quiet. (Page 1)

In Argentina, President Peron is ordering strong measures to protect foreign companies and their personnel from terrorists. In addition, he and his wife [redacted] approved the organization of paramilitary groups for action against leftists. (Page 3)

25X1

The economic outlook for Chile calls for cautious optimism as the junta continues to move to rebuild the economy. Many of its programs, however, have been particularly hard on low-income groups, and there may be increased unrest if pressures on labor and other consumers do not ease during the next six months. (Page 4)

[redacted] Peru [redacted] (Page 5)

25X1

In Canada, there is growing criticism of attempts by Prime Minister Trudeau's minority government to deal with the oil shortage. The opposition intends to introduce a no-confidence motion next week. (Page 6)

North Korean naval patrols continue along and below the Northern Limit Line, but early this morning a South Korean resupply ferry arrived at one of the islands without incident. Yesterday's session of the North-South Coordinating Committee was businesslike. (Page 7)

FOR THE PRESIDENT ONLY

ARAB STATES - ISRAEL

Cairo's Al Ahram sounded a warning note yesterday about expectations for Secretary Kissinger's visit. In a commentary summarized and disseminated by the Middle East News Agency, the paper called into question the extent of US willingness to pressure Israel. It also challenged US definitions of a "reasonable peace," and the return of "almost" all occupied territory. It described a "complex" formula for Jerusalem as incompatible with Security Council resolutions.

The paper appeared to be interpreting the stalemate at Kilometer 101 as a failure by the Secretary to follow through on pledges made during his first visit to Cairo. It asserted that responsibility for the breakdown must be fixed before he returns. Meanwhile, the Egyptians have told the UNEF commander, General Siilasvuo, that Cairo has not yet decided whether to resume the talks at Kilometer 101.

25X1

On the military front, [redacted]

25X1

[redacted]

25X1

[redacted] Cairo claims that one aircraft was downed, but Tel Aviv denies losing any. UN observers in the Ismailia area reported seeing SAMs fired at approximately the time of the incident but were unable to determine whether any aircraft had been hit.

25X1

25X1

[redacted]

25X1

[redacted] According to press reports from Tel Aviv, Israel has over the past few days denied correspondents permission to visit the cease-fire line.

25X1

The Egyptians too have taken additional measures reflecting the high level of tension. Over the past week, Cairo has put off visits by military delegations from Pakistan and Tanzania [redacted]

25X1

[redacted]

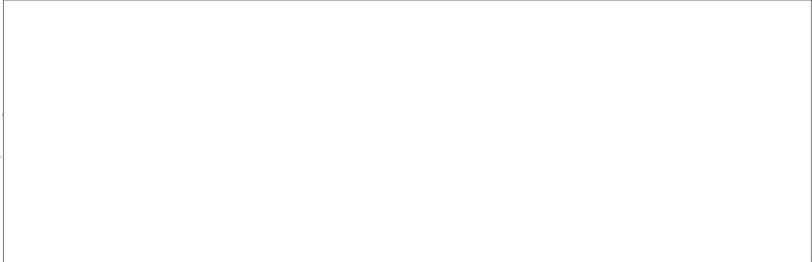
25X1

25X1

(continued)

*FOR THE PRESIDENT ONLY*

\* \* \*



25X1

25X1

25X1

\* \* \*

Analysis of Egyptian claims to have ten Egyptian-made Zafir missiles housed in silos and manned by Egyptian crews

25X1

indicates that the claims are not valid.

and such technology is currently beyond Egyptian capabilities. In the early 1960s, West German technicians helped the Egyptians' attempts to develop two single-stage liquid-fueled ballistic missiles, but neither of these ever became operational. There is no information available to substantiate the Egyptians' claim that French technicians have been working on the "Zafir" missile recently.

25X1

25X1

25X1

FOR THE PRESIDENT ONLY

ARGENTINA

President Peron is ordering strong measures to protect foreign companies and their personnel from terrorists.

Peron mobilized national police after a left-wing Peronist group threatened to kill employees of the Ford Motor Company unless \$4 million were handed over. After the assassination of a Ford executive in Cordoba last month, the company ordered all of its US personnel to leave the country. When Ford threatened to close down operations in Argentina, Peron told company officials from the US he was setting up a council at the cabinet level to coordinate the campaign against terrorism. A Ford spokesman reportedly said last night that Ford now plans to bring its people back eventually.

In addition, privately organized paramilitary groups have already moved against the Peoples Revolutionary Army and leftist elements within the Peronist Youth [redacted] These counterterrorist groups, consisting largely of retired military personnel, [redacted] have Peron's approval and to take orders from his wife.

25X1

25X1

*FOR THE PRESIDENT ONLY*

CHILE

The economic outlook calls for cautious optimism as the junta continues to move to rebuild the economy.

Some policy conflicts have surfaced within the government, but these appear to be over tactics and timing rather than basic policy. For instance, there have been disagreements over how to carry out negotiations on compensating the nationalized copper companies. There is no disagreement, however, that compensation should be paid and that the mines should stay nationalized.

Another developing area of conflict is over the degree of austerity to be imposed on the populace generally and the specific measures to ease the impact on the poor. So far, the government's programs--together with an inflation rate that may well exceed 750 percent for the year--have been particularly hard on low-income groups. The middle class has also been hit hard.

No organized resistance to the junta or its policies has yet developed; those leftist agitators who are still free seem thoroughly intimidated. Nonetheless, there is a risk of growing unrest and spontaneous strikes if the pressures on labor and other consumers do not ease during the next six months.

*FOR THE PRESIDENT ONLY*

PERU

25X1

[Redacted]

25X1

25X1

[Redacted]

25X1

25X1

25X1

*FOR THE PRESIDENT ONLY*

CANADA

The main opposition party, the Progressive Conservative, will introduce a motion of no-confidence in Prime Minister Trudeau's minority government next Monday on the energy issue. The government is under attack for its plans to lift petroleum price ceilings in February and for its failure to consult with provincial governments before announcing an export tax on crude oil. There is also resentment because of inadequate consultation on the projected Toronto-Montreal pipeline, and growing criticism of the government's optimistic estimates with regard to petroleum shortfalls.

Recent opinion polls apparently have strengthened the belief of Progressive Conservatives that a trend against the Liberals is setting in. The opposition may not actually be aiming at early elections, however. Rather, it probably wants to keep pressure on Trudeau's informal coalition until February, when a new parliamentary session will require the government to outline its legislative priorities. More serious motions of no-confidence can be expected at that time.

*FOR THE PRESIDENT ONLY*

NOTE

Korea: Full details of yesterday's North-South Coordinating Committee meeting are not yet available, but the talks apparently were businesslike. Pyongyang expressed satisfaction with Yi Hu-rak's removal as Seoul's chief negotiator and implied that it now has a more positive attitude toward the talks. North Korean naval patrols continue along and below the Northern Limit Line, but early this morning a South Korean resupply ferry arrived at one of the islands without incident.

25X1

[Redacted]

25X1

25X1

*Top Secret*