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# The President's Daily Brief

*March 28, 1974*



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*FOR THE PRESIDENT ONLY*

THE PRESIDENT'S DAILY BRIEF

March 28, 1974

PRINCIPAL DEVELOPMENTS

The Dutch foreign minister has informed London that the Netherlands will participate in an EC-Arab conference only if the embargo against the Netherlands is lifted and it is clear that the conference will not impede US - Middle East negotiations. (Page 1)

Saudi Oil Minister Yamani has told a US newsman that his country will provide enough oil to compensate for Libya's continuing embargo. (Page 2)

Artillery, tank, and mortar fire between Israeli and Syrian forces on the Golan front flared abruptly yesterday after several days of relatively minor clashes. (Page 2)

The Algerian Government apparently has been calling home the troops and aircraft it sent to Libya and Egypt during last year's Arab-Israeli war. (Page 2)

Soviet party chief Brezhnev's personal intervention in the Japanese-Soviet talks on Siberian development raises the possibility that Moscow is prepared to make concessions that may be acceptable to the Japanese. (Page 2)

Notes on the USSR and Turkey appear on Page 3.

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NETHERLANDS - EC - ARAB STATES

Dutch Foreign Minister van der Stoep has written to Foreign Secretary Callaghan placing conditions on Dutch agreement to an EC-Arab conference:

--the Arab embargo against the Netherlands must be lifted;

--the conference must not impede US - Middle East negotiations;

--progress must be maintained in the work of the Energy Coordinating Group set up at the Washington Conference.

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French Foreign Minister Jobert's recent efforts in Algiers on behalf of the Netherlands have not relieved the Dutch Foreign Ministry's suspicion of the French. The Dutch believe Jobert is interested mainly in undercutting opposition to an EC-Arab conference.

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NOTES

Oil: Saudi Oil Minister Yamani has told a US newsmen that his country will provide enough oil to compensate for Libya's continuing embargo. Saudi shipments to the US will be set at 1,057,000 barrels per day, at least for the next 60 days, he said. This allocation is based on Saudi exports to the US last September, including overseas military bases, plus the amount of Libya's pre-embargo exports to the US.

Israel-Syria: Artillery, tank, and mortar fire between Israeli and Syrian forces on the Golan front flared abruptly yesterday after several days of relatively minor clashes. The exchange lasted over seven hours and involved the entire sector of the Israeli-held salient into Syria. The marked fluctuation in the intensity of clashes during the past 16 days tends to confirm that Syria's motivation for initiating most of the exchanges has been to maintain a credible negotiating position.

Algeria: The Algerian Government apparently has been calling home the troops and aircraft it sent to Libya and Egypt during last year's Arab-Israeli war. An armored brigade and aircraft units may have been withdrawn from Libya as early as January. There were still some Algerian planes in Egypt earlier this month, but a number have returned home, and the rest could return soon.

Japan-USSR: Soviet party chief Brezhnev's personal intervention in the Japanese-Soviet talks on Siberian development this week raises the possibility that Moscow is now prepared to cut through bureaucratic wrangling and make concessions that may be acceptable to the Japanese. Soviet intransigence on credit terms has been a major factor in delaying negotiations on Japanese development of Siberian coal, oil, gas, and forestry products. A Soviet trade ministry delegation is due in Tokyo on March 31 for another round of discussion on credit arrangements. The outcome of those talks should indicate whether early agreement is likely.

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USSR: A relatively small experimental aircraft the Soviets are building near the Black Sea [redacted]

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[redacted]  
[redacted]  
suggesting that it will be used to carry passengers or cargo. The aircraft seems intended to operate as an aerohydrodynamic vehicle, capable of operating close to the surface of water and at higher altitudes as well.

USSR: The Soviets are negotiating with Europe's largest aluminum manufacturer, a French firm, for a commitment to build a \$1-billion aluminum complex in the USSR. They also are talking to Kaiser Aluminum for a similar, but much larger, complex. If both deals materialize, the Soviets would double their refinery and smelter capacity. Their present capacity is about half that of the US.

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Turkey: The [redacted]

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[redacted] opium poppy growing ban [redacted]

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[redacted] will probably be lifted; during the recent election campaign, both parties in the ruling coalition advocated doing so. Postponing the decision will still allow normal fall planting. Earlier this month, planting to assure seed stocks was resumed.

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