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CENTRAL INTELLIGENCE AGENCY  
17 October 1973

APPROVED FOR RELEASE  
DATE: JUN 2003

INTELLIGENCE MEMORANDUM

MIDDLE EAST

Situation Report Number 47  
(As of 1130 EDT)

EO 12958 3.3(b)(1)>25Yrs  
(S)

THE MILITARY SITUATION

GENERAL

1. Tank battles and artillery duels continue on both fronts this morning, but details on the fighting are sparse. Israeli air activity in support of their ground forces continues to be heavy, with Egypt depending primarily on its SAM force and Syria using both SAMs and fighters in response to the Israeli attacks. On the Egyptian front, Israeli air strikes are concentrated on Port Said and near Ismailia. According to radio Damascus, Israeli aircraft struck Latakia and Tartus this morning,

2. [redacted]  
that at least some of the Israeli force which crossed the canal is still in place near the Sweetwater Canal and Israeli aircraft are providing tactical support.

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[REDACTED]

THE SYRIAN FRONT

3. Armor battles continued through the morning in the central sector of the front with most of the fighting south of the Qunavtirah-Damascus road.

[REDACTED]

The Israelis may be attempting to retake the high ground lost yesterday south of the road. Israeli forces flew at least 30 air strikes in support of their ground forces and destroyed at least four Syrian fighters in air engagements.

[REDACTED]

4. According to Radio Damascus, Israeli aircraft struck Latakia and Tartus this morning.

[REDACTED]

5.

[REDACTED]

6.

[REDACTED]

poor planning also resulted in only one Iraqi battalion rather than an entire brigade taking part in the attack. The Syrian command has not scheduled the Jordanian force for action today or tomorrow. King Husayn reportedly will replace equipment and personnel lost in the action.

[REDACTED]

[REDACTED]

7. According to a Tel Aviv radio announcement today, Israel has captured 710 Arabs since the beginning of the war. Tel Aviv said 460 Egyptians, 228 Syrians, and 22 Iraqis and Moroccans had been taken prisoner. This accounting, as well as reports received from the Arab side, suggest that estimates of Arab losses in the fighting made early in the war may have been considerably inflated. ✓

THE EGYPTIAN FRONT

8. Intense Israeli air activity continued in the vicinity of Port Said throughout the morning and into early afternoon. Egyptian aircraft have been flying defensive patrols, but Cairo continues to depend primarily on its surface-to-air missiles and artillery.

[REDACTED]

9. The Israelis are also flying ground support for their troops in the central Sinai east of Ismailia and attacking SAM sites north of the Great Bitter Lake.

[REDACTED]

10. The intensity of ground support provided by Israeli aircraft over the Sinai indicates that the tank battle reported earlier today is still going on, but there have been no additional reports on its progress.

[REDACTED]

He stated that the minimum Egyptian goal is to establish a beachhead on the east bank of the canal. A second goal has become the occupation of the major Sinai passes in order to form a defensive line against Israel.

[REDACTED]

[REDACTED]

[REDACTED] the territory between this  
defensive line and Israel would become a buffer  
zone which might be supervised by a UN force. He  
[REDACTED] military action beyond the  
passes is considered suicidal by the Egyptians.

SOVIETS ACTIVE IN SYRIA?

[REDACTED]

SOVIET AIRLIFT

13. This morning's Soviet transport flight  
activity to the Middle East appears to be at about  
the same level of intensity as yesterday. Pre-  
liminary analysis [REDACTED] shows some  
60 AN-12 aircraft either scheduled, en route or  
having landed in the Middle East. Cairo and  
Damascus are the destination for most of these  
flights.

14. Yesterday the 67 AN-12s and two AN-22s  
that flew to the Middle East could have carried  
about 770 tons of cargo, bringing to 4,500 tons the  
total cargo that could have been airlifted since  
10 October. ( See Annex)

SOVIET SEA SHIPMENTS

15. [REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

Middle East Ports are carrying war materiel, the Russians could deliver nearly 22,000 tons of war materiel by 12 October without any increase in their aerial resupply effort. For example, four of the ships were reported as not carrying deck cargo and they alone would handle more than 500 tanks in below-deck storage. It generally takes a Soviet arms carrier three days to make the trip from Odessa to Eastern Mediterranean ports and 12 days from Baltic ports. (See Annex)

SOVIET NAVAL ACTIVITY IN THE MEDITERRANEAN

16. The two LSTs [REDACTED] may have entered Latakia today. Each LST is capable of carrying 540 troops and 26 armored vehicles. Without troops, the cargo capacity could be increased.

17. There has been little change in the positions of Soviet combatants in the Mediterranean. In addition to the two LSTs, [REDACTED] now include two guided-missile destroyers, two medium landing ships, and a minesweeper. The two landing ships declared for the Black Sea on the 20th and may soon depart this area to return to the Black Sea.

18. The Soviet ships remain near the USS Independence--the flagship of the Soviet Mediterranean Squadron--a submarine tender and a cruiser. Most of the other Soviet combatants in the eastern Mediterranean are near a Soviet anchorage east of Crete.

KOSYGIN IN CAIRO

19. [REDACTED] Prime Minister Kosygin is on a trip but did not disclose his whereabouts. He said that an announcement of

[REDACTED]

Kosygin's trip probably would be made today. The VIP plane that arrived in Cairo yesterday has not left.

[REDACTED]

Section there today that he believed Kosygin's visit reflected increasing Soviet concern with developments. He said Moscow believed that, on the one hand, an Egyptian military success would encourage some Egyptians to attack Israel itself, thus placing Cairo in direct confrontation with Washington. On the other hand, he said, the Soviets think an Egyptian failure would be followed by bitter anti-Soviet recriminations in the Arab world. [REDACTED] wanted an immediate cease-fire in place as a solution to this dilemma.

21. Meanwhile, in Moscow yesterday, party chief Brezhnev stressed [REDACTED]

[REDACTED] that it was necessary to bring the Middle East conflict to an end by concentrating efforts on the package solution envisioned by Resolution 242.

[REDACTED] the emphasis Brezhnev placed on the necessity to maintain the momentum of detente. Brezhnev underlined his loyalty to agreements reached with President Nixon and underlined that the Soviet Government and party hoped to expand them.

#### UNITED NATIONS

22. Although there are still no plans for a Security Council meeting, Arab representatives are renewing their diplomatic activities. Their efforts, which seem to be focused on US and European representatives, suggest that they hope for an eventual high-level international settlement. Encouraged by the progress of the war, however, they are still insisting on a full Israeli withdrawal from occupied territories.

[Redacted]

23.

[Redacted]

24.

[Redacted]

INTERNATIONAL OIL

25. The Persian Gulf members of the Organization of Petroleum Exporting Countries (OPEC) have unilaterally increased the posted price of crude oil by almost 70 percent. The new prices will increase the cost of crude oil from the Persian Gulf by over \$1 per barrel and add about \$8 billion to Gulf oil-producing governments' revenues in 1974.

[Redacted]

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26. The action was not directly related to the meeting today at Kuwait of the Organization of Arab Petroleum Exporting Countries (OAPEC). Arab oil ministers are currently convened in closed session, and there has been no word of their discussions. A Kuwaiti oil company official stated before the meeting, however, that he anticipates some combination of embargo and production limitation. He believes that Saudi Arabia, Kuwait, and the lower Gulf states will resist any pressures to nationalize, but that they will have to come up with specific proposals to appease Arab public opinion.

OIL SHARING

27. High French officials are worried that the timetable for the current negotiations on an OECD-wide oil-sharing scheme rules out agreement before late November. In light of the threat to future supplies from the Middle East war, the French are perplexed by an alleged lack of US urgency in pursuing a sharing agreement.

US "deliberateness" in the negotiations may work against the cooperation sought by the US in the event of an Arab boycott and that the French, Japanese, and others might be prepared to move on their own should consumer cooperation start to unravel before agreement is reached on an oil-sharing arrangement.

MONETARY TRENDS

28. Rumors are circulating in European money markets that the Arab oil states are switching out of dollars into other currencies. These conversions are seen mainly as a precautionary move to minimize the effect of any asset freeze imposed in retaliation to an Arab oil embargo. There is no evidence, however, of any substantial Arab dollar sales and the dollar has remained generally stable on international money markets. The Arab oil states have the capability to create temporary, albeit serious, disruptions



[REDACTED]

in international currency markets due to their large liquid foreign exchange dollar holdings. Still, it is unlikely that the Arabs could coordinate a large operation against the dollar, or that they would be willing to dump the greater part of their dollar holdings. They can confidently expect that a freeze on their liquid asset holdings would have little impact since France and Switzerland probably would not cooperate in such action and the Arabs maintain a large enough share of their foreign exchange holdings and other reserve assets at home to finance their imports for many months.

US AIRLIFT

29. Reuters reports this morning the detention of US news photographers attempting to photograph the unloading of CSA transports at an Israeli airfield. The report said the transports have been coming in for several days, "but their arrival is a sensitive topic."

UNITED KINGDOM

30. ~~The government's arms embargo to the Middle East is coming under increasing fire from opposition members of Parliament and the British press as discriminatory against Israel.~~ Both opposition Labor Party leader Harold Wilson and Liberal Party leader Jeremy Thorpe have spoken out against the embargo, which especially affects ammunition and spare parts shipments for Israel's British-built Centurion tanks.

31. Much of the criticism arose after it was learned that the embargo exempted certain Arab countries not directly involved in the fighting. Dubai, for instance, will receive a shipment of British-made armored cars. The government also announced it will continue to train 12 Egyptian helicopter pilots. Parliament is scheduled to hold an emergency debate on the Middle East and the arms embargo today.

[REDACTED]

KUWAIT-JORDAN

32. Kuwait's Council of Ministers announced today its decision to resume the annual subsidy of approximately \$45 million to Jordan. The subsidy, instituted following the 1967 war, was suspended after King Husayn began operations in 1970 to eliminate the fedayeen presence in Jordan. The Kuwaiti announcement did not indicate whether subsidy payments will be retroactive.

LATE ITEM

SOVIET NAVAL ACTIVITY

33. Four landing ships [REDACTED]

[REDACTED] One is an Alligator class LST (4,000 tons); the others are 700-ton LSMs. They probably will replace four similar ships [REDACTED]

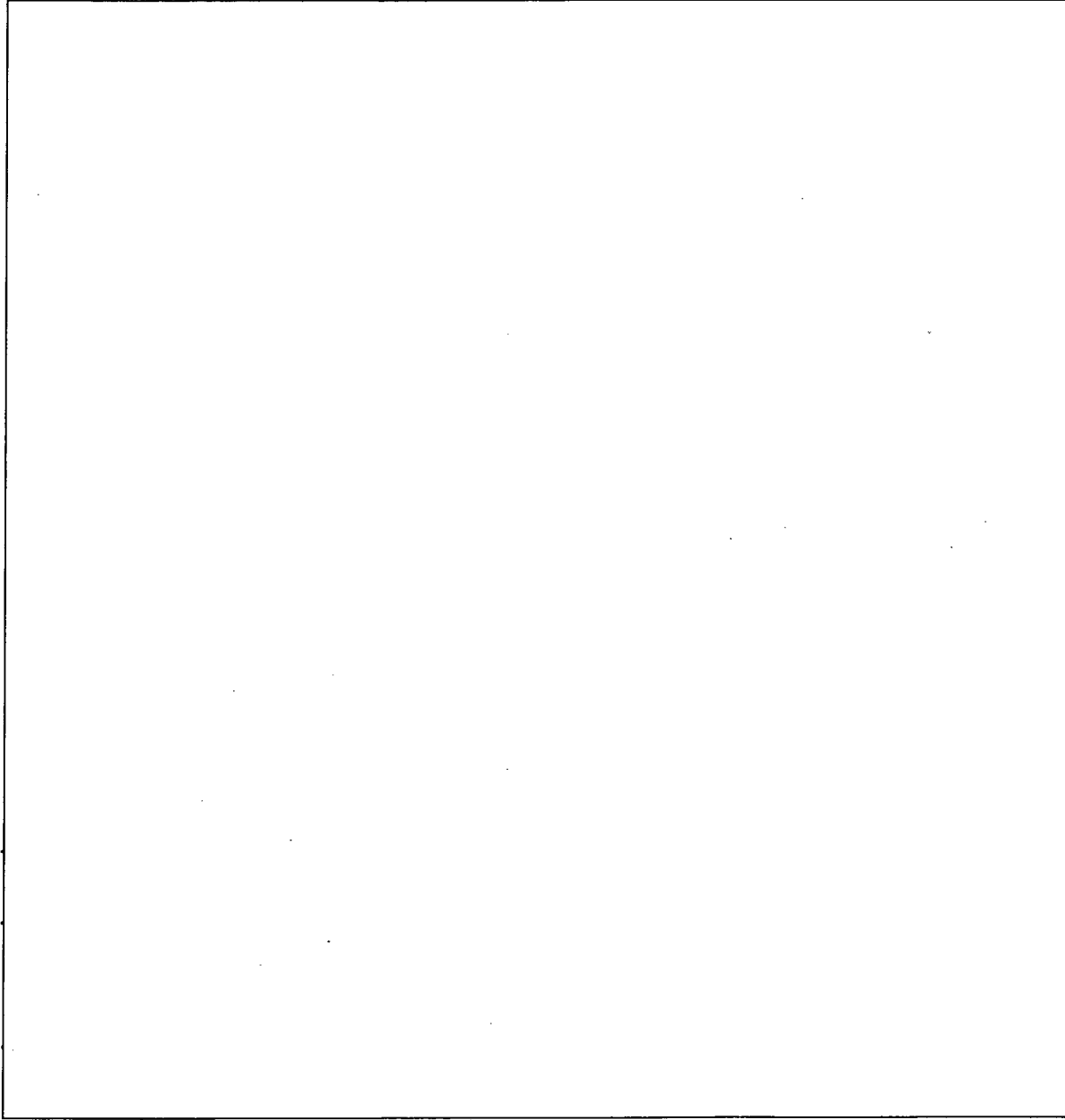
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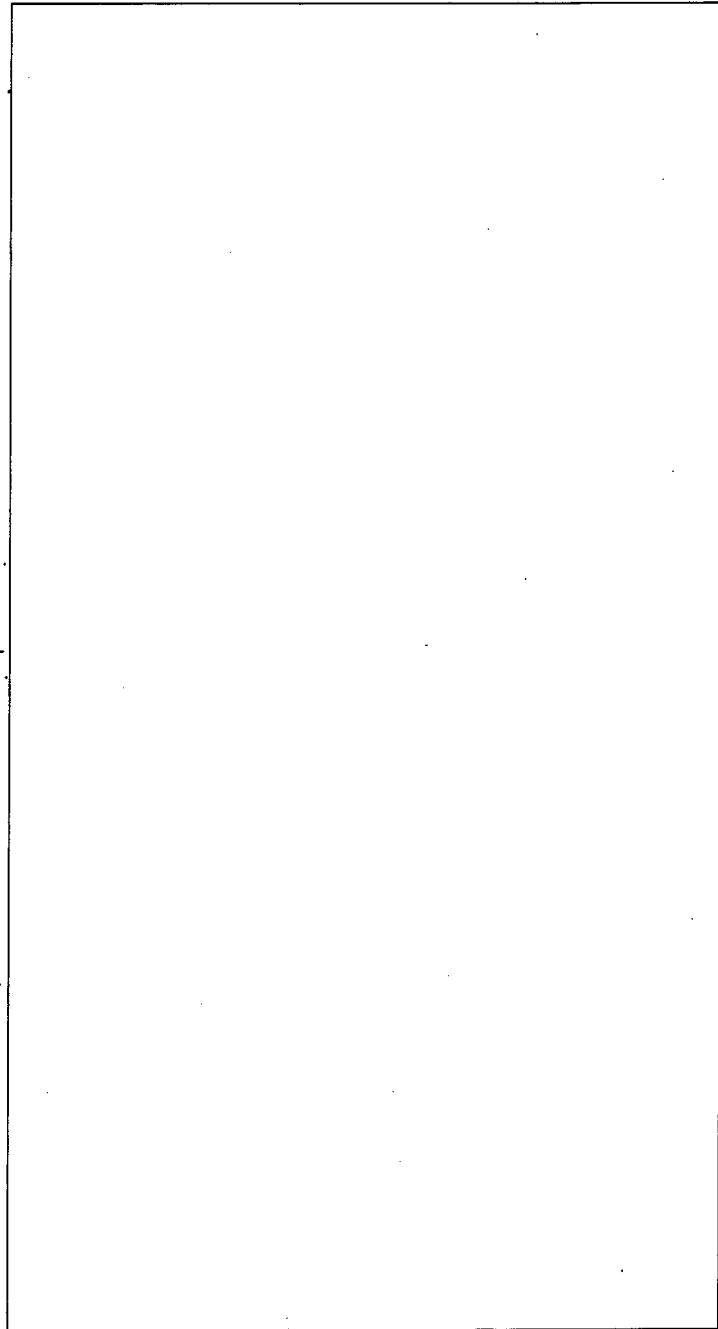


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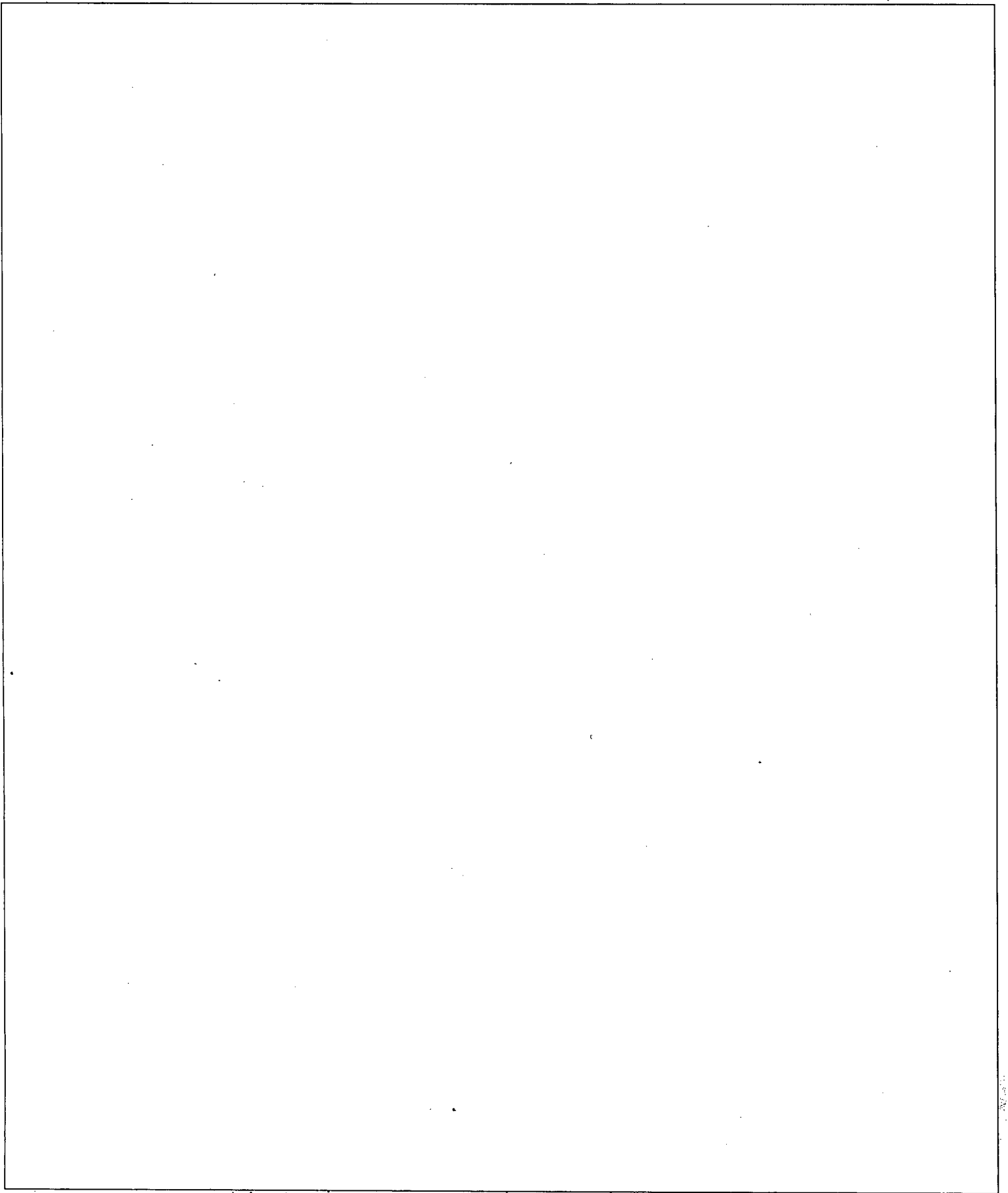
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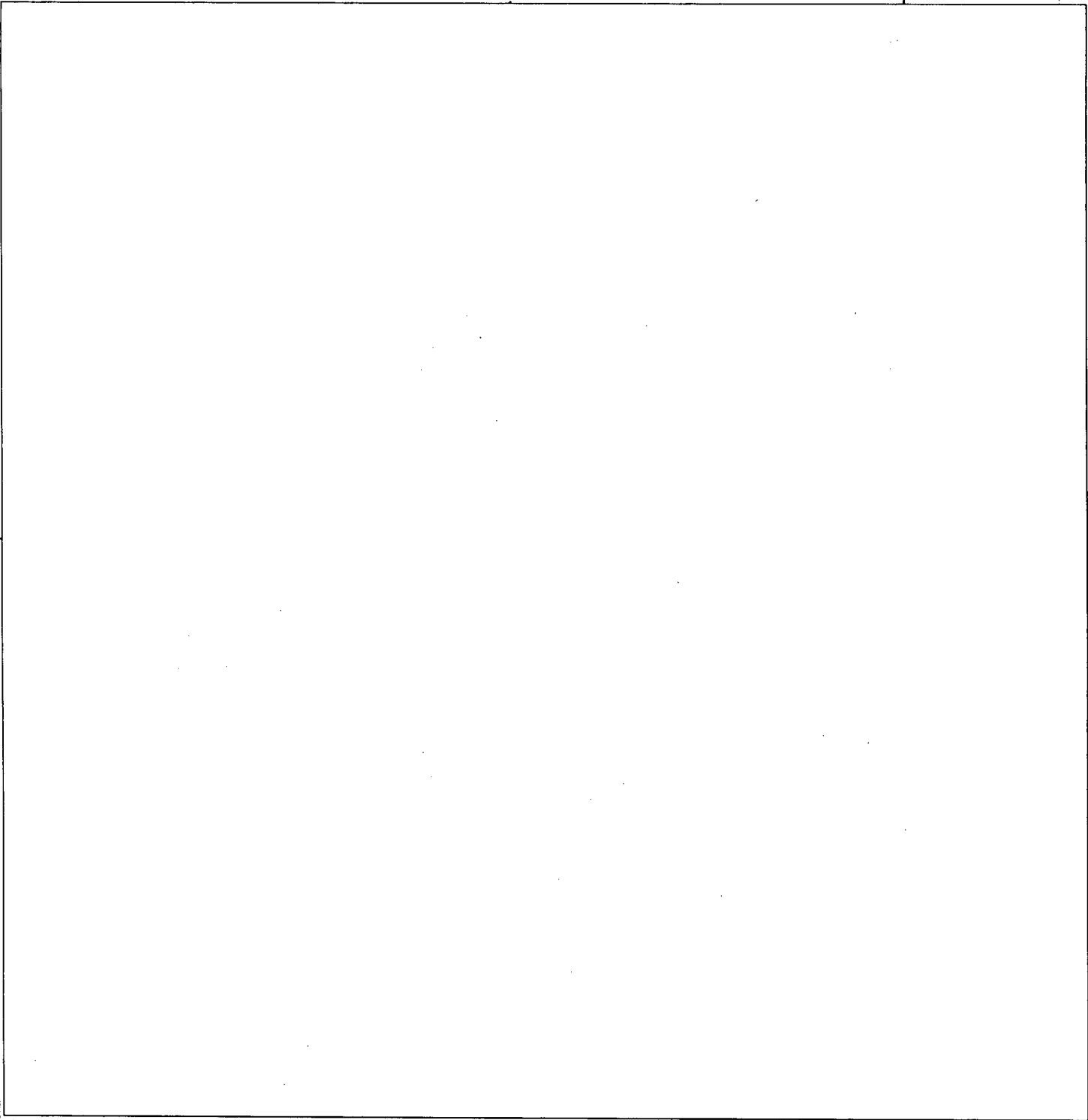
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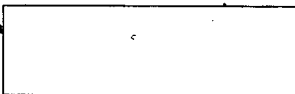


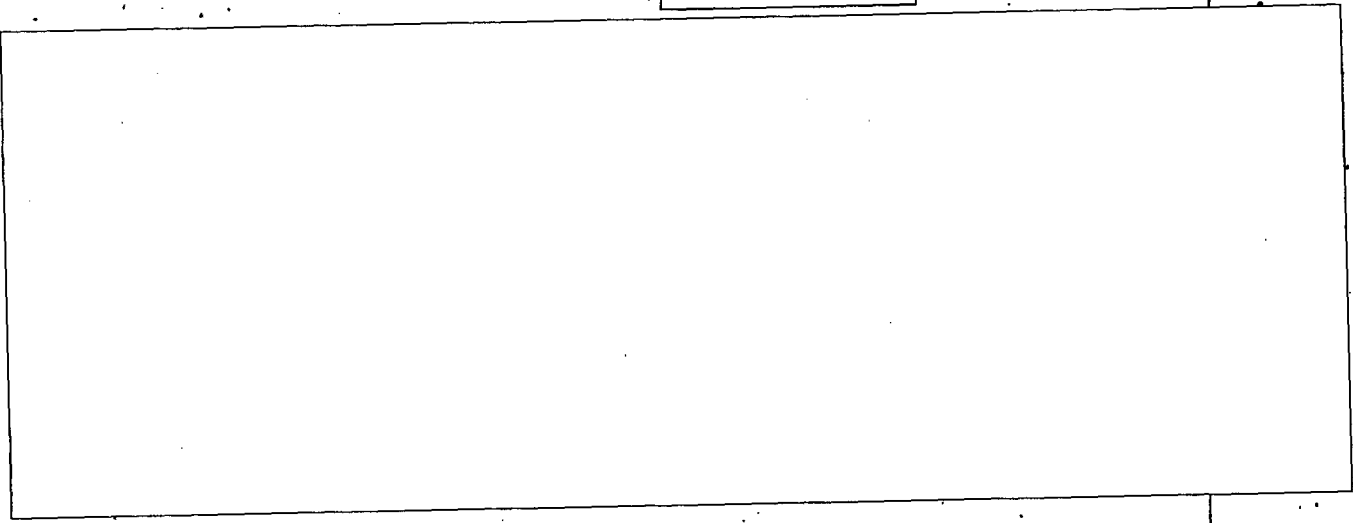
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