



The President's Daily Brief

16 January 1971

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PRINCIPAL DEVELOPMENTS

The South Vietnamese - led operation to open Route 4 in Cambodia has encountered some Communist opposition. *(Page 1)*

On *Page 2* we discuss some indications that the ten-member Organization of Petroleum Exporting Countries (OPEC) may have trouble maintaining a united front.

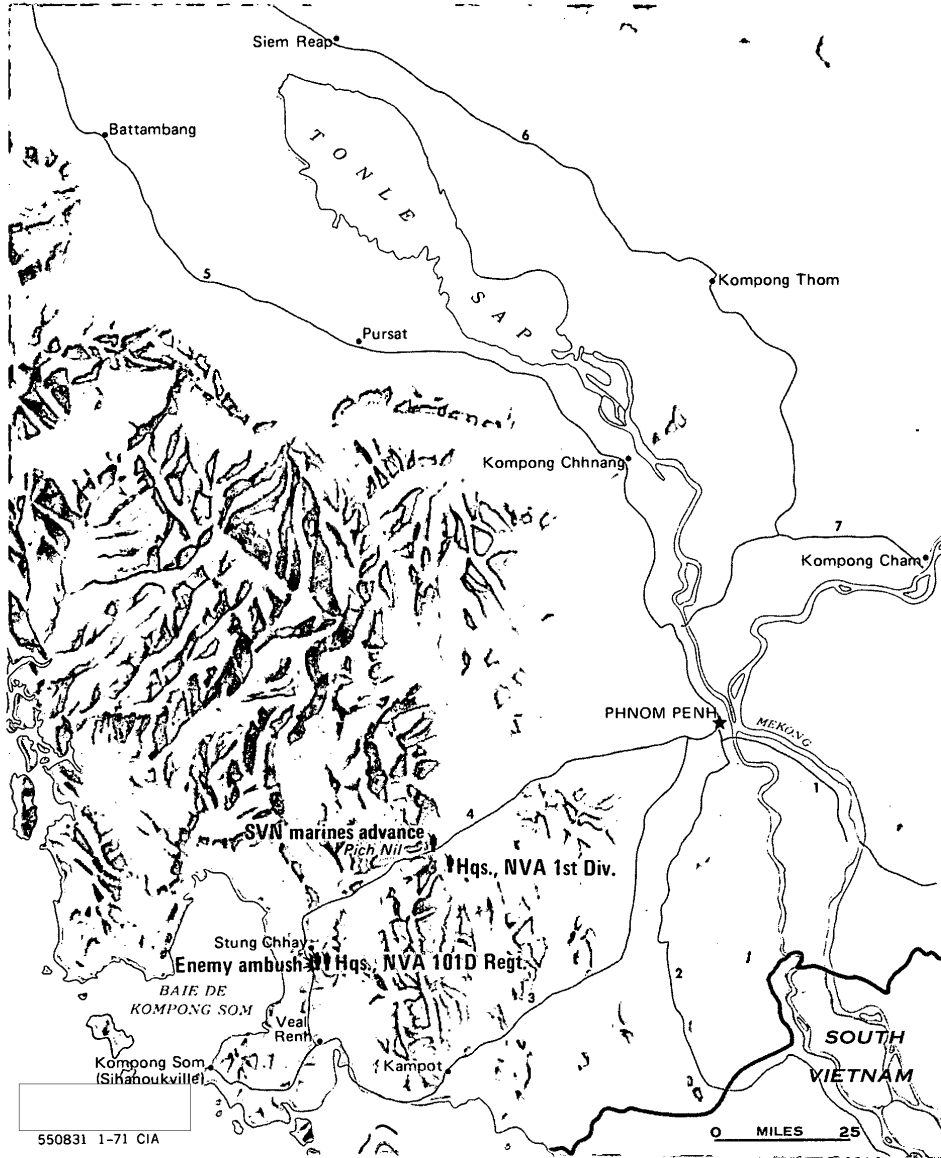
Israel's raid into Lebanon reflects its primary emphasis on military security. *(Page 3)*

Brazilian security forces are still hoping to trap the terrorist kidnapers. *(Page 3)*

The latest cease-fire in Jordan still seems to be holding despite a clash yesterday. *(Page 3)*

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CAMBODIA: Current Situation



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CAMBODIA

Advance elements of the South Vietnamese - led column moving toward the Pich Nil pass on Route 4 from the south were ambushed on 14 January near Stung Chhay, some 15 miles north of Veal Renh. The task force north of Pich Nil, spearheaded by three South Vietnamese marine battalions, is nearing the eastern slope of the pass. This column has met no serious opposition to date, although Vietnamese and Cambodian elements are reporting harassment a few miles from the pass.

It now appears that the Communists are prepared to offer at least some resistance to the South Vietnamese operation to open Route 4. The attack on the southern task force presumably was carried out by troops from the North Vietnamese 101D Regiment, which is in the vicinity. The small-scale harassing actions against the northern task force elements may be the work of units subordinate to the North Vietnamese 1st Division. The 1st Division headquarters, which was previously located on a peak overlooking the pass, has now moved east of the pass and south of Route 4.

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INTERNATIONAL OIL

Several members of the Organization of Petroleum Exporting Countries (OPEC) do not seem willing to risk current earnings by making precipitous moves in their effort to gain increased revenues from the oil companies. Embassy discussions with Indonesian officials indicate that Indonesia is not likely to take severe action against the oil companies. Representatives of Iran and Saudi Arabia also give the impression that their governments are prepared to adopt a flexible position to reach an accommodation. In Iran, however, the Shah still insists that the companies risk a shutdown of production if the oil consortium's negotiators do not meet with OPEC by 19 January.

Libya and Algeria, in what appear to be closely coordinated tactics, have been exerting the greatest pressure during their respective dealings with the oil companies and the French Government. They, and possibly Iraq, may be willing to take more drastic action to secure their demands.

An oil company offer which could lead to a reopening of negotiations is to be presented to all OPEC members today. It is generally responsive to the OPEC resolutions, but it specifically excludes negotiations on several points included among the current demands of Libya and Algeria, such as obligatory reinvestment of oil company profits. The oil companies may hope that their negotiating proposals will further polarize radical and moderate members of OPEC.

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NOTES

Israel-Lebanon: The Israeli commando raid yesterday against a fedayeen seaborne infiltration base in Lebanon demonstrates that Israeli policy continues to place military security above all other considerations. The Israelis may well regard their operation as justified by the threat of rocket attacks against their coastal towns by fedayeen frogmen, although it could also serve as a reminder to the Arabs generally of Israel's capability to conduct surprise raids against its neighbors' territories. The Lebanese Government has been persuaded to limit its diplomatic reaction to a pro forma protest to the UN.

Brazil: Police in Rio de Janeiro still plan a massive operation to hunt down Ambassador Bucher's kidnapers even though the envoy has now been freed. In addition, [redacted] Brazilian authorities suspect that the Uruguayan Tupamaro kidnapers of Brazilian consul Gomide may soon attempt to turn him over to Brazilian terrorists; as a result, tightened security measures have been instituted at major airports and along major highways and coastal areas offering access from Uruguay.

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Jordan: Palestinian commandos appear to be moving out of the cities, including their strongholds in the north, on schedule, indicating that they are making more effort to honor the latest cease-fire agreement than has been noted in the past. Several fedayeen positions in one area of the north were attacked by the Jordanian Army yesterday in retaliation for an ambush by followers of some diehard fedayeen factions. Rather than denouncing the army action, however, the fedayeen central committee condemned the renegade commandos and announced that they would be brought before fedayeen military justice.

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