

SENSITIVE

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SITUATION LISTING

DATE 04/10/74//100

SITUATION: SCOW

SUBJECT CATEGORY: OUT

MESSAGE / ANNOTATION:

MESSAGE:

DD WTE15

DE WTE #1674 0961707

O 061015Z APR 74

FM THE SITUATION ROOM//TOSCO 013//

TO GEN. SCOWCROFT

ZEN

T D P S E C R E T SENSITIVE CONTAINS CODEWORD WH40925

TOSCO13

APRIL 6, 1974

MEMORANDUM FOR THE SECRETARY

FROM: THE SITUATION ROOM

SUBJECT: NOON NOTES

ISRAELI AIR ACTIVITY OVER GOLAN HEIGHTS: OUR ATTACHE IN TEL AVIV WAS TOLD BY THE ISRAELI FOREIGN LIAISON OFFICE THAT SOMETIME THIS MORNING, A LARGE-SCALE SYRIAN PATROL PROBED ISRAELI LINES IN THE NORTHERN PORTION OF THE SALIENT. THE ISRAELIS REPORTEDLY RESPONDED WITH ARTILLERY FIRE ON THE PROBE. THIS PROVED INEFFECTIVE AND THE ISRAELIS STRUCK WITH FOUR AIRCRAFT, AFTER WHICH THE SYRIANS WITHDREW. RELATED TO THIS AIR STRIKE,

THE ATTACHE REPORTS THE SITUATION ON THE FRONT IS NORMAL AND HE SEES NO INTENTION ON THE PART OF THE ISRAELIS TO CONDUCT A PREEMPTIVE STRIKE.

SUEZ CANAL MINECLEARING: THE EGYPTIAN NAVY'S MINECLEARING OPERATION COMMENCED ABOUT FEBRUARY 15 IN THE GULF OF SUEZ. AT LEAST ONE MINESWEEPER, TWO OCEAN-GOING TUGS, AND SEVERAL PATROL BOATS HAVE BEEN USED TO CLEAR THE STRAIT OF GIBAL AND PROBABLY THE AREA OFF AT TOR NEAR THE TIP OF THE SINAI PENINSULA. ONE OF THE TUGS WAS DAMAGED BY A PROBABLE ACOUSTICAL MINE IN THE STRAIT. THE NAVY MUST BELIEVE THAT ITS GULF OF SUEZ OPERATION HAS BEEN SUCCESSFUL, SINCE TANKERS HAVE BEEN ESCORTED THROUGH THE STRAIT SINCE APRIL 1. ADDITIONAL MINESWEEPING OPERATIONS WERE NOTED OFF ALEXANDRIA ON MARCH 8 AND 9 AND NEAR PORT SAID, WHERE THREE BRITISH MINESWEEPERS ARE SCHEDULED TO ARRIVE TOMORROW PRIOR TO BEGINNING A COMBINED U.S.-UK-EGYPTIAN EFFORT TO SWEEP THE SUEZ CANAL OF MINES AND UNEXPLODED ORDNANCE.

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ON-FILE NSC RELEASE INSTRUCTIONS
APPLY

MORI PER C03318977

STATE, DIA & NSA review(s) completed.

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MESSAGE / ANNOTATION:

BRANDT SETS DATE FOR VISIT TO MOSCOW: CHANCELLOR BRANDT'S LONG-
AWAITED VISIT TO THE SOVIET UNION IS SCHEDULED FOR JULY 10, [REDACTED]

25X1

[REDACTED] WEST GERMANY'S WILLINGNESS TO SET
A DATE SUGGESTS THAT BONN BELIEVES SUFFICIENT PROGRESS IS BEING
MADE ON BILATERAL ISSUES TO WARRANT THE TRIP. [REDACTED]

[REDACTED] Egon Bahr, BRANDT'S CHIEF FOREIGN POLICY
ADVISER, MADE PROGRESS DURING HIS TALKS IN MOSCOW LAST MONTH ON
THE TROUBLESOME ISSUE OF BONN'S RIGHT TO REPRESENT WEST BERLIN
AND ITS CITIZENS. SINCE HIS RETURN, BAHK HAS BEEN OPTIMISTIC
ABOUT PROSPECTS FOR CONCLUDING AN AGREEMENT WITH THE SOVIETS
WITHIN A FEW MONTHS. THE NEGOTIATIONS HAVE OBVIOUSLY NOT PRO-
GRESSED FAR ENOUGH TO PERMIT BRANDT TO SCHEDULE HIS VISIT TO
THE SOVIET UNION BEFORE STATE ELECTIONS ARE HELD IN LOWER
SAXONY ON JUNE 9. IT WOULD HAVE BEEN POLITICALLY ADVANTAGEOUS
FOR THE SOCIAL DEMOCRATS IF THE TRIP COULD HAVE BEEN SCHEDULED
BEFORE THE ELECTIONS.
SINCE BECOMING CHANCELLOR IN 1969, BRANDT HAS MADE TWO VISITS
TO THE SOVIET UNION. THE MORE RECENT ONE TOOK PLACE IN SEPTEM-
BER 1971, WHEN HE HELD PRIVATE TALKS WITH BREZHNEV IN THE CRIMEA.

PEKING RESTRAINED ON HELICOPTER INCIDENT: PEKING IS CONTINUING
TO HANDLE THE SOVIET HELICOPTER INCIDENT WITH RESTRAINT. PROPAG-
ANDA HAS BEEN SPARSE AND LOW KEY. THE CHINESE HAVE NOT LAUNCHED
INTENSIVE PROPAGANDA EXPLOITATION OF THE DOWNED HELICOPTER AS

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THEY DID FOLLOWING THE EXPULSION IN JANUARY OF FIVE SOVIET DIPLOMATS ACCUSED OF SPYING. THEY HAVE LINKED THE TWO INCIDENTS AS INDICATIVE OF THE PATTERN OF SOVIET PRESSURE ON CHINA, BUT THERE HAS BEEN NO MARKED CHANGE IN THE TONE OR VOLUME OF ANTI-SOVIET POLEMICS.

25X1

CHINESE CRITICAL OF TECHNOLOGY IMPORTATION: THE IMPORT OF ADVANCED TECHNOLOGY FROM THE WEST HAS PROVOKED CRITICISM IN CHINA, BOTH IN THE PRESS AND ON WALL POSTERS. ARTICLES HAVE DENOUNCED THE TENDENCY TOWARD OVER-RELIANCE ON SUCH IMPORTS AND HAVE DESCRIBED THE POLICY AS EQUIVALENT TO "LETTING THE WOLF INTO OUR HOUSE." AT LEAST ONE WALL POSTER IN A CENTRAL MINISTRY IS REPORTED TO HAVE CRITICIZED PREMIER CHOU EN-LAI BY NAME ON THIS SCORE.

THERE IS IN FACT MERIT TO THE CHARGE THAT KEY SECTORS OF CHINA'S ECONOMY ARE BECOMING MORE DEPENDENT ON WESTERN EQUIPMENT AND TECHNOLOGY. ORDERS FOR WESTERN EQUIPMENT CAME TO NEARLY \$2.5 BILLION LAST YEAR, COMPARED WITH A TOTAL OF \$3 BILLION DURING THE PREVIOUS TEN YEARS.

SINCE THE BEGINNING OF THE YEAR, CHINA HAS BOUGHT WHOLE PLANTS WORTH ABOUT \$425 MILLION FROM COMPANIES IN JAPAN AND WESTERN EUROPE. THE MOST RECENT CONTRACT WAS FOR A COIL-ROLLING MILL WORTH \$200 MILLION, TO BE SUPPLIED BY A WEST GERMAN CONSORTIUM. NEGOTIATIONS ARE CONTINUING FOR A WIDE RANGE OF WHOLE PLANTS AND EQUIPMENT -- A BEARING PLANT WORTH \$100 MILLION, ELECTRIC POWER PLANTS, ADDITIONAL PETROCHEMICAL PLANTS, OFFSHORE OIL RIGS, AND COALMINING EQUIPMENT.

IF NEGOTIATIONS ARE SUCCESSFUL AND THE LEVEL OF RECENT PURCHASES CONTINUES THROUGHOUT THE REMAINDER OF THE YEAR, TOTAL MACHINERY AND EQUIPMENT PURCHASES FROM THE WEST IN 1974 WILL APPROACH THE RECORD LEVEL OF LAST YEAR.

ECONOMY WORRIES SAIGON: SOUTH VIETNAM'S GOVERNMENT IS SHOWING INCREASED CONCERN OVER THE COUNTRY'S GROWING ECONOMIC PROBLEMS AND IS TRYING TO FIND MEASURES TO DEAL WITH THEM.

25X1

RESIDENT THIEU WAS INFORMED AT HIS CABINET MEETING LAST MONDAY OF FOOD SHORTAGES, SERIOUS PROBLEMS IN LAND DISTRIBUTION, AND OF MOUNTING UNEMPLOYMENT AMONG REFUGEES. HE WAS ALSO WARNED THAT IF THE FOOD PROBLEM IS NOT SOLVED, POPULAR UNREST COULD RESULT AND COULD SPREAD TO THE ARMY. THIEU APPARENTLY AGREED TO SEND MORE RICE TO THE REFUGEES. HE

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POSTPONED A DECISION TO SPEED UP THE GOVERNMENT'S PROGRAM TO
RELOCATE REFUGEES FROM NONPRODUCTIVE AREAS IN THE NORTH TO THE
SOUTHERN HALF OF THE COUNTRY, WHERE THERE IS ENOUGH LAND TO MAKE
MANY MORE THOUSANDS OF REFUGEES SELF-SUFFICIENT.

TOP SECRET-SENSITIVE
CONTAINS CODEWORD

1266

#1674

NNNM

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