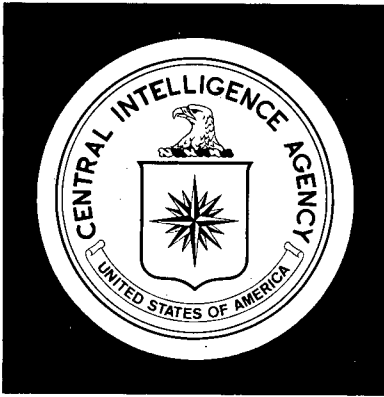


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The President's Daily Brief

February 1, 1974

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~~Top Secret~~ (b)(3)

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THE PRESIDENT'S DAILY BRIEF

February 1, 1974

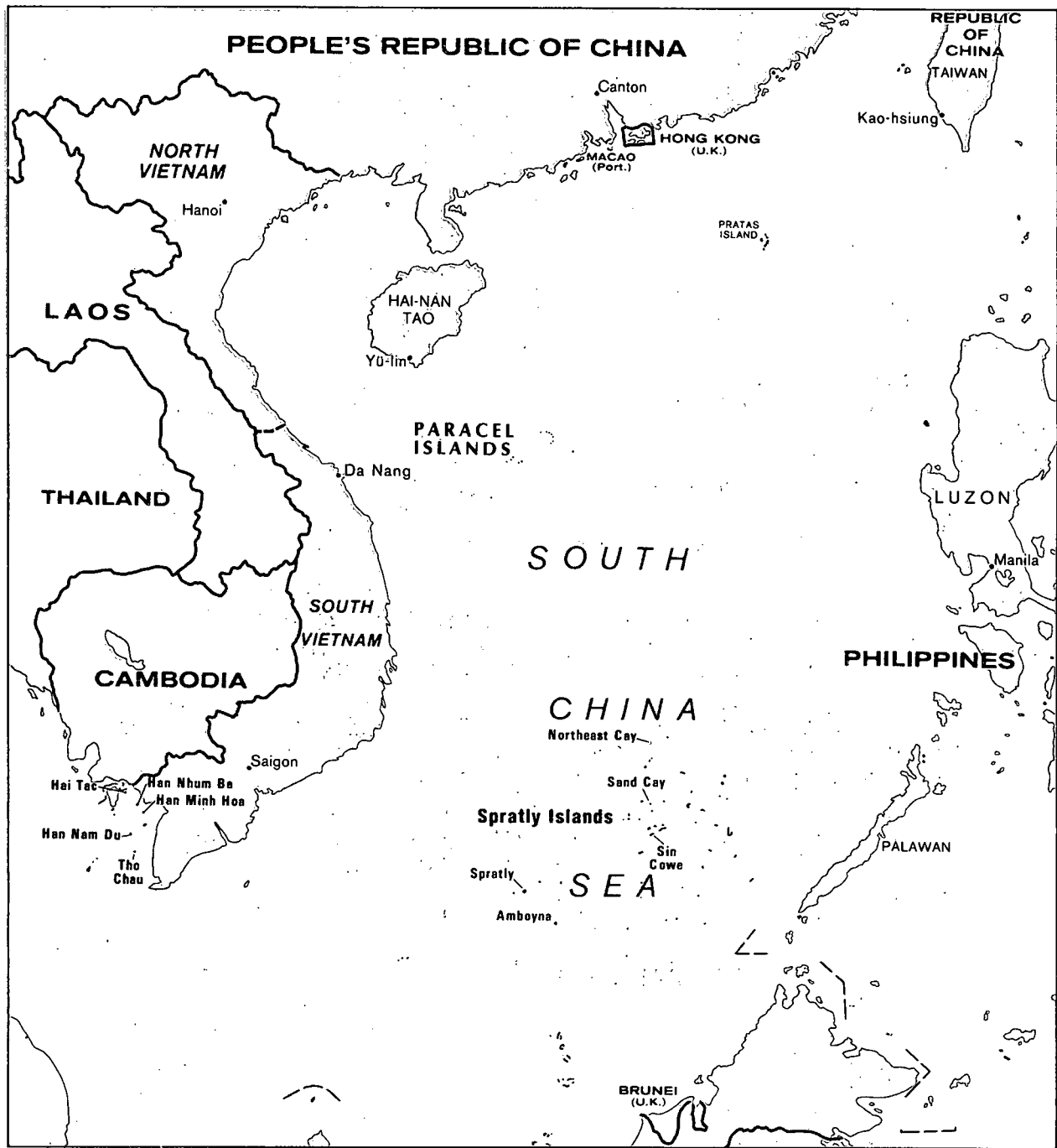
PRINCIPAL DEVELOPMENTS

An item on South Vietnam appears on *Page 1*.

The alleged discovery of a plot against the Libyan regime and President Qadhafi's five-day absence from public view have given rise to rumors of serious strains within the Libyan leadership. (*Page 2*)

The French Government has publicly acknowledged that it is developing an air-to-surface missile which can carry a 500-kiloton nuclear warhead. (*Page 4*)

The Soviets are currently displaying a go-slow attitude toward the MBFR talks, probably for tactical purposes. (*Page 5*)



SOUTH VIETNAM

A South Vietnamese task force of three ships and 136 men began to make landings on the Spratly group of islands this morning without incident. The islands involved are Sin Cowe, Spratly, Amboyna, Northeast Cay, and Sand Cay. The commander of the task force has been told not to engage any other military forces that might be in the area, and not to attempt landings on any occupied islands.

* * *

South Vietnamese troops on January 30 also reinforced two of the islands they claim in the Gulf of Thailand and occupied three others, [REDACTED]

(b)(1)

[REDACTED] One of the islands--Hai Tac--is near the disputed line that separates Cambodia and Vietnam. Saigon has maintained a military garrison and radar station on this island for several years; it is therefore unlikely that its moves will be contested. The other four islands are generally acknowledged to be within South Vietnam's territorial waters.

Saigon's moves may be related to its plans for granting further offshore oil exploration rights. Apparently as a result of recently intensified disputes over the Paracels and the Spratlys, Saigon moved up its timetable for oil company bidding for concessions, many of which are in the Gulf of Thailand. The bidding will now take place in February or March, several months ahead of the original schedule. [REDACTED]

(b)(1)

Saigon urgently needs foreign exchange and is determined to move on concessions before other countries with conflicting claims can act.

LIBYA

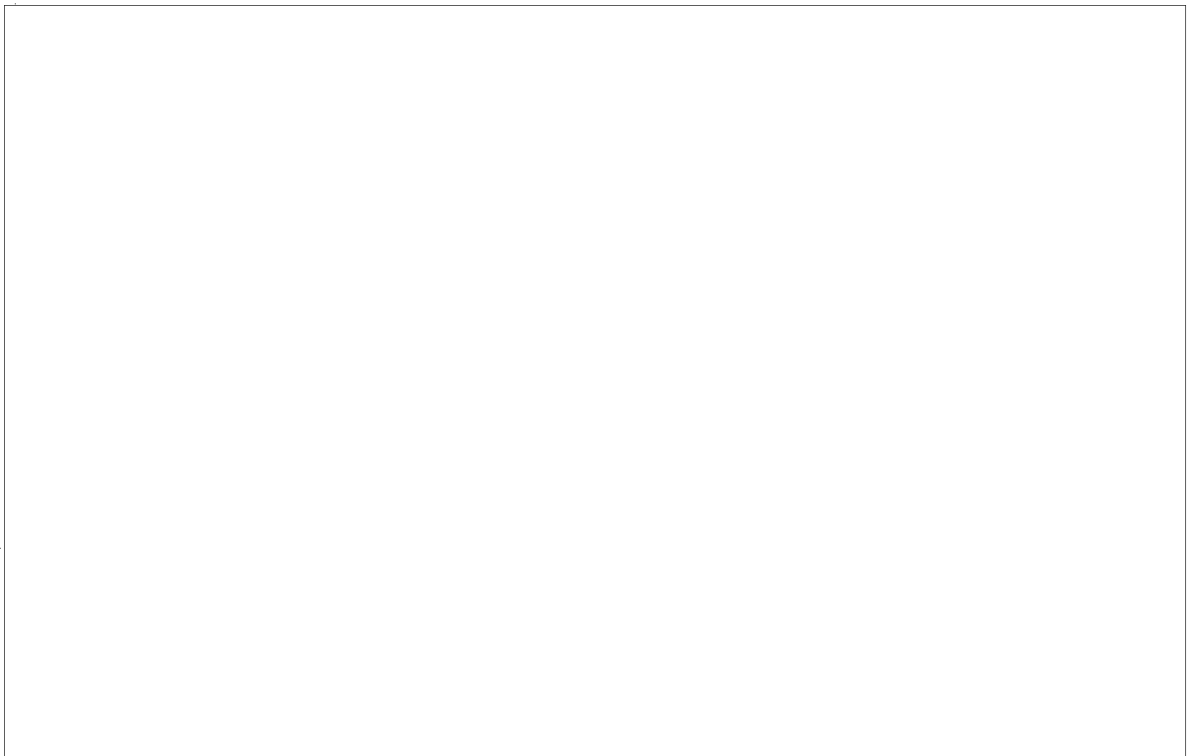
The alleged discovery of a plot against the Libyan regime, and President Qadhafi's five-day absence from public view, have given rise to rumors of serious strains within the Libyan leadership. No unusual military or security activity has been observed in Tripoli, however, and Qadhafi reappeared yesterday, apparently in firm control.

(b)(1)

The discovery of the plot and the lack of positive results from his meeting with Tunisian President Bourguiba in Geneva last week apparently prompted President Qadhafi to retreat into temporary seclusion. Qadhafi is deeply disappointed by the course of events in the Middle East, the failure of his Tunisian merger initiative, and his troubles at home. In the past, such withdrawals have led to threats by Qadhafi to resign. If he does so again, it may intensify tensions within the regime.

(b)(1)

(continued)



(b)(1)

FRANCE

The French Government has publicly announced that it is developing an air-to-surface missile which can carry a 500-kiloton nuclear warhead and which will have a range of 50 to 90 miles.

(b)(1)

The French reportedly plan to use the missile with their next-generation tactical aircraft, a fixed-wing version of the Mirage G8. The aircraft-missile combination would provide additional deep-strike capability and could take over some missions of the aging Mirage IV strategic bombers.

The French Government has ordered a prototype of the new plane, designated the G8A, which should become operational toward the end of the decade.

USSR-MBFR

The Soviets are currently displaying a go-slow attitude toward the MBFR talks, probably for tactical purposes. Moscow's chief delegate has told a US representative that he plans a sight-seeing excursion soon since "in view of the pace of negotiations," there is time to make such a trip. He has also raised the question of Easter and summer recesses, thus implying that prolonged negotiations are expected. Brezhnev similarly took a negative attitude in his recent Havana speech when he questioned the sincerity of some Western participants in the talks.

The Soviets apparently do not see a need to make any conciliatory gesture in the near future. They have a draft on the table and believe that the next move is up to NATO.

Moscow's chief delegate has also made a strong pitch for private US-USSR discussions. While he apparently tried to give the impression that the presence of Soviet allies might restrict Soviet freedom of maneuver, it is more likely that his offer was made to create mistrust and disarray in the NATO camp.

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