



The President's Daily Brief

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July 23, 1974

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THE PRESIDENT'S DAILY BRIEF

July 23, 1974

PRINCIPAL DEVELOPMENTS

Violations of the Cyprus cease-fire virtually ceased with the approach of darkness last night, but some clashes are likely again today. Barring collapse of the cease-fire, the Greeks and Turks have agreed to meet in Geneva--probably tomorrow--to begin peace talks. (Page 1)

Jordan and Egypt signed a secret agreement last week which the Jordanians believe ties Egypt more explicitly to their position. (Page 3)

The appointment of the new Ethiopian Prime Minister, Mikael Imru, indicates that the powerful Armed Forces Coordinating Committee is making another effort to avoid an open military takeover of the government. (Page 5)

Canada has gained a sudden advantage over its competitors in nuclear reactor production as the world's uranium trade has changed from a buyers' to a sellers' market. (Page 6)

Lao Prime Minister Souvanna continues to make slow but steady progress in recovering from the effects of the heart attack he suffered on July 12. (Page 7)

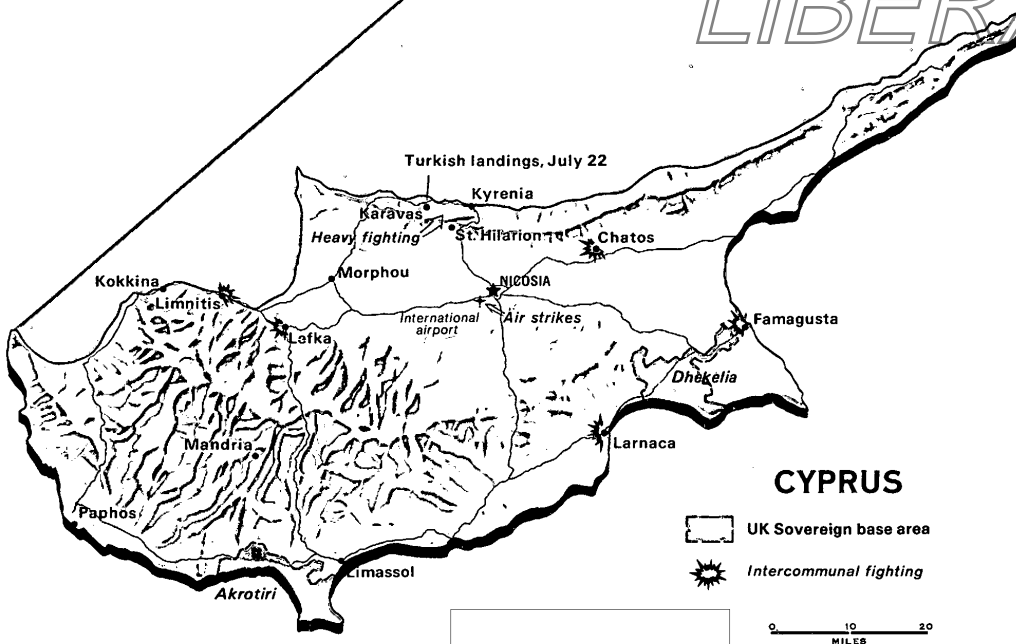
A note on the USSR appears on Page 7.

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CYPRUS

--- UK Sovereign base area

★ Intercommunal fighting

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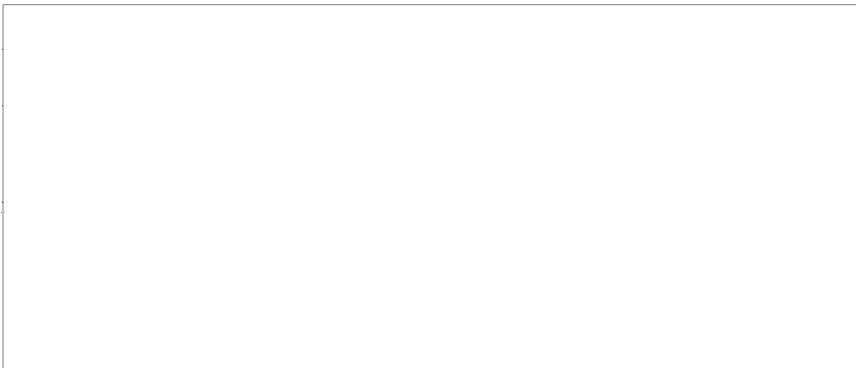
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CYPRUS

Cease-fire violations, numerous yesterday afternoon, virtually ceased with the approach of darkness last night. Clashes are expected to resume today. Barring collapse of the cease-fire, the Greeks and Turks have agreed to meet in Geneva this week--probably tomorrow--to begin peace talks. The two nations and Britain are meeting as the guarantors of the 1960 treaty granting Cyprus independence.

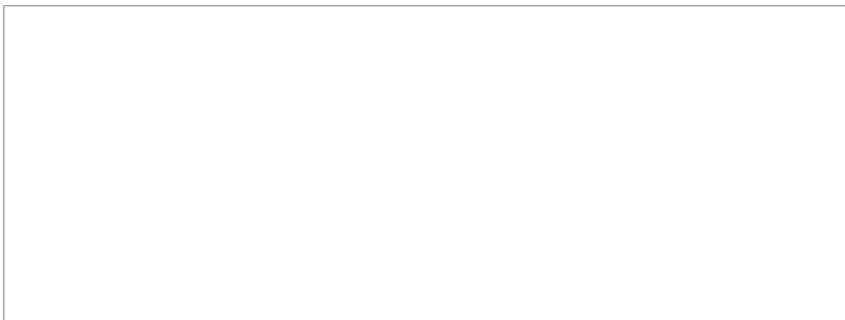
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The military actions of both sides prior to the cease-fire indicate that they continue to jockey for tactical advantages in the area north of Nicosia. Turkish forces attacked National Guard positions at Geunyeli, west of the Kyrenia-Nicosia road just north of the capital. Securing this area would improve Turkish chances for an assault against the airport, which they bombed last evening. To the east of the road, however, Greek Cypriot forces occupied villages that put them in a position to launch attacks on the Turkish flank.

Soviet military reactions to the Cyprus situation have been low key. Soviet naval units remain west of Cyprus. Moscow has informed the US that a ship will arrive at Larnaca on the southern coast of Cyprus to evacuate Soviet civilians.

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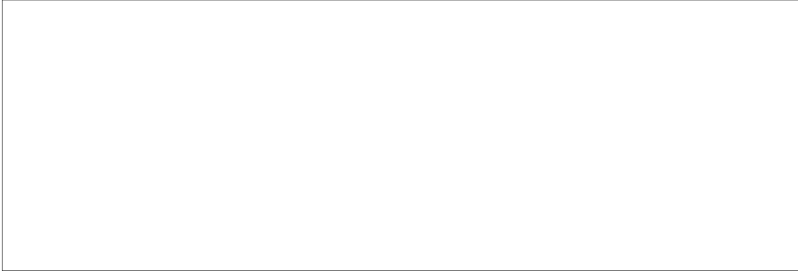


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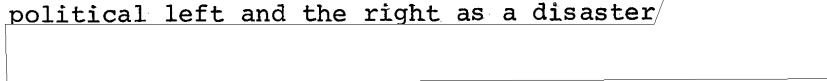
In a press conference yesterday, Turkish Prime Minister Ecevit described the Turkish position as "irrevocably established." He stressed that Kyrenia would remain in Turkish hands to provide an opening to the sea. Maintaining that his country was now ready for a negotiated solution, Ecevit said that Turkey would go to Geneva without any preconditions.

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[redacted] in Turkey the Cypriot intervention is increasingly viewed by both the political left and the right as a disaster

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Coup rumors circulated widely in Athens yesterday [redacted] The Greek government officially labeled the rumors false.

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At the UN Security Council meeting yesterday, attention focused on beefing up the UN peace-keeping forces in Cyprus. Secretary General Waldheim believes the 2,300-man force must be augmented to monitor the cease-fire. Waldheim asked countries that now have contingents serving with the peace-keeping force--Australia, Austria, Britain, Denmark, Ireland, Finland, Canada, and Sweden--to consider increasing their troop contributions. Negotiations are under way on the exact numbers required; speculation ranges between 4,000 and 5,000.

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The peace-keeping forces, originally sent to Cyprus in 1964 to prevent intercommunal fighting, have been severely circumscribed in their attempts to fulfill their mandate during the present fighting.

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JORDAN-EGYPT-SYRIA

Jordan and Egypt signed a secret agreement last week during King Husayn's visit to Alexandria. Jordanian Prime Minister Rifai has told US Ambassador Pickering that the main points of the protocol are:

--Jordan retains the "right and obligation" to seek the return of the West Bank.

--Egypt has a similar obligation to negotiate an Israeli withdrawal from Gaza.

--A Jordanian-Israeli separation of forces should occur before the Geneva conference reconvenes.

--The inhabitants of Gaza and the West Bank should be given the right of self-determination after the Israelis withdraw.

--The Jordanian army should not return to the West Bank.

--However, if Israel should refuse to give up all of its military posts in the Jordan Valley, then Jordan should have a reciprocal right to station its own forces on the West Bank.

The secret agreement complements the public communiqué issued at the end of Husayn's visit and ties Egypt more explicitly, the Jordanians believe, to their position. King Husayn is especially pleased that Sadat is on public record as agreeing that Husayn represents all Palestinians living in the "Hashemite Kingdom of Jordan"--that is, including those on the Israeli-occupied West Bank. Rifai said Egyptian Foreign Minister Fahmi told him to ignore any public interpretation Egypt gave the communiqué; the secret agreement is what counts.

Rifai said that most of the secret agreement fits existing Jordanian policy, but that he resisted inclusion of the last point, which implicitly concedes the possibility that Jordan may have to allow the Israelis to retain some settlements along the Jordan River as part of a disengagement agreement. Ambassador Pickering suggests that Sadat may have wanted this included in case Egypt has to agree to something similar for Sharm ash-Shaykh.

(continued)

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In exchange for Egyptian support, Sadat asked Husayn to request a postponement of the Arab summit meeting, scheduled for early September. The Egyptians argued that they need more time to try to work out a rapprochement between the fedayeen and Jordan. The Jordanians reluctantly made a formal request for a postponement of the summit last weekend.

[redacted] President Asad refuses to support such a postponement, and Syrian Foreign Minister Khaddam last night issued a statement to that effect. [redacted]

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[redacted]

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ETHIOPIA

The appointment of new Prime Minister Mikael Imru indicates that the powerful Armed Forces Coordinating Committee is making another effort to avoid an open military takeover of the government. Mikael is a moderate, as well as a competent administrator, and may be able to work effectively with the military.

The AFCC has been ready for some time to drop the former prime minister, Endalkatchew, because the committee felt he was too slow in implementing changes it was demanding. Endalkatchew is vulnerable to charges of corruption and may soon be arrested, as other officials from former governments have been.

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CANADA

Canada, one of the largest uranium suppliers in the world, has gained a sudden advantage over its competitors in production of nuclear reactors as the world's uranium trade has changed from a buyers' to a sellers' market. Canada began a campaign last fall to market its CANDU reactors on a worldwide basis. Only Argentina and South Korea have indicated a firm intent to purchase the Canadian reactors, but Ottawa could increase their marketability by limiting the sale of uranium to countries that purchase them.

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NOTES

Laos: Prime Minister Souvanna continues to make slow but steady progress in recovering from the effects of the heart attack that he suffered on July 12. Although his condition is now free from complications, Souvanna is not expected to be able to resume full government business for at least two months. In the meantime, he has again made it clear that he wants no major decisions made during his convalescence, and that deputy prime ministers Leuam Insisiengmay and Phoumi Vongvichit are to share equally in handling routine government business.

USSR: The Communist Party Central Committee is expected to convene today for a two-day session prior to the opening of the Supreme Soviet on July 25. The Supreme Soviet, meeting for the first time since last month's elections, will announce the composition of the new government.

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