MEMORANDUM

THE WHITE HOUSE

WASHINGTON

TOP SECRET-SENSITIVE CONTAINS CODEWORD

February 5, 1977

MEMORANDUM FOR:

SANITIZED

THE PRESIDENT

FROM:

Per; Rac Project

ESDN; NLC-

ZBIGNIEW BRZEZINSKI

SUBJECT:

BY CO NARA DATE 10 4 6

Information Items

Arms Restrictions Intensify Egypt's Search for Western Equipment: The USSR has held arms deliveries to Egypt to very small amounts since the Egyptians' abrogation of the friendship treaty last spring. Although the Soviets have allowed token deliveries of spare parts and minor equipment from outstanding contracts with other Warsaw Pact states, presumably to leave open the door to rapprochement, these deliveries have not prevented the deterioration of Egypt's existing Soviet-built equipment. Cairo has had only limited success in obtaining arms from alternative sources in the West since it began its search in earnest in 1974, probably because it cannot rely on a steady flow of cash from wealthy Arab oil states to finance the purchases. But even if Egypt were now able to obtain all the Western arms it needed to replace its Soviet-built inventory, it would take at least until 1980 before Cairo could integrate the new equipment into its armed forces and reach even its 1973 military capability. These problems do not mean that Egypt, together with other Arab states, is incapable of undertaking limited military action against Israel for political objectives. The Egyptians could curently mount a strong defense against an Israeli attack or sustain offensive action for a few days to achieve limited gains in the Sinai. But it is doubtful that they could support prolonged military action now without a massive infusion of new Soviet materiel.

Franco-Israeli Relations Remain Strained: According to Embassy Tel Aviv, the visit to Israel of the French minister of commerce and industry has been cancelled, while that of Foreign Minister de Guiringuad, scheduled for later this month, is doubtful. However, de Guiringaud and Israeli Foreign Minister Allon may meet when Allon visits Brussels next week. Meanwhile, the Israeli ambassador to France recently told a journalist that Tel Aviv's decision to recall him had been hasty and unwarranted. However, any return to

DIA and DOS review(s) completed.

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Paris would have to be based on an understanding that he would be received by President Giscard or Prime Minister Barre. The ambassador would also like to obtain a French statement which would be regarded as an admission that Paris had mishandled the Abu Daoud affair and will, in the future, apply the terms of the Franco-Israeli extradition agreement.

PRC Concerned Over Bangkok-Taiwan Ties:

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According to the PRC ambassador, friendly overtures toward the new Thai government have not been reciprocated and Bangkok is favoring Taiwan in ways that amount to a "two Chinas" policy. The State Department comments that while it is unclear as to what extent the PRC's concerns are justified, there have been several indications that Thai Prime Minister Thanin would like to create a broad Asian anti-communist front and has occasionally suggested joining in common cause with the ROC and South Korea. On the other hand, many senior foreign and military officials see improved relations with the PRC as essential to Thai foreign policy, and look to Peking for assistance in normalizing relations with the Indochina communist countries.

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