

TOP SECRET

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

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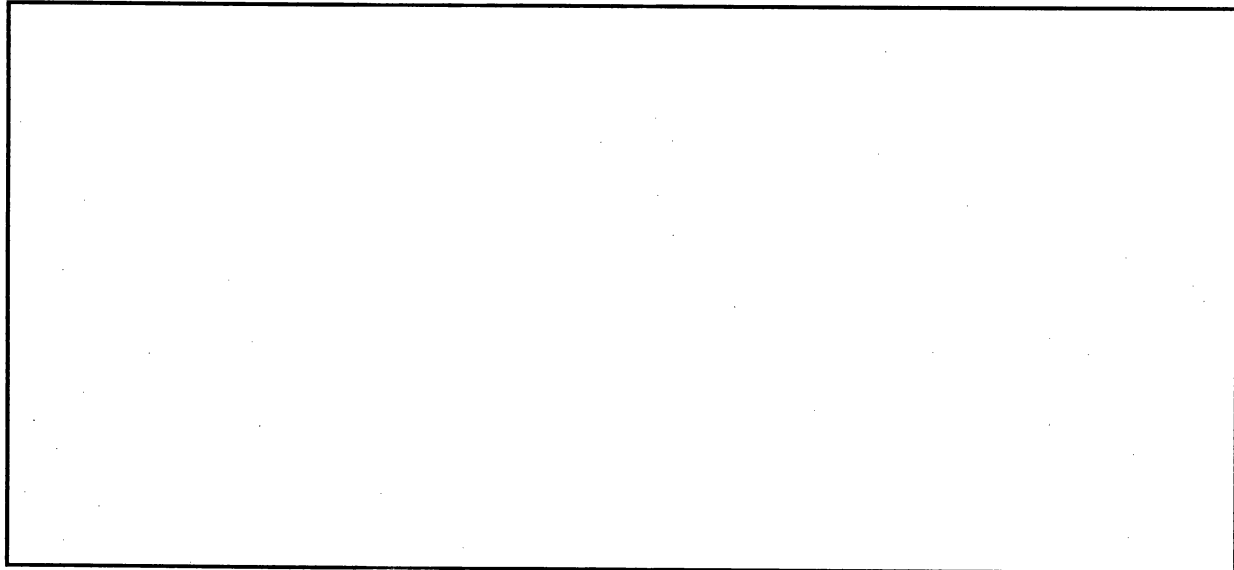
February 3, 1978

MEMORANDUM FOR DR. BRZEZINSKI

FROM: The Situation Room

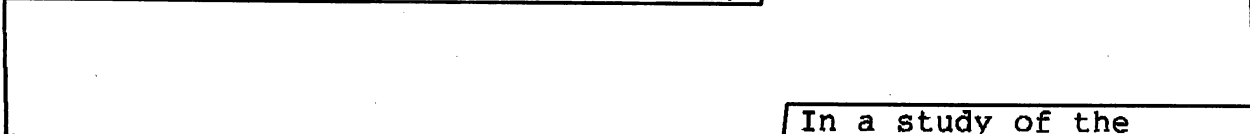
SUBJECT: Additional Information Items

25X1



25X1

Mexican Natural Gas Sales to the U.S.:



In a study of the sale price of natural gas to the U.S., presidential advisers pointed out that Mexico in the past has considered only three options on the supply of natural gas: burning it, exporting it to the U.S. on U.S. terms, or exporting it liquified to world markets. They contended that Mexico should consider the possibility of increasing domestic consumption of natural gas by substituting it for other hydrocarbon fuels. In this way, Mexico will be justified in demanding a much higher price for its gas and will be able to develop energy resources more rationally and efficiently. The study recommends that priority attention be given to establishing a national energy policy.

State Department review completed

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Brazilian Presidential Candidate Hopes for Presidential
Visit: [REDACTED]

[REDACTED] National Renewal Alliance (ARENA) Senator
25X1 Magalhaes Pinto realizes he has no chance of defeating Presi-
dent Geisel's hand-picked successor, General Figueiredo,
25X1 for the party's nomination. He hopes, however, to attract
the 20 percent of the votes cast at the convention this
spring that will entitle him to have his name on the ballot
25X1 that will be submitted to the electoral college in November.
He believes the President's trip to Brazil, assuming it
25X1 precedes the nominating convention, will enhance his image
as "the determined, popular candidate striving to return
Brazil to civilian democratic rule." [REDACTED]

[REDACTED] a visit around the time of the convention would also
cause hard-liners in the military to conclude, "however
irrationally," that the President purposely chose to visit
Brazil at that time as a form of tacit support for Magalhaes
Pinto.

25X1
25X1 Spanish Policy Toward Eastern Europe: Spanish ambassadors
to East European countries in December reportedly decided
that the most important aspect of Spain's relations with
Eastern Europe is the pressure being exerted by these coun-
tries against Spain's entry into NATO. [REDACTED]

[REDACTED] the officials
decided that Spain should not view Eastern Europe as a possible
alternative to joining Western organizations, but as a com-
plement to the West, subject to certain limitations. The
ambassadors concluded that:

--Relations with Eastern Europe should be motivated
primarily by Spain's national interests.

--Commerce should be increased, even though Madrid
faces heavy competition from other Western nations;

--The emphasis in cultural relations should be on the
quality and not the quantity of exhibitions, exchange
students, and media programs.

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