SFChronicle Two Presidents Agree JUN 1 7 1974 **U.S. and Syria to Resume Relations**

Damascus

The presidents of the United States and Syria agreed yesterday to resume diplomatic relations broken off in the 1967 Middle East war.

The announcement came just before President Nixon ended his visit to Syria to go to Israel for the fourth stop on his Middle East tour. Mr. Nixon and President Hafez Assad reached the agreement during private talks here, but the move had been expected for some time.

U.S. flag was postponed at the last moment yesterday.

A U.S. official told newsmen it was postponed at the request of the Syrian Foreign Ministry until a more formal observance this morning.

"We look forward now to an expansion of contacts and cooperation," Mr. Nixon Nixon Mr. said as he stood smiling beside Assad on the steps of the Syrian presidential palace.

Assad replied that "we A ceremony to raise the are determined to start a new phase in our relations based on mutual interest." He referred to cultural and economic ties.

The appearance of Mr. Nixon and Assad, cordially shaking and repeatedly hands for news photographers, would have been regarded as impossible last winter.

Then, in the aftermath of October's fourth Arab Israeli war, Syria was denouncing the United States angrily as "the imperialist protector" of its enemy Israel.

The turnaround seems to be mainly the result of the efforts of Secretary of State Henry Kissinger, who helped negotiate the troop separation agreements on the Suez Canal and the Golan Heights.

Syrian official sources told a newsman that the improved relations with Washington will not lead to a cooled-off friendship with the Soviet Union, as was the case in Egypt after the Kissinger - mediated cease - fire troop disengagement and with Israel.

The Syrian public's first reaction to the U.S.-Syrian detente appeared favorable, particularly after remarks by Mr. Nixon at a state banquet Saturday night that gained wide publicity.

"Of course we understand your concern . . . about such vital matters as the Palestinian question. and borders . . . The U.S. is now directly involved" in efforts for a peaceful settlement of these problems, Mr. Nixon told Assad.

This was the first time Mr. Nixon had expressed concern about the Palesttinians in the course of his five-day Middle East tour.

Associated Press