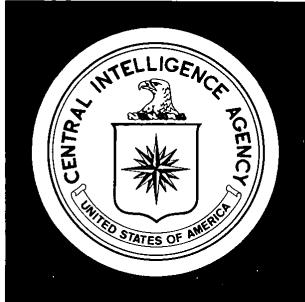


✓



The President's Daily Brief

November 1, 1976

2

~~Top Secret 25X1~~

Exempt from general
declassification schedule of E.O. 14176
exemption category 5B(1),E2),(3)
declassified only on approval of
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

November 1, 1976

Table of Contents

Italy: In a move that could ultimately lead to a weakening of the government's parliamentary support and to a vote of confidence, the Christian Democrats have rejected Communist chief Berlinguer's proposal for a more formal system of consultation with the Andreotti government. (Page 1)

Lebanon: The military commander of the Arab peacekeeping force has so far been unable to arrange a meeting among all parties to the conflict. (Page 2)

Syria-Iraq: Syria has halted its propaganda attacks on Egypt and the Palestinians and has intensified attacks on Iraq. (Page 3)

Notes: Rhodesia; USSR-Egypt; EC (Page 4)

LATE ITEM

CHINA: The US liaison office in Peking reports that wall posters have appeared in Shanghai naming Li Hsien-nien as premier and Yeh Chien-ying as chief of state. Similar posters preceded the appointment of new party secretaries in Shanghai.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

ITALY: Italy's Christian Democrats over the weekend rejected Communist chief Berlinguer's proposal for a more formal system of consultation with the Andreotti government.

The Christian Democrats decided instead to schedule a parliamentary debate on the government's austerity program. The vote on the program could become a vote of confidence on the government.

Last week Berlinguer termed the austerity program inadequate and proposed that economic policy be set by conferences involving the government, the Communists, and the other four parties that support Andreotti indirectly by abstaining in the parliament. The collegial approach suggested by Berlinguer would have replaced the government's practice of holding informal bilateral talks with these parties.

Three of the four other parties--the Socialists, the Social Democrats, and the Republicans--gave varying degrees of support to Berlinguer's idea. Only the small Liberal Party rejected it outright.

In ruling out Berlinguer's proposal, the Christian Democrats apparently chose to risk a weakening of their parliamentary support rather than give Berlinguer a concession that he might have used to edge closer to Communist membership in the government.

By keeping the Communists at arm's length, the Christian Democrats may have hindered Berlinguer's ability to deliver his party's co-operation in the enactment and implementation of a tough austerity program. Despite his critical stance, Berlinguer has generally supported the government's efforts, and the Communist unions have played a decisive role in keeping labor protests within manageable limits.

--continued

FOR THE PRESIDENT ONLY

There have recently been increasing signs of dissent in the Communist Party over Berlinguer's policy of cooperation with the government. If he fails to win further concessions from the Christian Democrats, the Communist leader may find it more difficult to counter influential critics who say that the party is getting little in return for cooperating with the Christian Democrats.

* * *

LEBANON: The military commander of the Arab peacekeeping force, Major General Ghunaym, tried to arrange a meeting yesterday among all parties to the Lebanese conflict, but right-wing Christian leaders refused to attend.

Ghunaym had hoped to win general agreement on a schedule for opening main roads, creating buffer zones, and deploying the Arab peacekeeping force.

Phalangist leader Pierre Jumayyil is publicly urging Christian support for the efforts of Lebanese President Sarkis to implement the latest cease-fire accords. National Liberal leader Camille Shamun, however, opposes the movement of peacekeeping forces into Christian-controlled areas and is threatening that the Christian militias will resume fighting if leftist and Palestinian forces do not withdraw from the mountains southeast of Beirut.

Leaders of the leftist groups that follow Kamal Jumblatt announced Friday night that they will not withdraw from areas they control unless the Christians pull back their forces. Neither will they allow the Arab peacekeeping force to move into leftist areas until the Christians permit entry into their strongholds.

--continued

FOR THE PRESIDENT ONLY

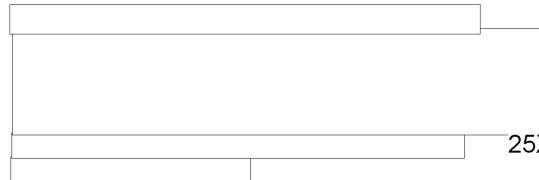


FOR THE PRESIDENT ONLY

25X1

So far, only the Palestinians appear to be withdrawing, and they are doing so in limited numbers to Beirut and to southern Lebanon.

25X1



25X1

Palestine Liberation Organization 25X1
chief Yasir Arafat has visited
six Arab capitals in the past week
in an effort to maintain his stand-
ing in the aftermath of his conces-
sions at the Riyadh and Cairo meet-
ings.

SYRIA-IRAQ: Syria has halted its propaganda attacks on Egypt and the Palestinians, following the latest reconciliation with Egypt, and has intensified attacks on Iraq.

Syrian media are portraying Iraq, which condemned the Riyadh accords, as isolated from the other Arabs on the Lebanon issue. This propa-
ganda is designed to induce other Arabs to urge Iraq to limit its disruptive activities in Lebanon and to prepare the way for blaming Baghdad should the present cease-
fire break down.

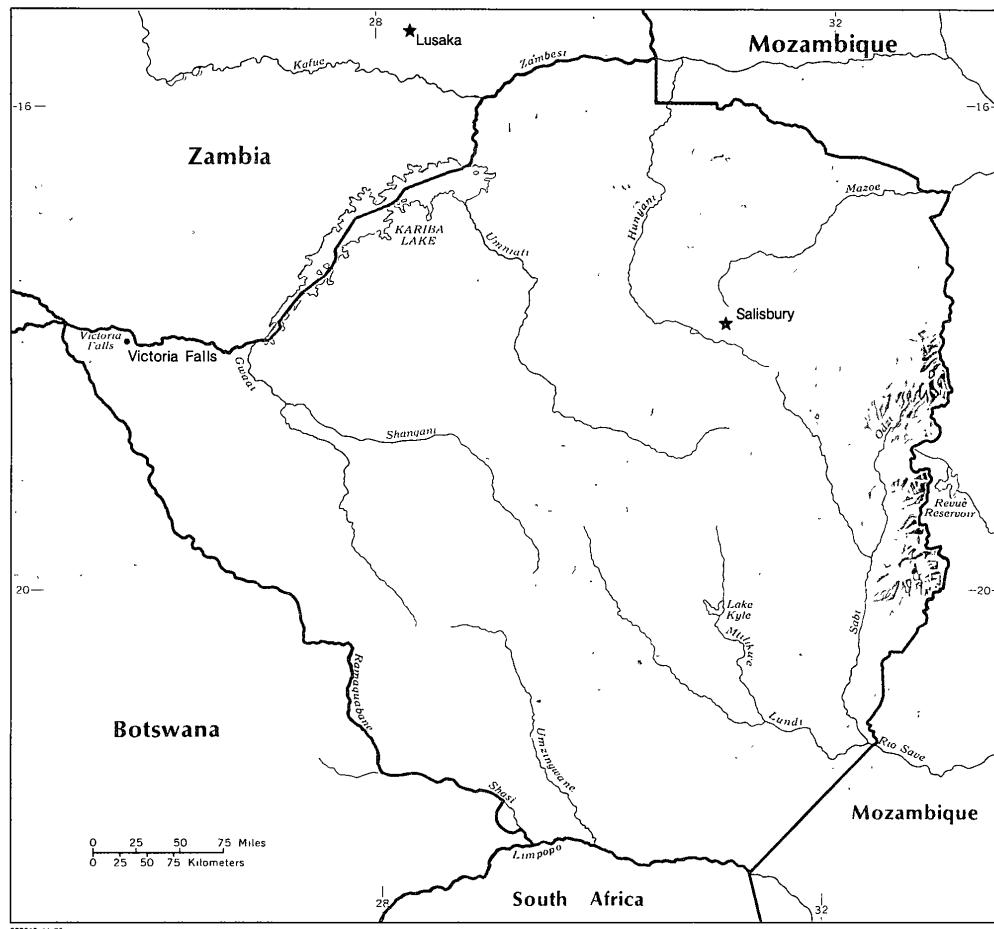
The Iraqis may now try to block implementation of the Cairo sum-
mit decisions by encouraging Pal-
estinian extremists and Lebanese leftists to renew their activity.

The Iraqis may also be tempted to try to intensify their campaign of terrorism in Syria. The capabil-
ity of Syrian security services to respond in kind against Iraq, how-
ever, may persuade Baghdad against such action.

* * *

--continued

Rhodesia



620612 11-76

FOR THE PRESIDENT ONLY

NOTES

* The attack by Rhodesian insurgents on a tourist hotel near Victoria Falls on the night of October 30 points up the increasing capability of the guerrillas to operate in all sectors of Rhodesia.

The attack, which occurred near the border, was probably staged out of Zambia. Most insurgent activity heretofore has been along the border with Mozambique where the bulk of the guerrillas are based.

25X1

The guerrillas presumably would regard an attack on a tourist hotel as particularly likely to attract international attention.

* * *

* Soviet Foreign Minister Gromyko and Egyptian Foreign Minister Fahmi will meet tomorrow or Wednesday in Sofia, Bulgaria.

This will be the first high-level meeting between officials of the two states since Cairo abrogated the Soviet-Egyptian friendship treaty last March.

* * *

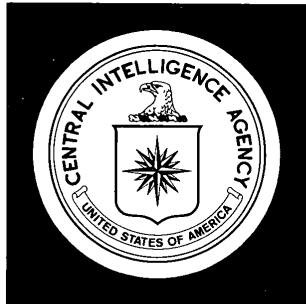
* EC foreign ministers, meeting in special session at The Hague on Saturday, agreed to declare a 200-mile fishing zone effective January 1.

The decision clears the way for the EC Commission to begin negotiations on fishing agreements with third countries--most notably Iceland, Norway, Canada, and the US, each of which already has or plans shortly to establish its own 200-mile zone.

Negotiations with Iceland should start next week. The UK's bilateral fishing agreement with Iceland, which ended the cod war, expires on November 30, and the Commission wants to begin discussions on a follow-up accord.

Top Secret

✓



The President's Daily Brief

November 2, 1976

[Redacted]

2
Top Secret 25X1

Exempt from general
declassification schedule of F.O. 11652
exemption category 5B(1),(2),(3)
declassified only on approval of
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

November 2, 1976

Table of Contents

China: A Chinese Foreign Ministry spokesman yesterday denied that various high-level Chinese officials had been promoted as earlier reported. (Page 1)

USSR:

25X1

Notes: USSR-China; USSR; USSR-Yugoslavia; South Africa; Iran; Burundi (Pages 3, 4, and 5)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

CHINA: A Chinese Foreign Ministry spokesman yesterday denied claims that Li Hsien-nien had been named as premier, Yeh Chien-ying as chairman of the National People's Congress, and Chen Hsi-lien as defense minister.

Word of the promotions reported^{125X1} appeared in wall posters in Shanghai but we have had no eyewitness account of the alleged posters.

[Redacted] There are no indications that similar posters have appeared elsewhere in China.

25X1

The Foreign Ministry spokesman said that Hua Kuo-feng is still premier, Yeh Chien-ying remains minister of defense, and the de facto head-of-state job is still open. Li Hsien-nien was publicly identified as vice premier during a public appearance yesterday.

* * *

25X1

25X1

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY



* * *

--continued

FOR THE PRESIDENT ONLY

25X1

FOR THE PRESIDENT ONLY

NOTES

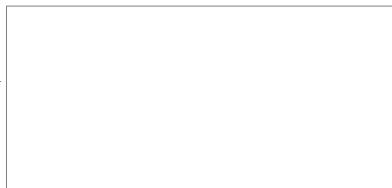
- Soviet Journalist Victor Louis has published a second article in France-Soir implying that the Chinese are moving in the direction the Soviets want and that there is no need for any Soviet action against China.

Louis appears to be trying to undo the damage caused by the article he wrote on October 14 in which he said the Chinese must respond within a month to Soviet gestures for better relations.

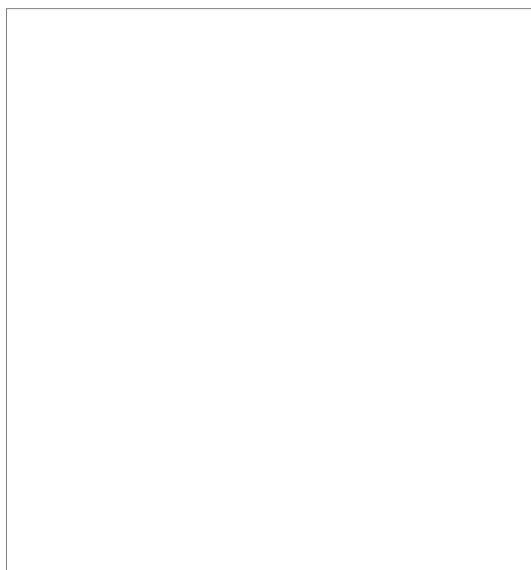
Louis asserted in his most recent article that although it had been less than a month since Mao's death, certain changes in Chinese behavior along the border augur well for Sino-Soviet relations.

We have detected no change in Chinese propaganda broadcasts to the USSR, and a considerable body of evidence suggests that there has been absolutely no change in the behavior of either side along the border rivers.

* * *



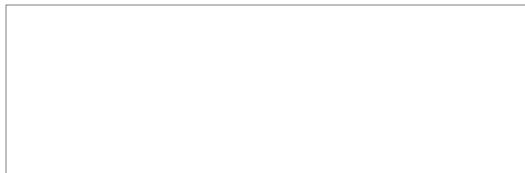
25X1



25X1

--continued

FOR THE PRESIDENT ONLY



25X1

* * *

Soviet party Chief Brezhnev will visit Yugoslavia in mid-November, according to an announcement from Moscow.

Belgrade will expect Brezhnev to reaffirm past Soviet promises to respect Yugoslav independence and to treat the Yugoslav party as an autonomous co-equal. Brezhnev probably will express Soviet interest in increased use of Yugoslav naval facilities in the Adriatic.

* * *

Only a small minority of the black industrial workers in the Johannesburg area of South Africa appears to be heeding the call for a five-day strike.

Although the strike was supposed to begin yesterday, employers have reported only scattered absenteeism—not enough to lower production significantly.

It is not yet clear why participation in the current strike is far below the roughly 75-percent level that was maintained during a three-day strike in September. Workers appear to be concerned about losing their pay, because of clear warnings from employers that strikers would be docked for absenteeism.

--continued

FOR THE PRESIDENT ONLY

* * *

Iran has canceled its multi-billion dollar liquefied natural gas project involving El Paso Natural Gas and a consortium of European countries.

All parties probably were satisfied to see plans for the project terminated. Inflation has eroded the companies' anticipated profits and projected capital investment had risen considerably. Iranian officials now believe that use of the gas for reinjection, domestic household needs, and firing projected steel mills will be more profitable than exports.

* * *

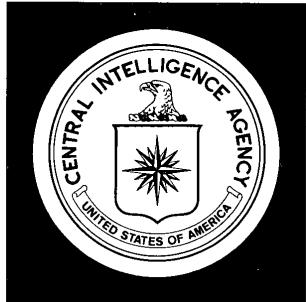
Burundi President Micombero and Chief of Staff General Ndabemeye were ousted yesterday in a military coup, according to the US embassy in Bujumbura.

The embassy's tentative view is that most of the officer corps probably jointly planned a peaceful takeover when the senior officers became fed up with Micombero's [redacted] absenteeism, and general misrule and by the scope of corruption.

25X1

FOR THE PRESIDENT ONLY

Top Secret



The President's Daily Brief

November 3, 1976

[Redacted]

2
Top Secret 25X1

Exempt from general
declassification schedule of E.O. 11652
exemption category 5B(1),(2),(3)
declassified only on approval of
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

*

November 3, 1976

Table of Contents

China: The Chinese leadership yesterday issued an "announcement" designed to reassure both domestic and foreign audiences that there will be no sudden break in Chinese policies at home or abroad. (Page 1)

Lebanon: President Sarkis and Christian leaders reportedly agreed yesterday on a plan for policing the cease-fire, but leftists are likely to object to it. (Page 2)

Rhodesia-Mozambique: [redacted]

[redacted] (Page 4)

25X1

Notes: UK; Panama; India; Burundi; North Korea (Pages 5, 6, and 7)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

CHINA: *The Chinese leadership yesterday issued an "announcement" designed to reassure both domestic and foreign audiences that there will be no sudden break in Chinese policies at home or abroad.*

The "announcement"--an unusual form of communication--is the regime's first authoritative pronouncement on domestic and international affairs. Issued in the name of the party Central Committee, the standing committee of the National People's Congress (the Chinese legislative body), the state council and the party's military affairs commission, the statement is ostensibly a message of thanks to foreign individuals and organizations which offered expressions of sympathy to China on the passing of Mao Tse-tung.

On the domestic front the "announcement" may be meant to reassure those in China who sympathized with the ideological position of the fallen leftists that, despite the fact that the current Chinese leadership is now composed of "centrist" and rightist civilians and of important military men, the Maoist vision of a revolutionary society will not be abandoned. Perhaps significantly, there is no reference to the need to preserve "new socialist things," a catch-phrase used by the deposed leftists to emphasize the policies and organizational forms spawned by the Cultural Revolution, nor is there any mention of the leftist-inspired campaign to criticize former vice premier Teng Hsiao-ping.

In the international sphere, the statement stresses that China's current foreign policy was "personally laid down" by the late Chairman and strongly implies that this policy is immutable.

This section seems designed to put to rest speculation that Chinese policy toward the Soviet Union is subject to change now that Mao is dead and the leftists have been eliminated from the leadership.

--continued

FOR THE PRESIDENT ONLY

The "announcement" also states that China will "unite with all the genuine Marxist-Leninist parties and organizations the world over and carry the struggle against modern revisionism"--read the USSR--"through to the end." This reference may in fact signal that Peking is prepared to resume its paternal relationship to the various so-called Marxist-Leninist groups that Peking organized in the early 1960s as a means of countering Soviet international influence. In 1971 China largely abandoned its position of patron to these non-ruling parties, recognizing that they were for the most part ineffective and perhaps more trouble than they were worth.

If the new Chinese statement does in fact mean a reassessment of the usefulness of these groups, it suggests that the current Chinese leadership may remain somewhat skeptical as to the degree China can rely on the US connection to offset what it sees as worldwide Soviet pressures against Peking. Signs of such skepticism were apparent in the autumn of 1975 and again last summer, when the leftist leaders still retained power.

* * *

LEBANON: President Sarkis and Christian leaders reportedly agreed yesterday on a plan that would allow Christian soldiers from the regular Lebanese army to serve in the Arab League peace-keeping force and to patrol the Christian side of the major confrontation lines.

The plan is intended to appease Christian militia leaders who oppose the movement of Muslim peace-keeping troops into Christian territory. Arab League mediator Hasan Sabri al-Khuli refused to reveal specifics of the plan to the press or the number of regular army troops that will participate in the deterrent force.



--continued

FOR THE PRESIDENT ONLY



The Christian contingent would presumably be directly responsible to Sarkis rather than to other Christian leaders and would be drawn from those who have had the least involvement in the conflict.

25X1

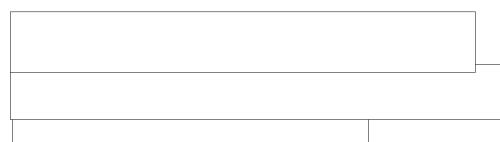
Leftist chief Kamal Jumblatt and Muslim leaders will object strongly to any arrangement that subjects them to policing by the Syrians and other Arabs while the Christians, in effect, monitor themselves.

Militants like Jumblatt will almost certainly accuse Sarkis of caving into the demands of his fellow Christians, and they may try to use the issue as a pretext for breaking their already tenuous commitment to the cease-fire. The Beirut press speculated yesterday that some Lebanese Muslim forces might be allowed to join the peace-keeping force to create the appearance of evenhandedness.

The Saudi and Sudanese contingents that will augment the Arab League force reportedly arrived in Damascus on Monday, and some of their troops may have reached Lebanon yesterday.



25X1



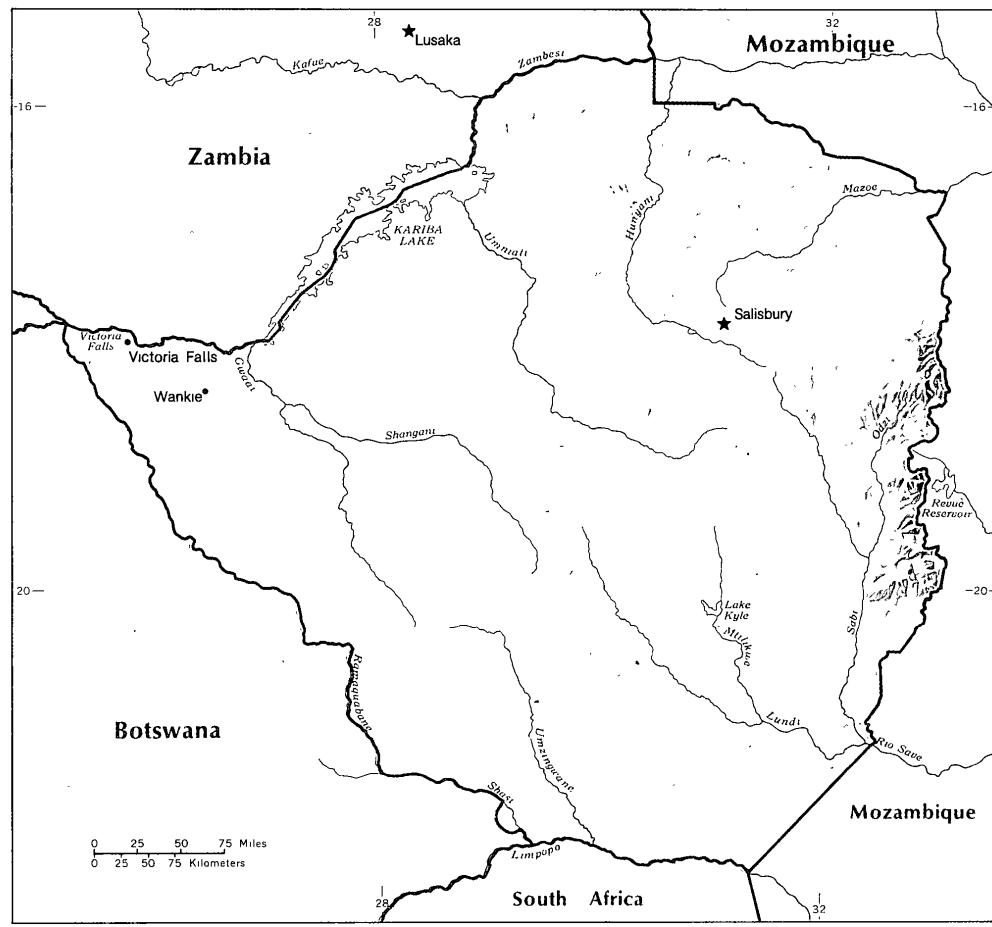
25X1

* * *

--continued

FOR THE PRESIDENT ONLY

Rhodesia



FOR THE PRESIDENT ONLY

25X1

25X1

◆ RHODESIA-MOZAMBIQUE:



25X1

On Monday night, a small band of guerrillas attacked a hotel in Wankie, according to a government communique, killing one black civilian and wounding two others. This was the second attack on a hotel in western Rhodesia in three days.



25X1

[redacted] figures released by the Salisbury government indicate that casualties on both sides were unusually high last month.

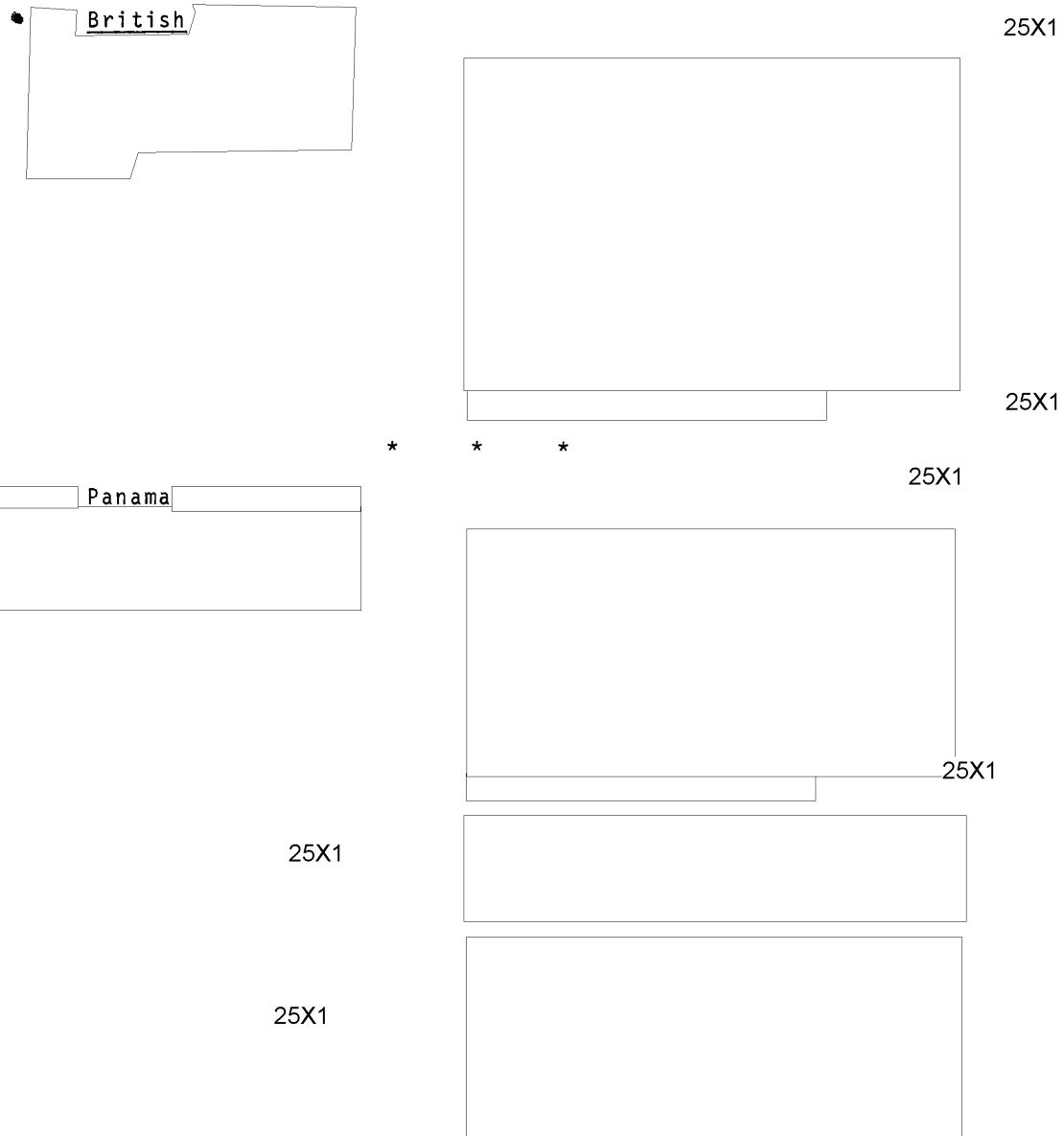
* * *

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NOTES



--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY



25X1

* * *

■ Indian Prime Minister
Indira Gandhi's government yesterday was formally given broad new powers by the lower house of parliament.

A new constitutional amendment unequivocally establishes the prime minister as the supreme authority in the government and incorporates a number of repressive measures that have been in effect since Gandhi imposed a national emergency in June 1975. The amendment curtails the power of the judiciary to challenge legislative and executive actions and to safeguard civil liberties. Gandhi is authorized to make additional constitutional changes during the next two years to remove any "difficulties" that stand in the way of implementing the new amendment.

The upper house and at least half the 22 state governments must also agree to the amendment, but the Congress Party's majority in the upper house and its control of most state governments make these steps largely a formality.

* * *

■ The Burundi armed forces have reportedly established a 29-man Supreme Revolutionary Council, assisted by an executive committee, to run the country following the ouster of President Micombero and his government on Monday.

The council is headed by Colonel Jean Bagaza, who apparently led the coup.

US observers have considered Colonel Bagaza friendly but of modest ability. He has served as deputy chief of staff since 1972 and reportedly is a cousin of the deposed president.

--continued

FOR THE PRESIDENT ONLY

* * *

North Korea continues to increase its fleet of attack submarines, which now totals 14 with at least 10 of them operational. Four more are believed to be under construction.

The submarines provide the North Koreans with a limited but growing ability to intercept shipping off the Korean peninsula and add to their anti-submarine warfare and coastal defense capabilities.

The North Koreans, with Chinese help, are producing R-class submarines and have been given four W-class submarines by the USSR.

FOR THE PRESIDENT ONLY

Top Secret



The President's Daily Brief

November 4, 1976

2

Top Secret 25X1

Exempt from general
declassification schedule of E.O. 11652
exemptive criteria (SP&I)(1)(2)
declassified only on approval of
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

November 4, 1976

Table of Contents

Lebanon: President Sarkis is expected to unveil and explain the blueprint for implementation of the Riyadh agreement before the end of the week. (Page 1)

Iraq-Syria: Iraq's recent closure of its border with Syria and withdrawal of its ambassador from Syria are the latest expressions of Baghdad's frustration over the Cairo summit's legitimization of Syria's role in Lebanon. (Page 2)

Angola: President Agostinho Neto's assumption of the functions of prime minister, combined with the announcement of a broad-ranging program of political and economic development, may have been a package put together to accommodate factional differences within the ruling Popular Movement. (Page 3)

Saudi Arabia [redacted]

[redacted] (Page 4)

25X1

Notes: Italy; USSR-US; USSR-Peru (Pages 6 and 7)

FOR THE PRESIDENT ONLY



FOR THE PRESIDENT ONLY

LEBANON: President Sar-kis is expected to un-veil and explain the blueprint for implemen-tation of the Riyadh agreement before the end of the week.

The original timetable drawn up at the Riyadh summit called for an expanded Arab League peace-keeping force to be assembled in Lebanon by tomorrow. The pro-longed negotiations over how the forces should be deployed and the slow dispatch of additional peace-keeping troops will cause some de-lay.

Troop movements from Syria to Leb-anon early this week apparently involved only Syrian forces. The 25X1 Saudi and Sudanese contingents for the force have not yet arrived.

Unusually optimistic statements yesterday by both Phalanges leader Pierre Jumayyil and Christian ex-tremist Camille Shamun on the prospects for peace suggest that some sort of plan to incorporate soldiers from the regular Lebanese army in the League force has been adopted.

A senior Syrian mili-tary officer yesterday acknowledged that some Palestinians were mov-ing back into the Arqub and south Lebanon and that more would be going to these areas.

The officer implied that the Syrians were encouraging this movement and emphasized that the Cairo accords guarantee the Palestinians the right to operate from the Arqub. He stressed that because of the fall of several Palestinian camps many had no other place except the south to go.

There is no evidence yet that large numbers of Palestinians are moving

--continued

FOR THE PRESIDENT ONLY

southward. Some elements of the Palestine Liberation Army, which are thought to be under Syria's control, recently returned to southern Lebanon. It is possible that Syria intends to use these and its other Palestinian assets to help to control the activity of militant groups.

* * *

IRAQ-SYRIA: Iraq's closure of its border with Syria on Tuesday and the withdrawal of the Iraqi ambassador from Syria yesterday are the latest expressions of Baghdad's frustration over the Cairo summit's legitimization of Syria's role in Lebanon.



25X1

The timing of this activity could be a signal that Baghdad still is not prepared to accept, as have most other Arabs, Syria's dominant role in Lebanon.

There are signs, however, that the Iraqis are becoming uncomfortable with their isolated stance on Lebanon. An Iraqi broadcast on Tuesday, reporting a visit by an emissary of Lebanese President Sarkis, stressed that Iraq would work to restore peace in Lebanon and implied that it would contribute financially to Lebanon's reconstruction.

* * *

--continued

FOR THE PRESIDENT ONLY

ANGOLA: President Agostinho Neto is assuming the functions of prime minister, thereby officially taking on three roles--those of head of government, chief of state, and leader of the party. The change was announced in a long statement issued by the ruling Popular Movement that also set forth a broad-ranging program for Angola's political and economic development, to be pursued within the context of "scientific socialism."

The new program and Neto's entrenchment as Angola's paramount political figure may have constituted a package put together to accommodate factional differences within the Popular Movement. Some elements of the program differ considerably from policies that Neto earlier espoused. Possibly also having a bearing on the changes are a Soviet-Angolan "friendship treaty" and a party-to-party agreement signed by Neto last month in Moscow.

Neto has previously been identified with efforts to broaden Angola's economic and political ties with the West and to follow a policy of nonalignment. Although the Popular Movement's statement includes references to such policies, it places heavy stress on Angola's special relations with Moscow and Havana.

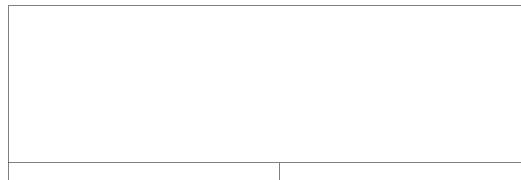
Until now, the Angolan government has appeared anxious to maintain access to Western markets and technology. The new program calls for strong state control over the economy through nationalization and centralized planning. Provision is made for a private sector, but one subject to strict controls.

The Popular Movement also approved a five-year plan for reorganizing and upgrading the country's armed forces. This will undoubtedly be carried out under Soviet and Cuban direction.

--continued

FOR THE PRESIDENT ONLY

The Popular Movement's announcement is not likely to sit well with some of Angola's neighbors, who were upset by the Soviet-Angolan friendship treaty.

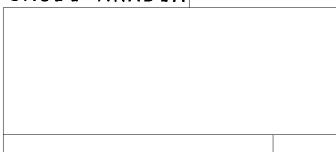


25X1

Zairian President Mobutu is likely to view Luanda's announcement as confirmation of his belief that Angola is a Soviet client.

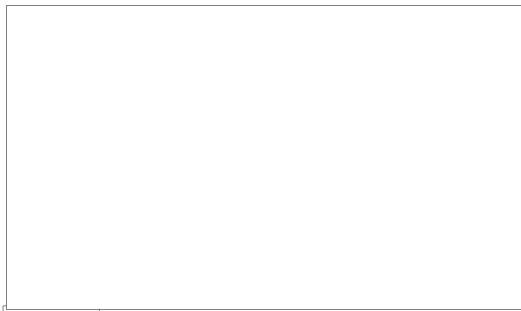
* * *

SAUDI ARABIA



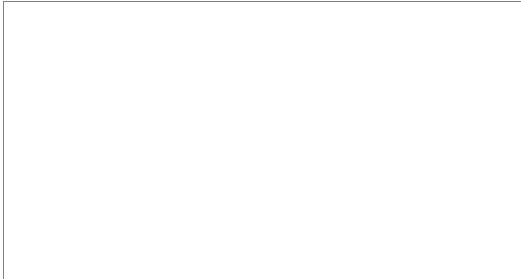
25X1

25X1

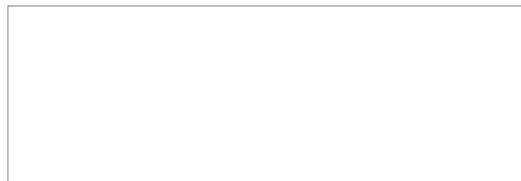


25X1

25X1



25X1



--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY



25X1

* * *

--continued

FOR THE PRESIDENT ONLY



FOR THE PRESIDENT ONLY

NOTES

Italian Prime Minister Andreotti has offered to meet formally with the Communists on a bilateral basis.

This concession was in response to a Communist Party proposal that all non-government parties, except the neo-fascists, participate in formal consultations on government policies. [redacted]

[redacted] 25X1

The new arrangement allows the Communists to bring home a victory of sorts to their rank and file, who continue to question whether the party is getting enough in return for its present cooperation with the government. The concession is not likely to satisfy the Communists for long.

* * *

Soviet [redacted]

[redacted] 25X1

[redacted]

[redacted] 25X1

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

25X1

* * *

Soviet [redacted]
[redacted]
Peru [redacted]

25X1

[redacted]

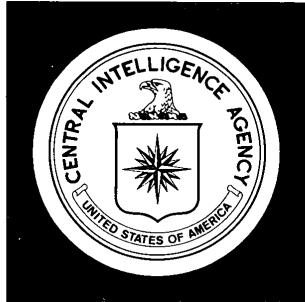
25X1

[redacted]

25X1

FOR THE PRESIDENT ONLY

Top Secret



✓

The President's Daily Brief

November 5, 1976

2

~~Top Secret 25X1~~

Exempt from general
declassification schedule of E.O. 13652
exemption category 5B(1),(2),(3)
declassified only on approval of
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

November 5, 1976

25X1

Table of Contents

25X1

25X1

Iran:

[Redacted] (Page 1)

25X1

Rhodesia:

[Redacted] (Page 2)

25X1

Mozambique-Rhodesia: The Machel government has reacted with restraint to attacks this week by Rhodesian security forces on guerrilla bases in Mozambique, apparently in an effort to avoid action that might damage chances for agreement in Geneva. (Page 3)

25X1

Japan: Deputy Prime Minister Fukuda's resignation virtually ensures an attempt to oust Prime Minister Miki next month. (Page 4)

25X1

25X1

Poland-USSR:

[Redacted] (Page 5)

25X1

USSR: The MIRV-equipped SS-18 ICBM may now be operational. (Page 6)

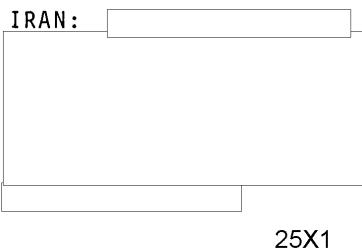
Notes: Lebanon; USSR-Egypt; Philippines (Pages 7 and 8)

FOR THE PRESIDENT ONLY

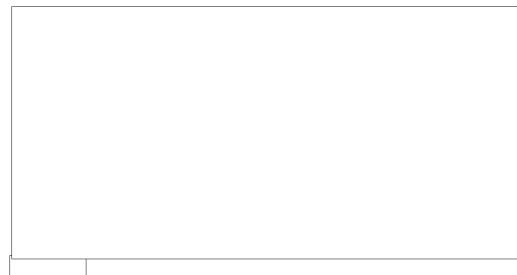
FOR THE PRESIDENT ONLY

25X1

25X1



25X1



25X1



25X1



25X1



25X1



25X1

* * *

--continued

FOR THE PRESIDENT ONLY

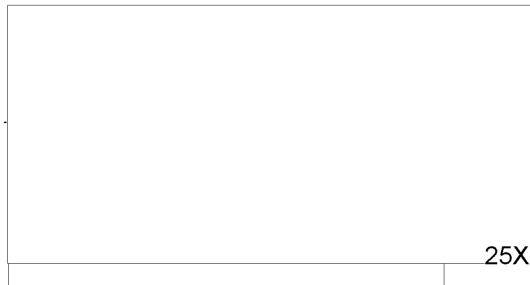
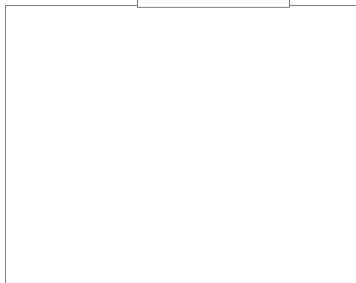
FOR THE PRESIDENT ONLY

25X1

25X1

25X1

RHODESIA



25X1

25X1



25X1

25X1



25X1

25X1



25X1

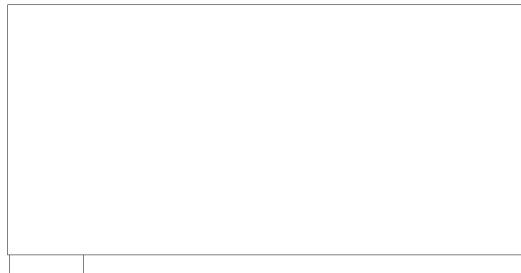
--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

25X1

25X1



25X1

* * *

MOZAMBIQUE-RHODESIA:
The Machel government has reacted with restraint to attacks this week by Rhodesian security forces on guerrilla bases in Mozambique, apparently in an effort to avoid action that might damage chances for agreement in Geneva.

Foreign Minister Chissano on Wednesday expressed concern over the situation to the diplomatic corps but did not appeal for military assistance, as Mozambique had done after earlier Rhodesian attacks.

Chissano met separately with the US ambassador and asserted that such raids are bound to "complicate" the negotiations in Geneva. He said he hoped the US would make that point to Rhodesian Prime Minister Smith.

Concern over the Rhodesian attacks apparently has led Machel to ask for a meeting of the "front-line" African presidents. Tanzanian President Nyerere and Zambian President Kaunda have agreed to meet with Machel on Saturday in Dar es Salaam. Angolan President Neto also is to be invited; Botswanan President Khama [redacted] apparently will not attend. 25X1

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

[redacted]
press reports
the Rhodesian op-
erations covered a
wider area than past
attacks in Mozambique,
and that the security
forces captured or de-
stroyed large quanti-
ties of arms and equip-
ment.

25X1

The Rhodesians penetrated up to 60 kilometers (38 miles) into Mozambique along a front stretching some 240 kilometers (150 miles). They say special precautions were taken to avoid civilians and Mozambican troops.

* * *

JAPAN: Deputy Prime Minister Fukuda's resignation today--reflecting his decision to move into open opposition to Prime Minister Miki--virtually ensures that the anti-Miki camp will make a serious effort to oust the Prime Minister following the lower house election next month.

Fukuda had been under considerable pressure to resign since last week. Then nearly two-thirds of the ruling Liberal Democratic Party's Diet members publicly endorsed Miki's removal--and Fukuda's installation as party president and prime minister. Anti-Miki leaders agreed to postpone such a direct challenge for the time being, however, because of sentiment in the party that the leadership issue should be resolved after the lower house election.

Fukuda has preferred all along that Miki be removed by negotiation rather than an open battle, and his refusal to confront the Prime Minister has caused problems in the anti-Miki ranks. At this point, however, Fukuda has little to lose by resigning.

The Diet has passed the required economic legislation this session--in part Fukuda's responsibility as director of the economic planning agency, from which he has also resigned--and in any case the entire cabinet must by law resign following the general election.

* * *

--continued

FOR THE PRESIDENT ONLY

POLAND-USSR: Polish party leader Gierek will visit the Soviet Union for one week beginning November 9.

The Poles need Soviet economic assistance, and the Soviets will use the trip to show the extent of their support for the current Polish leadership. Despite concern about Polish economic practices and the way in which the price increases in June were handled, Moscow has apparently decided to throw its weight behind Gierek. To do otherwise would risk further political instability in Poland.

Tensions within Poland remain high.

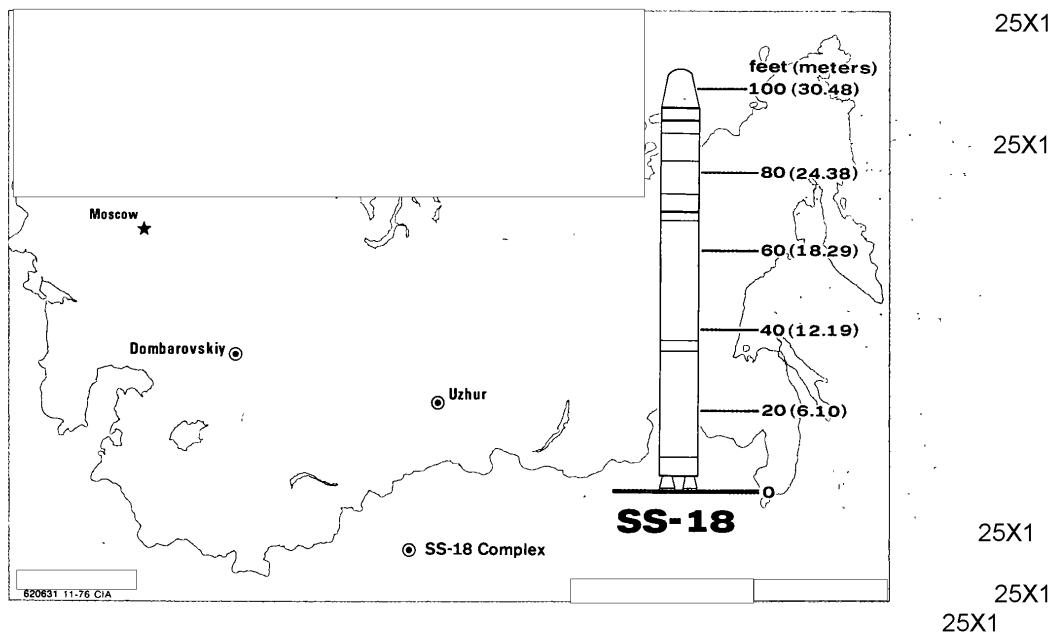
In late October, eight Western ambassadors in Warsaw in an assessment of the Polish domestic situation since the June riots said that the current "crisis" is more serious than the crises of 1956 and 1970 because:

- there is no visible alternative to the present leadership;
- there is a strong--even bitter--rejection of the regime by a broad, informal opposition, which embraces industrial workers, peasants, intellectuals, university students, the church, and reformist communists;
- the government is at an impasse and has failed to develop new policies.

The most dangerous time in the near term will come in the weeks before Christmas, when the Polish people traditionally stock up on food and other goods. The government normally reserves sufficient quantities of meat for the occasion and is expected to try to do the same this year.

* * *

--continued



FOR THE PRESIDENT ONLY

USSR: The MIRV-equipped SS-18 ICBM may now be operational. This version of the SS-18 is the Soviet's largest MIRV missile and has been tested with as many as 10 re-entry vehicles.

The Soviets appear to have completed the conversion of two more groups of SS-9 silos for the SS-18. Each of these groups contains six silos; at one location the Soviets late last year apparently began stockpiling warheads used with MIRV systems. No warhead canisters of any type have been observed at the location of the other group.

The Soviets now have 48 operational SS-18 launchers and are working on 86 more. The conversion program probably will be completed in 1980, giving them 308 operational SS-18 launchers. Most of these launchers will probably be equipped with the MIRV version of the SS-18.

The MIRV-equipped SS-18 has been tested with varying numbers of re-entry vehicles. On most of its early test flights it carried eight re-entry vehicles--four large and four small. Since mid-1975 most of the missiles have carried 10 of the smaller re-entry vehicles. Both the eight- and ten-re-entry vehicle types have been tested extensively, suggesting that both will be fielded.

* * *

--continued

FOR THE PRESIDENT ONLY

NOTES

Lebanese President Sar-kis has named one of his closest advisers to be the commander of the Arab League peace-keeping force.

The announcement of Colonel Ahmad al-Haj's appointment gave no new information on when additional peace-keeping troops will arrive in Lebanon or how they will be deployed.

Rival Lebanese factions in Beirut have been regularly violating the cease-fire during the past 48 hours; however, the truce is holding in all other parts of the country.

* * *

Soviet Foreign Minister Gromyko and Egyptian Foreign Minister Fahmi agreed to continue discussions on bilateral issues following their talks Wednesday and yesterday in Sofia, Bulgaria.

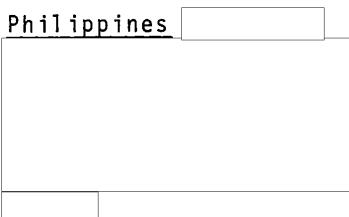
The decision to continue talking is all that can be expected at this stage of the Soviet-Egyptian impasse.

The next opportunities for such exchanges will be when a Soviet trade delegation arrives in Cairo later this month and a Soviet official at the UN goes to Egypt for talks in December. 25X1

* * *

25X1

25X1



25X1

Renegotiation of the US military bases agreement began last April 25X1 at the Philippines' request.

--continued

FOR THE PRESIDENT ONLY

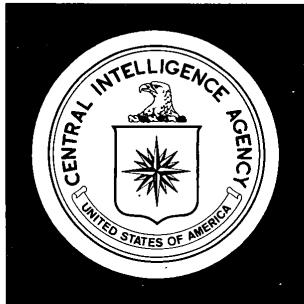
FOR THE PRESIDENT ONLY

Agreement was reached on some points, but when the talks were informally recessed in mid-August, major issues were left unresolved.

A basic problem is the amount of military aid the Philippines wants in return for continued US use of the bases. Another is Manila's request for increased controls over the US bases. Marcos has admitted that the Philippines has devised no formula for Philippine sovereignty over the bases without impinging on US military operations.

Top Secret

✓



The President's Daily Brief

November 6, 1976

[Redacted]

2
Top Secret 25X1

Exempt from general
declassification schedule of E.O. 14176
exemption category 5B(1),(2),(3)
declassified only on approval of
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

November 6, 1976

Table of Contents

Rhodesia:

[Redacted] (Page 1)

25X1

Lebanon: The Christians, particularly the faction led by extremist Camille Shamun, and the Palestinians are still opposed to the intended role and the commander of the Arab League security force. (Page 2) 25X1

China:

[Redacted] (Page 4)

USSR: Photography shows that the Soviets have completed converting all of the 120 SS-11 silos at the Derazhnya and Pervomaysk complexes to SS-19 silos. Recent analysis suggests that the MIRV-equipped SS-19 ICBM is now installed in only half of the silos. (Page 4)

Notes:

[Redacted] OPEC; China (Pages 6 and 7)

25X1

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

25X1

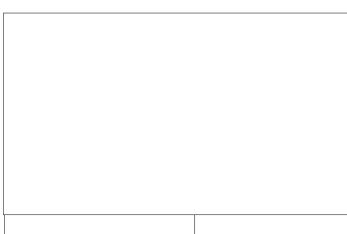
RHODESIA

Press reports indicate that ZANU military leader Josiah Tongogara and nine other members of Mugabe's delegation left last night for Mozambique. Tongogara reportedly asserted that Mugabe also would be leaving. According to one press report, Mugabe intends to return to Geneva after consultations with ZANU military leaders in the field.

25X1

25X1

25X1



25X1

--continued

FOR THE PRESIDENT ONLY



FOR THE PRESIDENT ONLY



25X1



25X1

* * *

LEBANON: *Bickering over the intended role and the commander of the Arab League security force for Lebanon continues.*

Phalanges Party leaders are prepared to agree to the stationing of League forces in east Beirut, but the more extreme Christian faction led by Camille Shamun is apparently still refusing to consider any but Christian forces to patrol Christian areas. Shamun is insisting that non-Christian troops are needed only where fighting is continuing. He contends that Christian areas are quiet and need no outside policing.

25X1



25X1

Much of Shamun's resistance to deployment of the League force in Christian areas can probably be attributed to his growing skepticism that continued reliance on the Syrians is in Christian interests.



25X1

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

25X1



25X1

President Sarkis' appointment of a Lebanese as commander of the Arab League force has drawn criticism.



The Palestinians have vehemently criticized the selection and are no doubt disturbed that the appointment of a Lebanese and his two Lebanese deputies will limit their ability to bring outside Arab pressure on the League force to go easy on the Palestinians.

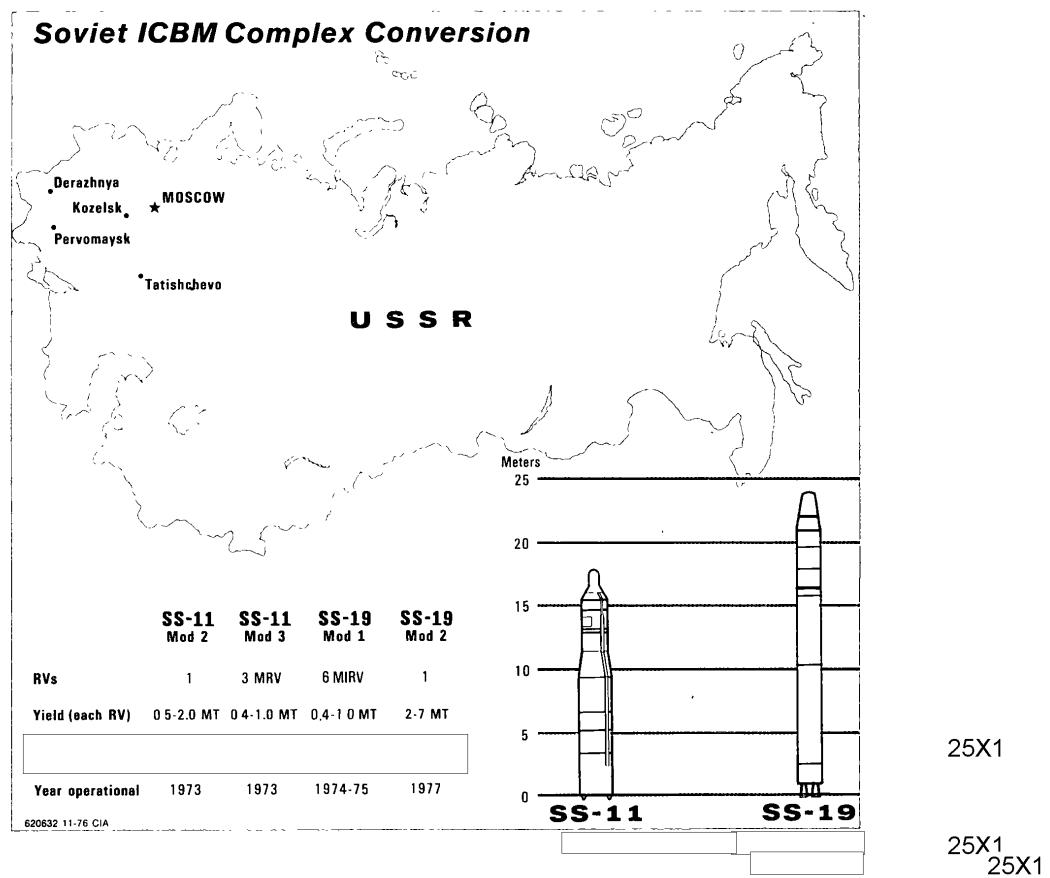
25X1

Occasionally heavy shelling in Beirut marred the cease-fire yesterday. There was a brief upsurge of fighting in southern Lebanon near the Israeli border. Christian forces reportedly shelled the town of Bint Jubayl, where the Palestinians have been under siege for the last two weeks.

* * *

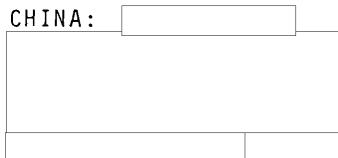
--continued

FOR THE PRESIDENT ONLY



FOR THE PRESIDENT ONLY

25X1



25X1



25X1

* * *

USSR: Photography shows that the Soviets have completed converting all of the 120 SS-11 silos at the Derazhnya and Pervomaysk complexes to the new SS-19 silos. Recent analysis suggests, however, that the MIRV-equipped SS-19 ICBM is now installed in only half of these silos; some form of the older, less capable SS-11 may be installed in the others.

All the SS-11 silos at Derazhnya and Pervomaysk--12 groups of 10 silos-- apparently have been rebuilt in the same way: the old SS-11 silo was completely dismantled and the SS-19 silo built in the resulting excavation. Although the silos are externally identical, there are buried communications antennas near each silo in six of the groups and no antennas near the silos in the other six groups.

The presence of the antennas suggests that the Soviets may have installed the SS-19 missile at those 60 launch sites with antennas, and

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

modifications of the SS-11 missile at the 60 launch sites that lack antennas.

During the Strategic Arms Limitation Treaty negotiations, the Soviets have stated that fewer than half of the SS-19-type silos at Derazhnya and Pervomaysk contain missiles with MIRVs. They have implied that these two are the only ICBM complexes that do not have the new generation of missiles installed in all of the new-type silos.

SS-11 silos at the Tatishchevo and Kozelsk complexes are also being converted to the SS-19 type. Communications antennas are being built near these silos, and the SS-19 missile apparently will be installed in all of them.

* * *

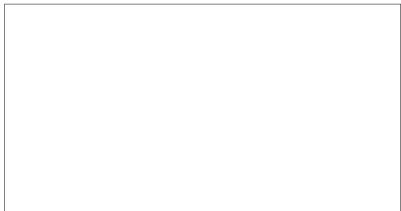
--continued



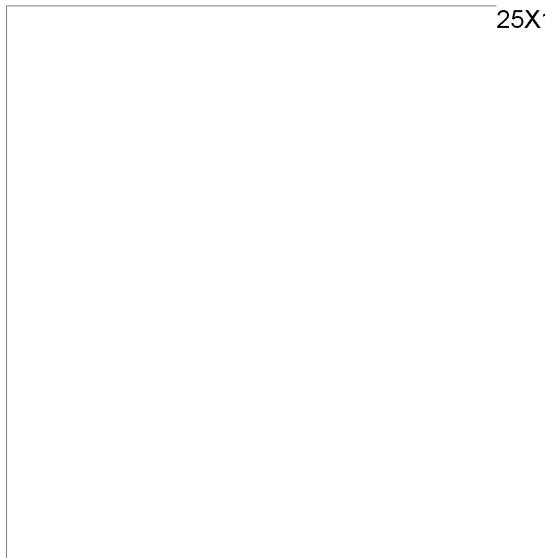
620632 1176

FOR THE PRESIDENT ONLY

NOTES



25X1



25X1

* * *

*The current chairman
of the OPEC conference
has confirmed that the
meeting of OPEC oil
ministers in Doha, Qatar
has been changed from
December 15 to 20.*

According to the chairman, the change is intended to avoid a scheduling conflict with the Conference on International Economic Cooperation ministerial meeting in Paris, set to open on December 15. The rescheduling will serve two purposes for OPEC--it will temper CIEC debate on the expected oil price rise, and it will give OPEC members a chance to assess concessions by the industrialized countries of CIEC before making a final decision on a new oil price level.

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

* * *

Tang-shan, China, devastated by an earthquake last summer, is rapidly being reconstructed.

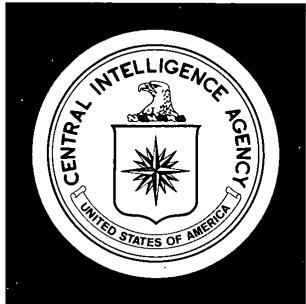
Despite the massive recovery effort, it will be at least mid-1977 before coal, electric power, steel, and transport facilities in Tang-shan are restored to full operation.

Reconstruction of the two heavily damaged power plants in the area apparently has priority, and a considerable number of repairs have been made at the iron and steel plant. The Chinese also appear to have repaired the petroleum pipeline connecting the Taching oil fields with Peking.

FOR THE PRESIDENT ONLY

Top Secret

✓



The President's Daily Brief

November 9, 1976

2

~~Top Secret 25X1~~

Exempt from general
declassification schedule of E.O. 11652
exemption category 3 (b) (7)(D)
declassified only on approval of
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

25X1

November 9, 1976

Table of Contents

25X1

<u>OPEC:</u>	[redacted]	(Page 1)	25X1
<u>Lebanon:</u> Syrian troops yesterday moved into the Mount Lebanon area in their first steps to enforce the cease-fire.	[redacted]	25X1	
	(Page 1)	25X1	
<u>France-Pakistan:</u>	[redacted]		25X1
	[redacted]		
	(Page 2)		
<u>West Germany</u>	[redacted]	25X1	
	[redacted]	(Page 3)	25X1
<u>South Korea:</u> The mood of President Pak's government recently has shifted from buoyant optimism to some concern over the immediate prospects for US-Korean relations.	[redacted]	25X1	
	(Page 4)		
<u>Notes:</u> Iraq; Greece-NATO; Saudi Arabia - Jordan	[redacted]	(Pages 5 and 6)	

FOR THE PRESIDENT ONLY



620645 11-76

FOR THE PRESIDENT ONLY

25X1

25X1

25X1

OPEC: [redacted]
[redacted]
[redacted] 25X1

[redacted]
[redacted]

25X1

[redacted]

25X1

25X1

25X1

[redacted]

25X1

* * *

LEBANON: Syrian troops, in their role as a contingent of the Arab League peacekeeping force, yesterday moved into two Christian-controlled villages in the Mount Lebanon area and took up positions near the leftist-held town of Alayh in their first steps to enforce the cease-fire agreed to last month.

[redacted]

25X1

[redacted]

25X1

25X1

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

25X1



25X1



25X1



25X1



25X1

25X1

Christian troops reportedly have already begun to withdraw from mountain areas. If Syrian efforts to enforce the cease-fire are successful, the Christians will pull back from contested areas along the Beirut confrontation line.

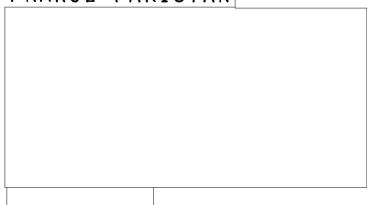
*

*

25X1

25X1

FRANCE-PAKISTAN



25X1



25X1



25X1



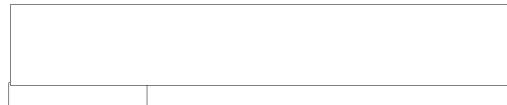
25X1

25X1

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY



25X1



25X1

25X1

25X1



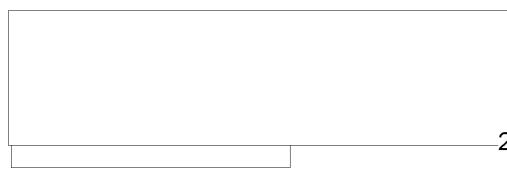
25X1



25X1

25X1

25X1



25X1

25X1



25X1

25X1

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY



25X1

25X1

* * *

SOUTH KOREA: *The mood of President Pak's government has shifted in the past month or so from buoyant optimism to some concern over the immediate prospects for US-Korean relations.*

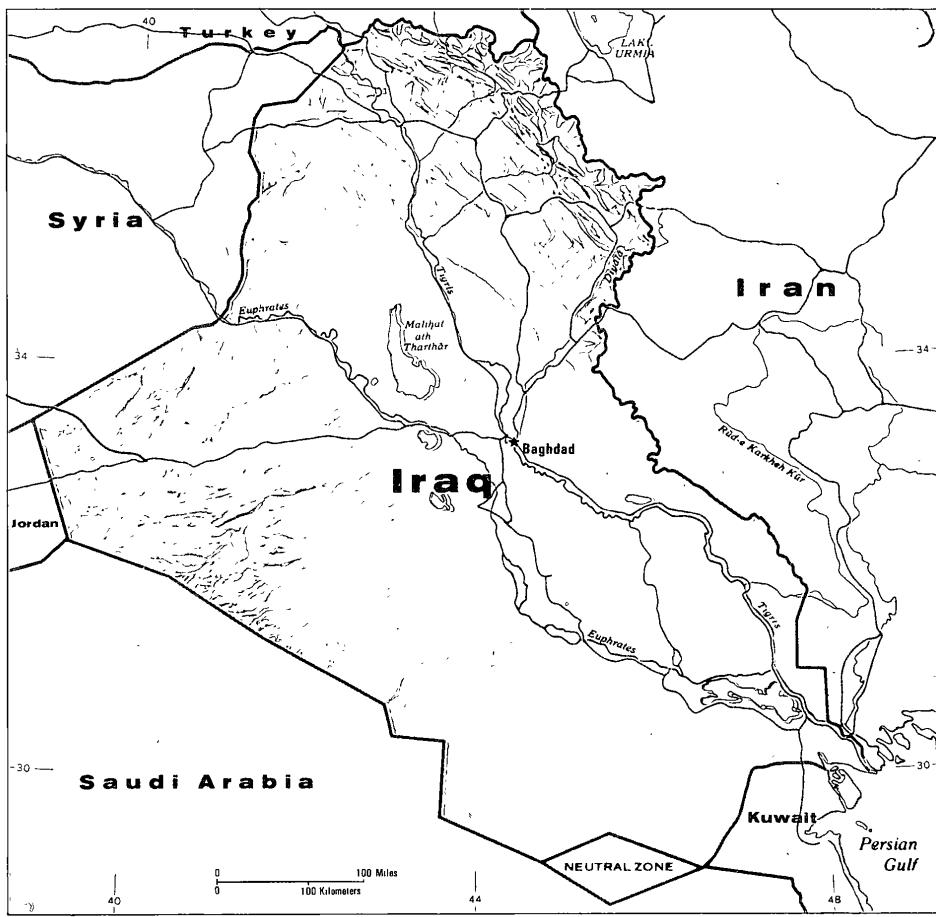
The US embassy comments that Seoul's greater confidence earlier this fall was based on at least four factors: a greater sense of security resulting from the outcome of the Panmunjom incident; the economic boom--South Korea's exports are up over 60 percent and the growth rate for the year is likely to be about 15 percent; North Korea's international setbacks--including the withdrawal of its UN resolution, defaulting on foreign debts, and the smuggling scandals in Scandinavia; and the dormant political opposition in Seoul.

This bright picture, from Pak's standpoint, has been clouded by apprehension that allegations of improper South Korean activities in the US will affect relations with the US. Pak has been particularly angered by reports linking him personally to alleged improprieties in the US and by allegations that South Korea is a target of US intelligence.

The government's uneasiness has been further increased by uncertainties about the policies of president-elect Carter. The government-controlled press is emphasizing, however, that the common security interests of the US and South Korea will prevent any sudden shifts in US policy.

* * *

--continued



FOR THE PRESIDENT ONLY

NOTES *

Kurdish guerrilla activity in northern Iraq appears to be picking up momentum.

The present, limited Kurdish insurgency is the work of the leftist Kurdish Democratic Union, based in the border area of northeastern Syria, and does not involve followers of Mulla Mustafa Barzani whose rebellion collapsed in March 1975. The increase in Kurdish activity over the past few months suggests that it may have been stimulated by Syria in retaliation for Iraq's military buildup in the border area last June.

Iraq has dispatched some 20,000 regular troops to the north to deal with the 20- to 50-man guerrilla bands and to seal the Syrian border from further infiltration of rebels. Fragmentary reporting suggests that the guerrillas total no more than 1,000.

* * *

Greece has notified NATO that it is ready to return at least some of its nuclear-trained forces to allied command.

While the decision represents a significant step toward returning Greek forces to NATO's integrated military structure, a clarification of Greece's status must await the outcome of negotiations.

The terms the Greeks have proposed for the recommitment of their air defense forces are more limited and qualified than those for similar forces of other allies. Some air defense units may have been omitted entirely. Greece apparently intends to insist on preserving its freedom of action in order to be able to deploy its forces to meet a potential threat from Turkey.

--continued

FOR THE PRESIDENT ONLY

* * *

Saudi Arabia is reportedly pulling its 5,600 troops out of Jordan, as planned several months ago.

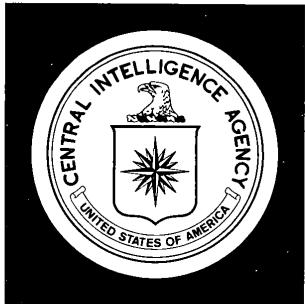
The Saudis are reported to have informed the Jordanian government in July of the decision to withdraw the troops.

Both countries are publicly treating the Saudi pullout as part of Riyadh's plans to modernize its forces with Western equipment, although much of this equipment will not be available for some time. The US embassy in Jidda believes that Saudi Arabia may simply no longer see the need to station a token force in the confrontation area to demonstrate its leadership in the Arab world.

Last month, the Saudis withdrew some 5,900 men from Syria that had been stationed there since the October 1973 war. A small contingent of Saudi troops remains in Syria to support the 200-man Saudi peacekeeping force in Lebanon.

Top Secret

✓



The President's Daily Brief

November 10, 1976

[Redacted]

2
Top Secret 25X1

Exempt from general
declassification schedule of E.O. 13652
except as may be required by (1)(2), (3)
declassified only on approval of
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

November 10, 1976

Table of Contents

China-Thailand: [redacted]

[redacted] (Page 1)

25X1

Notes: South Korea; USSR; Egypt; Zambia-Rhodesia; Namibia;
Yugoslavia-USSR; Lebanon (Pages 2, 3, 4, and 5)

At Annex we present the Key Judgments of the National Intelligence
Estimate, "Soviet Military Policy in The Third World."

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

25X1

CHINA-THAILAND:



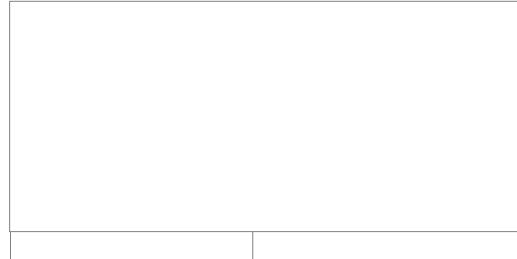
25X1



25X1



25X1



* * *

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NOTES

25X1

South Korea



25X1

* * *

Soviet General Secretary Brezhnev displayed his continuing interest in progress in USSR-US relations during the dinner last night for visiting Polish party chief Gierek.

Brezhnev said that Moscow considers the adoption of specific and effective measures to curb the arms race as essential and realistic. He expressed the hope that now that the elections in West Germany and the US are over, the USSR could count on more interaction in solving major bilateral and international problems.

* * *

The Egyptian cabinet shuffle announced yesterday may help to strengthen the management of Egypt's shaky economy.

Long-time Egyptian economist Abdul Munim Qaysuni was given the newly created post of deputy prime minister for financial and economic affairs--a portfolio that will give him overall supervision of the ministries dealing with economic matters. Two close associates of Qaysuni have been named to head the ministries of economy and finance. Qaysuni's reputation as a capable economist may help to attract some of the reputable economists who had left government service in frustration over political restrictions or economic mismanagement.

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

* * *

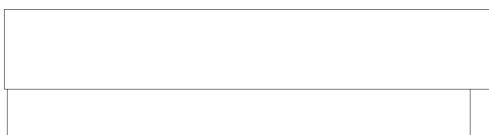
25X1



25X1



25X1



25X1

* * *

The latest session of the multiracial Namibian constitutional conference that began this week in Windhoek, the territorial capital, will consider a resolution calling for the establishment of a multiracial interim government to manage the transition from the present territorial administration to an independent government.

A target date for independence proposed by the constitutional committee is December 31, 1978.

South Africa's goal for Namibia apparently is a loose federal system that would permit the whites--who comprise 12 percent of the population--to control the area's mineral resources. Non-white delegations, on the other hand, want a central government--dominated by non-whites--to control natural resources.

Non-white delegates are likely to reject any interim arrangements that perpetuate existing ethnic

--continued

FOR THE PRESIDENT ONLY



FOR THE PRESIDENT ONLY

homelands unless a start is made toward setting up a central government responsive to the non-white majority.

South African Prime Minister Vorster has said his government will consider favorably any draft constitution or any interim recommendation that is adopted by a plenary session of the conference. So far, however, he has not clearly backed the one moderate member of the white delegation who has served as mediator between his hard-line colleagues and non-white delegates.

* * *

The Yugoslavs [redacted] to permit repair of some Soviet naval ships at the naval shipyard at Sibenik.

25X1

Soviet naval ships now officially use only the extensive and modern repair facilities at Tivat; access to the repair facility at Sibenik would eventually allow repair of more warships simultaneously.

The loss of access to the extensive repair facilities in Egypt last April prompted Moscow to increase efforts to gain expanded access to Yugoslav naval shipyards. The Yugoslavs probably would impose more restrictions than the Egyptians.

The Soviets want increased access to large shipyards in the Mediterranean primarily for submarine repair. Sibenik was last seen on satellite photography in 1975. Its primary repair facilities--both completed and under construction--could not accommodate the Soviet attack submarines used in the Mediterranean, although the facilities could be improved either by new Yugoslav construction or by sending a large Soviet drydock to the port.

--continued

FOR THE PRESIDENT ONLY

* * *

The deployment of the Arab security force in Beirut was delayed by procedural differences yesterday.

Syrian contingents of the security force preparing to enter the capital halted their advance east of the city while leaders of the large Christian militias conferred again with Lebanese President Sarkis. The talks are aimed at arranging a simultaneous entry of Syrian forces into Christian and Muslim quarters of the city.

* * *

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

A
N
X

USSR

We present here the Key Judgments of the National Intelligence Estimate, "Soviet Military Policy in The Third World."

The Soviets perceive the Third World as a primary arena for the USSR's competition with the West and with China. Existing political constellations and ongoing Soviet programs suggest the following area priorities:

- The Middle East will remain the major focus of Soviet military activities in the Third World. As long as Soviet relations with Egypt remain sour, Syria will continue to be the largest recipient of Soviet military aid in the area. Moscow will probably emphasize efforts in other Arab countries--Iraq, Libya, and Algeria.
- Southern Africa is the area of greatest current potential for the USSR. The Soviets will doubtless be alert to opportunities to exploit troubles there even though they will have little ability to control or even predict developments.
- In other areas, India, Somalia, and Cuba will continue to be the focal points of Soviet military policy. Moscow apparently intends to go on looking for new clients, but the Soviets do not seem to expect any major changes in Asia or Latin America in the immediate future.

As they have been expanding their activities in the Third World, the Soviets have seen a reduction in Western military presence and influence there. The Soviets have given their highest priority to areas of strategic importance such as the Middle East but have also taken advantage of opportunities to use their military activities to weaken the West in areas as far flung as Cuba and Angola. While the Soviets continue to support the spread of Communism, the ideology of potential clients has not generally hampered the development of a military relationship; pragmatism and opportunism will be the Soviet guide in seeking new military relations.

There are a number of factors which inhibit growth of Soviet military presence in the Third World:

--continued

A1

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

--The intense nationalism of most Third World countries makes them determined not to grant more than minimal use of facilities for Soviet forces.

--Regional powers have emerged which are loath to see any outside power play a dominant role.

--The Soviets are vulnerable to the vicissitudes of the Third World politics, changes in domestic regimes, and reversals in the attitudes of local leaders.

--The Soviets have been able to make only limited advances in competing with Western cultural, political, and economic influence.

--The continued presence of US and other Western military forces in the Third World remains an inhibition on Soviet military activities.

Despite major setbacks in Indonesia, Egypt, and the Sudan, the Soviets are convinced that their efforts in the Third World have significantly increased Moscow's prestige and influence in world affairs and have contributed to Soviet national security. The motivation of Moscow's military activity is an aspect of its overall competition with the West, expressed in the Third World in efforts to weaken Western military, economic, and political positions while strengthening those of the USSR. Competition with China in this same arena reinforces this motivation. Given Soviet persistence, it is extremely unlikely that any future setbacks would cause the USSR to reverse course.

To achieve their objectives the Soviets use a variety of military instruments in Third World countries. Military aid has been Moscow's principal instrument, and its use is likely to increase. Over the last ten years Moscow has signed some \$15 billion worth of arms agreements, and two thirds of that amount was negotiated in the last five years. The Soviets have little interest in reaching agreements to restrain arms deliveries. Their efforts to expand their influence rest so heavily on this instrument that they would regard restrictions on military aid as drastically curtailing their opportunities.

--continued

A2

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

In recent years, the Soviets have been exporting more of their latest and best conventional equipment. Air defense missiles and interceptors will continue to be among Moscow's best selling items. Increasingly sophisticated weapons will require Third World clients to rely more heavily on Moscow for spares, credits, and advisers to train local personnel.

The Soviets continue to regard insurgencies as instruments to advance their position, and will support such groups as the PLO and guerrilla movements in southern Africa. We believe that Moscow will probably continue to act more boldly than in years past in support of liberation movements. Moscow's confidence has been bolstered by its current perception of Western disinclination to counter Soviet activities in the Third World, its tested experience in supporting Cuban forces in Africa, and its improved military capabilities. Soviet aid, often small in absolute terms, can have a decisive effect in unstable situations such as Angola. Soviet-Cuban cooperation in supporting a national liberation movement there may be repeated if suitable opportunities arise, but only when both countries judge such activity to be in their interest.

The Soviets deploy military forces to the Third World--primarily naval and air--which share in potential wartime missions and perform a variety of political and military roles by demonstrating Soviet support to Third World countries. Barring serious long-term crises or other unusual circumstances, Soviet general purpose naval deployments will probably not increase greatly in numbers but will grow significantly in capabilities. But Soviet air deployments to distant areas will often require overflight and staging privileges which the USSR may find difficult and sometimes impossible to obtain.

As Moscow's military presence in distant areas has increased, Soviet needs for supporting facilities have risen. The Soviets will almost certainly continue to seek access to facilities primarily in the Mediterranean and to a lesser extent in West Africa and the Indian Ocean.

--In the Mediterranean, we believe that Soviet prospects for gaining access to facilities comparable to those they lost in Egypt are dim.

--continued

A3

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

--In the Atlantic, the Soviets probably hope to obtain port and air facilities in Angola as a hedge against further troubles in Guinea.

--Given the assets they have in Somalia, the Soviets have less pressing requirements for additional facilities in the Indian Ocean but will continue looking.

In Third World crises Soviet forces have been used to provide assistance to the USSR's clients. The most extensive recent effort was in Egypt in 1970 when the Soviets deployed, over a period of months, aircraft and surface-to-air missiles manned by Soviet pilots and missile crews operating under their own command and control network. The Soviets have also endeavored to inhibit possible US actions and provide a visible symbol of Soviet support by interpositioning naval forces. Nevertheless, Moscow will be careful to avoid actions which risk precipitating a direct military confrontation with the US.

The Soviets have other military forces which could be employed in the Third World. Although Soviet ground, airborne, and amphibious forces are designed primarily for operations near the USSR, their training, coupled with the diversity and quality of their equipment, gives them a capacity to act in crisis situations. The Soviets have never conducted a military campaign in the Third World but, should they decide to intervene rapidly on the ground, the Soviets could send airborne units or small naval infantry contingents. Much larger ground forces could be moved by the Soviet merchant marine if there were enough time and no opposition.

Over the next decade, force improvements will continue to enhance Soviet capabilities to assist clients by supplementing local defenses. The USSR will be able to make more credible demonstrations of force and the Soviet navy will have better capabilities for interposition. The Soviets will also improve their capabilities for direct assault. But beyond the range of land-based air support, Soviet capabilities will still be deficient to carry out an amphibious assault against determined opposition by sizable armed forces. The Soviets will face the same problems as today of limited air cover and assault lift and vulnerable lines of communications.

--continued

FOR THE PRESIDENT ONLY

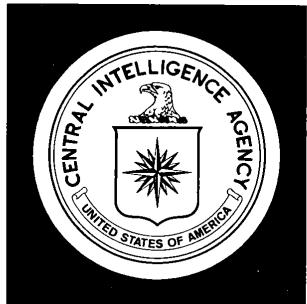
Although Soviet capabilities for direct assault will remain limited, that will not keep Moscow from continuing its efforts to cultivate military relations with Third World countries and to support insurgencies. Soviet involvement in conflicts in the Third World is likely to take the form of interposing naval forces, participation of advisers in combat, and the introduction of air defense units to assist a client.

A5

FOR THE PRESIDENT ONLY

Top Secret

✓



The President's Daily Brief

November 11, 1976

2

~~Top Secret~~^{25X1}

Exempt from general
declassification schedule of E.O. 14176
Exemptions apply to (b) (1), (b) (3)(D)
declassified only on approval of
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

November 11, 1976

Table of Contents

China: Peking's more open style in foreign policy was demonstrated last week when two top officials discussed a broad range of international issues in unusually candid terms with visiting French journalists. (Page 1)

Lebanon: The Syrians evidently intend to consolidate their encirclement of Beirut and then assume positions along the confrontation line in the center of the capital and in Palestinian-held west Beirut. (Page 2)

USSR: Several developments suggest that the Soviets have resumed an active research, development, and testing program for conventional antiballistic missile systems. (Page 2)

Poland-USSR: Soviet party leader Brezhnev has given his full endorsement to visiting party chief Gierek. (Page 5)

Notes: EC; West Germany; Greece-Turkey; UK (Pages 6 and 7)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

CHINA: Peking's more open style in foreign policy was demonstrated last week when Vice Premier Li Hsien-nien and Vice Foreign Minister Yu Chan separately discussed a broad range of international issues in unusually candid terms with visiting French journalists.

In less extensive comments on Sino-US relations, Yu also used stiff language.

Li and Yu focused on Sino-Soviet relations, and both officials abruptly dismissed suggestions that Moscow had adopted a "conciliatory" attitude toward China since Mao Tse-tung's death. Yu said that the Soviets were not waving an olive branch, but a "poison arrow." He added that if Moscow really wanted to see an end to the quarreling between the two countries, it should "admit all its errors since 1960." Vice Premier Li, repeating Yu's suggestion, said the Soviet confession should be made "before the entire world."

He said Peking "does not expect anything" from a new US President "elected by the bourgeoisie." The vice minister added, however, that if the US took the initiative to improve relations with China, Peking would "follow that path." Yu noted that Peking was willing to develop relations with any country on the basis of the five principles of peaceful coexistence.

Yu rejected all suggestions that China was interested in foreign military aid, asserting that such proposals underestimate China's own strength--almost certainly a reference to former defense secretary Schlesinger's recent proposals.

Both officials expressed the usual Chinese unhappiness with "detente." Li said it "does not exist," and Yu charged that "certain people"--probably a reference to Secretary Kissinger--have not correctly assessed the Soviet threat, especially in Europe. Yu applauded those in Europe who were seeking to strengthen defenses against the Soviets.

* * *

--continued



620645 1176

FOR THE PRESIDENT ONLY

LEBANON: *The Syrians evidently intend to consolidate their encirclement of Beirut, cut off outside sources of supply to combatants on both sides, and then assume positions along the confrontation line in the center of the capital and in Palestinian-held west Beirut.*

25X1

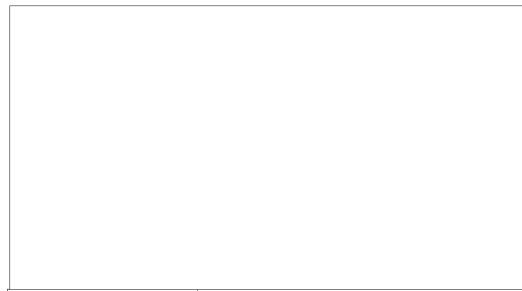
The Syrians have told the Palestinians that they aim to divide Lebanon into north, central, south, and Bekaa Valley security zones. They apparently plan to concentrate first on the central sector, which includes Beirut, and secure both the Beirut-Tripoli and Beirut-Sidon roads.

25X1

Christian and Muslim leaders continue to order their forces not to oppose the Syrians. [redacted]

[redacted] 25X1

25X1



25X1

* * *

USSR: *Several recent developments strongly suggest that the Soviets have resumed an active research, development, and testing program for conventional antiballistic missile systems.*

We do not believe these activities indicate a Soviet intent to violate the ABM Treaty. The Treaty allows the Soviets to replace or augment the Moscow system, but they have not yet developed a system significantly better than the Galosh that would be worth adding to the defense of the city.

Since mid-August, the Soviets have launched nine Galosh ABMs, in contrast to the previous 18 months

--continued

FOR THE PRESIDENT ONLY

when only three were fired. The Galosh--designed to intercept ICBMs above the atmosphere--is the interceptor missile of the USSR's only operational ABM system. None of the tests indicates major modifications or significantly improved performance.

After a hiatus of almost a year, the Soviets resumed flight testing on October 29 of the interceptor missile of a research and development system, designated ABM-X-3, which could be fielded much more rapidly than the Galosh system. The launch was the first time the system had been tested against a real target vehicle--in this case, an SS-4.

With an active test program, the ABM-X-3 system could be ready to field in a year or so, if the battle management radars necessary to support the system were already in place. We believe that the new radars being constructed at Olenegorsk and Pechora will provide ballistic missile early warning, but they also have potential for ABM battle management.

Many such radars would be required to support a widely emplaced ABM system. If the Soviets continue to field such radars, especially in areas where ballistic missile early warning coverage already exists, and at the same time pursue a vigorous ABM research and development program, it would increase our concern about the possible use of these radars for ABM battle management.

In the same area at Sary Shagan where the ABM-X-3 is being developed, the Soviets recently began construction of what appears to

--continued

FOR THE PRESIDENT ONLY

be a new ABM launcher for initial tests of a high acceleration interceptor similar in concept to the US Sprint. At least three years of flight testing would be required before the new interceptor missile could be operational.

Construction of what may be four ABM silo launchers at Sary Shagan has recently begun. When these are completed, the total of operational test launchers could be 13. The ABM Treaty allows the Soviets a total of 15.

The Treaty permits the Soviets an ABM system with 100 launchers to protect either Moscow or an ICBM

25X1

* * *

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

POLAND-USSR: Soviet party leader Brezhnev has given his full personal endorsement to visiting Polish party chief Gierek, who is seeking a public show of Moscow's support in the face of severe domestic problems.

In a Kremlin speech on Tuesday, Brezhnev referred to Gierek as the "true son of People's Poland," "an eminent statesman" of the international communist movement, and the great friend of the Soviet Union.

Brezhnev endorsed Gierek's policy of "radical modernization of all Polish industry" and implied that the Soviets would give some additional help, saying that "we help each other in a brotherly way" to strengthen our economies. Brezhnev noted that the Poles face "tricky problems," but expressed confidence that Warsaw would successfully implement its programs.

The official talks between the high-level Polish party-state delegation and the Soviets concluded Wednesday morning. No details have been released on what the Soviets are prepared to do to ease Poland's current difficulties. A Polish diplomat indicated earlier, however, that "significant" economic agreements would be signed, and a Soviet diplomat in Warsaw claimed that the Poles would get 90 percent of what they want.

* * *

--continued

FOR THE PRESIDENT ONLY

NOTES

The EC finance ministers, meeting this week in Brussels, decided to delay any action on possible Community assistance to the UK until the results of Britain's negotiations for a \$3.9-billion IMF loan are known.

The Nine reportedly concur on the need for both individual and collective efforts to assist the UK. General agreement was reached on the method the EC will adopt in assuming Britain's \$486-million share of the EC credit granted Italy in 1974--which the UK wants repaid by December 9. 25X1

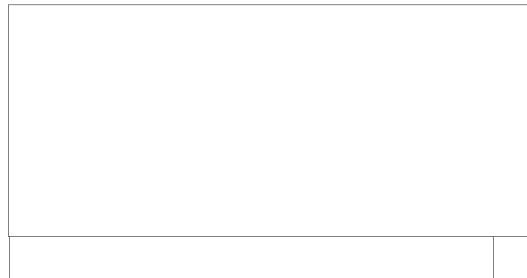
* * *

25X1



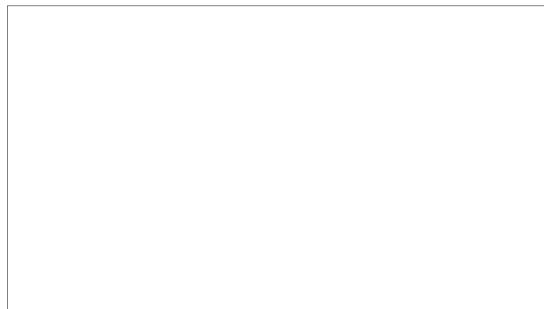
25X1

25X1



25X1

25X1



--continued

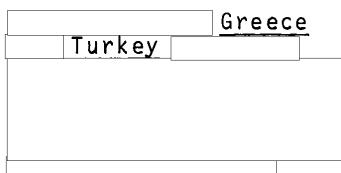
FOR THE PRESIDENT ONLY

25X1

25X1

25X1

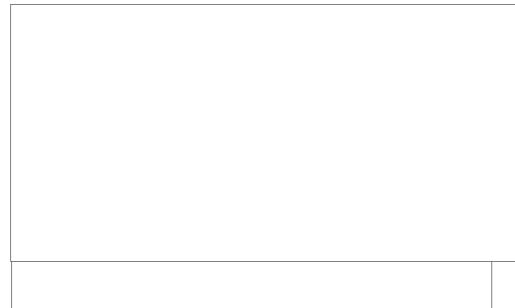
* * * 25X1 25X1



25X1



25X1



25X1

* * *

The UK government of Prime Minister Callaghan suffered a significant defeat in the House of Commons early this morning following the surprising legislative defection of right-wing Labor members of Parliament.

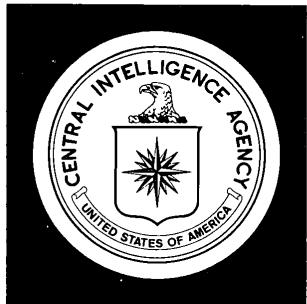
We have no information as yet that Callaghan intends to call for an immediate vote of confidence to erase the stain of defeat. Earlier this year then - prime minister Wilson recovered from an embarrassing parliamentary defeat caused by leftist defections by calling for and winning a confidence vote.

If Callaghan chooses this same course, there will be intense pressure from fellow Labor members of Parliament as well as from powerful trade union leaders on the rebels to return to the fold.

FOR THE PRESIDENT ONLY

Top Secret

✓



The President's Daily Brief

November 12, 1976

2



~~Top Secret~~ 25X1

Exempt from general
declassification schedule of E.O. 11652
exemption category: SRN(1)(2)(3)
declassified only on approval of
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

25X1

25X1

November 12, 1976

25X1

Table of Contents

Rhodesia-Mozambique: [redacted]

[redacted] (Page 1)

25X1

Angola: The current offensive by government forces in southern Angola against guerrillas of the National Union appears to be the most ambitious effort so far on the part of the Neto regime to establish control over an area of the country in which it has no ethnic or political links. (Page 2)

[redacted] (Page 3)

25X1

25X1

25X1

Notes: USSR; Israel; Lebanon; France-FTAI (Pages 6 and 7)

At Annex [redacted]

[redacted] Italy.

25X1

FOR THE PRESIDENT ONLY

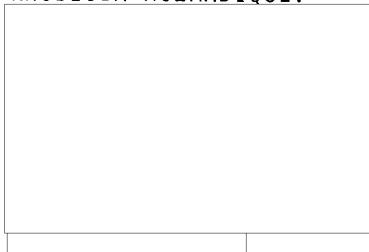
FOR THE PRESIDENT ONLY

25X1

25X1

25X1

RHODESIA-MOZAMBIQUE:



25X1

25X1

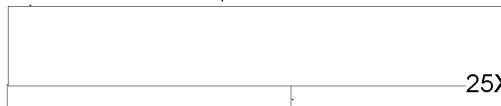


25X1

25X1



25X1



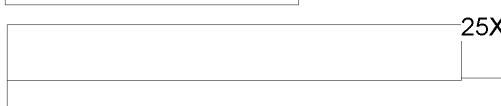
25X1

25X1



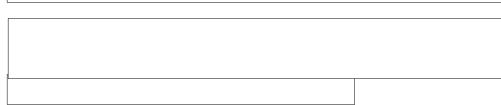
25X1

25X1



25X1

25X1



25X1

25X1

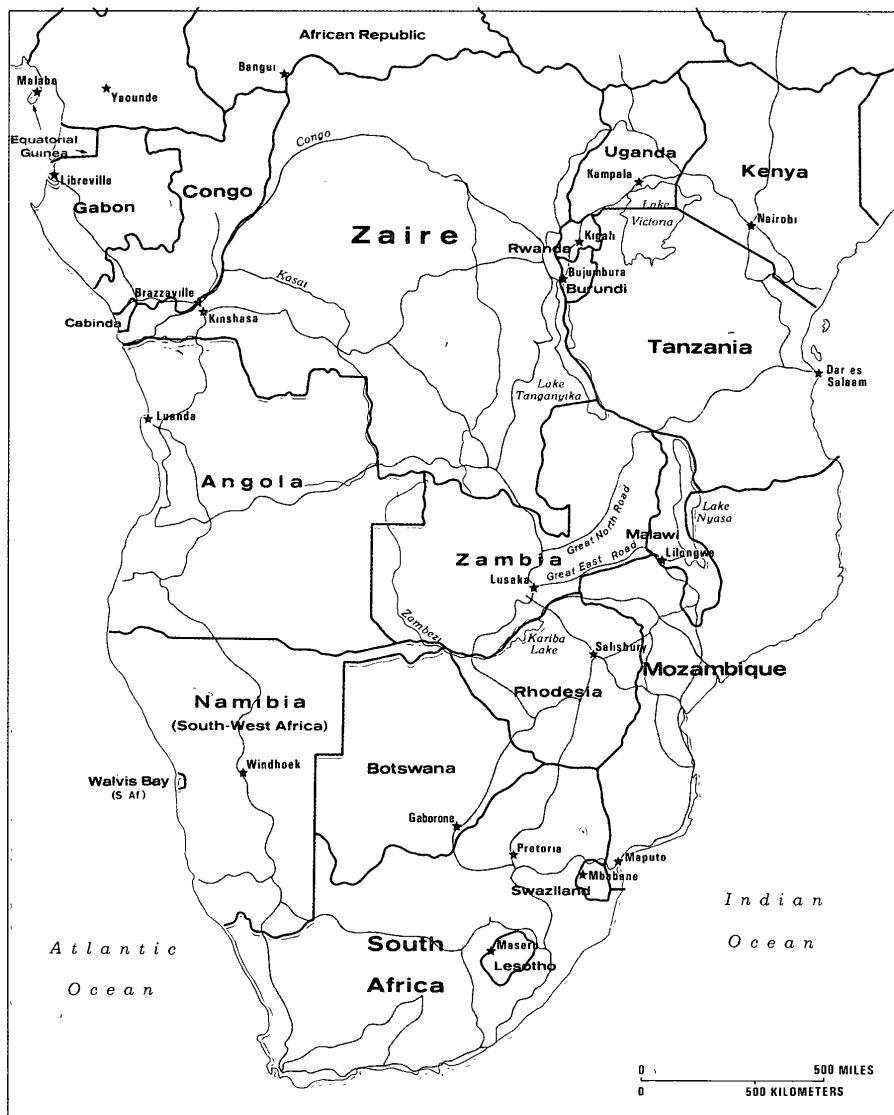


25X1

* * *

--continued

FOR THE PRESIDENT ONLY



FOR THE PRESIDENT ONLY

25X1

ANGOLA: *The current offensive by government forces in southern Angola against guerrillas of the National Union appears to be the most ambitious effort so far on the part of the Neto regime to establish control over an area of the country in which it has no ethnic or political links.*



25X1

The government forces are said to have sealed the Angola-Namibia border, reducing the flow of refugees across it to a trickle. The National Union's supply lines from South African military sources in northern Namibia may have been cut in the process. The South Africans have been providing modest assistance to the National Union.

The South Africans have been counting on the National Union to keep Angolan government forces on the defensive in that area in the hope of slowing down an expected buildup of SWAPO forces for intensified insurgency into Namibia. The current offensive, however successful, almost certainly will not wipe out the insurgency of Jonas Savimbi's National Union. The guerrillas will simply fade deeper into the southern Angolan countryside where they can count on support from the local population.

* * *

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

25X1

25X1

25X1

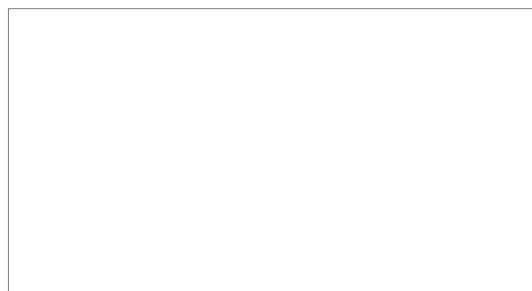
25X1

25X1

25X1

25X1

25X1

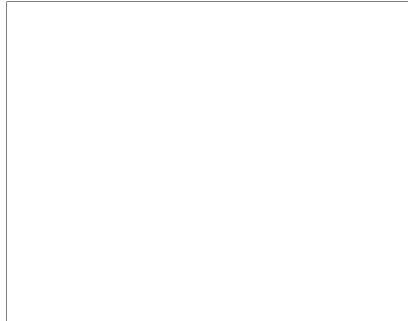


* * *

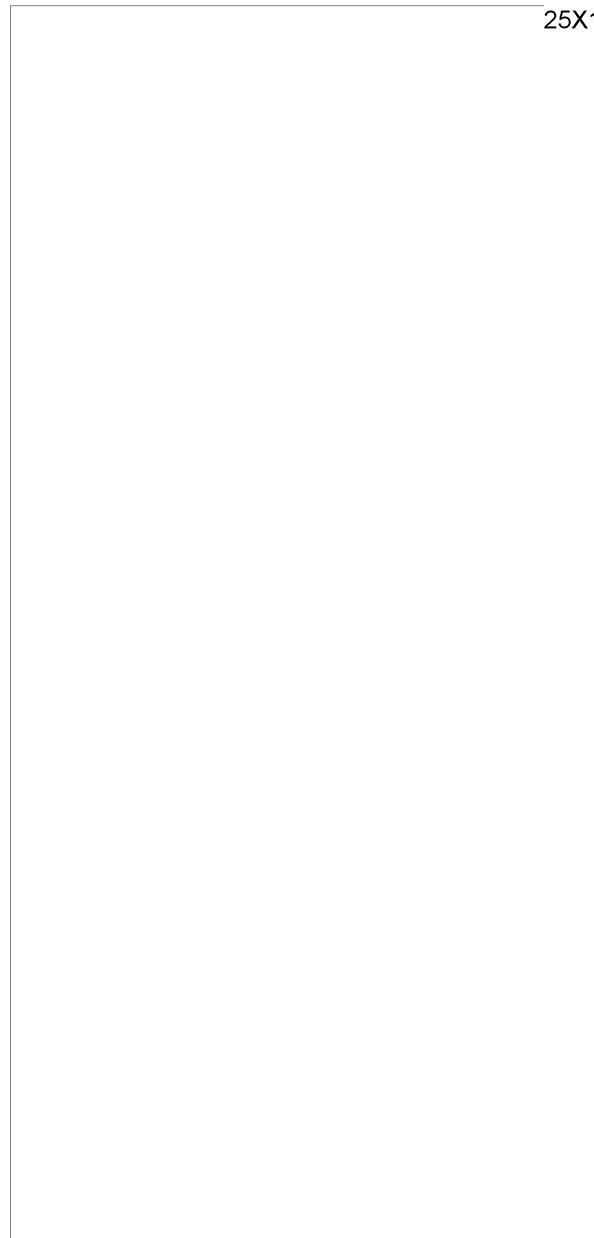
--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY



25X1

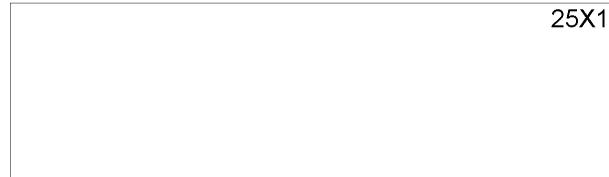


25X1

--continued

FOR THE PRESIDENT ONLY

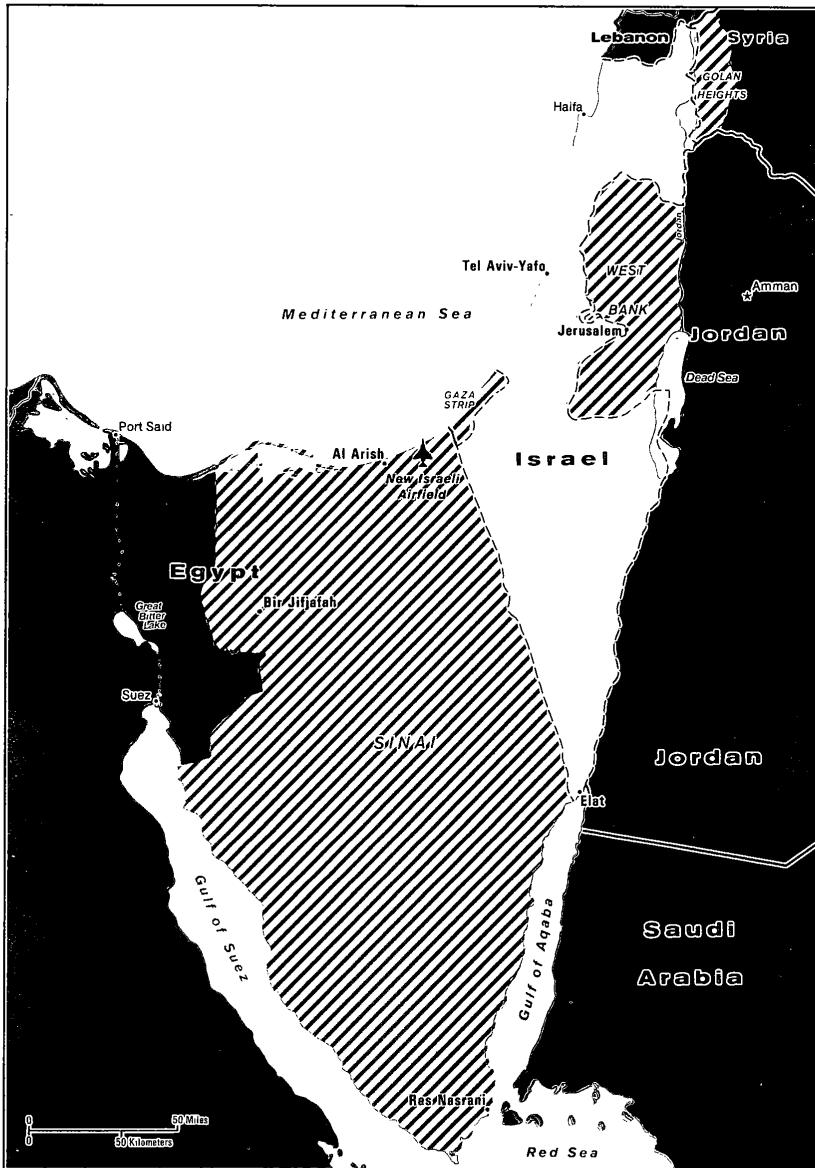
FOR THE PRESIDENT ONLY



* * *

--continued

FOR THE PRESIDENT ONLY



FOR THE PRESIDENT ONLY

NOTES

Recent construction activity at the Plesetsk missile test center suggests that the Soviets plan to resume testing the mobile version of their SS-X-16 ICBM.

The new facilities appear to be for crew training, but the final Soviet decision on fielding a mobile ICBM probably will depend on the outcome of the SALT II negotiations. If an agreement based on the Vladivostok Accords is reached, the Soviets probably will not field a mobile ICBM, at least in the near term.

The Soviets would be limited to 2,400 delivery vehicles and would have to dismantle fixed ICBM launchers or other systems to compensate for the mobile ICBM launchers. Mobile ICBMs would probably not significantly enhance the capability of Soviet strategic forces, and their operating costs are considerably higher.

* * *

A major new Israeli airfield in northern Sinai apparently is now in operation.

The airfield has been under construction for about two years and will be able to handle any aircraft currently in the Israeli inventory. When fighter squadrons are assigned to the field, the Israelis will have two airfields in the Sinai with fighter units permanently assigned to them; the other field is near Elat on the Gulf of Aqaba.

Two other bases, Bir Jifjafah and Ras Nasrani, are also used periodically by Israeli fighters. Israel's fighter force has grown by more than 25 percent since the war in October 1973, and the new field will help relieve the congestion.

--continued

FOR THE PRESIDENT ONLY

* * *

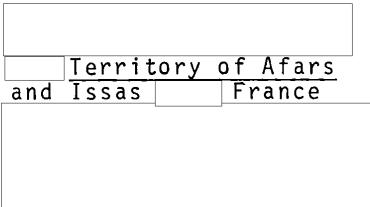
Fighting continues in various parts of Lebanon, although Beirut remains fairly quiet.

Syrian peacekeeping forces resumed their advance into Beirut today, where they are to take up positions along the main confrontation line.

The area around Tripoli in the north is still tense, and there was fighting in the south yesterday where the Israelis acknowledged shelling some Palestinian positions from across the border. Both the Israelis and Christians have been bombarding Bint Jubayl, the one remaining Palestinian foothold in the extreme south, off and on for days in an apparent effort to prevent the Palestinians from reinforcing it.

25X1

* * * 25X1 25X1 25X1

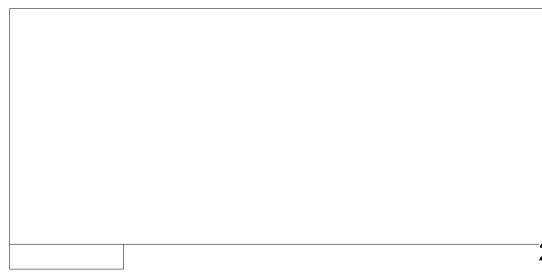


25X1



25X1

25X1



25X1

* * *

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

A
N
N
E
X

ITALY

25X1

--continued

A1

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

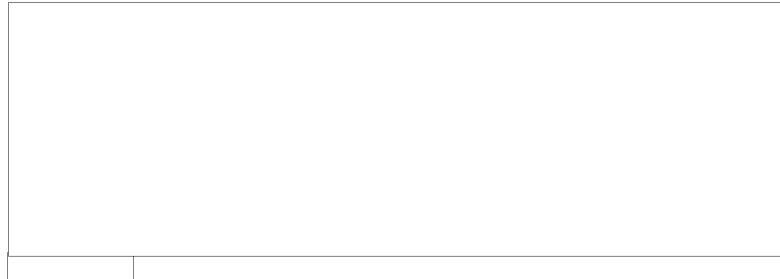


25X1



25X1

25X1



25X1

25X1



25X1

25X1

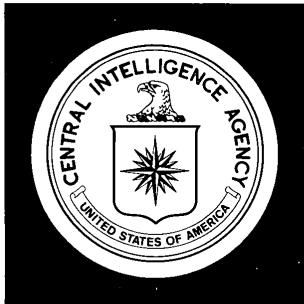
25X1

A2

FOR THE PRESIDENT ONLY

Top Secret

✓



The President's Daily Brief

November 13, 1976

2

[Redacted box]

~~Top Secret~~ 25X1

Exempt from general
declassification schedule of E.O. 11652
exemption category 5B(1), (2), (3)
declassified only on approval of
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

November 13, 1976

Table of Contents

Egypt-USSR: Cairo is taking a hopeful but cautious approach to recent Egyptian-Soviet contacts. (Page 1)

Italy: Prime Minister Andreotti survived a parliamentary confidence vote on his latest austerity measures yesterday largely because he left unresolved the most controversial economic problem facing the government--how to limit the country's soaring labor costs. (Page 2) 25X1

Ethiopia-USSR-China: [redacted] (Page 3)

Notes: Lebanon; Zaire-USSR; Spain (Pages 5 and 6) 25X1

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

EGYPT-USSR: Egypt is taking a hopeful but cautious approach to recent Egyptian-Soviet contacts. Cairo seems anxious that the incoming US administration notice these contacts but not interpret them as foreshadowing a radical turn to close Egyptian ties with Moscow.

Foreign Minister Fahmi told Ambassador Eilts on Wednesday that he had raised the issue of resumed deliveries of arms and spare parts during his talks last week with Soviet Foreign Minister Gromyko. Fahmi explicitly requested that Washington be informed that no agreement on Soviet deliveries had resulted from the meeting. Actually, agreement on deliveries is not normally reached at ministerial meetings but in discussions among technical experts.

The Soviets have probably not closed the door to further exploration of the arms question, and the Egyptians will want to keep the US in some suspense on the matter until it is resolved one way or the other.

Cairo is also interested in using its ties with Moscow to exert pressure on the US to reopen peace negotiations early next year.

Fahmi endorsed last week's Egyptian-Soviet communique advocating the "quick resumption" of the conference and asserting that the Middle East situation had been the "primary" topic of discussion.

Fahmi has attempted since last summer to bring about some thaw in Egyptian-Soviet relations, specifically in order to open an additional Egyptian option in the event a new US administration should alter US Middle East policy. At the same time, Egyptian leaders want to avoid giving the US the impression that they have written off Washington as a useful ally under President-elect Carter's administration.

--continued

FOR THE PRESIDENT ONLY

In conversations with Ambassador Eilts, for instance, Fahmi has described the Soviet initiative on the Geneva peace conference as merely a propaganda ploy.

The Egyptians want more amicable ties with Moscow for both practical and propaganda purposes, but they want to make sure that any meaningful improvement in those ties comes with minimal political strings.

In a clear effort to signal this to Moscow, President Sadat told the new Egyptian cabinet on Wednesday that he welcomes improved relations with the Soviets, but that "he who wants to deal with us must deal with us as we are and not as he wants us to be."

* * *

ITALY: Prime Minister Andreotti survived a parliamentary confidence vote on his latest batch of austerity measures yesterday, mainly because he left unresolved the most controversial economic problem facing the government--how to limit the country's soaring labor costs.

Andreotti declined to make a specific proposal on the issue, calling instead for industry and organized labor--in which the Communist Party plays a leading role--to come up with a negotiated solution within a month.

The measures that were approved are designed to raise to about \$6 billion the amount that the government plans to take in through the austerity program. These steps, aimed at curbing the government's deficit, will not by themselves solve Italy's economic problems.

A way must also be found to diminish the inflationary impact of the country's wage index system, under which the wages of most workers rise automatically in response to any increase registered by the cost-of-living index. Most observers, including Italy's potential foreign creditors such as the EC, maintain that modification of this system is essential to the success of the stabilization effort.

--continued

FOR THE PRESIDENT ONLY

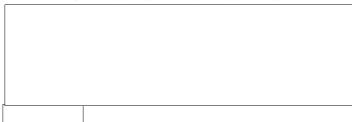
Andreotti's reluctance to submit to parliament his wage proposals-- one of which calls for freezing or reducing automatic increases for the upper 20 percent of wage earners--stems from the stiff resistance encountered among the trade unions. Had Andreotti insisted that parliament consider the wage issue this week, he would have forced the Communists to choose between offending their rank and file in the labor movement or bringing down the government, which the Communists do not want to do in present circumstances.

By calling on industry and labor to negotiate a solution to the wage issue, Andreotti has placed on the Communists much of the burden for hammering out a policy in this key area.

* * *

25X1

ETHIOPIA-USSR-CHINA:



25X1

25X1

25X1



25X1



25X1



25X1

25X1

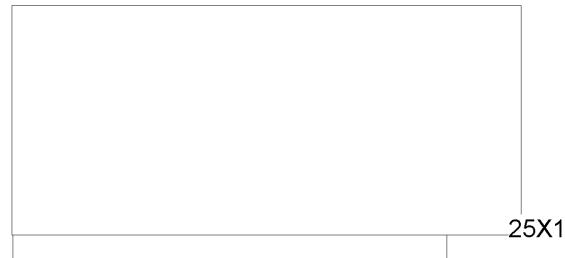
25X1

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

25X1



25X1



* * *

25X1

--continued

FOR THE PRESIDENT ONLY



620645 1176

FOR THE PRESIDENT ONLY

NOTES

Syrian peacekeeping units in Lebanon have delayed their entry into Beirut for at least a day.

The Syrians may be awaiting the arrival of security force contingents from Saudi Arabia and the United Arab Emirates in order to give the operation a more pan-Arab character. The delay may also reflect Christian insistence that the Syrians move into Sidon and Tripoli before taking up positions along Beirut's confrontation line.

Security force commander al-Hajj asked Palestinian military leaders on Thursday to collect their heavy weapons in order to minimize incidents with the advancing security troops; apparently he did not ask them to turn in their weapons. The fedayeen reportedly have been caching their heavy weapons in underground depots at the refugee camps south of Beirut to avoid their confiscation.

Shelling continued yesterday in both east and west Beirut as well as in the southern suburbs.

* * *

Relations between Zaire and the USSR, brought to the verge of a diplomatic break during the Angolan war, appear to be on the mend.

According to the US embassy in Kinshasa, the Soviet ambassador to Zaire returned recently from consultations in Moscow with instructions to strengthen relations and particularly to facilitate early signature of cultural and commercial accords.

President Mobutu sent Soviet President Podgorny a congratulatory message on the anniversary of the October revolution--something he

--continued

FOR THE PRESIDENT ONLY

did not do last year--in which he expressed the wish to strengthen cooperative relations. The Zairian minister of commerce is preparing for a trip to Moscow to sign a commercial agreement.

Mobutu will probably move only gradually in improving relations with Moscow, given his long-standing suspicion of Soviet intentions in Africa. At the same time, Mobutu presumably believes he must make some accommodation with the Soviet position in Angola and the good relations the USSR has with most of Mobutu's other neighbors. Mobutu also hopes to discourage Soviet or Angolan support for Zairian dissidents, many of whom have congregated in Angola.

* * *

The Spanish government appears increasingly confident that its constitutional reforms will be approved by parliament without major revision.

The government has been busy applying pressure to the 300-odd fence-sitters in parliament. Deputy Prime Minister Osorio recently confided to a US official that the legislation has been discussed individually and "negotiated" with almost every member of parliament.

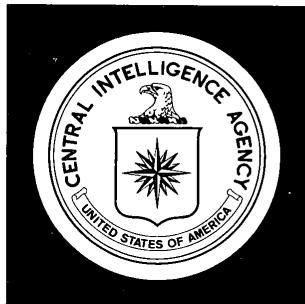


25X1

25X1

Top Secret

✓



The President's Daily Brief

November 15, 1976

2



~~Top Secret~~ 25X1

Exempt from general
declassification schedule of E.O. 11652
exempted categories SDR(1)(2), (3)
declassified only on approval of
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

November 15, 1976

Table of Contents

Saudi Arabia: Foreign Minister Prince Saud told a US journalist that an exclusive interview given him by King Khalid was intended as a signal to the US president-elect that Riyadh wishes to pursue a close, cooperative relationship with Washington. (Page 1)

Rhodesia: Rhodesian security forces in late October employed tactics against nationalist guerrillas based in neighboring countries similar to tactics used before Prime Minister Smith's acceptance in September of the principle of majority rule within two years. (Page 3)

Lebanon: Syrian peacekeeping troops and armor apparently entered Beirut at dawn today. (Page 4)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

SAUDI ARABIA: King Khalid gave a rare and exclusive interview to Arnaud de Borchgrave of Newsweek last Wednesday which Foreign Minister Prince Saud later told the journalist was intended as a signal to the US president-elect that Riyadh wishes to pursue a close, co-operative relationship with Washington. The King adhered to standard Saudi foreign policy positions in the course of the interview.

The foreign minister said that his government would like to work closely with the US in finding a Middle East settlement and was thinking in terms of a long-term petroleum agreement and price freeze in return for a Middle East deal. Prince Saud did not expand his remarks, but undoubtedly was aware that de Borchgrave would pass them on to US officials.

According to the Saudi-approved transcript of the interview, the King took the line that "peaceful coexistence" between the Arabs and Israel is possible if:

--Israel withdraws from the occupied Arab territories.

--The legitimate rights of the Palestinian people are recognized.

--The Palestinians are accorded self-determination.

In a transparent plea for US pressure on Israel, the King said he feared Tel Aviv would remain "arrogant" as long as it enjoys the support of "major powers."

On oil prices, Khalid argued that if the price level concerned Saudi Arabia alone, Riyadh would opt for a price freeze until the end of 1977. The King added, however, that the Saudi commitment and obligations to OPEC "may preclude such a freeze."

--continued

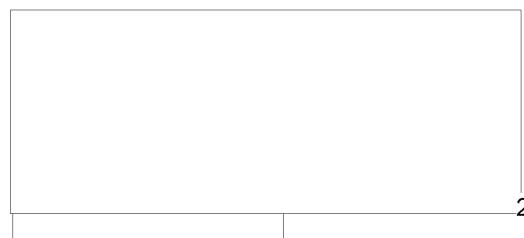
FOR THE PRESIDENT ONLY



25X1



25X1



25X1



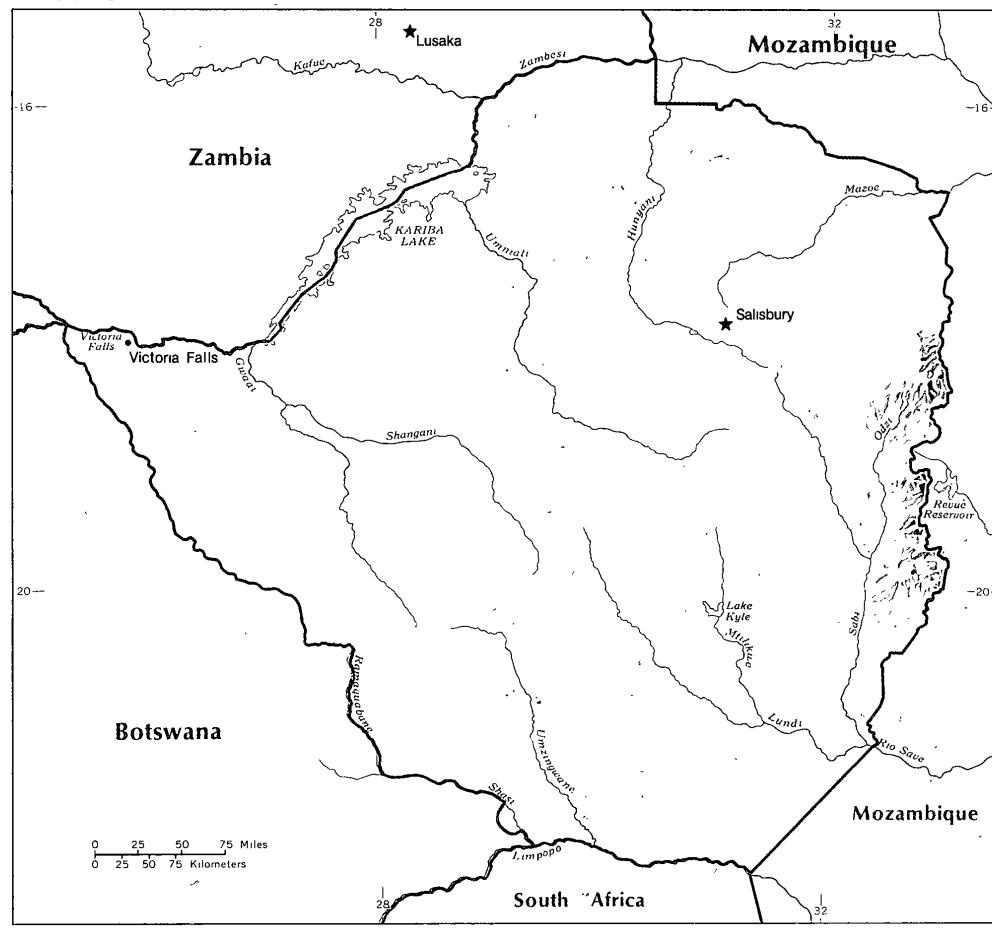
25X1

* * *

--continued

FOR THE PRESIDENT ONLY

Rhodesia



FOR THE PRESIDENT ONLY

RHODESIA: Rhodesian security forces in late October employed tactics against nationalist guerrillas based in neighboring countries similar to tactics used before Prime Minister Smith's acceptance in September of the principle of majority rule within two years.

The attacks late last month on guerrilla bases in Mozambique--where most guerrillas are located--were the first significant cross-border operations since August.

In addition, Zambian officials have complained privately that Rhodesia is building up its border forces, and some officials allege that Rhodesian troops briefly entered Zambia early this month. At about the same time, Rhodesian troops apparently made a minor incursion into Botswana.

The Rhodesian government probably believed the recent cross-border raids, in addition to achieving tactical military advantages, would boost the morale of both the security forces and the white population.

Although most Rhodesian whites accepted with apparent equanimity Smith's announcement on majority rule within two years, there were still signs of nervousness, and many whites were clearly thinking of leaving the country if conditions should deteriorate. A few signs of indiscipline appeared in the armed forces, and among some troops there was a growing reluctance to fight.

Smith probably also believed the Rhodesian military operations would not threaten the talks in Geneva and might help split the militant nationalists, who represent the Mozambique-based guerrillas, from the nationalist political groups headed by Joshua Nkomo and Bishop Muzorewa, which have little guerrilla support.

Members of the white delegation have said they see no prospect of reaching a settlement with the militants, and that they hope these delegates will walk out of the conference. The Smith government has maintained contacts with both Nkomo and Muzorewa, and apparently believes it may achieve an agreement with them that will safeguard white interests if the militants quit the Geneva talks.

--continued



620645 1176

FOR THE PRESIDENT ONLY

In any event, Smith probably sees little chance of an early settlement that would persuade the guerrillas to lay down their arms. Under these circumstances, the government presumably believes the security forces must hit the guerrillas outside the country's borders or face heavier fighting within Rhodesia.

* * *

LEBANON: About 6,000 Syrian peacekeeping troops and some 400 Soviet-built Syrian tanks entered Beirut at dawn today, according to press reports. The Syrian air force was also reportedly put on alert.

Machine-gun and artillery fire, which had been evident in the capital throughout the night, continued as the Syrian forces entered the city, but apparently was not directed at them.

The entry of Syrian peacekeeping forces into Beirut had been held up again yesterday, apparently to give Lebanese President Sarkis more time to work out arrangements with all sides for a peaceful occupation of the city.

Sarkis and the Syrians on Saturday persuaded the Iraqis to agree to withdraw their forces from Beirut. Some 800 Iraqis are said to have already left west Beirut for the Shuf region. Their withdrawal will be a blow to the Lebanese leftist and Palestinian radical forces still in the city; they had sought to delay the Syrian advance by demanding security guarantees and objecting to the absence of other Arab League units from the peacekeeping forces in the Beirut area.

--continued

FOR THE PRESIDENT ONLY

The Syrians may have taken advantage of the delays to send reinforcements to Lebanon. According to press reports, two brigades with armor have encircled Beirut, in addition to the troops and armor that have entered the city, and another brigade is said to be heading for the Shuf--the stronghold of leftist leader Kamal Jumblatt, whose forces have been stockpiling their weapons in the area to avoid 25X1 confiscation.

25X1

25X1

25X1

25X1

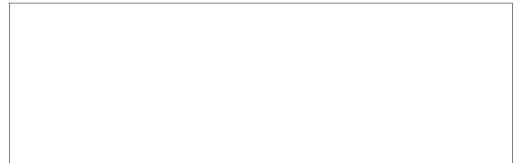
25X1

one of the Syrians' stated objectives for months has been to disarm the Palestinians and all of the private militias in Lebanon.

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

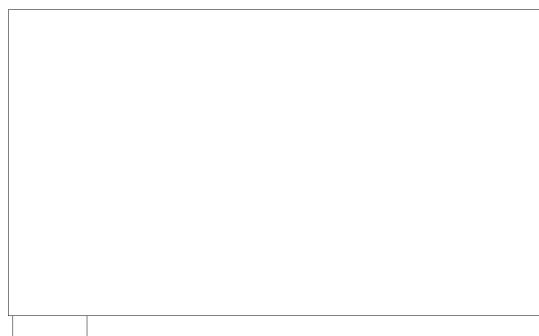


25X1



25X1

25X1



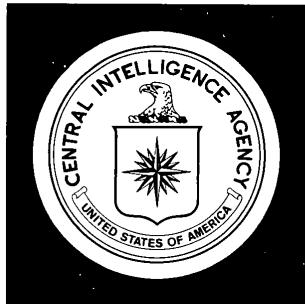
25X1

25X1

FOR THE PRESIDENT ONLY

Top Secret

✓



The President's Daily Brief

November 16, 1976

2



~~Top Secret~~ 25X1

Exempt from general
declassification schedule of E.O. 11652
exemption category 5(B)(1), (2), (3)
declassified only on approval of
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

November 16, 1976

Table of Contents

	25X1
<u>China:</u> The Chinese have publicly and authoritatively rebutted speculation that they might respond positively to recent Soviet gestures toward Peking. (Page 1)	25X1
<u>Rhodesia:</u> [redacted]	
[redacted] (Page 2)	25X1
[redacted]	25X1
[redacted] (Page 3)	
<u>Notes:</u> Saudi Arabia - Western Sahara; Lebanon; China; [redacted] France; Vietnam; Peru-USSR (Pages 4, 5, 6, 7, and 8)	25X1
	25X1
	25X1

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

CHINA: The Chinese have publicly and authoritatively rebutted speculation that they might respond positively to recent Soviet gestures toward Peking.

At a banquet last night, Vice Premier Li Hsien-nien lambasted the Soviets in such uncompromising terms that diplomats from the USSR and its East European allies walked out of the hall. The Soviet diplomats departed during Li's attack on "wildly ambitious" and "criminal" Soviet actions in Africa, a popular theme in Chinese propaganda for several months.

Had they stayed longer, the Soviet officials would have heard Li, who is likely to become premier soon, accuse the Soviets of creating "false impressions" about a relaxation in relations between the two countries. Li asserted that Moscow's "arrogant demands" that Peking change its policy were wishful thinking and said the Chinese would continue to carry out Chairman Mao's "revolutionary line in foreign affairs," a euphemism for China's opening to the US.

Li's remarks are almost certainly intended to dispel widespread foreign press speculation that a thaw in Sino-Soviet relations is in the offing. The Chinese are not likely to be inclined to consider seriously the sensitive issue of relations with Moscow while they are still busy putting their domestic house in order and before they can assess the attitudes of the new US administration toward China.

* * *

--continued

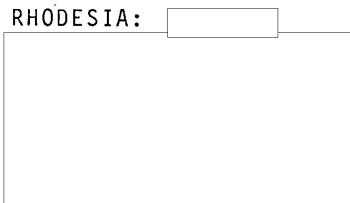
FOR THE PRESIDENT ONLY

25X1

25X1

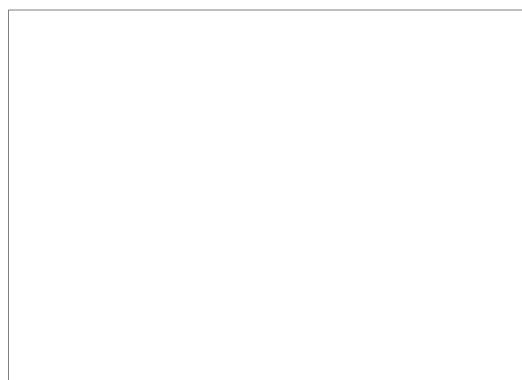
25X1

RHODESIA:



25X1

25X1



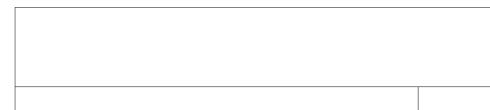
25X1

25X1



25X1

25X1



25X1

* * *

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

25X1

25X1

25X1

25X1

25X1

* * *

--continued

FOR THE PRESIDENT ONLY



620645 1176

FOR THE PRESIDENT ONLY

NOTES

Saudi Crown Prince Fahd has been in North Africa since November 11 in an effort to resolve the Western Sahara dispute involving Morocco, Mauritania, and Algeria.

His mission is the most recent illustration of Saudi Arabia's increasingly active role in Arab affairs.

Fahd has met with King Hassan and Mauritanian President Ould Daddah, and arrived in Algeria yesterday to see President Boumediene. If the discussions are encouraging, the three North African leaders will be invited to Riyadh, where the Saudis will make an all-out effort to resolve the Western Sahara issue.

Prospects for a negotiated settlement, however, remain remote. According to the Saudi account, Boumediene recently indicated that a settlement should respect the views of all parties, including the Polisario Front guerrillas, who are seeking independence for the territory. The Moroccans, for their part, are unlikely to engage in any negotiations that accord the Front a significant role.

* * *

The predominantly Syrian peacekeeping forces took up most of their reassigned positions in the Lebanese capital yesterday without serious incident.

The forces occupied Beirut's port and commercial districts, the radio and television stations, and main government buildings. Other units moved into the Shuf region as far as Dayr al Qamar and north on the Beirut-Tripoli highway. The security force is planning to enter Tripoli next, possibly as early as tomorrow.

The deployment of these forces has gone smoothly thus far, but the Lebanese commander expects a resurgence of underground Palestinian subversion and terrorism at

--continued



FOR THE PRESIDENT ONLY

some point. President Sarkis reportedly has established four tribunals for Beirut, Tripoli, Sidon, and Zahlah to try cases of political sabotage, including kidnaping and murder.

Palestinian leaders appear to be trying to focus attention on Israeli activities in southern Lebanon, presumably to try to make a case for retaining their heavy weapons.

* * *

The earthquake yesterday in the Tang-shan area of north China, which registered 6.5 on the Richter scale, will further complicate the massive reconstruction and relief effort underway in the important industrial and mining area of Tang-shan.

The earthquake at Tang-shan on July 28, the most severe in the world in this century in terms of economic damage, registered 8.2 on the Richter scale.

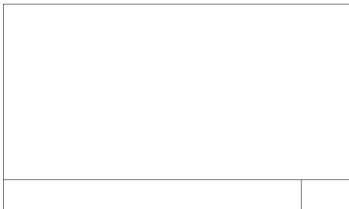
Photography of mid-October had indicated that it would be at least mid-1977 before coal, electric power, steel, and transport facilities could be returned to full operation in the Tang-shan region. The earthquake area included some 250 industrial installations, which had accounted for more than 10 percent of China's total industrial production.

According to the US liaison office in Peking, damage in the capital area from yesterday's earthquake appears to be light. No American casualties have been reported. The Chinese Foreign Ministry has not yet given diplomatic missions any information about the effects of the latest earthquake.

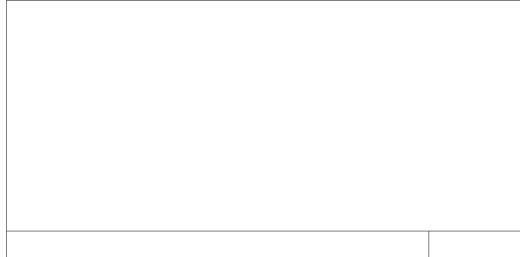
--continued

FOR THE PRESIDENT ONLY

* * *



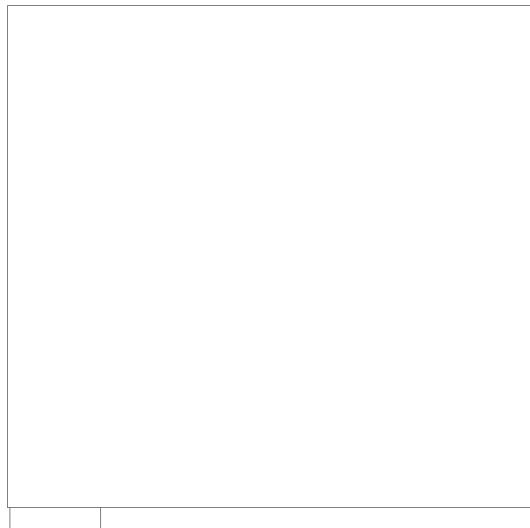
25X1



25X1

25X1

25X1



25X1

* * *

The new French defense budget for 1977 will amount to \$12 billion--an increase of 20 percent over 1976 and a real increase of about 11 percent.

Operating costs will absorb about 59 percent of the new budget, largely because of the pay raise ordered to alleviate morale problems in the military.

Nuclear programs did not receive as large a share of the budget as they have in the past, but they retained their favored status. Work is to continue on the M-4 submarine-launched ballistic missile

--continued

FOR THE PRESIDENT ONLY



25X1

25X1

FOR THE PRESIDENT ONLY

and the S-3 intermediate range ballistic missile. The current French nuclear submarine program apparently will be limited to the production of five submarines.

* * *

25X1
25X1

[redacted] the
Vietnamese have constructed a small airfield and support facilities on Spratly Island, one of a chain of disputed islands in the South China Sea.

The graded earth runway, which will be only 575 meters long when completed, can support small utility and transport aircraft and, most likely, combat aircraft. Vietnam will probably use the airfield to supply its garrison on Spratly and as a base for maintaining surveillance of the other islands in the area.

Vietnam, the Philippines, the Peoples Republic of China, and Nationalist China all claim the Spratly Islands chain and, with the exception of Peking, each maintains a small military presence there. The Philippines also has a slightly larger airfield on one of the six islands it occupies and has flown T-28s, C-47s, and C-123s. None of the claimants is likely to initiate military action in the Spratlys at present, but this could change if oil were discovered near the islands.

* * *

Peru and the USSR continue to expand their relationship.

The Peruvian government is considering a new military agreement with the USSR--in addition to the recent one covering the purchase of SU-22 fighter-bombers.

25X1

--continued

FOR THE PRESIDENT ONLY

[redacted] Peru and the USSR
have also recently signed agree-
ments to expand scientific and
technical cooperation.

25X1

[redacted]

25X1

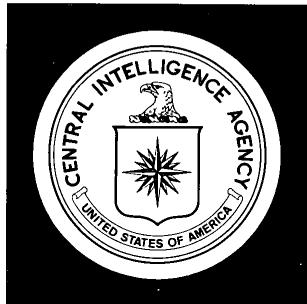
[redacted]

Despite the gradual increase in
ties with the USSR, it is unlikely
that Peru's current government
will return to the strident third-
world, anti-US posture of former
president Velasco, particularly
as long as Peru needs financial
assistance from the US.

FOR THE PRESIDENT ONLY

Top Secret

/



The President's Daily Brief

November 17, 1976

2



~~Top Secret~~^{25X1}

Exempt from general
declassification schedule of E.O. 14176
exemption category 5B(1),(2),(3)
declassified only on approval of
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

November 17, 1976

25X1

Table of Contents

25X1

PLO-Israel: [redacted]
[redacted]
(Page 1)

South Africa - Rhodesia: [redacted]
[redacted]
(Page 2) 25X1

USSR: [redacted] since mid-
October the Soviets have dismantled 12 more older ICBM
Launchers and have begun dismantling 13 others. (Page 3) 25X1
25X1

Chile: By announcing its intention to release 323 political
prisoners, the Pinochet government probably hopes to lessen
the impact of a critical UN report and improve its image
with the next US administration. (Page 4)

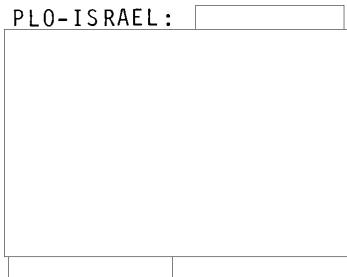
Note: Greece (Page 5)

At Annex, we examine Israel's appraisal of the effect on its
strategic position of the collapse of Lebanon's political
system and the increased Syrian influence there.

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

25X1



25X1

25X1
25X1



25X1

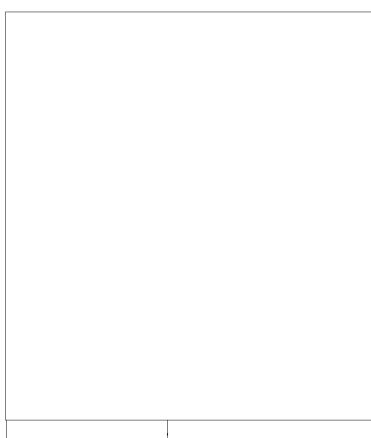
25X1

25X1

25X1



25X1



25X1

25X1

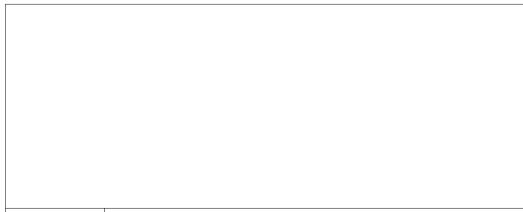
25X1

25X1

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

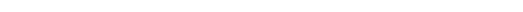


25X1



25X1

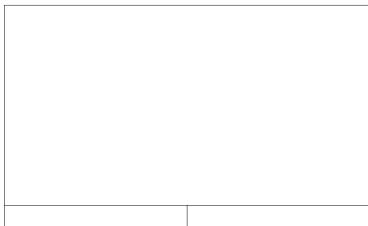
25X1



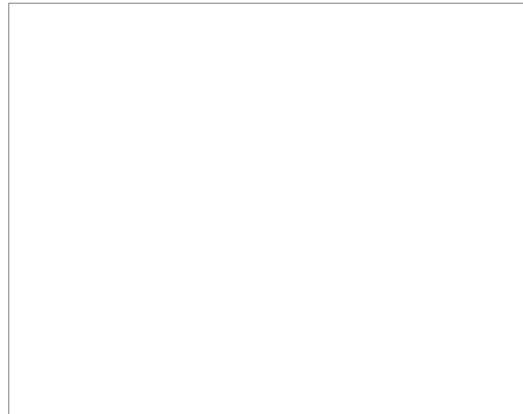
25X1

* 25X1 *

SOUTH AFRICA - RHODESIA:



25X1



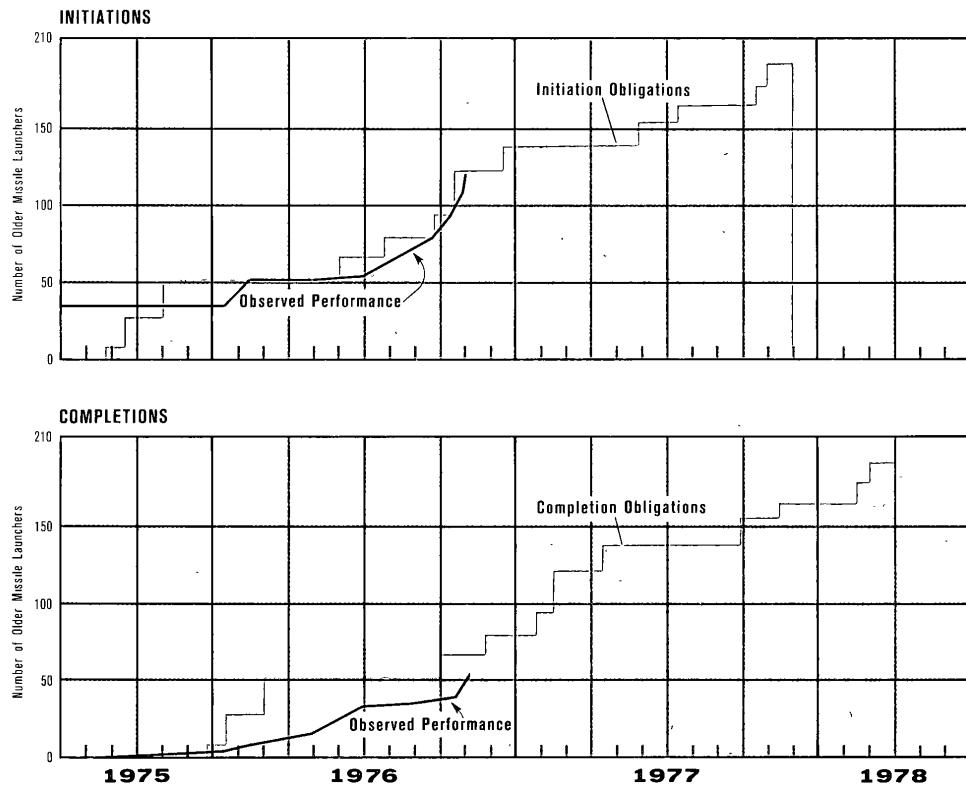
25X1



25X1

--continued

FOR THE PRESIDENT ONLY

STATUS OF DISMANTLING OF OLDER SOVIET MISSILE LAUNCHERS

620681 11-76 CIA

25X1

Status of Soviet ICBM Dismantling

Obligations	March 1	June	July	August	September	October
Required number of launchers with:						
Dismantling Complete	51	51	51	51	51	67
Dismantling Initiated	0	16	28	28	44	56
	<u>51</u>	<u>67</u>	<u>79</u>	<u>79</u>	<u>95</u>	<u>123</u>
Observed Performance	(Dec 4-Mar 29)	(Mar 22-May 17)	(Jul 9-Aug 3)	(Aug 4-Sep 6)	(Sep 7-Oct 19)	(Oct 12-Nov 5)
Dismantling Complete	8	13-16	33	33	39	51
Dismantling in Progress	43	38-35	20	46	69	70
	<u>51</u>	<u>51</u>	<u>53</u>	<u>79</u>	<u>108</u>	<u>121</u>

FOR THE PRESIDENT ONLY

25X1

25X1

25X1

25X1

* * *

USSR: [redacted]

[redacted] since mid-October the Soviets have completed the dismantling of 12 more older ICBM launchers and have begun dismantling 13 others. Additional dismantling activity could have occurred, however; of the 209 original SS-7 and SS-8 launchers, [redacted]
[redacted]

25X1

25X1

25X1

As of November 5 the Soviets had at least 121 launchers in varying stages of dismantlement, of which 51 can be considered fully dismantled according to the procedures established by the Protocol to the Standing Consultative Commission. An additional 20 launchers have been rendered unusable and could not be returned to operational status in substantially less time than would be required for new construction.

25X1

25X1

The Soviets were obligated to have 67 launchers fully dismantled or destroyed by early October and to have work underway on 56 others by late October. The Soviets will soon incur additional dismantling obligations. A Delta-class submarine with 16 missile launchers

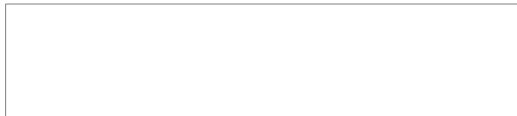
--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

probably will begin sea trials later this month or early in December. This will require the USSR to begin dismantling 16 more of its older launchers.

25X1



* * *

CHILE: *The government's announcement of its decision to release 323 persons imprisoned under the state of siege is a concession to international criticism.*

A spokesman of the Pinochet government said 18 other prisoners "too dangerous to be freed in Chile" would be expelled if some country would accept them. The spokesman said two of them--Communist Party chief Luis Corvalan and a former senator of the Allende coalition--would be released only if the USSR and Cuba would reciprocate by freeing two prominent prisoners.

By releasing its prisoners, the Pinochet government probably hopes to lessen the impact of a critical report recently circulated by the UN human rights investigating group and improve its image with the next US administration. The government's action is also a tacit admission that internal security is no longer a problem since any new roundup of "subversives" would provoke even more intense criticism abroad.

* * *

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NOTE

*Leftist students in
Greece seem bent on
marching on the US em-
bassy in Athens today
despite government ef-
forts to dissuade them.*

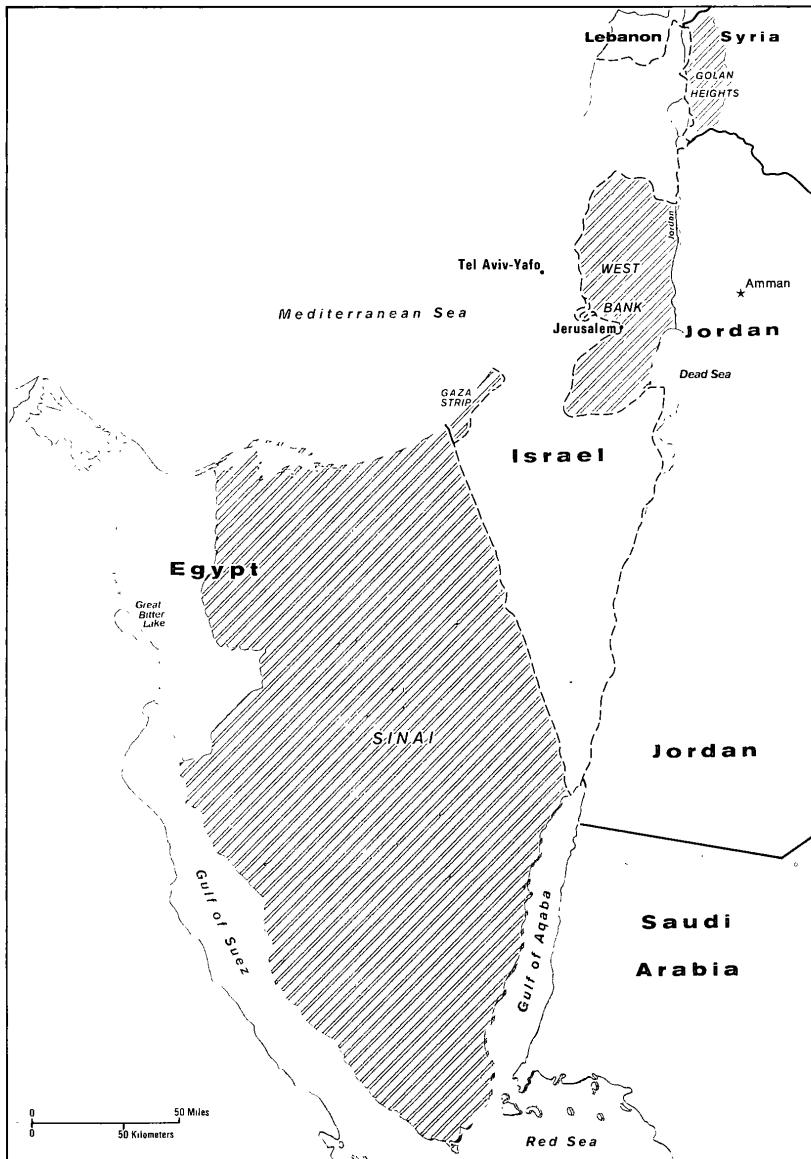
If both students and government remain adamant, some violence is likely. Greek security forces should be able to protect both the embassy and the consulate general in Salonica, where a similar march is scheduled to take place.

The activity is in commemoration of a student uprising in 1973 that brought down one junta only to have it replaced by another. The marches reflect the standard leftist charge, which many Greeks believe, that the US installed and supported the juntas and was responsible for their policy toward Cyprus.

* * *

--continued

FOR THE PRESIDENT ONLY



FOR THE PRESIDENT ONLY

A
N
N
E
X

ISRAEL-LEBANON

Most Israeli leaders believe that the collapse of Lebanon's political system and the rise in Syrian influence there will inevitably lead to a weakening of Israel's strategic position--if not now, then certainly in the long run. Prime Minister Rabin's government has felt powerless to prevent these developments and would even concede that Lebanon could have rapidly undergone what for Israel would have been a much more potentially dangerous transformation had Syria not intervened in the way it did.

Although the Israelis remain wary of Syrian intentions, they have not been displeased by the unusual and unexpected turn of events in recent months in Lebanon. The Syrians' split with the Palestinian guerrillas and tactical alliance with the Lebanese Christians last spring came not only as a pleasant surprise to Israeli leaders but also did much to reduce domestic pressures on them to become more directly involved in the crisis.

The Pluses...

Israel has reaped a number of benefits as a by-product of the Lebanese conflict. The preoccupation of the Palestinians, Syria, and nearly every other principal Arab state with Lebanon has resulted in:

- A virtual suspension of fedayeen terrorist raids on northern Israel.
- A relaxation of military tensions on the Golan Heights.
- A welcome breather from Arab pressures to resume negotiations for further tactical withdrawals.
- Until recently, a deepening of the split between Israel's two main adversaries, Egypt and Syria.

--continued

A1

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

The Israelis believe their policy of "calculated restraint" toward Syrian intervention and their covert aid to the Lebanese Christians have also succeeded in keeping the growth of Syrian influence in Lebanon within acceptable limits and in helping to weaken the Palestine Liberation Organization.

Israeli support has also helped the Christians to preserve some measure of independence and, of more immediate importance to Tel Aviv, to gain control over areas in southern Lebanon once used by the fedayeen to stage terrorist attacks on Israeli settlements.

...And Possible Minuses

Despite these pluses, the long term consequences of what has happened in Lebanon are far less clear and worry Israel.

With characteristic pessimism, many of Israel's leading press commentators see Lebanon inevitably slipping from its relative neutral status into the ranks of the Arab confrontation states under the influence of a stronger, more aggressive Syria, and the closing of Arab ranks once more against Israel. Some have already expressed alarm over the reconciliation between Egypt and Syria, expecting the Arabs, at a minimum, to shift their anti-Israeli propaganda campaign back into high gear.

Foreign Minister Allon and Minister of Defense Peres as well as other Israeli officials have expressed similar concerns about the future. Israeli Chief of Staff Gur recently discounted any immediate military threat from Syrian troops in Lebanon, noting that the current division of Syrian forces between Lebanon and the Golan Heights puts Syria at a greater military disadvantage than Israel.

South Lebanon

The Israelis will keep a close watch especially on southern Lebanon for any indication of a change in Syrian intentions. The Rabin government has already warned Damascus publicly, and apparently through diplomatic channels, that it will not tolerate a resumption of fedayeen cross-border operations from territory under Syrian control.

--continued

A2

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

Israel will continue its arms aid to Christian forces operating in the south in order to:

- Help them to consolidate their hold over areas along the Lebanese-Israeli border.
- Strengthen their overall bargaining position in the negotiations yet to come over Lebanon's future.
- Encourage them to continue to look to Israel for support.

As for the Palestinians, they appear too weak and preoccupied with merely surviving at present to challenge the Christians' hold in the south. It is highly likely that Israeli pressure combined with Syria's attempts to exert greater control over the PLO will sharply curtail, if not eliminate, the fedayeen capacity for staging cross-border operations from Lebanon.

Beyond Lebanon

Despite its transient importance, neither the Israelis nor the Arabs have ever regarded the Lebanese crisis as anything more than a sideshow to the main Arab-Israeli dispute. The Israelis have already begun to focus on what the Arabs are likely to do now that the war is almost behind them and especially on the implications for Israel of the Syrian-Egyptian rapprochement.

In general, the Lebanese civil war does not appear to have changed the Israelis' thinking about Syria or the other Arabs in any basic way. The Syrian-PLO split has at most encouraged the Rabin government to believe that it may be possible eventually to reach a better accommodation with Damascus. But Prime Minister Rabin still believes that the Arab states are not yet ready to make peace with Israel and that more interim agreements are the best that can be achieved for now.

--continued

FOR THE PRESIDENT ONLY

The Israelis expect at a minimum that the Arabs will push for a resumption of the Geneva peace talks next year and increase their pressure on the US to extract concessions from Israel. Beyond that, the Israelis are unsure whether the reconciliation between Cairo and Damascus will result in a softening of Syria's position or a hardening of Egypt's.

Rabin recently has expressed the concern that Syria, Egypt, and Saudi Arabia might put pressure on the Palestinians to abandon terrorism and moderate their political position in order to make it difficult for the US, and in turn, Israel to continue to deny the PLO a role in the peace talks. Israeli leaders especially fear that the US might go along with such a move.

Whatever tactics the Arabs adopt, however, the Israelis are unlikely to change their basic negotiating strategy. Rabin is no more anxious now than he ever was to move ahead rapidly toward additional agreements.

Time remains a valuable commodity to the Israelis in any future agreements, almost as valuable as territory itself. Rabin wants time for Israel to strengthen its military defenses, to see whether the Arabs will live up to their past agreements, to test the sincerity of those Arab leaders who profess to be willing to live in peace with Israel and to accept its permanency, and to adjust psychologically and politically to shrinking security borders, if it comes to that.

Top Secret

✓



The President's Daily Brief

November 18, 1976

2



~~Top Secret^{25X1}~~

Exempt from general
declassification schedule of EO 11652
exemption category 5B(1),(2),(3)
declassified only on approval of
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

November 18, 1976

25X1

Table of Contents

<u>Italy:</u> [redacted]	25X1
[redacted]	25X1
(Page 1)	
<u>Jordan:</u> One of the terrorists who attacked the hotel in Amman yesterday reportedly has confessed that his group was trained in Iraq and infiltrated into Jordan by Iraqi authorities. (Page 2)	
<u>Rhodesia:</u> Zambia and Tanzania are urging the Rhodesian nation- alists at the Geneva conference to be flexible in their negotiating positions. The two countries are concerned that Mozambique may be encouraging the nationalists to maintain an uncompromising stand. (Page 3)	25X1
<u>Ethiopia-Israel:</u> [redacted]	25X1
[redacted]	25X1
(Page 4)	
<u>Notes:</u> South Africa - Israel; China (nuclear test); China (grain); USSR; Spain; Saudi Arabia - OPEC; USSR-Yugoslavia (Pages 6, 7, 8, and 9)	

FOR THE PRESIDENT ONLY

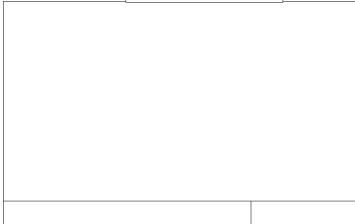
FOR THE PRESIDENT ONLY

25X1

25X1

25X1

ITALY: [redacted]



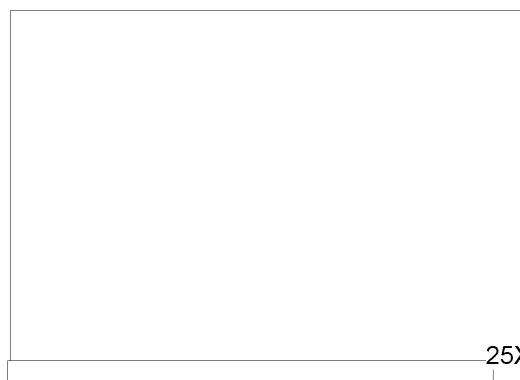
-25X1

25X1



25X1

25X1



25X1

25X1

25X1



25X1

--continued

FOR THE PRESIDENT ONLY

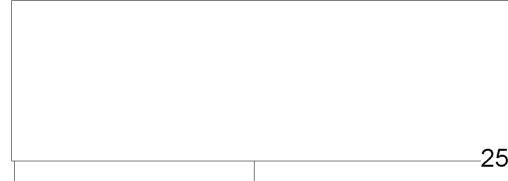
FOR THE PRESIDENT ONLY

25X1



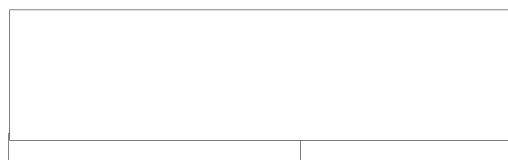
25X1

25X1



25X1

25X1



25X1

* * *

JORDAN: One of the terrorists who attacked the hotel in Amman yesterday reportedly has confessed that his group was trained in Iraq and infiltrated into Jordan by Iraqi authorities.

The terrorists apparently are members of the "Black June" group, which takes its name from the month Syria made its first big military push into Lebanon. They are said to have demanded that Jordan condemn the Lebanese cease-fire agreement. Jordan has strongly backed Syria's actions in Lebanon and has long been a priority target of fedayeen and other Arab radicals.

The "Black June" group was formed by dissident Fatah leader Sabri al-Banna, who for several years has operated from Baghdad with Iraqi support. He cooperates with the radical Popular Front for the Liberation of Palestine and with non-Arab terrorists, including the Latin American, "Carlos," and the Japanese Red Army.

25X1



--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

25X1



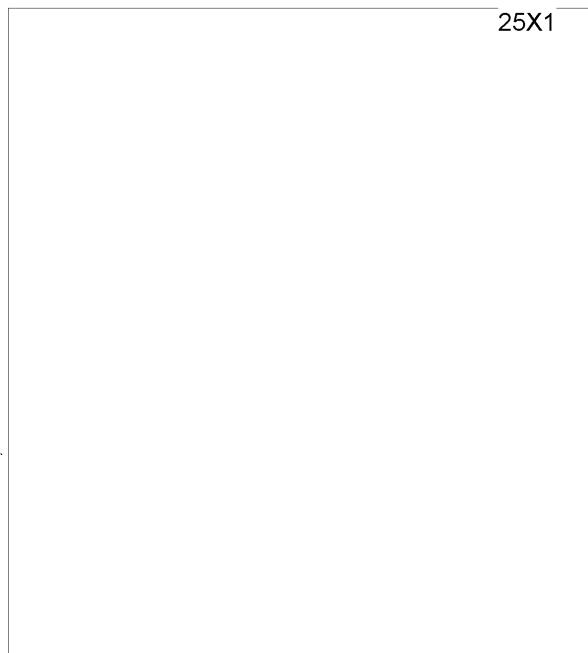
25X1

Jordan last night expelled four Iraqi diplomats to protest the terrorist attack.

* * *

RHODESIA: Zambia and Tanzania are urging the Rhodesian nationalists at the Geneva conference to be flexible in their negotiating positions. The two countries are concerned, however, that Mozambique may be encouraging the nationalists to maintain an uncompromising stand.

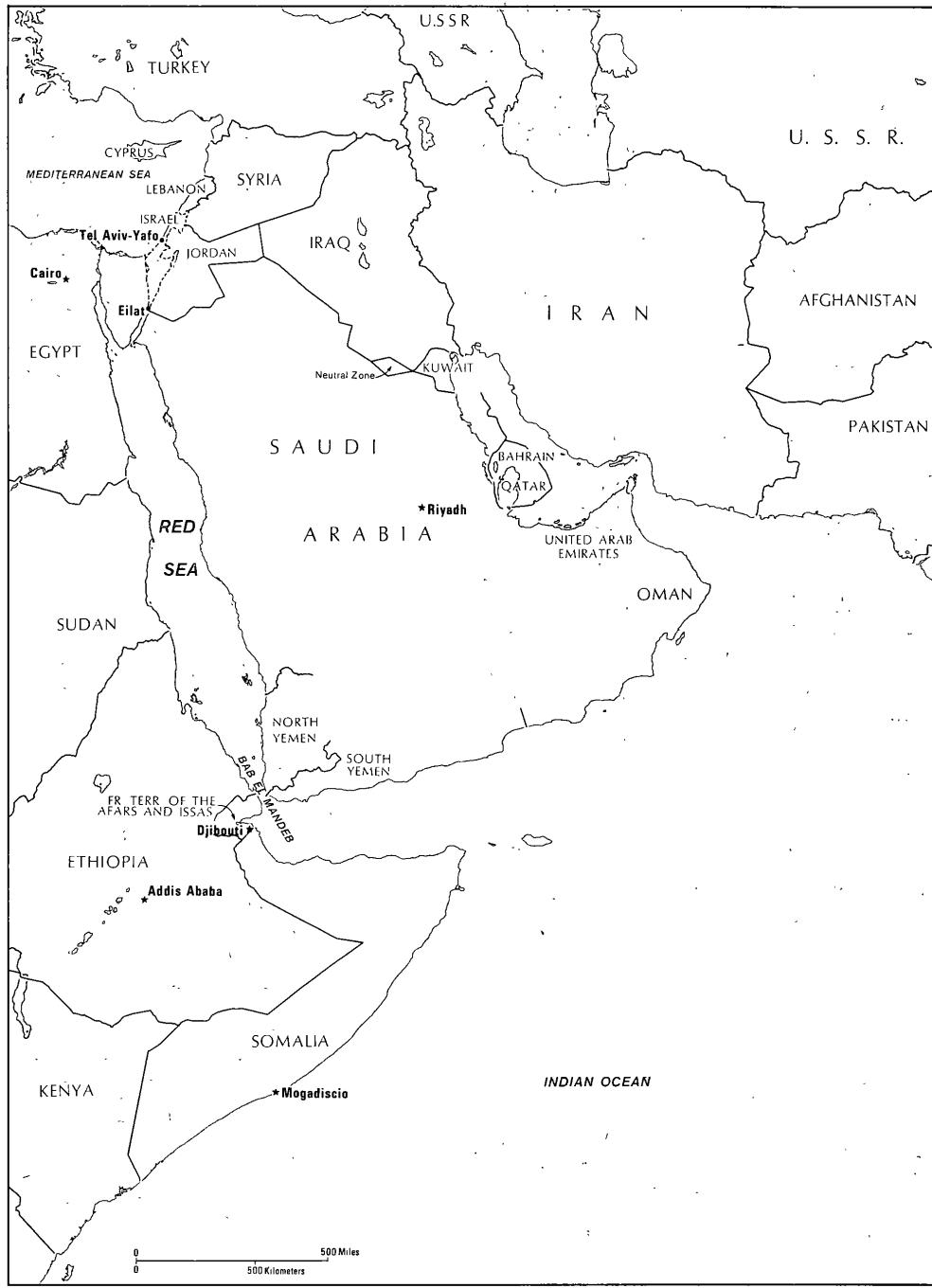
25X1



Nyerere apparently has hardened his position on an independence date. He told the US ambassador to Nigeria yesterday that the British proposal, which he had previously supported, is unacceptable. Nyerere said there must be a definite 15-month time limit for the transition period, and that he had been persuaded by Nigerian President Obasanjo that the British plan gives no assurance of independence within any particular time period.

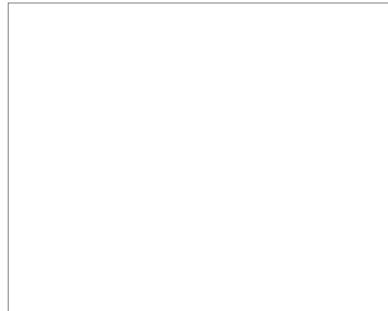
--continued

FOR THE PRESIDENT ONLY



620687 11-76

FOR THE PRESIDENT ONLY



25X1

Most of the Rhodesian guerrillas are based in Mozambique, and Machel clearly favors the guerrilla leaders over most of the established nationalist political leaders. Many of the guerrillas believe their only chance to gain dominant influence in a black Rhodesian government lies in winning a military victory.

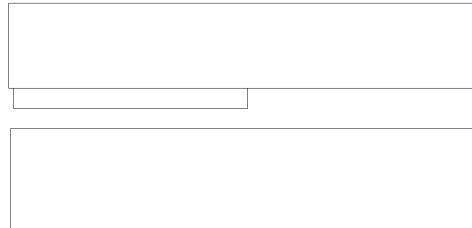
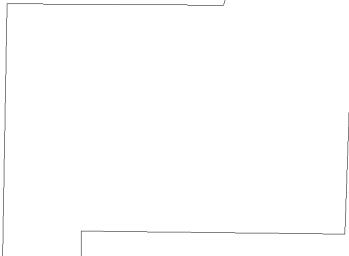
Nevertheless, Machel has worked with the other "front-line" presidents for a negotiated settlement because he believes a settlement would ease his country's serious economic problems and eliminate the embarrassment caused by Mozambique's inability to prevent Rhodesian army raids into its territory.

Mozambican Foreign Minister Chissano arrived in Geneva yesterday to assume leadership of his country's observer delegation. Chissano, who was instrumental in negotiating his own country's independence from Portugal, has a reputation as a moderate, and Machel may have sent him to Geneva to work with the other observers in persuading the nationalists to adopt a flexible approach.

* * *

25X1

ETHIOPIA-ISRAEL



25X1

25X1

25X1

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY



25X1



25X1

25X1



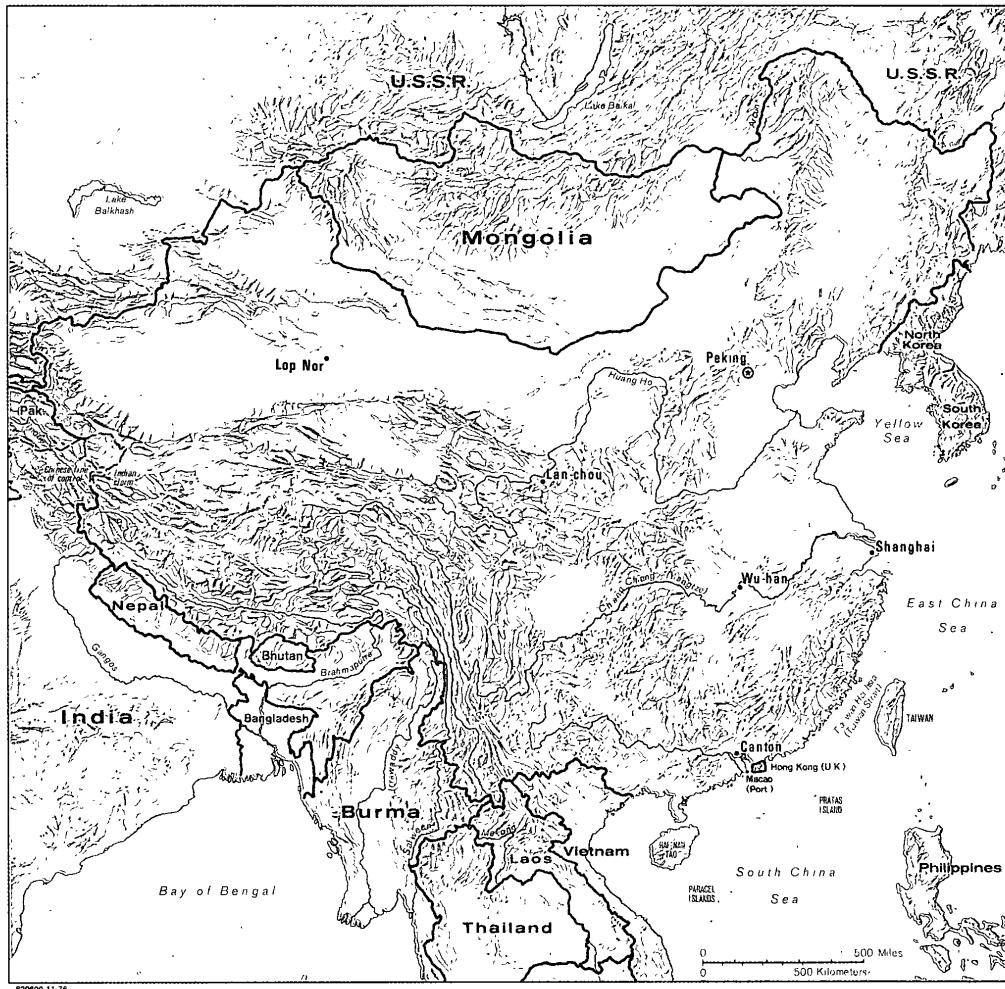
25X1

* * *

--continued

FOR THE PRESIDENT ONLY

China

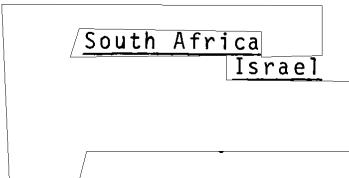


FOR THE PRESIDENT ONLY

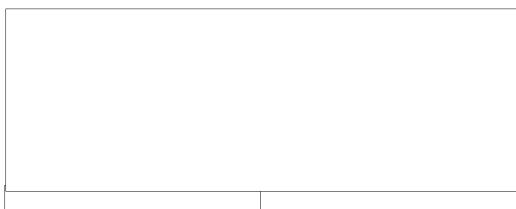
25X1

25X1

NOTES



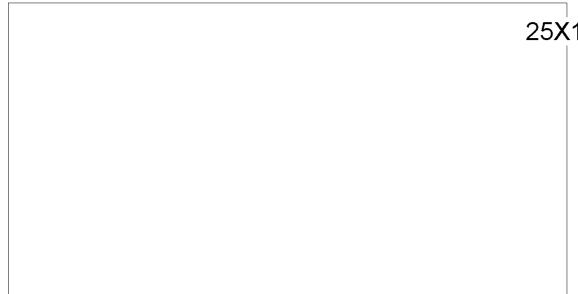
25X1



25X1

* * *

China yesterday conducted an unprecedented fourth nuclear test of the year in the Lop Nor test area.



25X1

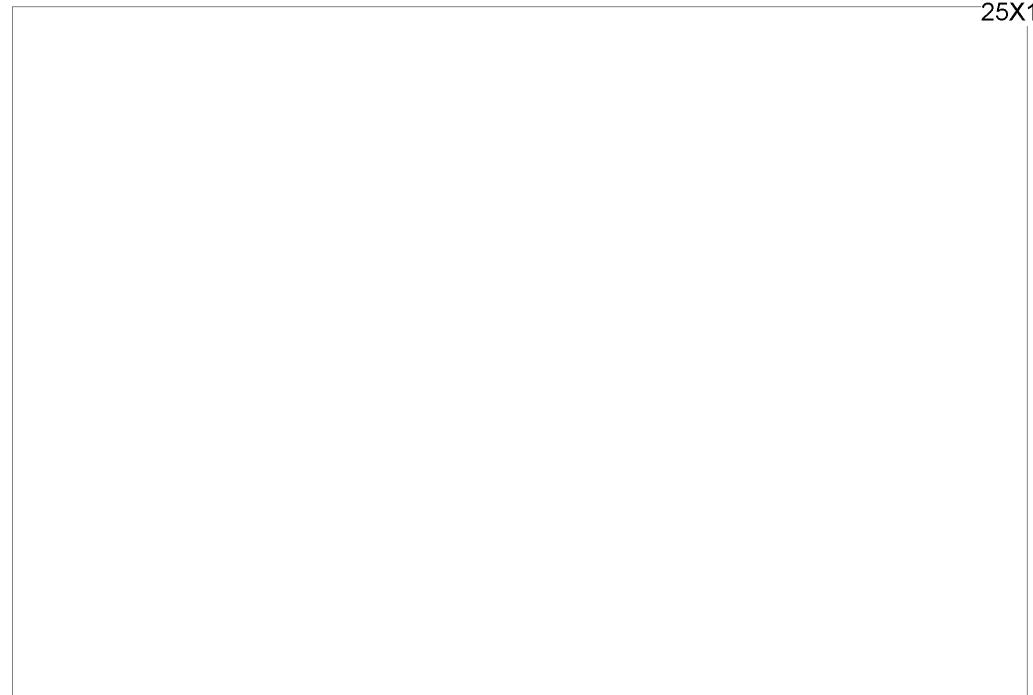
* * *

Crop conditions have not been good in China this year, and Peking is trying to line up shipments of foreign grain at attractive prices.

Australia has already sold China 500,000 tons of wheat for delivery between February and June 1977. A delegation from the Canadian Wheat Board will be in Peking on Friday. China has also purchased 6,000 tons of soybean oil from Brazil.

--continued

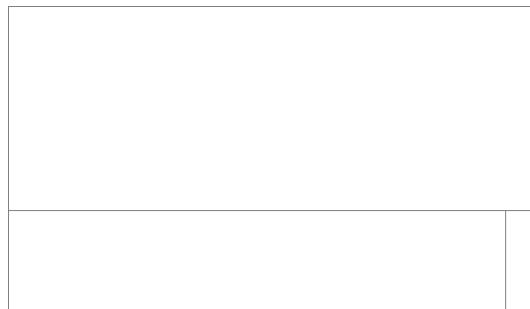
FOR THE PRESIDENT ONLY



25X1

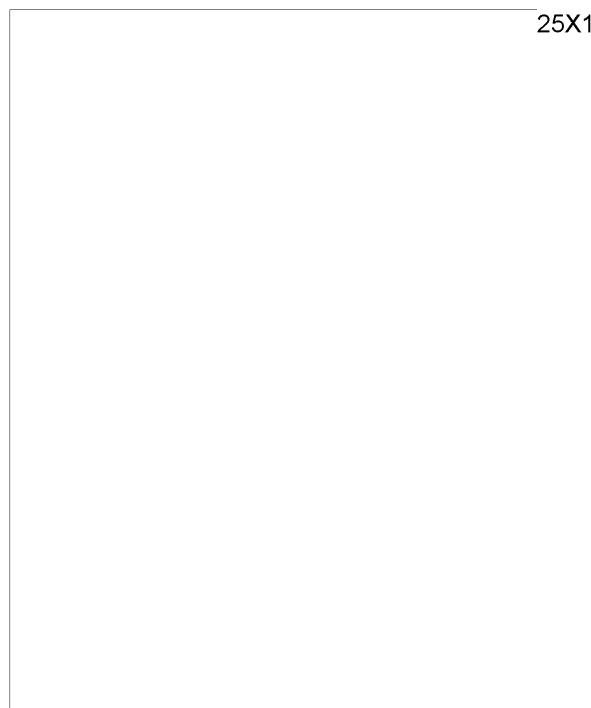
FOR THE PRESIDENT ONLY

25X1



* * *

25X1
25X1



25X1

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

* * *

The Spanish parliament may vote today on the constitutional reform bill that could set the course for post-Franco Spain.

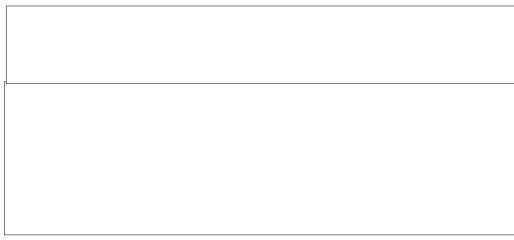
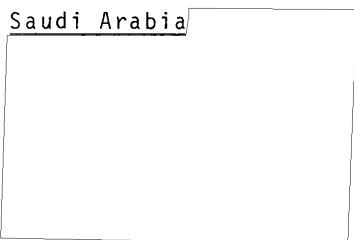
Government officials appear confident that the bill, which would put an end to the largely appointed parliament of the Franco era and provide for a freely elected bicameral legislature, will obtain the necessary two-thirds majority.

The vote is likely to be close primarily because the government is apparently determined to push ahead without compromise on several key issues that have been opposed by a broad spectrum of rightists. The rightists could prevent passage of the bill if they vote as a bloc.

If the bill passes, the government will immediately begin preparations for the mandatory national referendum to confirm the parliament's decision. It will probably be held in late December, with the legislative election following in March or April.

25X1

25X1



25X1



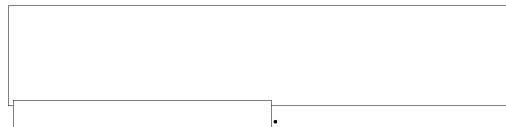
25X1

25X1

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY



25X1



25X1

* * *

The communique issued after Soviet General Secretary Brezhnev's official visit to Yugoslavia this week suggests there was some hard bargaining, but the Tito regime is no doubt pleased with the results.

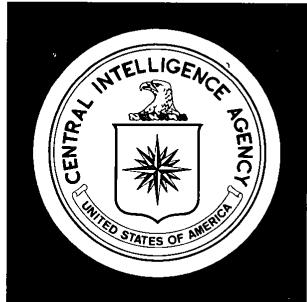
The key element in the text, from Yugoslavia's perspective, is Brezhnev's reaffirmation of previous Soviet promises to respect the right of the Yugoslavs' "separate road" to socialism. However, the omission of the word "trust"--which Tito permitted in the communique after his meeting with Brezhnev in Kiev three years ago--apparently reflects Yugoslav wariness of Moscow's intentions toward Yugoslavia.

We have no information as to whether Brezhnev requested increased naval access to Yugoslav ports.

FOR THE PRESIDENT ONLY

Top Secret

/

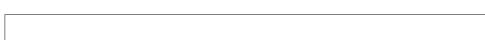


The President's Daily Brief

November 19, 1976

2

Top Secret 25X1



Exempt from general
declassification schedule of E.O. 14176
exemptive category 5B(1),(2)(d)
declassified only on approval of
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

November 19, 1976

Table of Contents

<u>Lebanon:</u> The cease-fire in Beirut is holding up well.	25X1
[Redacted]	
(Page 1)	
<u>Rhodesia:</u>	25X1
[Redacted]	
(Page 2)	
<u>Zambia:</u>	25X1
[Redacted]	
(Page 3)	
<u>Japan-EC:</u> Japan's trade surplus with Western Europe is prompting renewed complaints and threats of retaliation from the European Community. (Page 4)	
At Annex, we discuss the positions of Saudi Arabia and Iran on the size of the oil price increase to be determined by the Organization of Petroleum Exporting Countries at its meeting in December.	

FOR THE PRESIDENT ONLY



25X1

FOR THE PRESIDENT ONLY

LEBANON: With the exception of an incident at a refugee camp, the cease-fire in Beirut is holding up well.

Beirut airport is expected to open for daylight operations today, and commercial activity throughout the capital is returning to normal.

The one incident occurred between members of the Syrian-controlled Palestinian organization, Saqla, and members of Fatah and other independent Palestinians. The matter was settled without the intervention of peacekeeping troops.

General Haj, the Lebanese commander of the Arab security force, has notified local officials in northern and southern Lebanon that peace-keeping troops would enter those areas by the end of the week.

Syria remains reluctant to send its own troops into the far south-- even under the umbrella of Arab peacekeeping-- because of Israeli sensitivity to any Syrian presence near the border.

Damascus hopes to gain control of the area by limiting the numbers of Palestinians returning south and by sending Syrian-controlled Palestinian forces into bases from which the Palestinians have operated against Israel. This arrangement, however, will give Syria only marginal influence there over the Palestinians and even less over the Christians, whose cooperation with the Israelis is a major embarrassment to Damascus.

25X1



25X1

Arafat is currently in Damascus for talks with Syrian President Asad,

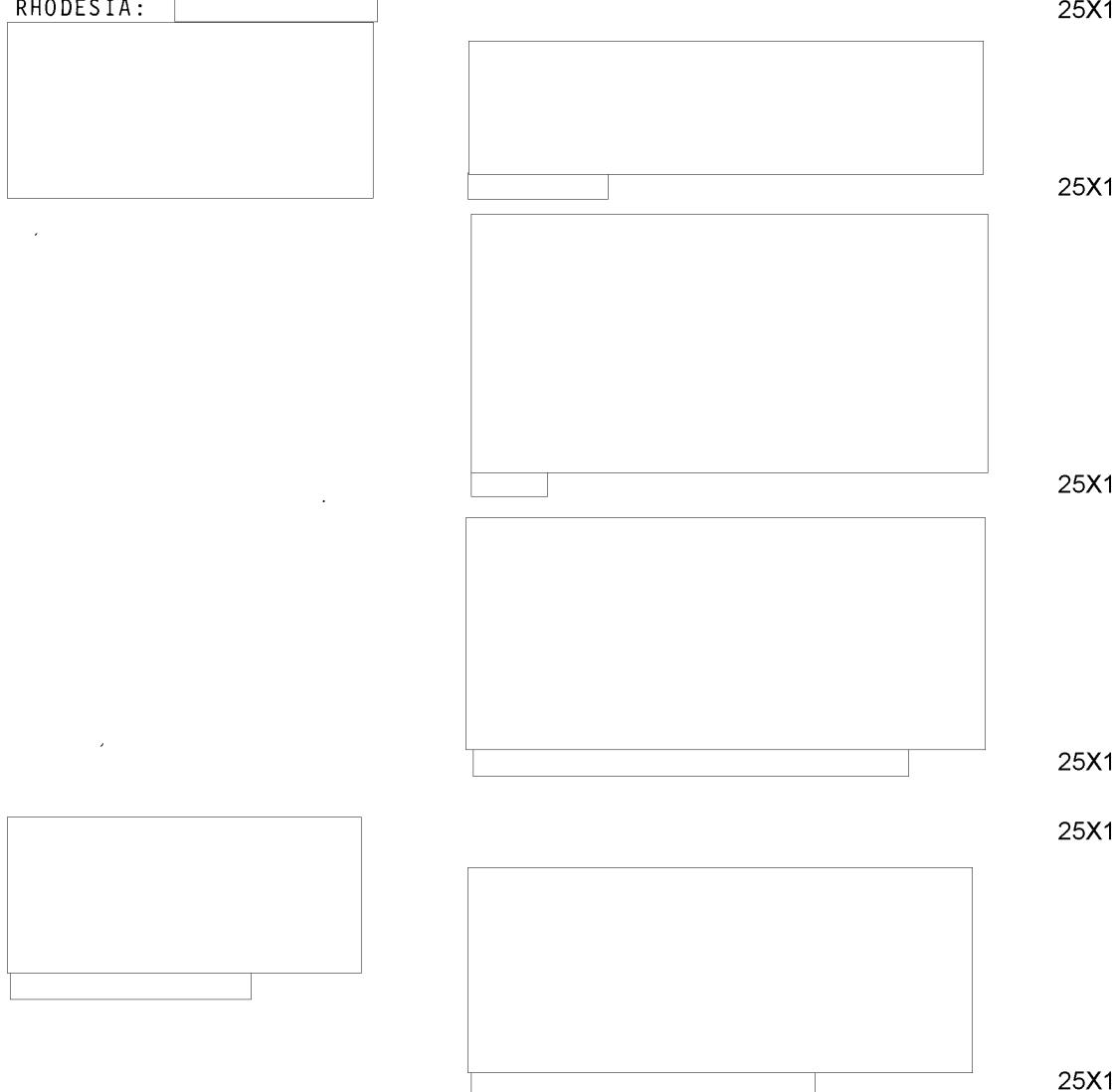
--continued

FOR THE PRESIDENT ONLY

ostensibly to patch up their differences. The two have asked other Palestinian leaders to join them today, suggesting that a formal statement of reconciliation may be issued.

* * *

RHODESIA:



--continued

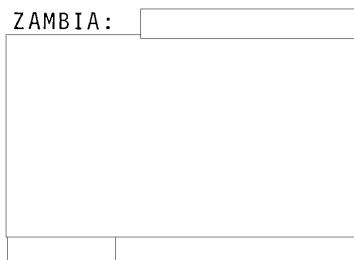
FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY



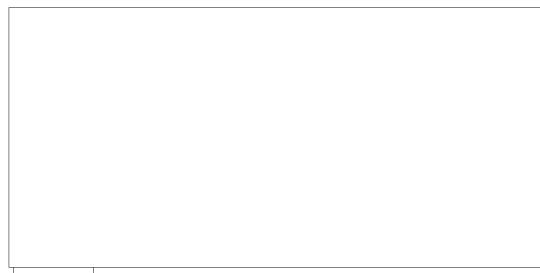
25X1

* * *



25X1

25X1



25X1



25X1

--continued

FOR THE PRESIDENT ONLY

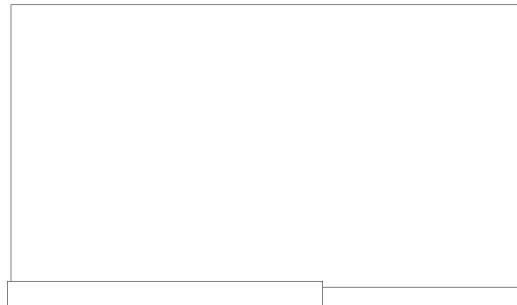
FOR THE PRESIDENT ONLY



25X1



25X1



25X1

* * *

JAPAN-EC: *Japan's surplus in trade with Western Europe is again prompting complaints and the threat of retaliation from the European Community.*

EC officials have warned that unless Japan acts soon to reduce further competitive pressures in certain sensitive areas such as steel, automobiles, and shipbuilding, individual EC states--particularly those with serious economic problems--will take unilateral action to restrict imports from Japan.

Japanese business and government leaders alike are resigned to making some accommodations, if only to defuse the issue for the time being. Even so, the Japanese know that any adjustment in the trade account is likely to be temporary and that, as in the past, the trade surplus will remain the primary economic issue--and fundamental political problem--in Japan's European connection.

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

Competition in world markets--outside the EC--is of major concern in EC circles. Japanese ship-builders have won contracts for nearly two thirds of worldwide merchant ship tonnage ordered this year and continue to underbid the Europeans by as much as 40 percent.

Japanese business leaders are unenthusiastic about export controls and are concerned that such a response to European pressures may fuel protectionist sentiment in the US.

These leaders maintain that the EC's failure to expand its share of the Japanese market is a European responsibility and that some of the shortfall in imports from Western Europe has been a product of the slow pace in Japan's domestic economic recovery.

[redacted] business and government leaders alike suspect that the significance of increases in some of their exports has been distorted for domestic political reasons and that the bilateral trade account has again been targeted as a scapegoat for internal European economic shortcomings. 25X1

* * *

--continued

FOR THE PRESIDENT ONLY

OPEC: Oil Price Chronology

Date	Event	Resulting Average Cost for Benchmark Crude (\$ per barrel)
1957-1970		1.10
1971-1972	<i>Producer governments and foreign companies meet several times in Tehran, Geneva, and Tripoli and work out small price increases.</i>	1.80
June 1, 1973	<i>Geneva</i> —agreement to compensate for 10% devaluation of dollar on 12 February	2.00 (effective July 1, 1973)
October 16	<i>Six OPEC Persian Gulf countries increase price by 70%, other oil exporting countries follow suit.</i>	3.30
December 23	<i>Tehran</i> —Oil ministers of Gulf OPEC states increase posted prices, implement government participation.	9.34 (effective January 1, 1974)
March 16, 1974	<i>Vienna</i> —OPEC agrees to maintain prices.	9.34
June 15	<i>Quito</i> —Oil ministers increase royalty.	9.47 (effective July 1, 1974)
September 12	<i>OPEC</i> freezes prices but increases taxes and royalties.	9.84 (effective October 1, 1974)
November 1	<i>Saudi Arabia</i> and two other Gulf States increase royalties and taxes to pre-empt potentially larger OPEC-wide increase the following month.	10.24
December 12	<i>OPEC</i> forced to ratify Saudi increase of November 1.	10.24
March 7, 1975	<i>Algiers</i> —OPEC price freeze extended through September.	10.24
September 24	<i>Vienna</i> —After 4 days of unprecedented squabbling, Iran and Saudi Arabia finally compromise at a 10% increase.	11.51 (effective October 1, 1975)
April	<i>Geneva</i> —Oil ministers hold surprise meeting to pave the way for the May meeting in Bali.	11.51
May 27	<i>Bali, Indonesia</i> —Saudi Arabia prevails in attempt to maintain price freeze through December, with advance concurrence of Iran..	11.51
Mid-December 1976	<i>Doha, Qatar</i>	?

FOR THE PRESIDENT ONLY

OPEC

A
N
N
E
X

The size of the increase in the price of oil that will be determined by the Organization of Petroleum Exporting Countries at its meeting in December will depend on how Iran and Saudi Arabia reconcile their differences over this question. Our best guess is that the increase will be something like 10 percent.

There is no evidence, despite news reports of a postponement, that the OPEC meeting scheduled for December 15 will be delayed for more than a few days.

The Saudi position has changed twice since the OPEC meeting in Bali, Indonesia, last May. At that meeting Saudi Arabia successfully pressed to continue the price freeze established in October 1975 on the grounds that higher oil prices could weaken or abort the recovery in the major Western industrial countries and help to erode political stability in countries with strong Communist parties.

[REDACTED] 25X1

[REDACTED] 25X1

[REDACTED] 25X1

[REDACTED] 25X1

[REDACTED] 25X1

[REDACTED] 25X1

[REDACTED] Iran could get along quite well without

--continued

A1

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

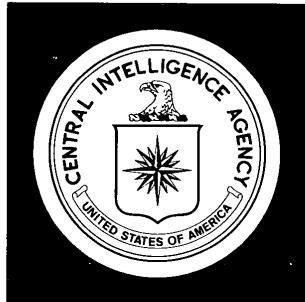
any price rise during 1977. Its current-account surplus should approximate \$5.6 billion this year and, even with large military purchases, should be sizable next year as well.

The other OPEC members seem to be following their usual practice of lining up behind either Saudi Arabia or Iran on the price issue.

Kuwait and the United Arab Emirates, with large revenue surpluses, seem fully behind Saudi Arabia; revenue-hungry states such as Iraq, Nigeria, and probably Venezuela back Iran. The Saudis have broadened support for their position in OPEC councils in the past by offering financial assistance to needy states like Algeria--a tactic they probably will use again at the next ministers' meeting.

The Saudis, having held the price line throughout 1976, now feel reluctant to expend the necessary political capital with other OPEC members to prevent an increase. On November 10, King Khalid publicly stated that Saudi Arabia's commitment to OPEC may preclude a continued oil price freeze. If Iran is adamant in its demands for a large increase, the Saudis will likely agree to a 10-percent hike and might not veto one of 15 percent.

Top Secret



✓

The President's Daily Brief

November 20, 1976

2



~~Top Secret~~ 25X1

Exempt from general
declassification schedule of E.O. 13652
exemption category 5B(1),(2),(3)
declassified only on approval of
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

November 20, 1976

25X1

Table of Contents

25X1

[Redacted]

West Germany: [Redacted]

[Redacted]

Notes: Mexico; Philippines; Vietnam-EC (Pages 3 and 4) 25X1

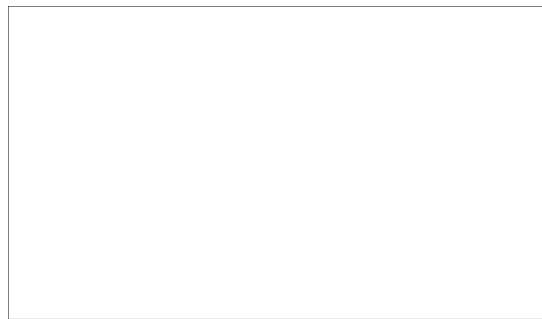
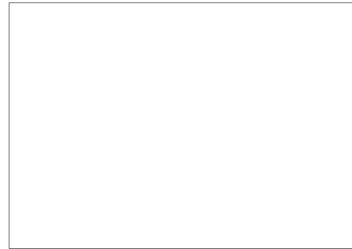
25X1

FOR THE PRESIDENT ONLY

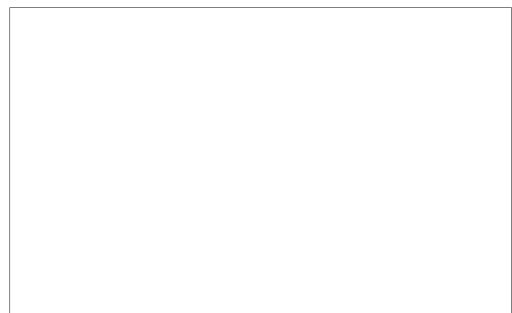
FOR THE PRESIDENT ONLY

25X1

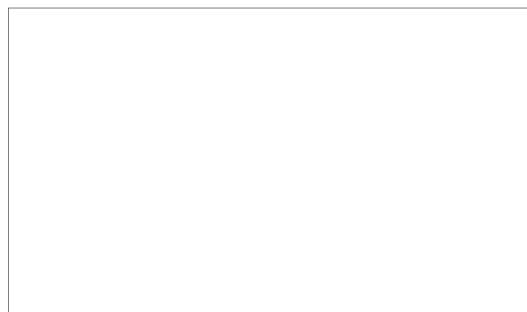
25X1



25X1



25X1



25X1

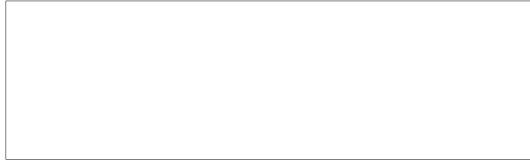


--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

25X1



*

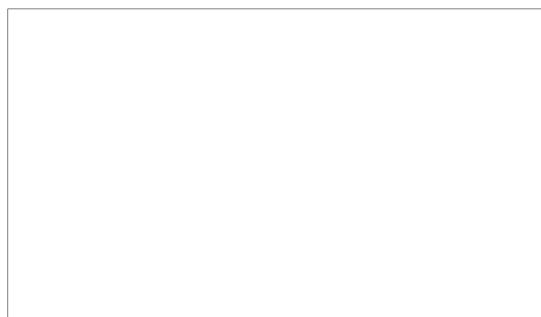
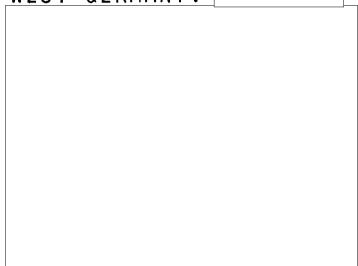
*

* 25X1

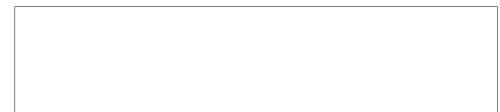
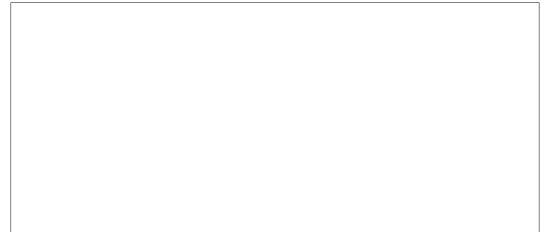
25X1

25X1

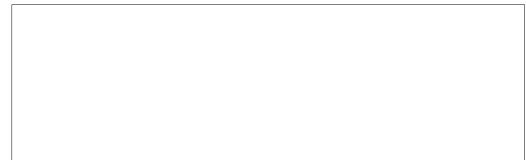
WEST GERMANY: [redacted]



25X1



25X1



25X1

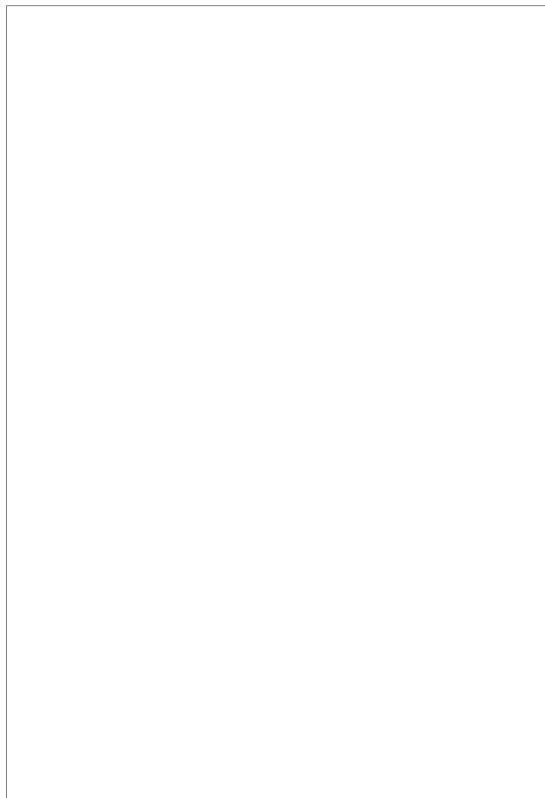
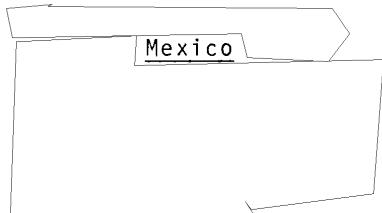
* * *

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NOTES



25X1

25X1

* * *

Philippine President
Marcos has begun a
crackdown on his crit-
ics in the Catholic
Church.

On November 15 Marcos ordered the arrest of religious and lay persons suspected of subversive activity in collaboration with the Communist Party or former politicians of the right. One US priest has already been arrested and is awaiting deportation.]



--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

The current arrests are part of a comprehensive plan to counter church criticism by deporting foreign priests who have been involved in political agitation, placing activist leaders in preventive detention, and scaring off their financial patrons. Marcos apparently believes that the church hierarchy will accept the government crackdown.

* * *

Initial efforts by the Socialist Republic of Vietnam to secure trade preferences and financial aid from the European Community have met with only limited success.

The Community is presently unable to offer major financial support for Vietnam's new five-year plan, but is willing to provide food assistance and to facilitate Vietnamese exports to the EC. An EC spokesman has suggested that the Vietnamese approach the individual EC members directly to discuss financial aid.

The EC foreign ministers this week agreed to extend to Vietnam the duty-free treatment it had previously granted South Vietnam. This will allow almost all of Vietnam's exports to the EC--amounting to some \$3 to \$4 million annually--to enter duty free.

Top Secret



✓

The President's Daily Brief

November 22, 1976

2

~~Top Secret 25X1~~

Exempt from general
declassification schedule of E.O. 13652
exemption category 5B(1),(2),(3)
declassified only on approval of
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

November 22, 1976

Table of Contents

USSR-Romania: Soviet party chief Brezhnev's arrival in Romania today for three days of talks will cap five months of efforts by the Soviets and Romanians to improve bilateral relations. (Page 1)

Lebanon: The Syrian-dominated Arab peacekeeping forces entered the Lebanese port cities of Tripoli and Sidon without incident yesterday morning. Shelling is continuing in southeastern Lebanon and across the Israeli border. (Page 2)

Note: Brazil (Page 4)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

USSR-ROMANIA: Soviet party chief Brezhnev's arrival in Romania today for three days of talks will cap five months of efforts by the Soviets and Romanians to improve bilateral relations.

This is Brezhnev's first official visit to Romania during his 12 years as General Secretary.

The talks in Bucharest will take place just before the Warsaw Pact's Political Consultative Committee meets there on Thursday and Friday, the first such meeting to be held in Romania in 10 years. Brezhnev and Ceausescu will probably seek common ground on issues that the Pact gathering is likely to discuss, in addition to their review of Soviet-Romanian relations.

Romania is said to be dissatisfied with its share of the USSR's foreign trade in the 1976-1980 planning period, and Ceausescu may be trying to coax the Soviets into expanding their economic assistance. He will probably press for the specifics of Moscow's reported agreement "in principle" to provide Bucharest with some crude oil and additional raw materials.

Ceausescu will want the language of the joint communique after the meetings to follow the same line as that issued after the Tito-Brezhnev talks in Yugoslavia--recognition of national sovereignty and voluntary cooperation among equal communist parties that freely choose their own national communist courses.

The Soviets will strive for Romanian recognition of the merits of greater integration within the communist community and also of Moscow's seniority in the communist movement.

* * *

--continued



620645 1176

FOR THE PRESIDENT ONLY

LEBANON: The Syrian-dominated Arab peace-keeping forces entered the Lebanese port cities of Tripoli and Sidon without incident yesterday morning.

An advance contingent of the security force reportedly took control of the oil refinery south of Sidon.

The Fatah military leadership notified local commanders on Friday that they were to aid in implementing this phase of the truce agreement by providing liaison officers. Fatah units in the Tripoli area were ordered to withdraw to nearby refugee camps and to cooperate with a special committee in turning over all offices once held by the Syrian-controlled Saiqa organization.

The Arab security force command announced on Saturday that peace-keeping units will begin confiscating heavy weapons and military vehicles and arresting persons bearing arms. Christians, Palestinians, and leftists have already begun caching heavy weapons to avoid confiscation.

In southern Lebanon, artillery exchanges between the Palestinian- and leftist-controlled town of Bint Jubayl and the Christian-held village of Ayn Ibil continue to be reported. Syria has not sent troops into the far south because of Israeli sensitivity about the border area.

For the first time in several months, Fatah guerrillas on Friday night fired across the southeastern Lebanese border at an Israeli army patrol. We are fairly certain that there was some Israeli shelling yesterday across the border, probably in the same vicinity.

--continued

FOR THE PRESIDENT ONLY

Israeli Defense Minister Peres warned [redacted]

*yester-
day that Syrian pene-
tration into southern
Lebanon may increase
tension in the area.*

An Israeli military correspondent stated that Israel had warned Syria several times, through the US, that the presence of Syrian units in the border area could precipitate Israeli military intervention. He added that security officials did not regard the Syrian move to Sidon in itself to be a threat to Israel.

25X1

* * *

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NOTE

Brazil's persistent balance of payments problems may widen the rift within the military regime over foreign economic policy.

Planning Minister Reis Velloso and other spokesmen have attacked recent speeches by Minister of Industry and Commerce Severo Gomes in which he called for greater insulation of the economy from external influences.

Gomes blames the government's liberal trade and foreign investment policies for Brazil's present economic troubles. He has proposed redistributing income to accelerate expansion of the domestic market--implicitly to reduce dependence on foreign markets--and accelerating development of import substitution industries. He would also trim foreign borrowing and cut direct investment by multinational corporations. Although not new, these arguments appeal to many nationalistic Brazilians and some factions within the military.

The attack against Gomes indicates that many within the government fear his ideas may be gaining momentum. The assault may also be inspired by a desire to influence presidential politics. While President Geisel's term will continue for over two more years, potential successors already are maneuvering for position.

Top Secret

✓



The President's Daily Brief

November 24, 1976

2



~~Top Secret~~ 25X1

Exempt from general
declassification schedule of E.O. 11652
exemption category 5B(1),(2),(3)
declassified only on approval of
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

November 24, 1976

25X1

Table of Contents

25X1

Rhodesia-Zambia:



25X1

USSR-Turkey: The USSR has suggested that Premier Kosygin visit Turkey at the site of a joint dam project on the border. Ankara is agreeable but no date has been set. (Page 1)

Notes: Iran; USSR; Libya-USSR (Pages 3 and 4)

FOR THE PRESIDENT ONLY



FOR THE PRESIDENT ONLY

25X1

25X1

25X1

RHODESIA-ZAMBIA:



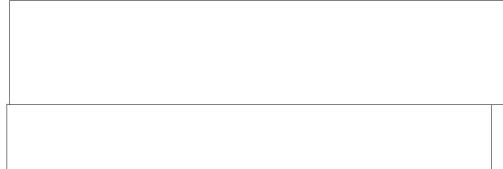
25X1

25X1

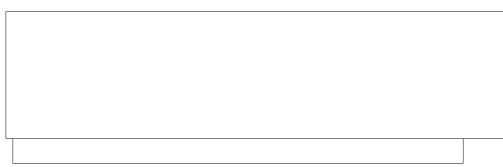
25X1



25X1



25X1



25X1

25X1

* * *

USSR-TURKEY: The USSR has suggested that Premier Kosygin visit Turkey for a ground-breaking ceremony for a joint dam project on the international border. Ankara is agreeable to the visit but no date has been set.

The Soviets apparently hope to come to a conclusion on terms of the "political document" the two countries agreed last December to sign. The Turks found unacceptable an initial Soviet draft. The Turks would prefer a document that resembles the declaration of good neighborly relations the two countries signed in 1972.

Turkish Prime Minister Demirel told the US ambassador earlier this month that it would be some

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

time before such a new document was signed. The Prime Minister will be careful to keep the issue alive, however, since he views it as an important card to hold while the US Congress deals with the US-Turkish defense cooperation agreement.

Demirel reportedly also sees the prospective meeting with Kosygin as an opportunity to explore possibilities for acquiring additional Soviet economic aid for Turkey, which already ranks high among the recipients of Soviet assistance.

* * *

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

NOTES

Iran's current-account surplus, which probably will total \$5.6 billion this year, does not support the Shah's proclaimed need for a large oil price hike.

Even with no oil price increase next year, Iran probably would run a \$4.2-billion current-account surplus. A 10-percent oil price hike would raise the 1977 surplus to \$6.6 billion.

Iran experienced a financial setback last year when imports almost doubled as the country rushed ahead with its ambitious development program, and exports declined in response to the slump in world demand for heavy crude oil. Oil exports began to rebound early this year, however, and crude oil liftings are close to capacity. Imports, on the other hand, will remain at about the 1975 level.

Slow progress in clearing and expanding the ports to eliminate congestion and the government's decision in June 1975 to stretch out the development plan should hold down imports for the next few years.

* * *

The USSR conducted an underground nuclear test yesterday at the Shagan River Test Area at Semipalatinsk.

The preliminary estimate of the yield by the US Atomic Energy Detection System is between 96 and 550 kilotons, assuming that the test was conducted in sedimentary rock. If the test was conducted in granite, the estimate would be between 80 and 280 kilotons.

These ranges are attributable to uncertainty in determining from seismic body wave data alone the yields of tests conducted in these formations.

--continued

FOR THE PRESIDENT ONLY

Continuing seismic studies associated with Soviet underground tests suggest that our estimated yields for tests at Semipalatinsk may show an upward bias. If this is the case, the estimated yield ranges for yesterday's test would eventually be revised downward from those cited above.

Yesterday's was the third test in this general yield range at Shagan River this year--about the same number as in the past few years. Activity in the area appears to be proceeding normally, suggesting that Shagan River will continue to be an active test area.

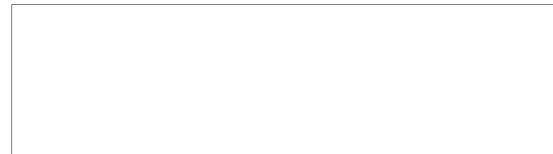
* * *

25X1



USSR.

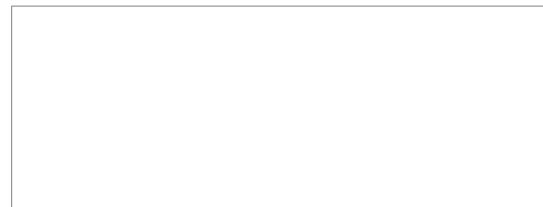
25X1



25X1



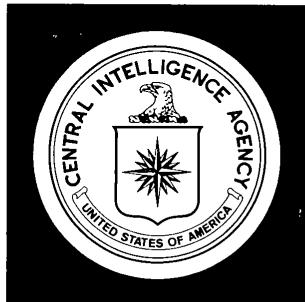
25X1



FOR THE PRESIDENT ONLY

Top Secret

✓



The President's Daily Brief

November 26, 1976

2



~~Top Secret~~ 25X1

Exempt from general
declassification schedule of 1652
exemption category 5(b)(1), (3), (4)
declassified only on approval of
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

November 26, 1976

Table of Contents

Rhodesia: [Redacted] 25X1

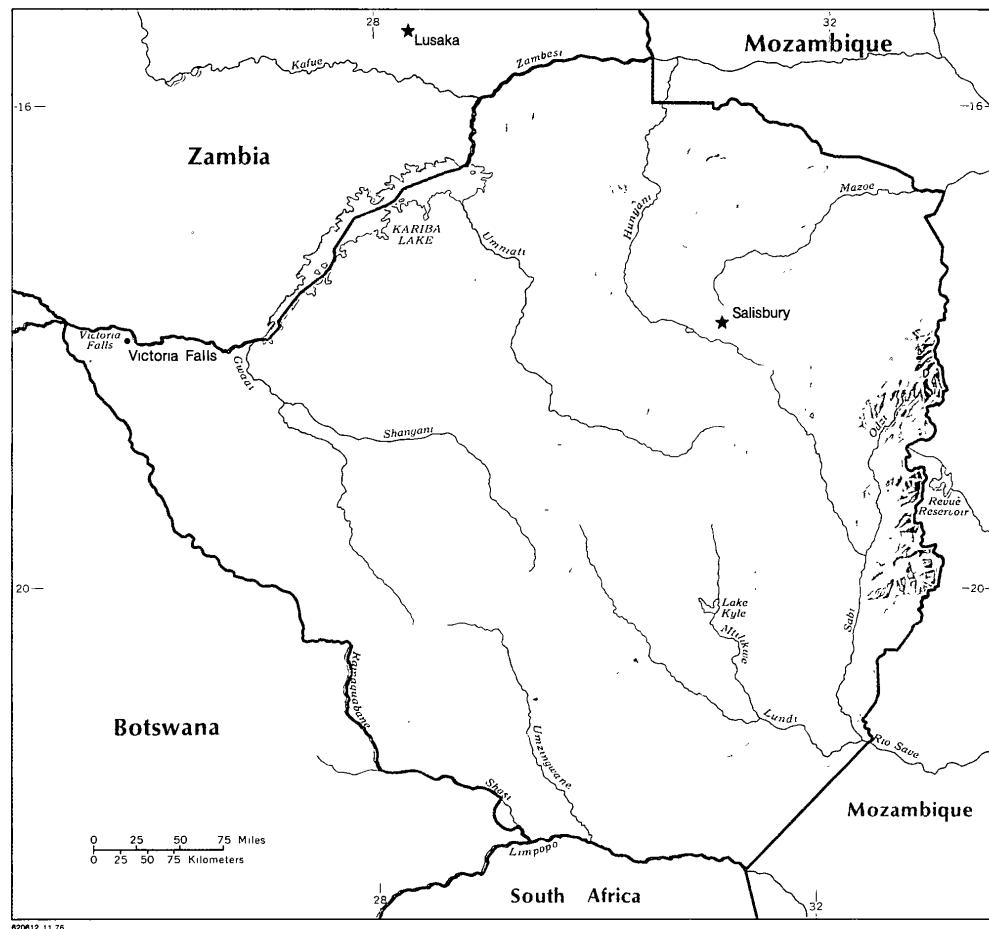
Japan: Japan's 1976 exports should exceed its total overseas sales in 1975. (*Page 2*)

USSR-Romania: Talks this week between General Secretary Brezhnev and President Ceausescu and the joint declaration they signed indicate efforts to promote an appearance of improved relations without making any fundamental concessions.
(*Page 3*)

Note: Saudi Arabia (*Page 5*)

FOR THE PRESIDENT ONLY

Rhodesia



FOR THE PRESIDENT ONLY

25X1

25X1

25X1

RHODESIA: [redacted]
[redacted]
[redacted]

25X1

25X1

25X1

[redacted]
[redacted]

25X1

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

25X1

25X1

25X1

25X1

* * *

JAPAN: Japan's 1976 exports, judging from data through September, should exceed its total overseas sales in 1975 by 18 percent, partly because of a successful export drive into developed country markets.

Sales to developed country markets have accounted for 86 percent of the rise in Japanese exports this year. The Japanese have pushed high-value items, such as cars, steel, and electronic products.

Japan has been in a better position than other industrial producers to boost sales to the US and other key developed country markets because of its superior marketing system. While European automobile manufacturers--particularly Volkswagen--were cutting back outlets in 1974 and 1975, Toyota, Honda, and Nissan were increasing both the number of outlets and showroom space. To increase sales of televisions, Japanese firms teamed up with leading US retailers--Sears, JC Penney, and Montgomery Ward--and now produce 80 percent of the portable color TVs marketed under these labels.

Japanese producers--particularly of steel, textiles, and machinery--have made extensive use of rapidly expanding Japanese trading firm subsidiaries both in the US and Europe.

--continued

FOR THE PRESIDENT ONLY

In response to the recent world economic downturn, Japanese firms were the first to cut export prices to key markets well below their competitors. Export prices dropped 21 percent in dollar terms from early 1975 until early 1976. Furthermore, Japanese traders have not taken advantage of the economic recovery by rapidly increasing export prices.

Japan will face new trade barriers if it continues to make inroads in industrial country markets.

Partly to avoid such barriers and partly to counter rising production costs at home, Japanese firms have been acquiring production facilities in the US.

If foreign pressure continues to mount, we expect Japan to try to obtain marketing agreements that would allow Japanese industry to hold on to as much of their expanded market shares as possible.

25X1

* * *

USSR-ROMANIA: Talks in Bucharest this week between General Secretary Brezhnev and President Ceausescu and the joint declaration they signed indicate efforts to promote an appearance of improved relations without making any fundamental concessions.

During the course of the talks, Brezhnev said no "important unresolved problems" exist between Moscow and Bucharest, but then touched on such subjects as the need to perfect the division of labor among socialist states and the necessity for "cohesion of socialist countries."

Ceausescu said that differences of opinion on "non-essential problems should not affect bilateral cooperation." He then enumerated almost all points of contention between the two countries. He mentioned Romania's

--continued

FOR THE PRESIDENT ONLY

status as both a socialist and developing country, came close to equating the nonaligned world with socialist countries, and made only passing references to the Warsaw Pact and the Council for Economic Mutual Assistance

The Romanian party daily, Scintea, covered in its Tuesday issue the visits of both Brezhnev and Secretary of Commerce Richardson to Bucharest and of a Romanian deputy defense minister to China.

Brezhnev and Ceausescu ended their discussions on the eve of the meeting in Bucharest of the Warsaw Pact's Political Consultative Committee.

The committee presumably will consider issues to be discussed at next year's follow-on conference to the Helsinki accords. Romania seems likely to continue to differ with the USSR as to what these issues should be.

The consultative committee may also surface a new initiative urging the West to agree to concrete measures on disarmament. Brezhnev said Wednesday that he hopes to see rapid movement on the Strategic Arms Limitation Talks when the new US administration takes office.

* * *

--continued

FOR THE PRESIDENT ONLY

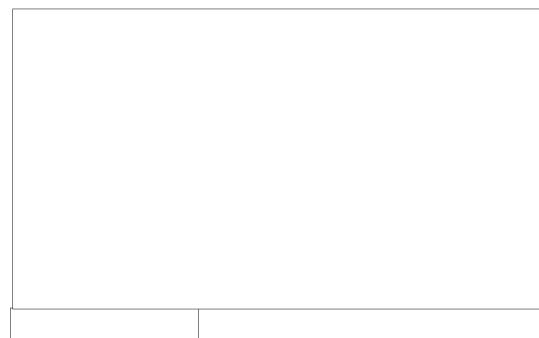
25X1

25X1

25X1

NOTE

25X1

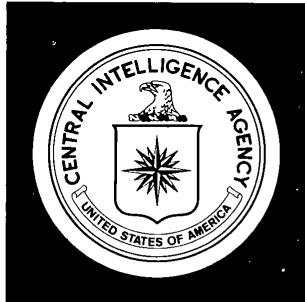


25X1

FOR THE PRESIDENT ONLY

Top Secret

✓



The President's Daily Brief

November 27, 1976

2

[Redacted]

~~Top Secret~~ 25X1

Exempt from general
declassification schedule of E.O. 11652
exemption category 5B(1),(2),(3)
declassified only on approval of
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

November 27, 1976

25X1

Table of Contents

25X1

Mozambique:

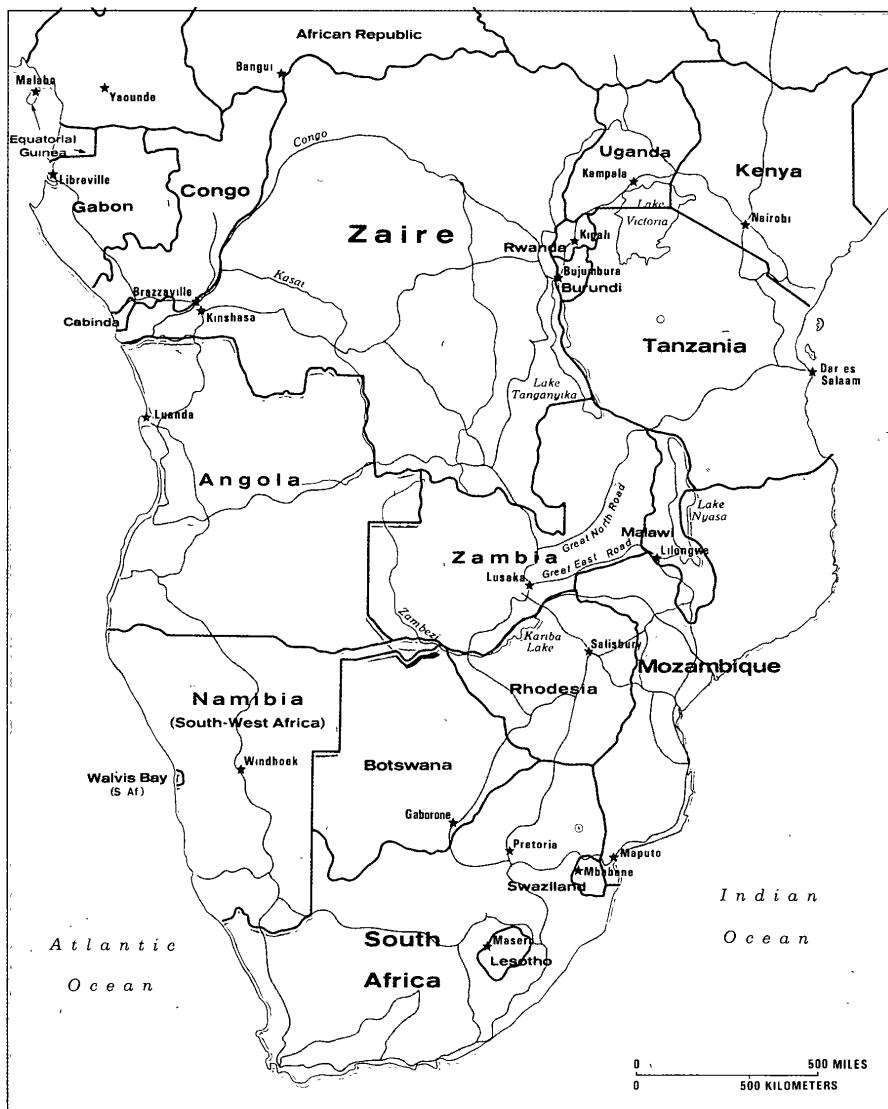
[Redacted] (Page 1)

25X1

Rhodesia: With the announcement yesterday by the British chairman at the Geneva conference that agreement had been reached on the date for Rhodesia's independence, the conference now should be able to move on to substantive questions. (Page 1)

Notes: Iraq-Syria; Yugoslavia; Thailand-Cambodia (Pages 3 and 4)

FOR THE PRESIDENT ONLY



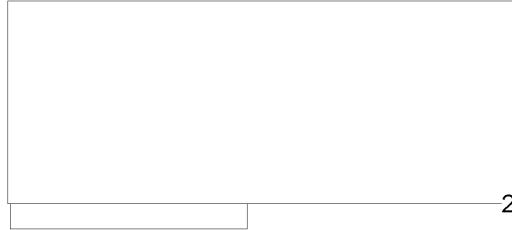
FOR THE PRESIDENT ONLY

25X1

25X1

MOZAMBIQUE:

Zambia, Tanza-
nia, and Angola



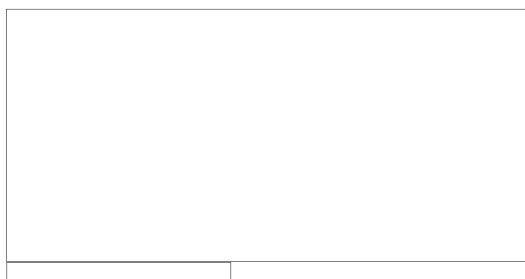
25X1

25X1



25X1

25X1



25X1

RHODESIA: With the announcement yesterday by the British chairman at the Geneva conference that agreement had been reached on the date for Rhodesia's independence, the conference now should be able to move on to substantive questions.

Foremost among these issues are the formation of a transition government and the British role during the transition period.

Joshua Nkomo, who with his "patriotic front" partner, Robert Mugabe, had opposed the British proposals on a date for independence,

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

announced that the British had accepted two amendments proposed by the front. The amendments were not revealed. Rhodesia apparently will gain formal independence from the UK no later than March 1, 1978.

25X1



25X1

The other nationalists participating in the talks, Bishop Muzorewa and Ndabaningi Sithole, as well as Rhodesian Prime Minister Ian Smith earlier had indicated their acceptance of the March date.

--continued

FOR THE PRESIDENT ONLY



FOR THE PRESIDENT ONLY

NOTES

*Both Iraq and Syria
are withdrawing troops
from along their com-
mon border.*

Iraq has been removing troops from the area throughout November, but we still are not able to determine the extent of the withdrawal. Syria reportedly is reciprocating by returning all of its troops to bases in southern Syria.

The Iraqis evidently have given up hope that their buildup on Syria's eastern border could cause Syria to modify its actions in Lebanon. Morale problems among the troops who have been stationed there since last summer also may have influenced Iraq's decision to return them to their home garrisons.

* * *

*Yugoslavia is reassert-
ing its independence
in the aftermath of So-
viet party chief Brezh-
nev's visit last week.*

This reaction is in response to press commentaries in other East European countries portraying the visit as a successful consolidation of the "socialist community."

Yugoslav President Tito's "state of the state" message to parliament yesterday ended with an attack against those "who feign concern" about the fate of Yugoslav socialism and try to obstruct and endanger the country's independence. This phrasing clashes with his warm words for the Soviets during Brezhnev's visit.

Although Tito's message did not specifically mention Brezhnev, Stane Dolanc, Tito's deputy in the party, quoted Tito as telling Brezhnev that the Soviets must "once and for all" understand and accept Yugoslavia's independence.

--continued

FOR THE PRESIDENT ONLY

Dolanc expressed confidence that Moscow would follow through on Brezhnev's promises, but he clearly implied that there is a long way to go. He also stressed that Yugoslavia "belongs to the nonaligned movement" and cannot be drawn into any military bloc.

* * *

Border clashes have erupted once again along Thailand's south-eastern border with Cambodia.

Skirmishes between border forces on land and in the offshore waters reportedly have been occurring since around the first of the month.

The new government in Bangkok wants to avoid further escalation of the fighting. Negotiations between Thai and Cambodian liaison officials are reportedly under way at a border post. These preliminary discussions are intended to pave the way for higher level negotiations.

Top Secret

✓



The President's Daily Brief

November 29, 1976

2



~~Top Secret~~ 25X1

Exempt from general
declassification schedule of E.O. 14176
exemption category 5B(1), 5B(2), 5B(3)
declassified only on approval of
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

November 29, 1976

Table of Contents

Palestinians-Lebanon: The policy statement issued in the name of the "Palestinian Command" Saturday appears to be an effort to force Fatah chief Yasir Arafat to endorse more aggressive policies. (Page 1)

Israel: The establishment of a new political party adds another complication to efforts of the dominant Labor Party to win a plurality in next fall's general election. (Page 2)

Mexico: President-elect Lopez Portillo will find his task of trying to restore confidence in the economy made more difficult by recent events in the northwestern agricultural region. (Page 3) 25X1

USSR-France: [redacted] 25X1
[redacted] 25X1

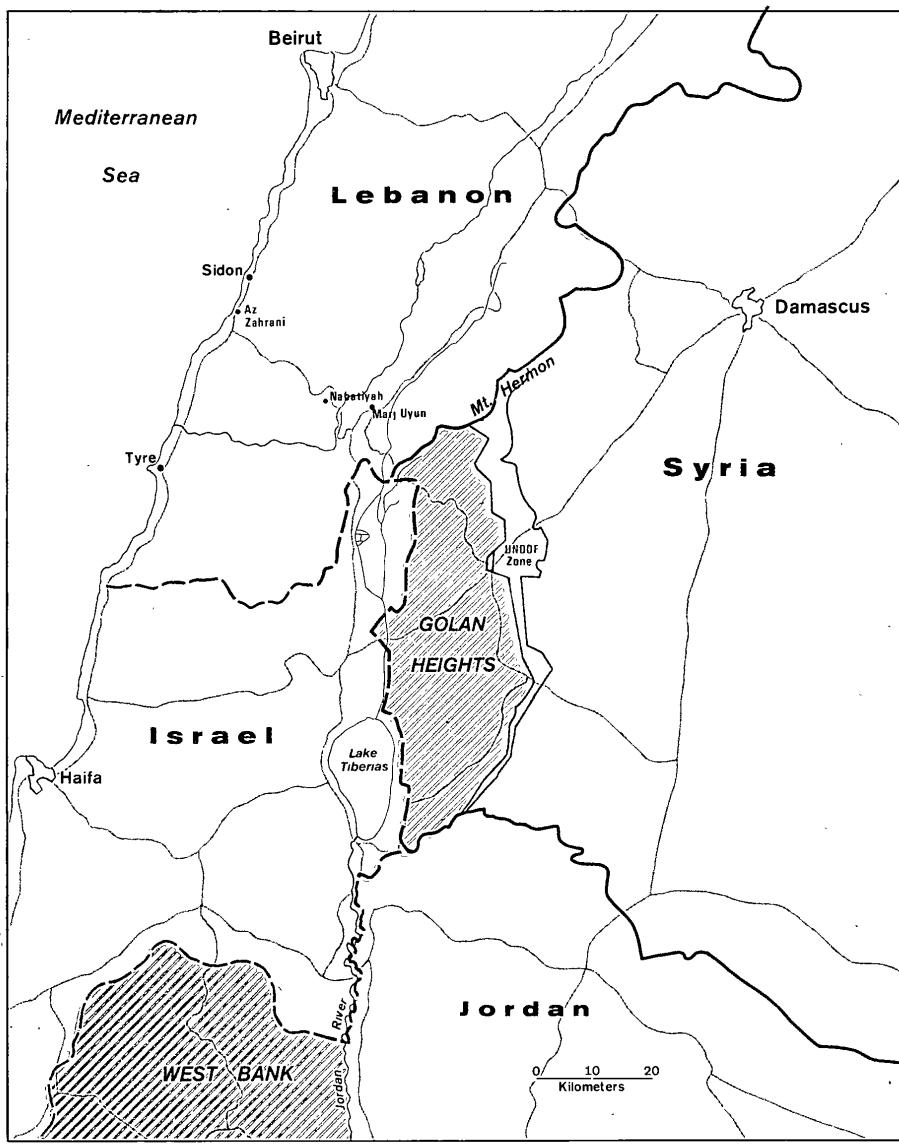
USSR: Signals from a Soviet over-the-horizon radar near Kiev are disrupting radio communications in a large part of the Northern Hemisphere. (Page 5) 25X1

Angola-Zaire: [redacted] The new Angolan cabinet has a higher concentration than its predecessor of persons loyal to President Neto. (Page 5) 25X1

Note: USSR-China (Page 7)

At Annex, we discuss Egypt's search for arms from sources other than the USSR.

FOR THE PRESIDENT ONLY



FOR THE PRESIDENT ONLY

PALESTINIANS-LEBANON:

The sharply worded policy statement issued in the name of the "Palestinian Command" in Beirut Saturday appears to have been drafted by militant leaders of Fatah in their effort to force Fatah chief Yasir Arafat to endorse more aggressive policies.

These leaders have been critical of Arafat's recent attempts to reach accommodation with Syria and his implied willingness to prepare for wider Middle East peace negotiations.

The policy statement attacks Syria and Jordan, affirms the Palestinians' determination to continue their "struggle" against Israel from southern Lebanon, calls for "total" Palestinian national independence, and rejects UN Security Council Resolution 242--the basis of Middle East settlement efforts.

Arafat, who was not in Lebanon when the statement was approved, faces a dilemma. He will not want to disavow the declaration, as it closely parallels the program approved by him and the Palestinian parliament at its last meeting in June 1974. At the same time, he will be reluctant to approve the declaration. It is a blow to his rapprochement with Syria, and he has backed away since 1974 from some of the harsher planks of the PLO's official line.

Arafat has recently visited several Arab capitals, including Damascus, apparently in an attempt to shore up his own position and perhaps to win general consensus on a revised policy statement to present to the Palestinian parliament within the next month or two.

--continued

FOR THE PRESIDENT ONLY

Arafat's effort suffered an important setback-- and his critics were prompted to act--last week when a Syrian newspaper that is virtually a government mouthpiece suggested that the next session of the Palestinian parliament should exclude representatives of the fedayeen organizations.

The Palestinians also felt threatened by suggestions in the Syrian media that Syrian troops in Lebanon plan to collect heavy weapons from the fedayeen and establish military control as far south as Tyre, Nabatiyah, and Marj Uyun.

Actually Syrian units of the Arab peacekeeping force have delayed moving into these southern towns. They do have a mechanized brigade in the Sidon area and have sent some tanks to Az Zahrani, presumably to guard Lebanon's only oil refinery. We have no reports of Syrian forces south of Az Zahrani.

* * *

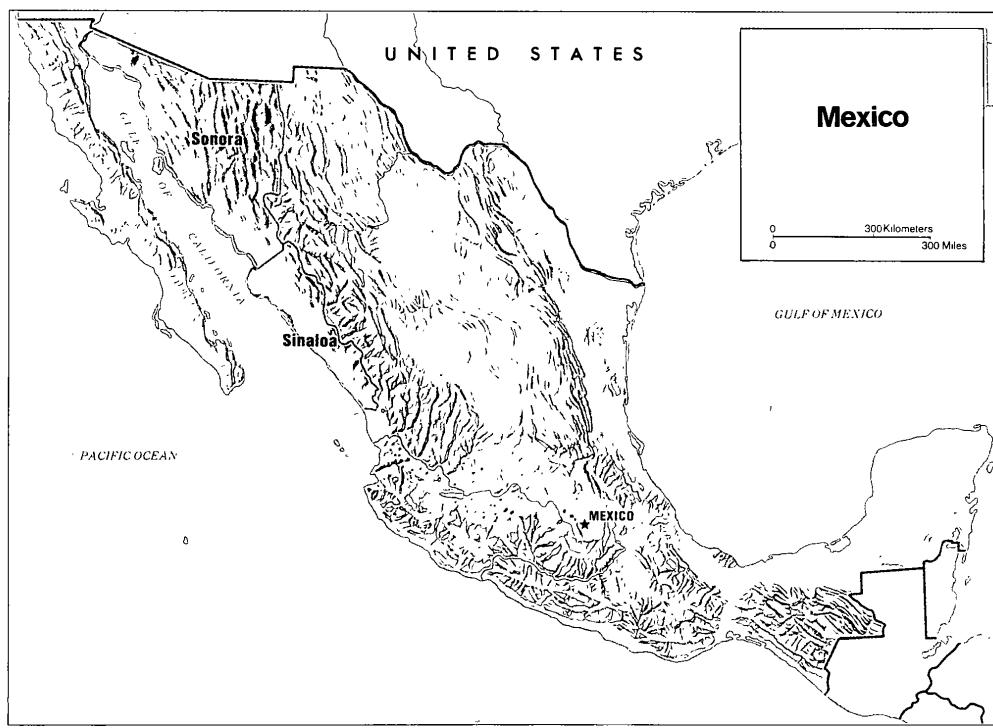
ISRAEL: The establishment of a new political party last week by Yigael Yadin, a highly respected former Israeli chief of staff, is likely to complicate further the dominant Labor Party's efforts to win another plurality in next fall's general election.

Yadin is the second prominent military figure in the past two weeks to declare his intention to head an independent list of candidates for the Knesset election. The controversial and charismatic Major General Ariel Sharon, who led the Israeli armored attack across the Suez Canal in the 1973 Arab-Israeli war, broke last week with the conservative Likud opposition bloc to establish his own group.

The emergence of these two challengers--neither of whom has had much experience in Israeli party politics--is symptomatic of the popular dissatisfaction in Israel with both the Rabin government and the faction-ridden Likud.

Despite his personal appeal, Sharon is likely to have a smaller impact on the outcome of the election than the less dynamic Yadin.

--continued



620732 11-76

FOR THE PRESIDENT ONLY

With a hard election fight in prospect, Prime Minister Rabin and other Labor Party leaders are almost certain to urge the US not to press Israel to engage in serious negotiations with the Arabs until after the election lest they harm Labor's chances of staying in power.

The small independent Liberal Party, with its four Knesset seats, is apparently about to drop out of the governing coalition. This would leave the Labor Alignment--senior member of the ruling coalition and composed of the Labor Party and the left-wing Mapam--more dependent on its coalition partner, the hardline National Religious Party, which controls 10 of the government's 63 remaining seats in the 120-member Knesset. Mapam, for its part, may leave the Alignment to run an independent slate of candidates next fall, although it apparently would stay in the present government.

Furthermore, Rabin faces challenges to his leadership of the Labor Party from former foreign minister Abba Eban, a leading dove, and Defense Minister Peres, a hardliner. He fears that if he bows to Mapam demands, former defense minister Moshe Dayan and some other Labor Party hawks would bolt the party, leaving Labor more divided and disoriented than it is now.

* * *

MEXICO: President-elect Lopez Portillo, who assumes office on Wednesday, will find his task of trying to restore confidence in the economy made even more difficult by recent events in the northwestern agricultural region.

The northwestern farm area, threatened by violence last week between peasants and landowners, is at least temporarily quiet.

The Echeverria government on Friday persuaded landowners in the state of Sinaloa to cede about 30,000 acres of agricultural land to peasants--about one third the area the latter were demanding. The government's expropriation on November 19 of some 250,000 acres of privately held land in neighboring Sonora state had prompted the peasants to act.

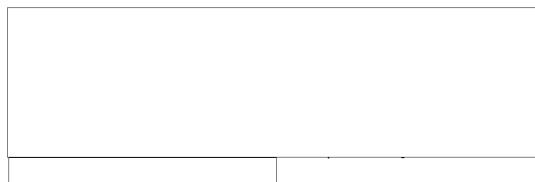
--continued

FOR THE PRESIDENT ONLY

Lopez Portillo will probably promise not to expropriate more private lands and to offer to compensate landowners already affected. He has said he favors methods to make agriculture more productive and efficient rather than distributing small plots.

25X1

The president-elect will probably announce his cabinet choices tomorrow.



25X1

*

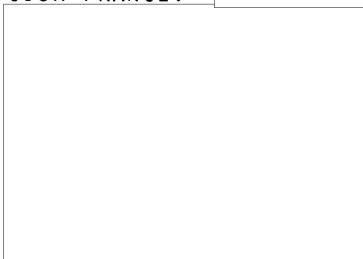
*

*

25X1

25X1

USSR-FRANCE:



25X1



25X1

25X1

25X1

25X1

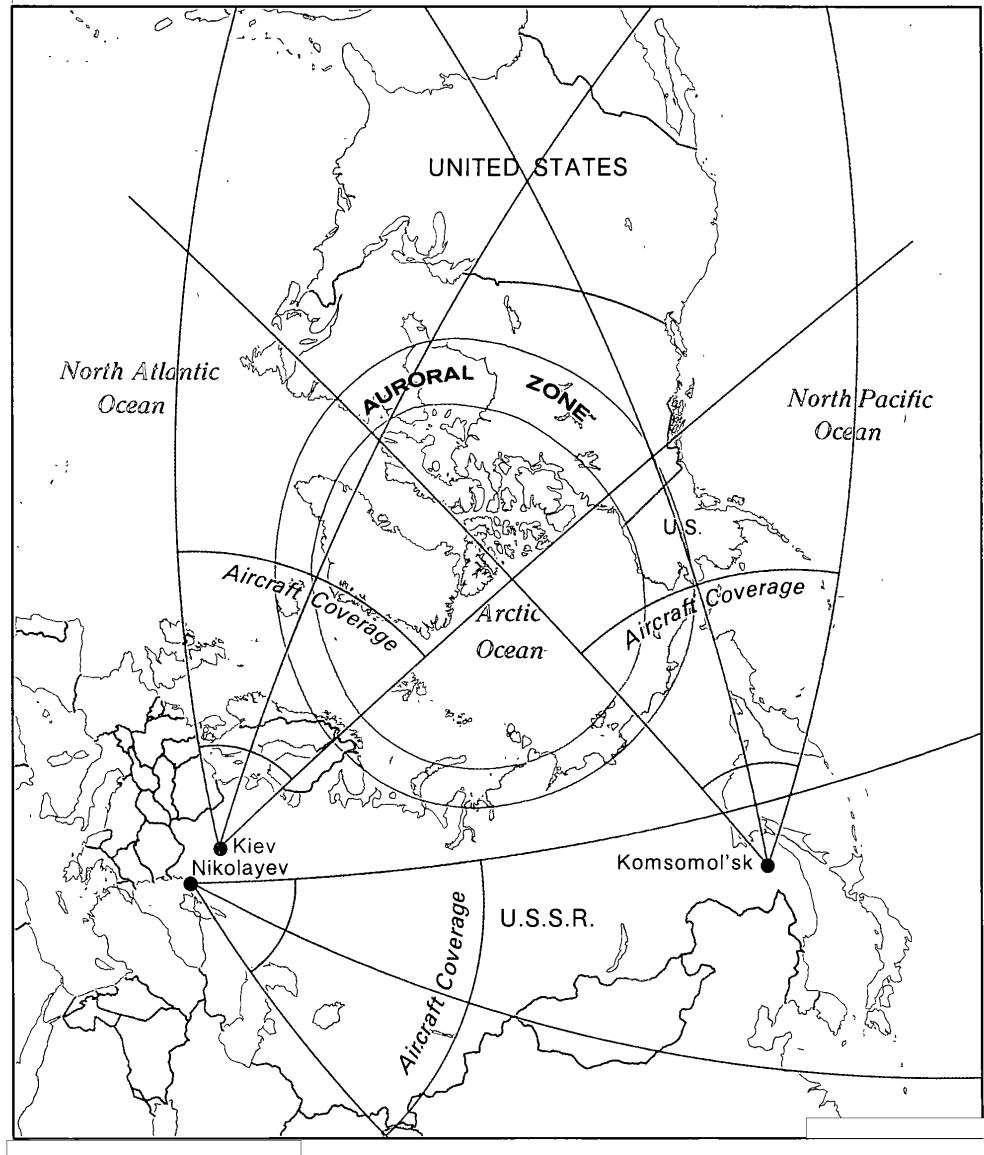
25X1



25X1

--continued

FOR THE PRESIDENT ONLY



25X1

25X1

FOR THE PRESIDENT ONLY

25X1



25X1

* * *

USSR: Signals from a Soviet over-the-horizon radar near Kiev are disrupting radio communications in a large part of the Northern Hemisphere.

When the radar becomes operational next year it will be an important part of the Soviet defense system. We believe the radar is best suited to detect aircraft approaching Soviet borders; the Soviets may also intend to use it for early warning of ICBMs launched from the continental United States.

Scandinavian and northern European countries have been most severely affected by interference from the radar, but the US, Canada, Greenland, and Iceland have experienced some problems, as have airplanes and ships crossing the North Atlantic.

A similar over-the-horizon radar near Komsomolsk, to be completed about 1978, probably will cause interference in an area which includes the western US. Another over-the-horizon radar at Nikolayev, completed in 1973, could be causing similar problems for the Chinese and Japanese, but no complaints have been noted. 25X1

* * *

25X1

ANGOLA-ZAIRE:



25X1



--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

25X1

25X1

25X1

25X1

25X1

The new Angolan cabinet has a higher concentration than its predecessor of persons loyal to President Neto.

Remaining as Prime Minister is Lopo do Nascimento, long a supporter of Neto. The new foreign minister--Paulo Jorge, a white--has served for some years as Neto's right-hand man and has extensive contacts in the Third World.

Absent from the cabinet is Nito Alves, the former interior minister and an outspoken critic of Neto. Since the civil war ended, Nito has tried to build a personal power base among black radicals in the military and among unemployed black Angolans.

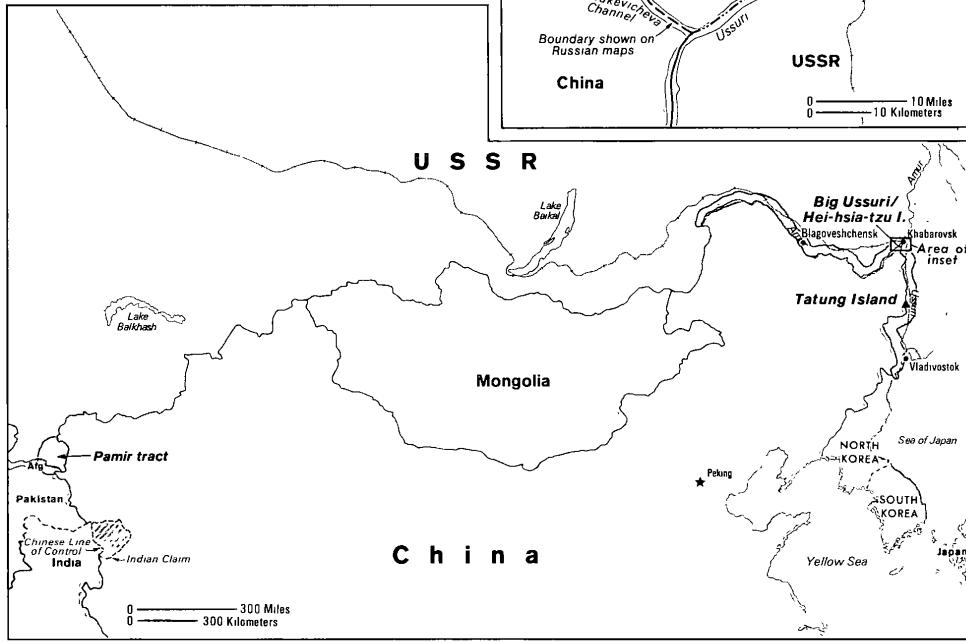
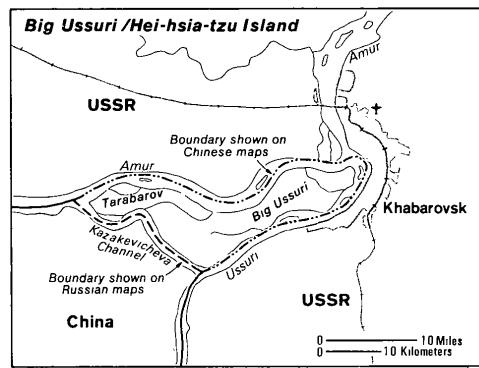
* * *

--continued

FOR THE PRESIDENT ONLY

Sino-Soviet Border Area

 Principal areas in dispute between China and the Soviet Union over the last five years. Chinese claim the Soviets hold islands in the Amur and Ussuri and areas in the Pamirs which were not given to Tsarist Russia even by the "unequal treaties" of the 19th century



620738 11-76

FOR THE PRESIDENT ONLY

NOTE

The USSR's chief negotiator at the stale-mated Sino-Soviet border talks, Deputy Foreign Minister Ilichev, returned to China Saturday.

Ilichev had not participated in the talks since May 1975, the longest absence of a Soviet negotiator since discussions began in 1969. The USSR has probably sent him back as another move in its effort to build a public record of Soviet reasonableness in dealing with Mao's successors.

It is unlikely that the Chinese have given any sign that they are willing to engage in serious negotiations on the border problem. Chinese propaganda attacks on the Soviets continue to be as tough as ever, and there is no indication that the domestic situation in China has stabilized enough for the new Chinese leaders to take on a problem as sensitive as Sino-Soviet relations.

Ilichev, nevertheless, may have brought new proposals for settlement of the eastern border issue. A previous offer--broached in 1973--was rejected by the Chinese.

* * *

--continued

FOR THE PRESIDENT ONLY

A
N
N
E
X

EGYPT-USSR

Egypt's rift with the USSR has seriously reduced Cairo's military readiness and has hastened its search for arms from other sources.

Small quantities of military supplies from the USSR have continued to trickle into Egypt, but the shipments consist mostly of Egyptian equipment being returned after servicing.

As an emergency measure, Egypt has turned to East European and Chinese sources. Major tank deals negotiated last year with Poland and Czechoslovakia have fallen through, however, presumably because of Soviet pressure.

25X1

China is supplying small quantities of unsophisticated equipment and spare parts.

Egypt has approached US, British, and Italian firms about refurbishing and retrofitting major Soviet weapons and equipment, including tanks and MIG fighters. Cairo also has tried to purchase arms and equipment from various Western countries, but its initiatives have been hampered by a lack of financial resources and Arab reluctance to bankroll indiscriminately such purchases.

The Arabs did begin to loosen their purse strings last year. Saudi Arabia, the largest source of Arab funds for Egypt, allocated \$725 million in 1976 alone to cover Egyptian military equipment purchases from France and the UK. Substantial deliveries of Western arms nonetheless are still a long way off because of Europe's lack of large arms inventories available for immediate export and its relatively limited production capabilities.

Egypt hopes eventually to expand domestic military output. The Arab Industrial Organization was established last year by Egypt, Saudi Arabia, Qatar, and the United Arab Emirates to encourage development of an indigenous armaments industry in Egypt. The current arms output in Egypt is limited to light infantry weapons, ammunition, explosives, and transport vehicles.

A1

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

Although Egypt's defense industry outpaces that of other Arab nations, it is small by Western or Israeli standards. It will continue to provide only a small portion of Egypt's defense requirements for many years, even with Western assistance.

In the meantime, Egypt will be forced to continue to seek assistance to maintain its Soviet equipment. Unless such help is found, Egypt's armed forces will experience increasing shortages over the next year, which will further degrade its capabilities.

FOR THE PRESIDENT ONLY

Top Secret

/



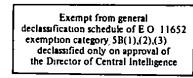
The President's Daily Brief

November 30, 1976

2

[Redacted]

Top Secret 25X1



FOR THE PRESIDENT ONLY

November 30, 1976

Table of Contents

Rhodesia: The Zimbabwe Peoples' Army announced yesterday that it will send its own delegation to the Geneva conference because it disagrees with the independence date generally accepted by the conference. If the delegation is admitted, its militant views will make the establishment of a transition government even more difficult. (*Page 1*)

USSR-Egypt: The USSR and Egypt are maneuvering to see which side will make the first concession in the search for a rapprochement. (*Page 2*)

Yugoslavia: [redacted] 25X1
[redacted] 25X1

Notes: USSR; Cuba-Angola (*Page 5*)

o

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

RHODESIA: *The Zimbabwe Peoples' Army, which has been carrying the brunt of the insurgent effort inside Rhodesia, announced yesterday that it will send its own delegation to the Geneva conference because it disagrees with the independence date generally accepted by the conference.*

If the delegation is admitted, its militant views will make the establishment of a transition government even more difficult.

ZIPA's decision to send its own group to Geneva probably reflects uneasiness over the nationalists' failure to win immediate independence and a desire to have a more direct hand in the political settlement. In its public statements, ZIPA has consistently rejected the Geneva talks and called for a black takeover of Rhodesia "through the barrel of the gun."

There have been several indications that ZIPA has wanted to establish a political organization of its own and to divorce itself from Robert Mugabe's group, which includes several guerrilla leaders. Some of these, including the supreme commander Josiah Tongogara, left Geneva on November 5 to consult the ZIPA leadership in Tanzania and Mozambique. ZIPA's hard stand on a Rhodesian settlement has forced Mugabe, who derives his principal support from the guerrillas, to take a tough position in the negotiations.

Participation in the conference by a separate ZIPA delegation will probably be resisted by the other nationalist groups, who have shown a willingness to compromise on a political settlement and who would prefer that the ZIPA leaders remain part of Mugabe's delegation. The Smith delegation also will not be interested in negotiating directly with the military leaders whose troops it is still fighting.

* * *

--continued

FOR THE PRESIDENT ONLY

USSR-EGYPT: *The USSR and Egypt are maneuvering to see which side will make the first concession toward a rapprochement.*

The talks between Soviet Foreign Minister Gromyko and Egyptian Foreign Minister Fahmi several weeks ago were not amiable [redacted]

25X1

[redacted] 25X1

[redacted] Since the meeting, Moscow has gone out of its way to underscore its grievances with Cairo. In a radio broadcast last night the Soviets questioned the genuineness of Cairo's motives in seeking better ties. The two sides also have encountered difficulties in their preliminary discussions on renewal of the annual trade agreement for 1977.

25X1

The USSR clearly does not want to be seen making concessions to Egypt without a sign of change in Egyptian policy. Gromyko has mentioned privately that Cairo will ultimately have to revalidate the friendship treaty that was abrogated by President Sadat earlier this year.

[redacted] 25X1

Sadat has publicly acknowledged the need for continued contacts and, in an interview last week, revealed that he has sent a note to General Secretary Brezhnev proposing a summit meeting. The Egyptian President added, however, that Brezhnev will have to "take me as I am and not as he wants me to be," apparently signaling that Cairo is not prepared to return to a friendship treaty or even a

--continued

FOR THE PRESIDENT ONLY

statement of principles as a basis for any new relationship. Egypt, meanwhile, has come out in favor of Moscow's proposal to resume the Geneva conference on the Middle East.

Sadat is trying to get Washington's attention by reviving his Soviet connection, but he apparently does not want to make any move toward the USSR that would compromise his dealing with a new US administration.

* * *

YUGOSLAVIA:

25X1
25X1

Belgrade asserts that the Soviets criticized the Yugoslavs--including some unspecified top officials--for anti-Soviet remarks that have appeared in speeches and the media.

25X1

--continued

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

A high-level EC delegation is traveling to Yugoslavia this week to explore ways to develop stronger economic and political ties.

The EC sees the visit as a gesture to reaffirm Yugoslavia's nonaligned status and to underscore the importance of its relationship with Western Europe. Yugoslavia first expressed interest in establishing closer relations with the Community last summer after Greece submitted its bid for EC membership.

During the visit, agreement will probably be reached to begin negotiations next year on expanding Yugoslavia's 1973 non-preferential trade agreement with the Community. Belgrade wants the EC to recognize Yugoslavia as a "nonaligned Mediterranean developing country" and would like a new agreement with the EC to parallel those the Community has concluded this year with other Mediterranean states.

* * *

--continued

FOR THE PRESIDENT ONLY

NOTES

The Soviets launched a type of Soyuz space-craft yesterday, probably to evaluate the performance and reliability of the new vehicle before launching one with cosmonauts aboard.

The spacecraft can carry three cosmonauts--one more than the present Soyuz vehicle. We believe the new spacecraft will be used to ferry crews and supplies to Soviet space stations. The last space station launched--Salyut 5--can accommodate three cosmonauts.

The orbit of the spacecraft indicates that it will not dock with either of the two space stations now in orbit.

* * *

A convoy of three, possibly four, Cuban merchant ships is returning to Cuba from Angola.

The convoy--the fifth since major fighting subsided in early 1976--will probably carry small amounts of military equipment in addition to troops.

25X1
25X1

The ships in the convoy reportedly took an unspecified number of relief troops to Angola in early November.

FOR THE PRESIDENT ONLY

Top Secret