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2. TURKEY

Turkish political and military leaders are continuing their efforts to revise the terms under which the US maintains its facilities in Turkey.

The US recently proposed a multiyear military aid program on a smaller scale than the Turks had expected. Subsequently, the implicit quid pro quo relationship between US military aid and the facilities which the US enjoys in Turkey has become quite explicit. General Tulga, the deputy chief of the Turkish General Staff, recently affirmed that military assistance well beyond current offers is a necessary condition for approval of any new US activities. Tulga reasserted Turkish interest in eventual joint operation of <u>all</u> such facilities in Turkey.

The Turks are increasing their pressure to have about 55 bilateral agreements,

negotiated to meet Turkish legal requirements.

Much of this reflects the Turks' postwar sense of independence—which has flowered particularly since the military revolution of May 1960—as well as Turkish feelings of frustration and unhappiness over the Cyprus situation.

The latest development: feeding anti-Americanism is the surfacing of forged documents alleging interference by US intelligence in Turkey's internal affairs. The origin of these documents is still unknown. Turkish Prime Minister Demirel has strongly condemned them as an attempt to damage USTurkish relations.

Regardless of the outcome of this particular affair, however, the US clearly faces a more difficult operational and negotiating climate in the months immediately ahead.

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3. CEYLON

Prime Minister Senanayake's coalition government, troubled by domestic criticism and by its own internal strains, appears hesitant at a time when decisive action is necessary.

When Senanayake's nonaligned but moderately pro-West government took office in March 1965, it inherited a multitude of economic, political, and social problems from Madame Bandaranaike's left-leaning regime. The government has made strides toward strengthening national unity, has dealt firmly with leftist labor groups, and has inspired increased foreign confidence and aid. Generally, however, it has been slow in putting together clear-cut action programs to handle such pressing political issues as unemployment and the high cost of living.

Attempting to cover up its indecision and simultaneously to bolster public support, the government has recently made clumsy diversionary attacks on political side issues, thereby opening itself to attack. The forthcoming trials of suspended army commander Udugama and other army personnel for alleged coup plotting may become another target of criticism if the government's case is weak.

A further complication has been caused by a personal dispute between Senanayake and his second in command, Minister of State J. R. Jayewardene, which has reportedly extended down into the cabinet. A serious breach would probably disrupt the workings of the government, but the two men have worked closely together for many years and the chances are that they will continue to realize their mutual dependence.

Meanwhile, the leftist opposition has been emboldened to mount more aggressive attempts to discredit the government, including a general strike tentatively planned for early August.

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4. EGYPT

Nasir has given further evidence that he intends to pursue as vigorous and aggressive a foreign policy in the Arab world as his present circumstances permit.

In his speech last Friday, Nasir virtually wrote off further US aid, alleging that Congress had laid down "impossible conditions." He charged that the real reason for US reluctance to renew aid is Egypt's refusal to surrender on various foreign policy issues; give up its intention to strike at the "base of aggression" in Saudi Arabia if it is used as a base against the Yemeni revolutionary regime; give up its determination to wage preventive war against Israel if it acquires atomic weapons; modify its policy toward Communist China; and change Cairo's pro-Hanoi attitude.

Nasir spelled out his new policy toward other Arab states. He torpedoed the scheduled Arab "summit conference" and declared his open opposition to "reactionary" Arab regimes such as Jordan, Saudi Arabia, and Tunisia, as well as that of South Arabia. He indicated that he would use what he could of Egypt's resources to oppose these regimes and to further the goals of the "progressive" Arab states of Egypt, Algeria, and Syria.

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