



# The President's Daily Brief

*June 3, 1975*

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*FOR THE PRESIDENT ONLY*

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ISRAEL-EGYPT

*Prime Minister Rabin's announcement yesterday that Israel would unilaterally reduce the size of its forces facing Egypt is primarily a political gesture and is not likely to produce a militarily significant troop reduction in the area.*

Initial Egyptian reaction to the Israeli move has been highly favorable. Terming the action a step in the right direction, an Egyptian spokesman with President Sadat in Salzburg said that Sadat would look favorably on Israeli "use" of the canal if his military commanders conclude that the thinning out is "serious and not propagandistic."

The spokesman did not explain whether "use" would entail the transit of Israeli flag vessels or only of Israeli cargoes on ships flying other flags. The reference is in any case the first public Egyptian acknowledgment that Israel might be allowed access to the canal in any way.

The announced pullback actually will result in little shifting of Israeli forces. The Israelis have few military units stationed within 30 kilometers of the canal, and there are fewer tanks and significantly fewer troops in the limited-armaments area than permitted by the agreement.

In response to the announcement, Israel might have to move, at most, elements of two or three armored battalions, which have about 100 tanks, and portions of several mechanized companies that might be within 30 kilometers of the canal. No artillery is now stationed within 32 kilometers of the canal, and no Israeli surface-to-air missiles appear to be located within 40 kilometers of the UN buffer zone.

Despite the obvious propaganda benefits to be gained, Prime Minister Rabin apparently followed only reluctantly the urgings of Defense Minister Peres and Foreign Minister Allon that the government announce a thinning out of its military forces before the Suez Canal is opened.



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[REDACTED] Israel must make some gesture to balance the propaganda windfall Cairo might reap by reopening the canal. Furthermore, it could create a more congenial climate for Israel in Washington and even Cairo. [REDACTED] delaying the announcement would lessen Tel Aviv's ability to use it to influence the policy decisions regarding Middle East peace negotiations Washington and Cairo might be making over the next several weeks.

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The suspicion is also strong in Israel that President Sadat might try to exploit the canal reopening to reinforce Egyptian troop strength on the east bank in violation of the disengagement agreement. Rabin may hope that Israel's decision to reduce its troop strength near the canal will block such an Egyptian attempt by undercutting its most likely rationale--that Cairo was doing so solely to protect international shipping in the canal. When he announced the decision yesterday, Rabin pointedly stated that Israeli forces in Sinai will honor freedom of navigation through the canal and the Gulf of Suez.

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PORTUGAL

*The Portuguese government apparently is not yet making preparations to counter any move by Azorean separatists, despite continued rumors in Lisbon that the separatists may declare the Azores independent.*

An aide to President Costa Gomes has admitted that Portugal has serious problems in the Azores that must be solved. He stressed, however, that these problems require a political rather than a military solution. The aide said he was not aware of any mainland security forces being dispatched to the islands, and observers in Lisbon have not noticed any unusual military activity, although a number of trucks and jeeps reportedly were unloaded in Ponta Delgada within the last two weeks.

In order for any separatist effort to present a viable threat to Lisbon's control of the Azores, the separatists would need the support of military units on the islands. [redacted]

[redacted] the Azorean Liberation Front will soon attempt to seize power even if military cooperation is not assured.

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A small military force could probably hold out on the main islands for a short time if it could capitalize on Portugal's lack of preparedness and the element of surprise. In the end, however, the separatists are counting on international political support if they are initially successful.

\* \* \*

In Lisbon, the multiparty constituent assembly elected on April 25 held its first meeting yesterday. President Costa Gomes opened the assembly with what appeared to be a warning against replaying the political disputes that have disrupted the government. He called on the deputies to subordinate party interests to the greater national interest.

Although the Armed Forces Movement is likely to monitor its deliberations very closely, the assembly, which is dominated by the moderate Socialists and Popular Democratic parties, could provide an effective forum for political moderates in the next few months.

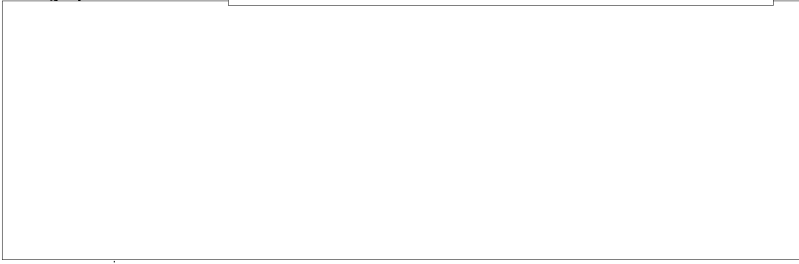
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CAMBODIA

*A major conference of Khmer Communist Party officials that convenes in Phnom Penh on Thursday probably will mark the end of the initial period of domestic consolidation.*

The leadership can be expected to outline its long-term policies and goals and to obtain rubber-stamp approval from the party rank and file. The covert party apparatus has been functioning as a shadow government--a role it will undoubtedly continue to play after a government is formally installed.

Propaganda has exaggerated progress in restoring production



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In addition to the possibility of famine, cholera has broken out in some areas, and, given the lack of medical personnel, supplies, and facilities, the communists could be faced with an epidemic.

The party leadership and the relatively small pool of trained cadre have had their hands full implementing the massive changes that have been decreed for Cambodian society. This probably explains in part the delay in installing a national administration.

The US embassy in Bangkok, on the other hand, has suggested that a power struggle may have paralyzed the leadership.



neither Deputy Prime Minister Khieu Samphan nor Information Minister Hu Nim--the only two leaders to emerge publicly since the communist take-over--has issued any statements in over two weeks. If a power struggle is under way, any communiqués or statements issued when the conference adjourns should provide some hints.

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Sihanouk's future is sure to be discussed at the conference. Party leaders consider the Prince an unscrupulous and adroit political operator and probably want their administrative apparatus firmly entrenched before allowing him to return. The longer Sihanouk is kept cooling his heels abroad, the greater the possibility that he might of his own accord decide to end his association with the communists and go into permanent exile. While this might suit some leaders, others probably argue that Sihanouk's foreign support--particularly that of China--is sufficiently valuable that he should be brought back to the country soon.



FOR THE PRESIDENT ONLY

NOTES

Both Laotian Prime Minister Souvanna Phouma and his Pathet Lao deputy, Phoumi Vongvichit, apparently are doing their best to prevent any anti-American incidents during Assistant Secretary Habib's visit in Vientiane.

[redacted] put an immediate stop to the wave of anti-US propaganda being broadcast by Lao National Radio because such broadcasts would complicate negotiations for continued US assistance. [redacted]

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[redacted] the Pathet Lao directed the capital's police force to escort and protect Habib during his visit. In addition, radical activist students and political organizations were ordered not to stage any anti-US demonstrations.

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We continue to believe that voters in the United Kingdom will vote "yes" in the referendum on EC membership to be held on Thursday.

Pro-EC forces hope that at least half of the electorate will vote so that the issue of Britain's European connection can be put aside and the country can turn its attention to its mounting economic problems. Opinion polls indicate that 60 percent of the electorate plan to vote, but public apathy may reduce the turnout.

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