



The President's Daily Brief

June 19, 1975

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ZAIRE

Zaire yesterday declared Ambassador Hinton persona non grata. President Mobutu's motives remain a mystery.

The action followed several days of virulent anti-US propaganda in the government-controlled media, including an attack on Secretary Kissinger, and a speech yesterday by Mobutu to a large audience of pro-government demonstrators in Kinshasa. Mobutu indirectly charged the US with involvement in an attempted coup by Zairian military officers; several were recently arrested on what seem to be trumped-up charges.

The Zairian foreign minister, when informing the ambassador that he had to leave, said that Mobutu's evidence was based on a document, written by a Zairian officer on how to carry out a coup, and on the confessions of the plotters. The foreign minister also referred to US military cargo flights and the probability that they had carried in high-powered rifles allegedly supplied to the plotters.

Mobutu has had occasional fits of pique with the US, some real and some feigned, on a variety of issues, but never before has he gone to such an extreme. He is, however, not likely to break relations.

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PORTUGAL

Tension rose a few more degrees yesterday, as troops were used to break up two demonstrations. The level of violence, the need to use troops, and the continuing trouble over the Socialist newspaper Republica will strengthen the argument of radical military officers who want to abolish political parties and close down the Constituent Assembly.

These officers have apparently been stalemated in discussions of these matters by the Revolutionary Council, which has now been meeting in secret for six straight days.

Last night, troops fired into the air to disperse some 2,000 supporters of the leftist workers who, earlier this month, took over the Catholic-owned radio station. The demonstrators attacked supporters of Catholic control of the radio station and trapped them inside the headquarters of the Portuguese Catholic Church. Portuguese Catholic bishops had earlier issued a statement demanding the reopening of the radio station and criticizing the Armed Forces Movement for "creating a climate of personal insecurity, intimidation, and anxiety about the future."

Earlier in the day, troops had dispersed a crowd of angry Socialists who had tried to storm the offices of their newspaper; security forces had allowed Communist printers to enter the building before Socialist editors arrived. Republica's editor was finally allowed to enter the building, where he began negotiating with the Communist printers. At the end of the workday, the printers surrendered the building to security forces, who said Republica would reopen this morning.

The Socialists have not explicitly repeated their threat to resign from the government if the newspaper is not returned to them, perhaps because they now fear the military will call their bluff. Socialist leader Mario Soares did say in an interview last night that the Republica affair had reached an "impasse that might lead to a serious political crisis." Soares expressed solidarity with the Catholic Church in its struggle to retain control of its radio station.

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WESTERN EUROPE

The decision to buy the F-16 has revived European discussions on establishing common armament policies and promoting multinational projects.

A central question facing the European armament industry is whether France, and to a lesser degree the UK, will decide to go it alone in world aircraft markets, seek closer cooperation with the US in the design and production of high-technology products, or join with their EC partners in long-range joint programs.

The EC Commission since 1970 has periodically taken up the problems of the European aerospace industry. Last month, the Commission presented a bleak report which concluded that unless the Nine moved quickly to adopt common policies, they would have to acquiesce to continued US dominance of the international market for aircraft. The EC Council will meet in October to discuss civil aviation problems. In the meantime, it is giving urgent attention to preparing recommendations on cost-cutting and streamlining of the industrial system.

The continued viability of the European aircraft industry depends on the ability of the Community to:

- Concentrate production in one or two aircraft construction combines.
- Secure the commitment of EC governments to coordinate military requirements for new aircraft types and concentrate civil aircraft production on the short- and medium-haul market.
- Develop specific types of aircraft on the "European" level.
- Buy only "European" production of certain types of aircraft over the long run.

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--Obtain a commitment by European airlines to undertake a long-term conversion to aircraft produced in Europe.

--Enhance the probability of sales to the non-European market.

The controversy over selecting the F-16 versus the Mirage comes at a time when the Nine are discussing aspects of defense policy. European arms procurement is taken up in a NATO forum--the Eurogroup, in which France does not participate--and defense matters have scarcely been touched by the EC in the past. The Rome Treaty, in fact, explicitly excludes armament production and the arms trade from Common Market jurisdiction.

Nevertheless, there has been a tendency among Europeans recently to view production of military hardware in the EC context. Last month, for example, the EC Commissioner responsible for industrial matters suggested the creation of an ad hoc group that he felt could become a European agency for military purchases. The Dutch defense minister also argued last December for a "Europeanization" of the arms industry that would entail a revision of the treaty provision.

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INDIA

Prime Minister Gandhi's survival in office depends on the Supreme Court's verdict on the appeal she reportedly will file on Friday.

Mrs. Gandhi was convicted last week by a court in her home state of using government officials for campaign purposes. This is a relatively minor offense, but is tailor-made for the anti-corruption drive launched last year by a loose coalition of conservative opposition parties.

The Prime Minister, of course, hopes the Supreme Court will automatically extend the stay granted by the state court without prohibiting her from participating in parliamentary sessions. She has appeared determined to remain in office and received a vote of confidence yesterday from her ruling Congress Party.

Mrs. Gandhi might come to the conclusion, however, that stepping aside temporarily would be a politically wise move, if she can find a pliable stand-in and if she feels confident of a favorable ruling by the Supreme Court. Her resignation would undermine some of the opposition's arguments and could win public sympathy.

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THAILAND

The tempo of the fighting between the government and the insurgents in Thailand has declined sharply over the past six months, according to an assessment by the US mission. Possible explanations for the slowdown are:

--A reduction in government counterinsurgency operations.

--The insurgents' intention to wait and see how the new political process affects them.

--A decision by the insurgents to concentrate their efforts on building their political base in the villages.

The dramatic decline in government casualty figures over the past nine months emphasizes the increased reluctance of the Thai army to engage insurgents in combat. The generals are reacting in part from anger over press and student charges that the army is guilty of having committed "atrocities" against innocent villagers some two years ago. The military also hope inactivity on the government side will force Prime Minister Khukrit to formulate a national counterinsurgency policy.

The insurgents, for their part, are not taking advantage of government passivity to raise the level of their military activities. They may be avoiding contact with government forces so that they can concentrate on improving their political base at the village level, where they appear to have suffered defections. [redacted] the boost in morale following communist victories in Indochina proved short-lived.

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There has been no indication, however, of a slowdown in external support. [redacted] recently recruited members of the Communist Party of Thailand will be sent to North Vietnam and China for training this year. [redacted]

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[redacted] limited numbers of North Vietnamese army advisers are being assigned to work with Thai insurgents near the Lao border in north-eastern Thailand. Arms training for Thai insurgents [redacted] is [redacted] conducted in northern Laos.

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NOTES

China's role in Cambodia is continuing to grow.

In terms of personnel, in fact, the total Chinese presence may exceed that of the US mission at the height of the war. Intercepted Cambodian messages have reflected the involvement of Chinese advisers in nearly every facet of economic reconstruction, ranging from the repair of factories, roads, and airstrips to the initiation of pilot projects for growing cotton. Last month, the Cambodians broadcast a commentary lauding the Chinese and describing them as Cambodia's "most loyal and closest comrades in arms." Since then, however, none of the innumerable Cambodian descriptions of economic reconstruction has made even oblique reference to any outside assistance. The Chinese have given broad media coverage to postwar reconstruction in Cambodia, but have not yet publicly acknowledged their considerable participation in these activities.

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The first meeting of the EC-Arab experts in Cairo last week apparently opens the way for economic cooperation in several broad areas.

The participants skirted the three topics of oil, Israel, and the Palestinians, which have impeded discussions for the past year and a half; they agreed to hold a second meeting in late July.

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[Redacted] There is evidently no EC consensus as yet, however, on actually moving quickly.

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Willy Brandt, who is still chairman of the West German Social Democratic Party, will travel to the Soviet Union on July 2 for a week's visit with Soviet leaders.

Although his trip will be largely ceremonial,

[REDACTED] the agenda will be prospects for concluding the European security conference, Berlin, inter-German relations, bilateral cooperation in the energy field, and the dialogue between the European Community and the Soviet-dominated Council for Mutual Economic Assistance. Moscow's interest in seeing the former chancellor reflects the Soviets' long-standing desire to increase party-to-party contacts and to express their regard for Brandt, whom they regard as West Germany's chief proponent of detente.

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Drought in parts of the USSR's spring grain area has reduced the estimate of this year's crop to 215 million metric tons, 5 million tons less than our earlier forecast.

At 215 million tons, however, the grain crop still would exceed estimated Soviet requirements of about 210 million tons. The Soviets may purchase about 5 million tons of grain for delivery in fiscal 1976 to cover shortfalls in corn for the livestock program and in high-quality milling wheat. The Soviets have not bought any grain so far this year, but deliveries continue under old contracts. We estimate that grain imports in fiscal 1975 will total 6.5 million tons.

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