



The President's Daily Brief

June 27, 1975

5

~~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

June 27, 1975

Table of Contents

India: Prime Minister Gandhi's crackdown on the political opposition yesterday opens a new and decisive phase in her fight to stay in office. (Page 1) 25X1

Turkey: [Redacted] 25X1

China: Chairman Mao's preoccupation with criticism of his leadership continues to raise questions about his relationship with other Chinese leaders and suggests some strains still exist. (Page 4)

Lebanon: Fighting between leftists and radical fedayeen and security forces resumed in Beirut on Tuesday after three weeks of relative calm. (Page 5)

Bahrain: The government has informed our ambassador that the US Navy's Middle East Force must leave by June 30, 1977. (Page 7)

Notes: Algeria - Morocco - Spanish Sahara; Laos; Lebanon; EC-Portugal; Thailand; Romania (Pages 8, 9, and 10)

FOR THE PRESIDENT ONLY

INDIA

Prime Minister Gandhi's crackdown on the political opposition yesterday opens a new and decisive phase in her fight to stay in office.

Her immediate aim, through arrests of key opposition figures and press censorship, including material filed by foreign correspondents, is to head off a nationwide, nonviolent civil disobedience campaign that numerous opposition parties had scheduled to begin next week.

To carry off her latest move, Mrs. Gandhi needs the backing of her Congress Party. So far, we have seen no evidence that her support is dwindling to any significant degree. Her most likely successors, Agriculture Minister Ram and Finance Minister Chavan, are still giving her strong public support. Yesterday's suspension of six long-standing Congress Party maverick parliamentarians clearly shows that the leadership is in no mood to tolerate open dissent within the ranks.

Leaders of the armed forces reportedly were not forewarned of the emergency proclamation. In accord with the military's reluctance to intervene in civil disorders, Mrs. Gandhi probably does not anticipate having to call on the army to assist in maintaining public order--unless the situation deteriorates drastically. Police and paramilitary forces have expanded considerably in the last few years and probably can control any protest demonstrations resulting from the crackdown.

At present, it appears unlikely that Mrs. Gandhi will reconvene parliament in July for its traditional summer session. She must, however, under the terms of the Indian constitution, seek approval of the emergency proclamation by both houses of parliament within two months of its date of issuance or the proclamation automatically expires.

(continued)

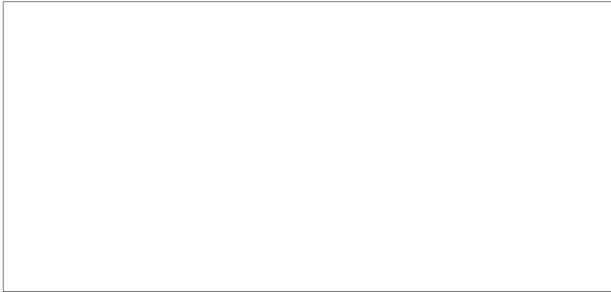
FOR THE PRESIDENT ONLY

Conceivably, Mrs. Gandhi might stretch this timetable by dissolving parliament and calling for new elections, which need not be held for six months. This would give her additional time to re-establish her image within the party and the nation.

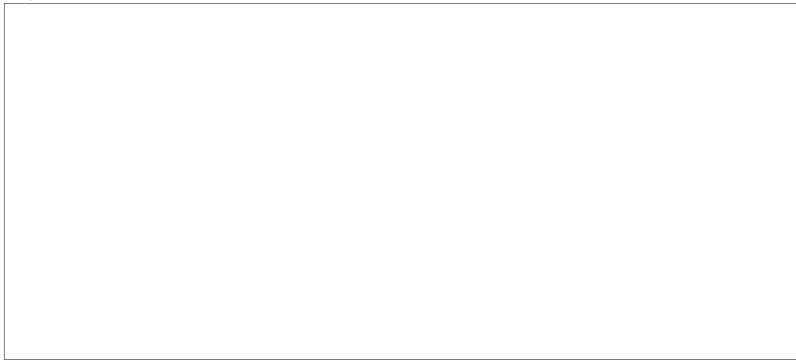
The Supreme Court is expected to begin review of Mrs. Gandhi's appeal shortly after July 14. A judgment might be issued long before elections could be held. The executive branch of the government, despite extensive powers granted it under the new emergency proclamation, cannot block the Supreme Court's consideration of the appeal.

FOR THE PRESIDENT ONLY

TURKEY



25X1
25X1



FOR THE PRESIDENT ONLY

CHINA

[redacted]

25X1
25X1

*Chairman
Mao seemed preoccupied with criticism
of his leadership. His attitude con-
tinues to raise questions about his
relationship with other Chinese leaders
and suggests some strains may still
exist.*

[redacted]

25X1

top party officials have criticized the Chairman on several counts, including his intransigence toward the Soviet Union. Mao's return to Peking some two months ago--after a ten-month absence--may have been related to Chinese policy toward Moscow. His return coincided not only with the visit of North Korean President Kim Il-song but with the events in Indochina, which the Chinese seem to fear will enhance Soviet influence in the area at Peking's expense.

Mao seems to have been able to exploit the Indochina situation to turn the tables on those who apparently were calling for a less abrasive policy toward the Soviet Union and to reassert his own view that China must continue to confront Moscow. The emergence of this line--and of heightened anti-Soviet polemics from Peking--coincided with the Chairman's return to the capital.

While Mao has evidently had success on the Soviet issue, his critics continue to point to his failures in domestic affairs: his responsibility for nine years of political instability caused by the Cultural Revolution, the effects of this unstable situation on the economy, and his role in bringing the traitorous Lin Piao to power. In early January, Mao admitted his own guilt in helping to put Lin in power.

[redacted]

25X1
25X1

[redacted]

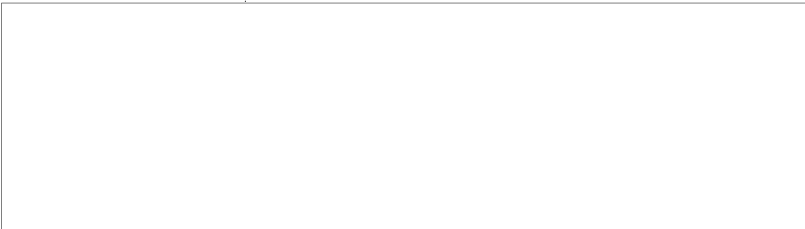
25X1

FOR THE PRESIDENT ONLY

LEBANON

Armed clashes between Lebanese leftists and radical fedayeen and Lebanese security forces resumed in Beirut on Tuesday after three weeks of relative calm. The militia of the right-wing Christian Phalanges Party so far has not become heavily involved in this round of fighting.

Phalangist leaders have charged that "extreme leftists," backed by Libya, started the fighting this week in the hope of provoking general hostilities between the Phalangists and the Palestinians. The Phalangists have absolved Fatah, the largest fedayeen organization, of responsibility for the current clashes.



25X1

In an unprecedented move to dissociate Fatah and the Palestine Liberation Organization from the violence, Arafat appeared on Lebanese television and radio on June 25, appealing to "Lebanese and Palestinians to live together in harmony." He said he had reached agreement with President Franjijah that the Palestinians would respect Lebanese sovereignty and that Lebanon, in turn, would respect the Palestinians' right to exist in Lebanon. This understanding is a reaffirmation of formal agreements negotiated in 1969 and 1973 between the Lebanese and the fedayeen.

The Marxist-oriented Popular Front for the Liberation of Palestine--the largest of the radical fedayeen groups--has denounced Arafat's call for a cease-fire and has accused him of abandoning the Palestinian cause.



25X1

(continued)

FOR THE PRESIDENT ONLY

[Redacted]

25X1

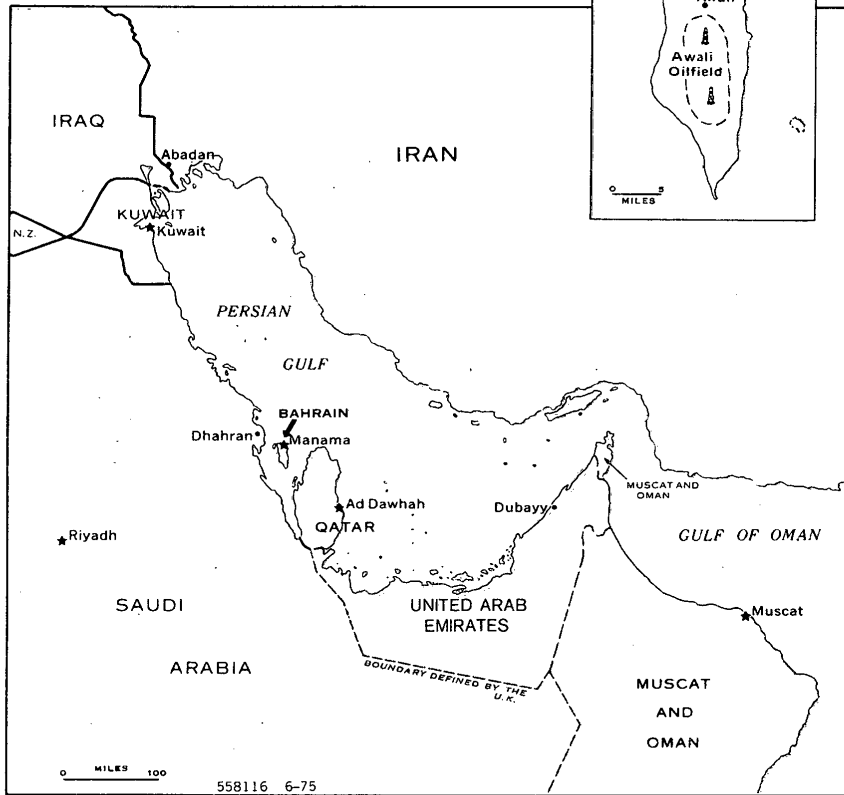
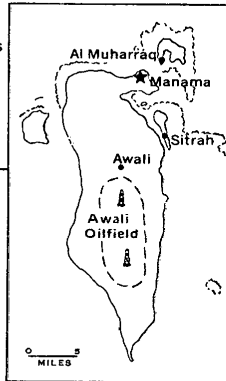
25X1

Egyptian President Sadat [Redacted]
[Redacted] has also called on all sides
to make the concessions necessary to form a new gov-
ernment. In a press interview on Wednesday, Sadat
indirectly criticized the Palestinians by suggest-
ing that "elements that encroach on the sovereignty
of Lebanon" must bear responsibility for the country's
difficulties.

25X1

Sheikhdom of BAHRAIN

Area: 230 sq. miles
plus group of smaller islands
Population: 210,000
Religion: Muslim
Language: Arabic



FOR THE PRESIDENT ONLY

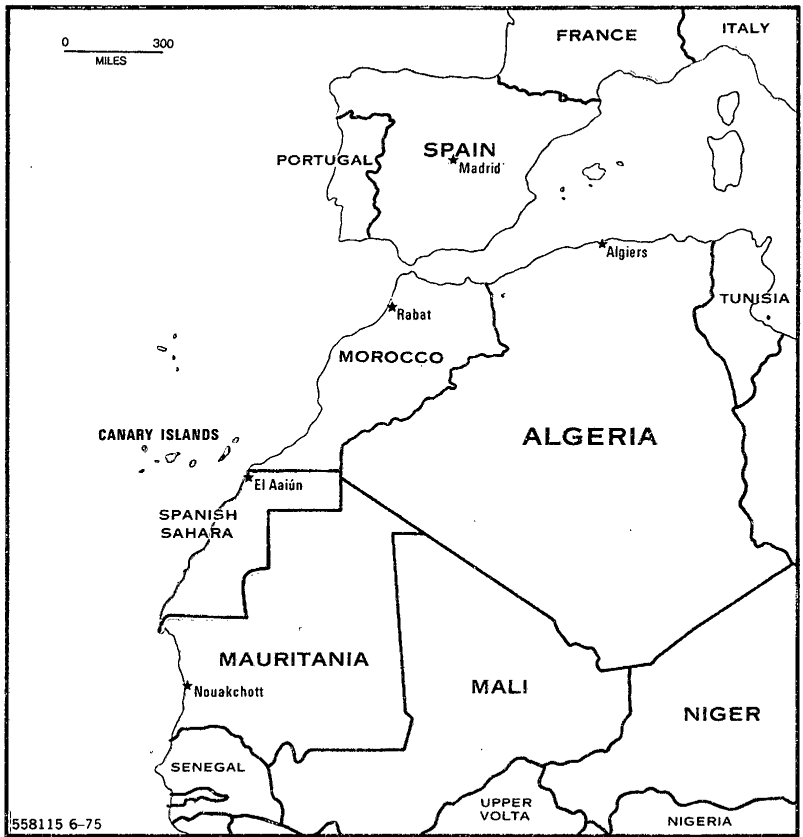
BAHRAIN

The government of Bahrain has informed our ambassador in Manama that the US Navy's Middle East Force must depart the Persian Gulf island by June 30, 1977. Bahrain will extend the stationing agreement until that time on the basis of understandings reached in recent talks.

Negotiations have been going on for months as the Bahraini government agonized over the future of the US presence. The royal family has traditionally felt that the US Middle East Force reinforced the regime's position by adding to the security of the island. Recently, however, the government has come under pressure to terminate the agreement both from the national assembly and from neighboring Persian Gulf states, who say they want to exclude foreign powers from the area. Regional speculation that the US contemplated some military move against Persian Gulf oil fields sharpened the dilemma.

Bahrain's foreign minister made clear that the notice of termination is subject to modification. The US Navy, he said, might have to leave earlier, but, according to our ambassador, the minister also implied strongly that an extension might be arranged-- as long as Washington accepts the principle that the Navy's presence is not permanent.

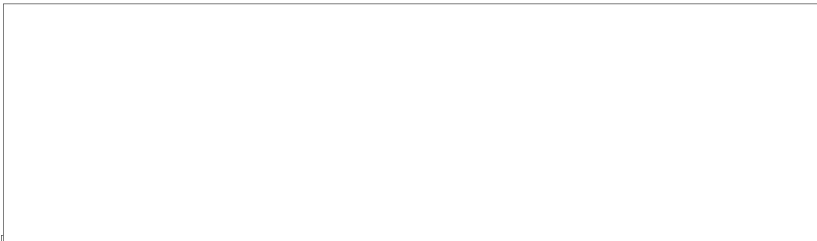
FOR THE PRESIDENT ONLY



FOR THE PRESIDENT ONLY

NOTES

Relations between Algeria and Morocco have become further strained over the Spanish Sahara issue. The friction is complicating Madrid's efforts to arrange multilateral talks to discuss the future of the territory.



25X1

Meanwhile, Morocco's continuing military probes into Spanish Sahara, designed to increase pressure on Madrid to negotiate, could instead provoke a harsh Spanish reaction. Despite Moroccan protestations that Saharan insurgents were responsible for the incidents, Madrid will blame the Moroccans and may now show less concern about their interests in the Sahara. The incidents may also increase Spain's desire to withdraw from the territory.

25X1

* * *

There is a good chance that the Pathet Lao will insist on subjecting the rapidly dwindling US official presence in Laos--49 as of June 26--to a final humiliating act of formally transferring all AID and defense attaché property to coalition representatives.

Communist officials thus far have refused to accept the keys to US property which was abandoned yesterday and have indicated they are counting on a formal transfer ceremony. Moreover, the Pathet Lao - controlled foreign ministry has sent an official note to the US embassy calling for negotiations to begin as soon as possible on future US economic assistance to Laos. The note, which was cast in tough, uncompromising, and threatening language, clearly stipulates that the coalition expects to receive unconditional aid from Washington on the basis of an entirely new assistance agreement.

(continued)

FOR THE PRESIDENT ONLY

* * *

Lebanon is accelerating the organization and positioning of air defense forces near its border with Israel.

25X1

25 Lebanese SA-7 missile teams have been sent, earlier than previously planned, to strengthen the air defenses of army units in the southern area. Beirut is also said to be planning to hasten the fielding of other air defense units. Lebanon's decision to accelerate the movement of SA-7s to the border is in part aimed at disarming President Franjyah's domestic and foreign opponents, who have long criticized his reluctance to defend Lebanese territory and airspace against Israeli attack. In addition, it will improve morale in the Lebanese army, which for political reasons has not been allowed to become involved in efforts to put down the civil unrest in Beirut.

* * *

The EC Council agreed early this week to a "community action" program for Portugal.

The EC's intention is to get substantial financial assistance to Lisbon quickly to boost democratic forces there. The EC ambassadors and the Commission are to prepare specific proposals by July 15 on the amount and terms of assistance.

* * *

Thai students are planning anti-US demonstrations on July 4. The demonstrations could develop into a serious confrontation between student leftists and Thai officials.

Army commander Krit Siwara criticized the proposed anti-US demonstrations during a press conference early this week, stating that they would create unnecessary misunderstandings between Thailand and the US. Prime Minister Khukrit assured Krit and other key generals last month that he was prepared to get tough with student agitators if they should threaten the physical security of the US embassy.

(continued)

FOR THE PRESIDENT ONLY

* * *

25X1



FOR THE PRESIDENT ONLY

Top Secret