



The President's Daily Brief

August 22, 1975

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FOR THE PRESIDENT ONLY

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PORTUGAL

Rumors are rife in Lisbon of troop movements and an impending coup as the forces contending for political power continue to jockey for position. The power struggle could just as well degenerate into clashes between military units backing rival ideological approaches.

There were reports last night that a military alert had been declared in Coimbra, headquarters of the central military region. Several high-ranking military leaders, including security chief Carvalho and Army Chief of Staff Fabiao, met there in what could have been a strategy session.

President Costa Gomes reportedly met again yesterday with former foreign minister Antunes, apparently to discuss further the ultimatum Antunes and General Carvalho presented him for the removal of Prime Minister Goncalves, but there is still no clear indication of the President's response. According to press reports, Antunes told Costa Gomes that any military move to retain Goncalves in power could be put down in a matter of hours.

Despite the claims of overwhelming strength by Goncalves' opponents, the Prime Minister vowed yesterday that he would make a last-ditch stand to retain power.

Meanwhile, Goncalves' ardent supporters in the Communist Party appear to be backing away. On Tuesday evening, Portuguese Communist Party leader Cunhal conceded at a press conference that the present government does not have the necessary support to be viable and the Communists are prepared to consider alternatives.

Goncalves' ouster would be the most serious of many bitter blows suffered by the Communists in recent weeks. Cunhal expressed alarm that military officers favoring the Communists would now be purged, a process that has already begun.

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If efforts to oust Goncalves are successful, it is not clear what form of government might emerge.

[redacted]
new government program [redacted] largely represents the views of the democratic, pro-European Antunes group, with some small consideration given to placating the radical leftists. Such an arrangement presumably would allow real power to remain in the hands of anti-communist military officers and the democratic political parties.

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PORTUGUESE TIMOR

Portuguese Foreign Minister Ruivo held urgent consultations with both the Indonesian and Australian ambassadors Wednesday night on the situation in Timor.

He told the Australian ambassador that Portugal wanted to withdraw from Timor and asked Canberra's assistance in evacuating Portuguese nationals. He said Lisbon would leave the governor and a staff of about 70 to act as a symbolic presence in Timor and to work out a modus vivendi with the warring political factions. He said he would like to establish a "good offices" committee to assist in the process, and he hoped both Australia and Indonesia would participate.

Ruivo said Lisbon would make a similar approach to Indonesia and would also alert the International Red Cross.

Australia, for domestic political reasons, probably will elect to avoid overt involvement in the Timor situation. President Suharto, however, is likely to see Lisbon's approach as offering a way out of his present dilemma. He could authorize Indonesian military intervention in Timor on the grounds that he had tacit Portuguese support to restore order and protect the lives of non-Timorese.

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NOTES

An uneasy calm has returned to Thailand, but the underlying issues that sparked Wednesday's violence remain unresolved.

[redacted] the Thai cabinet has agreed to reinstate legal proceedings against student and farmer activists arrested last week. It was the government's dropping of the charges that prompted the wave of police protests which culminated in the sacking of Prime Minister Khukrit's house. In reopening its investigation, the government is risking a new round of demonstrations by the student community, which brought about the government's current dilemma. Whatever measures the government takes to remedy the problem, distrust between conservatives and leftists is not likely to ease. The conservatives will see any move by the Khukrit government to avoid prosecuting the activists as further evidence of the government's willingness to put up with "mob rule." Leftists will see the reopening of the case against the activists as a sharp move toward the right by the government.

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The new rulers in Bangladesh, uneasy about India's intentions following last week's coup, have assured New Delhi of their desire for friendship and have backed away from initial moves to designate Bangladesh an "Islamic republic."

These developments, while gratifying to the Indians, will disturb the Pakistanis who initially were enthusiastic about the new government. India reportedly had reinforced military units near the Bangladesh border, but Prime Minister Gandhi told our ambassador that these forces now are being withdrawn. Meanwhile, friction within the Bangladesh army is getting worse as the various contenders for power maneuver for position. Despite their differences, however, they are trying to maintain an outward appearance of unity because they fear Indian intervention if their dispute gets out of hand.

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