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The President's Daily Brief

September 2, 1975

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FOR THE PRESIDENT ONLY

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MIDDLE EAST

Early approval of the second Egyptian-Israeli interim agreement by the Knesset seems assured. Israeli opinion polls show increased popular support for the accord.

Spokesmen for the government are arguing that the agreement does not jeopardize Israel's vital security interests, but sets the stage for further negotiations toward a comprehensive peace agreement. Supporters of the accord portray maintenance of the close Israeli-US relationship as a major achievement of the pact and acknowledge that Israel has no practical alternative to accepting it.

In Egypt, government spokesmen are attempting to minimize the concessions made by Cairo. They are describing the agreement as part of a general move toward progress in negotiations on all fronts, including the restoration of the rights of the Palestinians. President Sadat, according to the Cairo press, will soon address a joint session of Egypt's political party and parliament on the subject of the new agreement.

The Syrian press over the weekend stepped up its criticism of the accord. The semi-official newspaper *Al-Thawrah* on Saturday attacked the agreement as a "partial settlement that serves only Israeli ambitions and American interests." Damascus radio asserted that the agreement will lead, not to genuine peace, but to greater Israeli intransigence. Syrian Foreign Minister Khaddam had made the same point to newsmen last week in Lima.

Syrian criticism has spared Egypt except by implication. This almost certainly reflects President Asad's desire to avoid disrupting his relations with Cairo and at least his minimal confidence that a new round of negotiations between Syria and Israel can be arranged.

Syria's attacks on the agreement do not match the severity or frequency of those last spring; they are probably designed chiefly to head off potential unrest at home. Contacts between the

point to matter-of-fact acceptance of, rather than opposition to, the Egyptian-Israeli accord.

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Leaders of the Palestine Liberation Organization have intensified their criticism of the agreement. Chagrined at their inability to make gains or even become involved in negotiations, they are moving to protect themselves against attacks by their radical colleagues. In interviews with newsmen, PLO Chairman Arafat has promised to regain Palestinian lands through force, threatened that the Palestinians will attack Israeli interests "anywhere in the world," called for an Arab summit to devise a strategy for countering the new "American initiative," and asserted that the PLO will persevere in its campaign to expel Israel from the UN.

Although fedayeen from Lebanon have stepped up their cross-border attacks on Israel--there were two over the past weekend--most of what Arafat said was designed only for internal fedayeen consumption. He withheld his strongest criticism until the agreement was virtually complete and avoided direct attacks on Egypt.

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CHINA

After a period of relative calm, factionalism within the Chinese leadership appears to be resurfacing. Yesterday's People's Daily carried a major article that seems to be a thinly disguised attack on Teng Hsiao-ping, China's senior vice premier who also holds important military and party posts and who is currently in charge of day-to-day activities within China.

The attack is contained in a criticism of a famous Ming-dynasty novel which has long been known to be a favorite of Chairman Mao. A similar article also appeared in the latest issue of the theoretical journal *Red Flag*; both have been widely disseminated by the Chinese news agency. A list of contents of the new issue of *Red Flag*, also distributed by the news agency, indicates that the latest issue contains further articles on the same subject, but these are not yet available.

Both articles are highly critical of the role and character of a leading figure in the novel, who is clearly a surrogate for Teng. The central issue raised appears to be the rehabilitation of veteran cadres disgraced during the Cultural Revolution--a policy which has generally been pursued by Peking since the early 1970s.

Teng Hsiao-ping is not only an advocate of this policy but also its most important beneficiary. As secretary general of the party he was disgraced early in the Cultural Revolution. He was rehabilitated in the spring of 1973, reappointed to the Politburo in December of that year, and made a member of the Politburo Standing Committee last January.

The rehabilitation issue has long been a bone of contention between the "left" and "right" wings of the Chinese party, involving as it does the larger question of the efficacy and legitimacy of the Cultural Revolution, which has been at the heart of Chinese domestic politics for a decade. The articles define rehabilitation as accepting "royal amnesty" while planning ultimately to betray the revolution.

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The phrase "royal amnesty" raises the question of Mao's status and his role in the present controversy. For two years, Chinese polemics, arguing by historical analogy, have treated the emperor-figure as a surrogate for Mao; the Chairman has, moreover, clearly associated himself with Teng's rehabilitation. In a passage that seems to bear directly on this issue, *People's Daily* comments: "In a feudal country, the emperor is the highest ruler, the general representative of the landlord class and the big boss of all feudal bureaucrats. The peasantry must oppose the emperor in order to oppose the reactionary rule of the landlord class. If the peasantry only opposed corrupt officials, but not the emperor, it cannot shake the rule of the landlord class," adding that the evil Teng-figure and his friends "did not oppose the emperor and were loyal to him."

This passage seems to claim that in order to preserve the revolution it may be necessary to oppose Mao himself; at the very least it appears to imply that Teng has pulled the wool over Mao's eyes by stressing his personal loyalty to the Chairman. The *Red Flag* article, however, is more ambiguous. While also criticizing the idea of "royal amnesty," it refers favorably to another character as the "founder of the revolutionary cause" chronicled in the novel.

This spate of articles--at least one more apparently was published in the Peking newspaper *Kuang Ming Daily*--appears at a moment when the central theme of Chinese propaganda has been unity and discipline and when the central authorities appear prepared to crack down on dissident activities and strikes in factories and in the transportation industry. The attack on Teng could have been instituted by his opponents because they see his current stress on unity as an indication that he is trying to consolidate his position and ensure his place in the succession before the Chairman's death.

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The implications for Mao in the current developments are ambiguous. The Chairman was almost certainly weakened to some extent by last year's divisive anti-Confucius campaign. Erratic treatment of Mao's role as "founder and commander" of the Chinese army, in the context of observing Army Day last month, suggests there is continuing controversy regarding Mao's direct control of the military. It is possible that the Chairman's running quarrel with the army has left him vulnerable to criticism from other quarters. Mao's political acumen is still considerable, however, and he retains great reservoirs of prestige among the general populace.

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PORTUGAL

NATO security officers have recommended that the alliance further restrict Portugal's access to classified information. If NATO political authorities agree, Portugal will be denied NATO-Secret documents--approximately 80 percent of NATO's classified information--and will not be able to participate in meetings of many NATO committees.

NATO officials have long been apprehensive that classified documents might be compromised by the Portuguese. With the situation in Portugal as uncertain as ever, security officials believe that stringent restrictions must be imposed on a regular basis. They and many other NATO officials are particularly concerned because of the recent appointment of the pro-Communist General Goncalves as Portuguese armed forces chief of staff.

NATO's political authorities must approve these recommendations, and they will again have in mind that actions of this type might lead to adverse political consequences in Portugal. The US mission believes, however, that most of the allies agree that further restrictive measures should be imposed, and that it may be preferable to do so now rather than later.

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There were no major developments in the Portuguese political situation yesterday. The Melo Antunes group continues to try to force Vasco Goncalves out of his position of armed forces chief of staff. The Socialist and Popular Democratic parties are taking a hard line on participating in any new government, insisting on Goncalves' ouster as a prerequisite. It is still unclear when Prime Minister Admiral Azevedo intends to present his new government, although some reports say an announcement will come this week.

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NOTE

The Ecuadorean government quickly suppressed an attempt to oust President Rodriguez Lara yesterday.

Most units in the armed forces throughout the country remained loyal to the President. Forces available to Army Chief of Staff General Gonzalez, who led the attempted coup, apparently amounted to only a few tanks and several hundred supporters.

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