



# The President's Daily Brief

*October 15, 1975*

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Exempt from general  
declassification schedule of E.O. 11652  
exemption category 5B(1),(2),(3)  
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LEBANON

*The security situation in Beirut continued to improve yesterday. While some incidents occurred, the city's commercial life gathered momentum with banks and most businesses open. Evening curfew hours have been reduced, and Lebanese security officials believe that the parties to the conflict are serious about implementing the ceasefire.*

Syrian actions continue to be a major factor in the improved situation. Zuhayr Muhsin, leader of the Syrian-controlled Saiqa fedayeen organization, has been active in mediating between the Christians and the Muslims in the Tripoli area, where the situation yesterday was described as calm.

At Monday's meeting of the national conciliation committee, the members for the first time moved to address the fundamental problems underlying the crisis. Subcommittees were formed to consider political, economic, and social reforms. The committee met again yesterday. Prime Minister Karami announced after the meeting that the political reform subcommittee will hold its first session tomorrow. There is still no indication, however, that the Phalangists are ready to agree to the modification of the existing governmental structure to permit the Muslims greater political power.

Syria and the Palestine Liberation Organization, meanwhile, reportedly have decided not to attend a foreign ministers' conference in Cairo. The Syrians, who consider Lebanon to be within their sphere of influence, oppose "Arabizing" the crisis. A PLO spokesman described the conference as an attempt to divert attention from the recent Egyptian-Israeli Sinai agreement. Cairo, concerned that the meeting would be used as a forum by critics of the Sinai agreement to attack Egypt, presumably will not be displeased by the absence of the PLO or Syria.

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MOROCCO-SPAIN

*King Hassan* [redacted] *will not start a war with Spain over Spanish Sahara. Madrid is taking Hassan seriously and now believes that Morocco will wait for a Spanish withdrawal before occupying the region.*

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Hassan may be trying to create an atmosphere conducive to bilateral negotiations with Spain. The King can be expected to express concern over a UN group's fact-finding report that recommends "consultation" with the Saharan people to determine their wishes. The report, however, stops short of backing a referendum. Morocco opposes a referendum on the grounds of historic sovereignty over the region. Hassan is also concerned that the International Court of Justice's advisory opinion, reportedly to be delivered tomorrow, may go against Moroccan and Mauritanian claims to the territory.

The King, on the other hand, may only be signaling that Moroccan troops will avoid direct contact with Spanish forces. Rabat has taken various measures to meet any military contingency that may arise with Spain or Algeria over the Saharan problem.

Madrid views the threat of imminent hostilities as receding, and probably would welcome negotiations with Morocco. A high-level Spanish official told one of our embassy officials last weekend that Madrid was even willing to stage a referendum in Spanish Sahara in which Saharans would vote for "association" with Morocco. Spain still seems unwilling to disregard Algeria's interest, however. The Spanish official said an agreement between Algeria and Morocco would have to be part of any settlement.

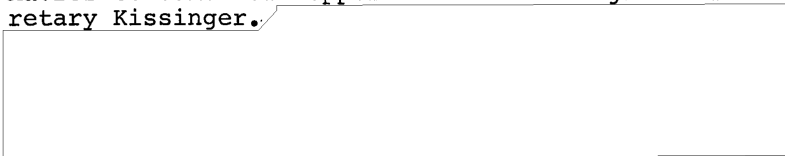
The Algerians would almost certainly oppose any attempt by Morocco or Spain to rig a referendum. In a speech to the UN General Assembly last week, Algerian Foreign Minister Bouteflika unequivocally supported a referendum on self-determination for Spanish Sahara, provided it were "supervised and guaranteed by the UN." A referendum independent of Spanish control would be likely to favor independence rather than union with Morocco.

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GREECE-CYPRUS--TURKEY

*Greek Prime Minister Caramanlis has indicated that he expects the US to take a new initiative to solve the Cyprus problem, now that Congress has partially lifted the arms embargo against Turkey. The Turks have suggested to our ambassador in Ankara that they will be more flexible on the issue.*

Caramanlis indicated his willingness to be flexible about possible terms for a settlement, but expressed bitterness at Cypriot President Makarios' inflexibility and was pessimistic about the Turks' willingness to negotiate seriously. The Prime Minister has urged principal opposition leader George Mavros to tone down opposition attacks against Secretary Kissinger.



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On Monday, Turkish Foreign Minister Caglayangil told Ambassador Macomber that Ankara is in a position to be flexible on Cyprus, now that the election is over and the embargo is relaxed. Caglayangil stressed that his remarks were unofficial, but he indicated that the Turkish government probably would call for resumption of the intercommunal talks--suspended since early September--next week.

Caglayangil's optimism regarding Cyprus contrasted markedly with his pessimism when asked about the possibility of reactivating US bases in Turkey. He hinted that his government now wants to open negotiations for a new defense cooperation agreement, but he insisted that the US bases cannot be reactivated until at least the essentials of a new agreement are worked out. Caglayangil's negative tone may be a deliberate negotiating posture designed to encourage the complete lifting of the arms embargo on Turkey, but it is also possible that the government has not yet decided how to deal with the bases issue now that the embargo has been partially lifted.

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PORTUGAL

*The government apparently ended the mutiny in Porto last night by making concessions to the dissident artillerymen.*

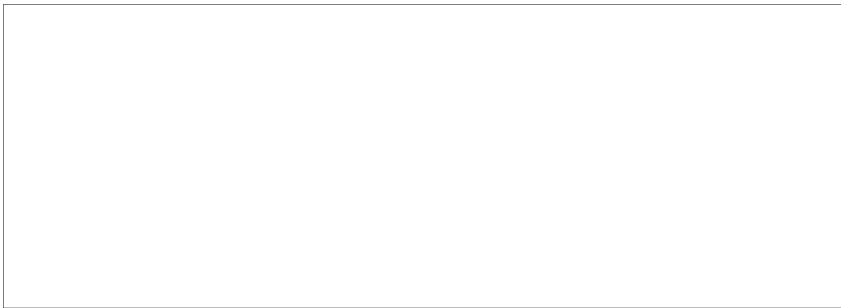
The rebels took over their regiment a week ago, demanding that a leftist transportation unit disbanded by northern military region commander General Pires Veloso be reconstituted. Veloso refused to negotiate with the troops and remained firm in his determination to restore discipline to the units under his command.

Army Commander in Chief General Carlos Fabiao flew to Porto yesterday to discuss the situation with Veloso and the rebels. Fabiao met with the rebel leaders and proposed that the transportation regiment be reconstituted as an operational combat unit. The unit had been a haven for sons of the upper class and had avoided any combat.

The compromise undercuts Veloso's drive for discipline and could lead to further military problems. Whether Fabiao, whose support of the Azevedo government has become more suspect in recent days, had the full backing of the Lisbon government in conceding to the dissidents is unclear. If he did, it is possible that the regime may have felt that it could regain control of the regiment by removing the issue, or failing that, would at least gain some time.

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*Panama's celebration on October 11 of the 1968 "revolution" that brought General Omar Torrijos to power was a peaceful, generally sober affair, with the crowd of about 35,000 falling far short of government expectations.*

Torrijos' speech emphasized the need for patience during prolonged canal treaty negotiations. Government security measures helped ensure the absence of anti-US demonstrations.



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