

The President's Daily Brief

October 17, 1975

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FOR THE PRESIDENT ONLY

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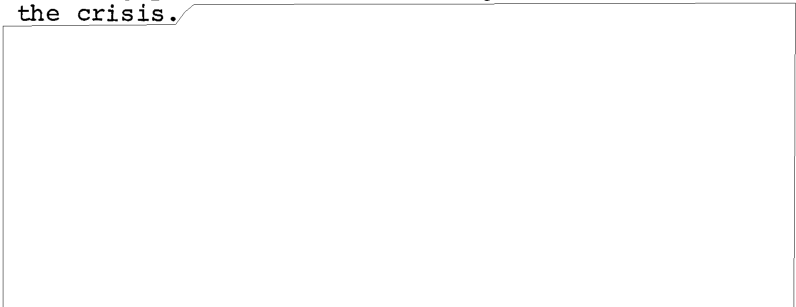
LEBANON

Beirut and its suburbs were quiet during the night. Only occasional sniping marred the calm in the capital yesterday as a number of banks and shops reopened. No incidents were reported in Tripoli and Zahlah yesterday.

The Arab League foreign ministers' conference ended yesterday without any concrete proposals to end the fighting. The final communiqué appealed for self-restraint and urged Arab League members to provide Lebanon with financial aid. The absence of Syria and the PLO eliminated any chance the conference might have had to achieve substantial results. Libya also did not attend.

The national reconciliation, or dialogue, committee has not met for two days, and no schedule has been announced for its resumption. The recently formed political reform subcommittee did meet yesterday, with both leftist Kamal Jumblatt and Phalangist leader Pierre Jumayyil in attendance. The prospects for any progress by the political subcommittee, however, do not appear to be good.

Lebanese security officials have become increasingly concerned over foreign involvement in the crisis.



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ARGENTINA

President Peron's resumption of her office, in the face of opposition from several powerful sectors, is likely to intensify the country's political and economic crisis. There have been warnings of violence during her rally today and rumors that Americans will be targets.

Many middle-of-the-road political and union leaders had joined the military high command in pressing Peron to extend her leave of absence. They believed that the governing team of Acting President Luder, Interior Minister Robledo, and Economy Minister Cafiero was making creditable progress in the key areas of the economy and counterterrorism. Other Peronists, particularly those conservative labor bosses who have staked their political future on her retention of the presidency, urged her return. Their support reinforced Peron's own stubborn determination to continue her husband's work.

The forces arrayed against Peron could have prevented her return. They chose not to, however, because she is the legitimate president, and most Argentines still prefer a constitutional solution to their leadership crisis. This sentiment, although steadily eroding, was strong enough to convince military leaders to give up their efforts to keep the President away from Buenos Aires. They have apparently decided again to stand aside and allow her government to fall victim to its own incompetence. Public disenchantment, they apparently reason, will create a situation amenable to more direct military intervention in politics.

For the present, Peron's acceptance of the role of a merely ceremonial head of state and the success of Cafiero's economic program is crucial to her survival. If she listens to the high command and allows Robledo and Cafiero a free hand, her government could limp along for several more months, with the military staying on the sidelines. If she insists on trying to rule as well as reign, the best she can expect will be another period of enforced rest away from the capital.

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EC

As a result of Britain's insistence on a seat at the producer-consumer conference in Paris in December, both London and its EC partners are seeking support from the US in the dispute. Unless the controversy is resolved, consumer country unity at the December meeting may be seriously weakened.

Foreign Secretary Callaghan has bluntly reaffirmed the UK's intention to hold out for a place apart from the seat designated for the EC. If denied its own seat, Callaghan told Ambassador Richardson, Britain will not consider itself bound by the conference's outcome. The Foreign Secretary said that the UK would be grateful for US backing, although he is not asking formally for it.

Prime Minister Wilson feels he must demonstrate to the British public that his government will not agree to any EC stand on energy that might compromise national control over Britain's North Sea oil.

London also believes that since there is no chance of reaching common EC positions on non-energy matters, Britain must be able to state its own case. The UK, for instance, has proposed ideas on the economic development of poorer nations that could be watered down in a common EC approach. Callaghan has referred specifically to Britain's key role in international banking and finance as justification for a separate chair at the conference.

West German Chancellor Schmidt has written to Wilson, as well as to the other EC partners, stressing the need for a unified Community representation at the Paris meeting.

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The Germans are clearly worried that London's demand for a separate seat jeopardizes not only EC solidarity but also the producer-consumer conference. Bonn--heavily dependent on imported oil and other raw materials--has been counting on the impetus the conference would provide toward strengthening a consumer front.

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NOTES

The Soviet news agency Tass issued a report yesterday on French President Giscard's visit to Moscow that is almost certainly designed to quiet speculation about the import of the postponement of General Secretary Brezhnev's second meeting with Giscard.

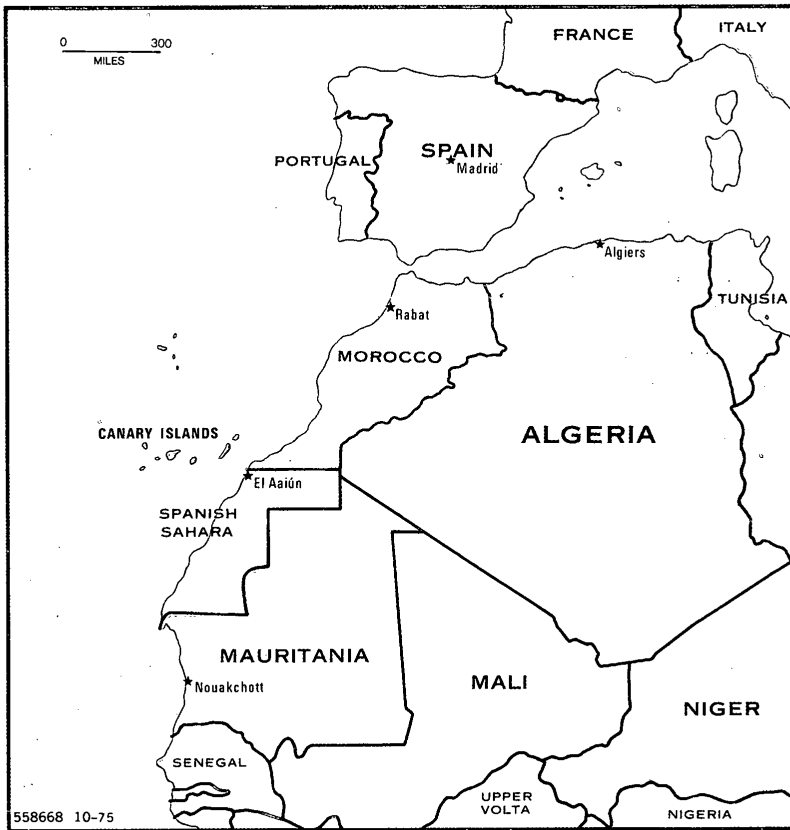
The French are also playing down the significance of the postponement. In Kiev, where he spent yesterday sightseeing, Giscard said that a political cooperation document will be signed today that will further develop detente. A French diplomat told our embassy that the leaders will hold talks today and sign several bilateral agreements and the political cooperation statement. He acknowledged that the statement was still being worked on.

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Authorities in Egypt are worried that leftist students, who organized an anti-government conference last month, will turn to violent protests after the universities open on Saturday.

In an attempt to mollify the bulk of the students, the government has announced that textbook prices, long a source of student complaints, will drop. In addition, President Sadat and other officials are scheduled to meet with students next week, and the Arab Socialist Union has established a new youth organization. The authorities are also considering a postponement of the school opening by at least a week.

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In a nationwide address yesterday, Moroccan King Hassan announced that he will organize a peaceful mass march into Spanish Sahara by 350,000 unarmed Moroccans.

Hassan's speech followed the release of an advisory opinion by the International Court of Justice that Morocco's historic ties with the Sahara neither established territorial sovereignty nor precluded the application of the principle of self-determination. The King claimed that he was not seeking a fight with Spanish forces and urged Madrid not to use force against the unarmed Moroccan marchers.

* * *

The Popular Movement for the Liberation of Angola may be moving toward a unilateral declaration of independence before November 11, the date Lisbon is scheduled to transfer sovereignty.

In a speech earlier this week in Luanda, Movement President Agostinho Neto declared that his organization will proclaim independence for Angola "within a few weeks come what may." His remarks may have been prompted by a growing concern within the MPLA that Portugal is determined not to transfer sovereignty to a single liberation group. Many Movement officials now believe that the organization must assume power on its own before November 11 or risk losing the political advantages it now holds.

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The USSR and Syria have been applauding their recent round of consultations, but there are some indications that they are not seeing eye to eye on Middle East negotiations.

Syrian Foreign Minister Khaddam and Defense Minister Talas, who remained in Moscow after President Asad's visit last week, returned home late Wednesday. Their talks were described only as "friendly and businesslike" and as an "exchange of opinions"--language which, along with the brevity of the communiqué on Asad's visit and the failure of either side to publicize the toasts exchanged by Brezhnev and Asad, suggests there were differences.

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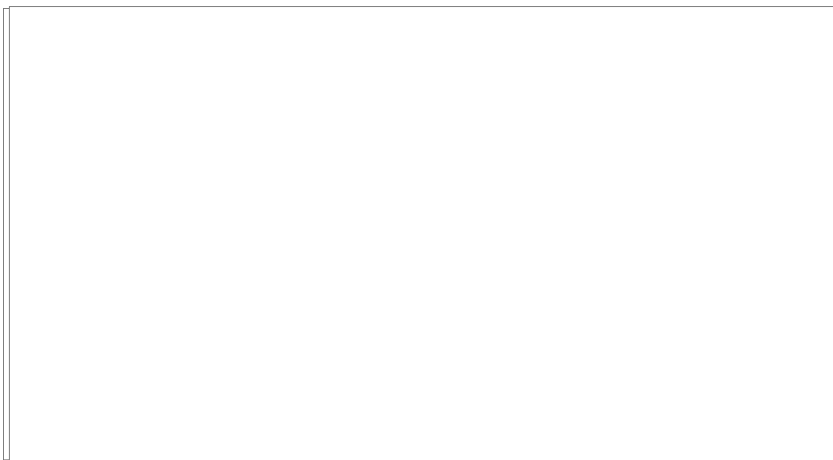
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In the face of mounting unrest, Ethiopia's ruling military council in recent weeks increasingly has resorted to repression against its opponents and suspected dissidents.

Widespread arrests have been reported since the council declared a state of emergency in Addis Ababa last month in an attempt to put an end to a strike by workers protesting the council's policies. The proclamation suspended most civil rights and gave the security forces almost unlimited powers of search and seizure, including the right to shoot anyone violating the ban on strikes. In Eritrea Province, the government has intensified its use of harsh and indiscriminate measures against the civilian population in retaliation for assassinations by insurgents.

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