

The President's Daily Brief

November 11, 1975

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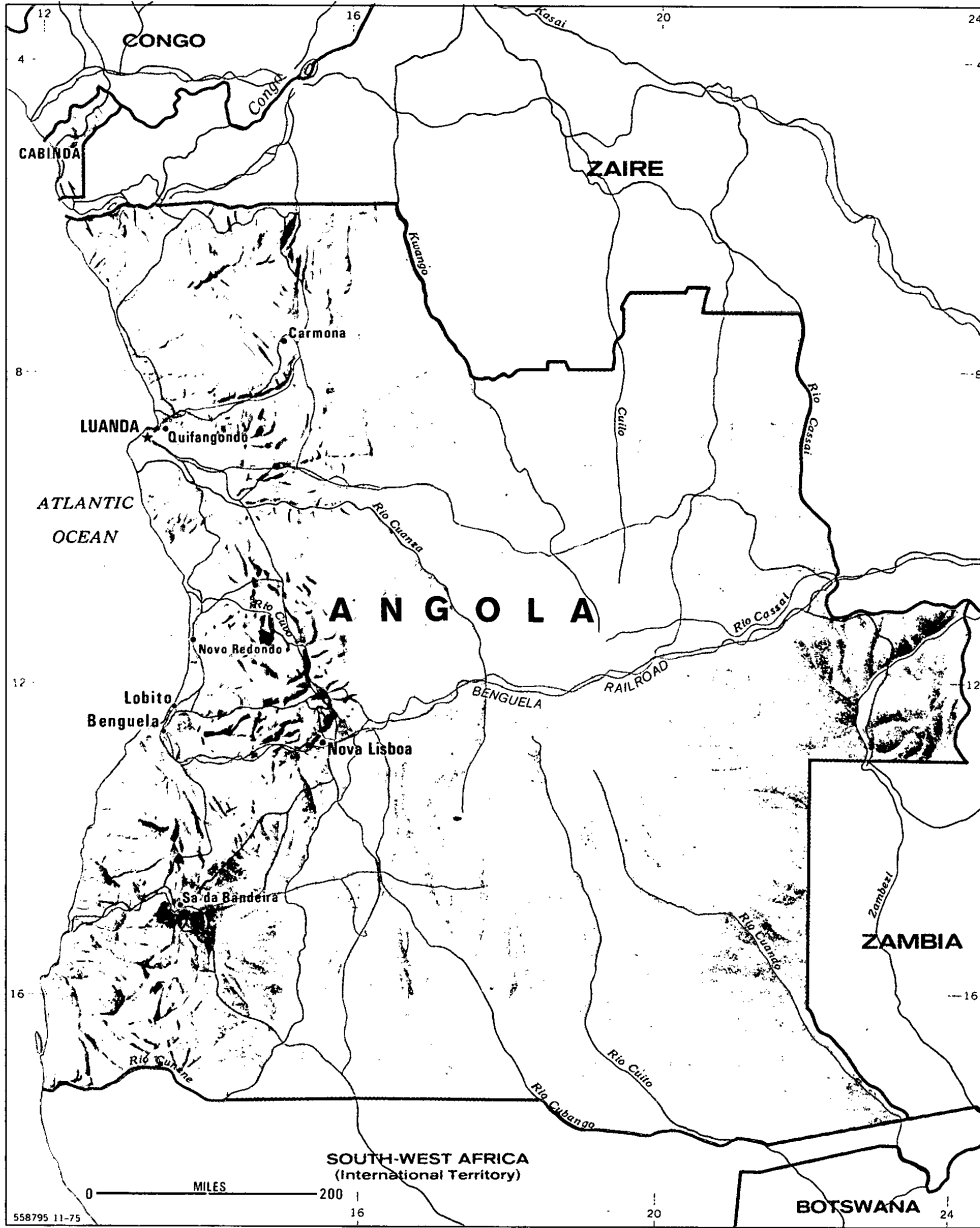
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FOR THE PRESIDENT ONLY



ANGOLA

The Popular Movement for the Liberation of Angola, which controls Luanda and some other areas of the country, proclaimed independence for the country unilaterally after the Portuguese high commissioner yesterday turned the former colonial territory over to the "Angolan people."

The National Front for the Liberation of Angola--along with Angola's third liberation group, the National Union for the Total Independence of Angola--meanwhile has set up a rival government. According to an announcement out of Kinshasa, where the National Front and National Union had been conferring, the administrative seat of their new government will be Nova Lisboa, which they have renamed Huambo.

The rival government will have a president, a prime minister, and a 24-member council of revolution.

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In a separate news announcement, the National Union called for a cease-fire, neutralization of Luanda, and the establishment of a government of national unity made up of the three liberation groups.

Portuguese leaders are divided over whether to recognize the Popular Movement as the legitimate government.

Foreign Minister Antunes and President Costa Gomes are said to favor doing so, while Prime Minister Azevedo and Socialist leader Soares prefer that Portugal take no position. Azevedo reportedly has insisted that his government would never recognize a single liberation movement.

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A variety of reports yesterday indicate that a number of European and other African countries intend to withhold recognition from either rival claimant.

Soviet diplomatic recognition of the Popular Movement could occur today. An authoritative *Pravda* commentary over the weekend indicated that Moscow is moving toward official recognition of the Popular Movement. It also suggested that the Soviets are becoming increasingly nervous about the Popular Movement's sagging military fortunes.

AUSTRALIA

In a surprise move that has thrown Australia into an unprecedented constitutional crisis, Governor-General John Kerr early today announced the dismissal of Prime Minister Gough Whitlam.

Complicated parliamentary maneuvering is still under way, however, and it is unclear whether the sacking will stand up.

Kerr said his decision was based on Whitlam's inability to get government appropriation bills through the opposition-controlled senate, where they have been stalled for more than a month.

The Governor-General named opposition leader Malcolm Fraser to head a caretaker government until an election next month for both houses of parliament.

The senate, which has adjourned indefinitely, approved the appropriation measures after Kerr announced that Fraser would take over the government. The house countered by advising Kerr that Whitlam's ouster is not necessary now that senate action has freed the budget.

Kerr, as Queen Elizabeth's representative in Australia, is constitutionally empowered to dismiss a prime minister and call a new election. There had been some speculation that Kerr might intercede in the current deadlock in an attempt to work out a compromise

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LEBANON

With the latest cease-fire now ten days old and generally being respected, Prime Minister Karami is making a renewed effort to find a political solution to the Lebanese crisis.

Karami on November 8 called on the country's warring factions to allow the Lebanese army and internal security force to play a more forceful role in restoring civil order. He has pledged that once calm has returned, the government will work to implement comprehensive political, social, and economic reforms.

Karami's assertion that security and reform are inseparable represents an attempt to be even-handed and to elicit concessions from both sides. His statement that order must be restored before reforms can be implemented, however, constitutes a concession to right-wing Christians.

Phalanges Party leader Jumayyil has approved Karami's initiative, claiming the Prime Minister has finally conceded the Phalangists' basic point-- that the government must assert its authority. Lebanese leftists so far have not reacted and may withhold comment until Karami elaborates his ideas. The Prime Minister is expected to spell out his program at a cabinet meeting tomorrow.

SPANISH SAHARA

A Moroccan delegation will return to Madrid this week to try to hammer out a firm agreement on Spanish Sahara from the loose understanding King Hassan reached on Saturday with a senior Spanish official.

In an attempt to maintain pressure on Madrid, Rabat has announced that the marchers returning from the Sahara will remain at the Moroccan town of Tarfaya near the border until negotiations conclude.

Algerian President Boumediene, who still insists on a referendum for the Saharans under UN auspices, is holding talks with Mauritanian President Ould Daddah. Boumediene will try to enlist the support of the Mauritanian leader and hopes to learn from him details of Morocco's understanding with Spain.

Mauritania supports a partition of the Sahara with Morocco but is willing to go along with a limited UN role to resolve the dispute. Mauritania would accept a referendum that does not include independence as an option.

CYPRUS--UN

Debate on the Cyprus question begins in the UN General Assembly this week, amid signs that the parties concerned will not be able to agree, as they did in 1974, on a resolution calling for withdrawal of Turkish troops from the island and return of Greek Cypriot refugees to their homes. The diametrically opposed positions of the Turks and Greeks could be further hardened by acrimonious debate which would impede the resumption of the intercommunal talks--where the problem must ultimately be solved.

The Greeks and Greek Cypriots view the UN debate as an opportunity to move the Cyprus issue out of the regional arena--where Turkey's military dominance gives it the upper hand--to an international forum they see as more sympathetic to their side. They seek a detailed hearing of their position and will probably urge a resolution criticizing the Turks for not implementing previous UN resolutions.

The Turks hope to focus international attention once again on regional efforts to deal with the Cyprus question. The Turkish UN delegation has already lobbied extensively for a brief, non-substantive resolution, stressing the need to revive the intercommunal talks. The Turks oppose reaffirmation of the resolution passed last year.

The tone of the debate will probably reflect the increasingly anti-Turkish mood at the UN. The General Assembly's desire last year to nurture the intercommunal talks by not pressing the Turks has given way to exasperation with the Turkish position. Those nonaligned countries that worked out the compromise resolution last year, however, have agreed to try again if asked by the Greeks and Turks.

FOR THE PRESIDENT ONLY

NOTES

The UN General Assembly passed a resolution last night equating Zionism with racism.

The resolution's passage may lead some of the developed countries to suspend their financial support of the entire UN anti-discrimination program. By a vote of 72 to 35, with 32 abstentions, the Zionism resolution passed under the same rubric as the traditional UN campaign against racism and racial discrimination.

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Israel probably will fail to achieve a net population gain from immigration this year, for the first time since its founding in 1948.

According to data reported to the Israeli cabinet late last month, the number of persons leaving the country permanently in 1975 is expected to equal roughly the number of those arriving to take up permanent residence--about 18,000 in each case. The average annual rate of emigration from Israel since the 1973 war has been more than double the pre-war rate. The Israelis recognize that they must look to the Soviet Union as the major source of potential newcomers, a factor which may become increasingly important in determining the government's policy toward the USSR. Jewish emigration from the USSR this year has averaged slightly over 1,000 people a month--down approximately 30 percent from the first ten months of 1974.

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ITALY

We present the principal judgments of a memorandum, "Prospects for and Consequences of Increased Communist Influence in Italian Politics," which has been approved by the US Intelligence Board.

The mid-June regional and local election results presented the Christian Democrats with their most serious challenge in nearly 30 years as Italy's dominant party. The Communist Party's gains of about 6 percent brought it to within 2 percent of the Christian Democrats at the regional level. Unless the Christian Democrats act soon to improve their standing, the Communists could pull ahead of them in the next national parliamentary election--to be held no later than the spring of 1977.

The vote had little to do with Italy's foreign policy. It reflected increasing frustration over inefficient government, inadequate services, tax inequities, and a host of other complaints for which the Christian Democrats were held responsible. It also reflected the sentiments of several million new voters, enfranchised when the voting age was recently lowered to 18, and economic strains, which have hit the middle class harder than in the past.

A marked deterioration in the economy, though we do not think it likely, would hurt the Christian Democrats and thus might help the Communists duplicate or improve on their success when the next national election is held.

In the period before the next national parliamentary election, the Christian Democrats have enough maneuvering room to avoid seeking Communist support in forming a governmental majority. The Communists, moreover, do not want to press the issue.

After the election--even if the Christian Democrats remain the largest party--their options are likely to be cut down to a choice between allying with either the Socialists or the Communists.

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The Christian Democrats are likely, in the pre-election period, to consider:

--Keeping the Moro government in place. The chief advantage of Moro's government, in which only the Christian Democrats and Republicans hold cabinet posts, is that its existence affords the parties time to sort out their options and deal with internal problems, but it is increasingly clear that the government's weaknesses prevent it from taking actions that could help contain Communist gains in the next election.

--Making concessions to the Socialists, whose moderate gains put them in a pivotal position. The Socialists want major programmatic changes, some of the more important ministries, and an arrangement that would force the Communists to share some of the government's programmatic responsibilities, without actually holding cabinet posts.

--Forming an all-Christian Democratic "monocolore" cabinet. This is a traditional way of letting the dust settle, but it is only a stopgap.

--Setting up a centrist coalition. Although substituting the small and conservative Liberal Party for the Socialists is mathematically possible, the centrist coalition's slim parliamentary majority would make this alternative just another stopgap.

--Calling early national elections. This choice does not look very inviting now, but the Christian Democrats may consider it, if failure or inability to put together an effective government convinces them they would lose more by waiting until 1977.

The next national election is likely to deprive the Christian Democrats of all options except an alliance with the Socialists--on terms more favorable to the Socialists than in the past--or a deal with the Communists.

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A centrist coalition will no longer be possible, because the losses suffered by the Liberal Party in the local contests are almost certain to be duplicated in a national race. The mathematical possibility of a center-right alliance--this has never been a politically feasible option--will also be gone if, as is likely, the neo-fascists lose as much in the national election as they did in June.

The Socialists will drive a hard bargain, because they have concluded that current political dynamics threaten their survival as a separate party. They believe that they are being hurt at the polls by their subordinate association with the Christian Democrats while the Communists are helped by their opposition status.

On the other hand, the Socialists are afraid they would be overpowered in any alliance with the Communists at the national level. That is why the Socialists want concessions from the Christian Democrats that would give the government a more leftist cast and obligate the Communists to support its program.

While the Communist Party works for a formal share in national power it will continue the soft line toward NATO, Europe, and the US, which Berlinguer has pushed since taking over the party in 1972 and which has been vindicated by the party's electoral successes. This means:

--Tolerating Italy's NATO membership while resisting any broadening of its commitment to the Alliance or any expansion of the US military presence in Italy.

--Encouraging West European Communist parties to work out coordinated positions on social and economic issues, whether or not these positions coincide with the prevailing view in Moscow.

--Calling for eventual dissolution of both NATO and the Warsaw Pact as part of the detente process.

How much this soft line would harden should the Communists come into the national government

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and how responsive the Communist Party would be to Soviet influence are questions on which differences of opinion remain in the US Intelligence Community.*

There is no doubt that the greater the party's influence on or in the government the more difficulties NATO will have in Italy. And for all the Communist Party's clear differences with Moscow, there are close ideological ties, and the policies of the two are parallel in many respects. In addition, there is evidence of division within the Communist Party on questions of foreign policy; some party leaders, at least, would probably prove more responsive to Moscow once the party got into the government.

If they entered the government, the Communist leaders would probably avoid at the outset any precipitate move (trying to pull Italy out of NATO, for example) that could endanger their position over the longer run. They would realize, moreover, that allowing the Soviets a strong say in how Italy is run would jeopardize the Communist Party's painstaking efforts over the years to stress its Italian identity.

The Communist leaders would be heavily influenced by tactical considerations. They would want to move cautiously, at least at the outset, in

*The Defense Intelligence Agency, the Assistant Chief of Staff for Intelligence, Department of the Army, the Director of Naval Intelligence, Department of the Navy, and the Assistant Chief of Staff, Intelligence, Department of the Air Force believe that the relationship of the Communist Party to Moscow is a more fundamental one than suggested here. Although the Communist Party is no longer fully subservient to the dictates of the Soviet Politburo, the text does not sufficiently emphasize that the party would be responsive to Moscow, particularly on East-West issues, once in power.

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order to avoid the risks of conservative counter-reaction, or alienation from Western Europe and the US, which would arise from all-out opposition to NATO or from behaving, for example, like the Communists of Portugal.

The Communist Party's cautious approach would be complicated, however, by increased pressure for results from its own rank and file. In any event, there is every reason to believe that the Communists would be able to influence government policies substantially.

While Communist membership in the national government may have been brought closer by the party's recent success, the Christian Democrats have other options and will take them--at least in the period before the 1977 elections. In terms of real political influence, however, the Communist Party, which now participates directly in the governments of most major cities, five of the 20 regions, and nearly a third of the 94 provinces, is much stronger today than before the elections.

Communist leader Berlinguer has always stressed the gradual nature of his "historic compromise" strategy and will welcome additional time to consolidate these gains. Continuing his cautious approach, Berlinguer's major aim will be to demonstrate that the party can deliver the efficient local-level administration it promised during the campaign.

Any success he achieves in that respect will go far toward breaking down the remaining psychological and traditional barriers to Communist membership in the national government.

Our estimate of probable Communist behavior is based on the near certainty that the party would not only have to share power with other parties if it entered the government, in the near or medium term, but would also have to take account of public opinion. Further into the future, the Communists would work to gain predominant power and, if this were achieved, constraints on their behavior would clearly diminish. In such circumstances, the Communist Party could be expected to become more aggressive and doctrinaire.

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