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The President's Daily Brief

December 3, 1975

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December 3, 1975

Table of Contents

Indonesia - Portuguese Timor: Indonesia apparently has decided against further efforts to resolve the problem of Portuguese Timor through negotiations with the Portuguese or international mediation. (Page 1)

Turkey:
the Turks may be willing to back off a bit from their tough position in the negotiations with the US for a new defense cooperation agreement. (Page 3)

25X1

Lebanon: French mediator Couve de Murville is optimistic that the Lebanese government's effort to expand the cabinet will help ease the country's turmoil. (Page 4)

Portugal: The democratic political parties are again pressing for a reduction in the military's dominant political role. (Page 6)

USSR: Speakers at the December 2 session of the Supreme Soviet projected an increase in industrial production during 1976 of 4.3 percent, the lowest planned rate since 1961. (Page 7)

China

25X1

Notes: Laos; USSR (Infrared); USSR (satellite); USSR (drydock); USSR (ABM radar); USSR (Kosygin) (Pages 9 and 10)

(This brief, with information as of 1:00 P.M. EST, was cabled on this date to the President in Asia.)

FOR THE PRESIDENT ONLY

INDONESIA - PORTUGUESE TIMOR

Indonesia has apparently decided against further efforts to resolve the problem of Portuguese Timor through negotiations with the Portuguese or international mediation. Jakarta asserts that the unilateral declaration of Timorese independence by the left-wing Fretilin party last week has radically altered the situation. Foreign Minister Adam Malik told reporters during a trip to Timor this week that diplomatic efforts have ended and that military force now offers the only solution.

Malik visited Timor to talk with pro-Indonesian Timorese who, on the day following the Fretilin party's announcement of independence, had declared the colony part of Indonesia. Malik promised integrationist leaders full support in their struggle but made no specific offers of assistance.

[redacted] Jakarta has ordered Indonesian commanders in Timor to increase their military operations against Fretilin. Jakarta plans to send additional troops and supplies to the island, which would bring Indonesia's total strength there to well over 10,000 men. This increased support should be enough to maintain the present momentum against the Fretilin military forces.

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Suharto is still concerned that open military intervention might strain relations, particularly with the US and Australia, and would generate international criticism. Should he decide that invasion by regular forces is necessary, it would be an easy matter to arrange an invitation from the integrationists for Indonesian intervention.

[redacted]
[redacted]
[redacted] Suharto will undoubtedly raise the question of Timor during talks with you in an effort to determine US reaction to overt intervention.

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FOR THE PRESIDENT ONLY

During the past week, Indonesia captured a Fretilin stronghold 35 miles southwest of Dili, the capital of Portuguese Timor. Dili, controlled by Fretilin, is suffering a severe food shortage, and troops there are low on supplies and ammunition. Fretilin leaders in Dili are unsure of the loyalty of some of their troops.

Fretilin's independence declaration last Friday was an effort to focus greater international attention on Timor and on Indonesian military support to integrationist forces. Fretilin leaders probably hoped to take advantage of the current media interest in Indonesia stimulated by your visit to Jakarta.

Thus far, Fretilin's bid has had little effect even among third-world states. Australia and Portugal have rejected the independence declaration outright. Some former Portuguese colonies and radical third-world countries that dislike the Suharto regime may recognize the Timor regime, but such support is unlikely to alter the dim prospects that Fretilin can make independence for Portuguese Timor stick.

TURKEY

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[redacted]
[redacted] the Turks may be willing to
back off a bit from their tough posi-
tion in the negotiations with the US
for a new defense cooperation agreement.

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[redacted]
[redacted]

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[redacted]
[redacted]

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The US approach to the negotiations, which Turkish
military leaders reportedly believe has been rea-
sonable and fair so far, also helped persuade the
generals to be more flexible.

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[redacted]
[redacted] Turkish negotiators have recently indicated
that compromise may be possible on a number of is-
sues. There have been no signs, however, that the
Turks are prepared to back down from their demand
for a guaranteed annual compensation for US use of
the bases. The general staff is said to be urging
the Turkish negotiators to press for a minimum of
\$150 million annually, which compares with the \$1.5
billion the Turks first mentioned.

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LEBANON

French mediator Couve de Murville, who completed preliminary talks with Lebanese leaders this week, is optimistic that the government's effort to expand the cabinet will help ease the turmoil in Lebanon. Couve told US Ambassador Godley he thought a cabinet including representatives of the major factions could be put together within the week if the current cease-fire holds.

The French envoy apparently is encouraged by hints of moderation shown recently by Christian Phalangists and the Maronite clergy. Couve also believes leftist leader Kamal Jumblatt may be prepared to back away from his previous refusal to be represented in a cabinet including the Phalanges Party.

The unusual show of unity between President Franjiah and Prime Minister Karami last weekend will make the task of expanding the cabinet easier. Karami has been trying to broaden his government since his appointment as Prime Minister in July, but until now has not had the backing of the President. As expected, Karami appears to be having some difficulty with Jumblatt and other leftists who rightly perceive advantages for the Christians in an enlarged government.

Expansion of the cabinet would reduce the importance of the national dialogue committee, in which Lebanese leftists are over-represented, and thereby would benefit the Christians. Moving the focus of political debate from the committee to the cabinet would also give the Christians a better chance to delay or influence any political changes that would erode their dominant position.

Karami's ability to control and direct a reform program would be improved should he succeed in eclipsing the national dialogue committee with a broadly based cabinet. The Prime Minister does not chair the committee and has been unable to exert effective control over it.

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FOR THE PRESIDENT ONLY

Difficulties with leftist leaders may delay formation of the cabinet until next week. Renewed tensions in the north and around Tripoli and Zagharta and fighting in the eastern city of Zahlah may increase the reluctance of warring factions to cooperate with the government.

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Beirut has reacted sharply to the heavy Israeli air strikes Tuesday on fedayeen camps in northern and southeastern Lebanon. Following an emergency cabinet meeting on December 3, Prime Minister Karami announced that his government will request a UN Security Council meeting to discuss the attacks. The call for a special council session is a departure from Lebanon's usual practice of only issuing a formal complaint.

The raids were the first in about three months and were the farthest north that the Israelis have bombed in nearly three years. According to US officials in Beirut, well over 100 non-combatants are feared dead. Many apparently were women and children. The raids have blunted--at least temporarily--efforts of the Lebanese army and Palestinian security forces to bring radical elements under control as all attention is now focused on the Israeli challenge.

PORTUGAL

Portugal's democratic political parties are again pressing for a reduction in the military's dominant political role.

The popularly elected constituent assembly took up the issue on December 2 when it met for the first time since the collapse of the leftist military mutiny last week. Military participation in the government had been formalized last spring. The then leftist military leadership, dominated by the pro-Communist Vasco Goncalves, had forced the political parties to agree to a key role for the military for three to five years. The military, under the agreement, was given the right to veto presidential candidates and key cabinet ministers and to override decisions of an elected government.

At the assembly session the Socialist Party announced it is willing to take part in renegotiating the pact with the military. The Socialists are, however, reluctant to challenge the military just now. The party has cooperated closely with the anti-Communist Antunes group since the overthrow of the Goncalves government and hopes to use its favored position in the Azevedo government as a springboard in the general election promised for next year.

The other democratic parties have no such reluctance and are likely to push the issue now that the Socialists have opened the door. Francisco Sa Carneiro, head of the Popular Democratic Party, has on several occasions called on the military to return to the barracks. He recently urged the popular election of a civilian to succeed General Costa Gomes as president. The Social Democratic Center, a center-right party, can be expected to throw its weight behind the proposal to reopen the question of the military's political role.

Popular sentiment for an end to military rule has been on the increase, and there is support for such a move within the military as well. The present military leaders, however, have given no indication that they intend to withdraw from politics completely.

FOR THE PRESIDENT ONLY

USSR

Speakers at the December 2 session of the USSR Supreme Soviet projected an increase in industrial production during 1976 of 4.3 percent, the lowest planned rate since 1961. Production has grown by an average of 6 percent a year since 1971.

Nikolay Baybakov, Moscow's chief economic planner, ascribed this unusually low forecast to anticipated shortages of agricultural raw materials resulting from a poor harvest this year and to delays in completing new production facilities. Baybakov did not provide an official estimate of the harvest, but other Soviets have described it as "terrible" and "disastrous." Consumer goods and services probably will bear the brunt of the reduced industrial growth next year, although heavy industry will be cut back too.

Baybakov said the USSR's national income this year will be up by 4 percent; the plans had called for 6.5 percent. Baybakov foresees national income growing by 5.4 percent next year, a goal that is probably based in large part on the assumption that the harvest will be better.

The report on the state budget for 1976 by Minister of Finance Garbuzov was unremarkable. As he has in recent years, Garbuzov gave a figure for projected defense spending--17.4 billion rubles--which was about the same as in recent years. The parts of the speech available to us do not include a figure for the large and growing "science" category, which, we think, contains a substantial share of the actual defense budget.

The announced figure for next year's defense spending has little meaning in terms of the size of Soviet defense programs, but announcing defense outlays at the same level as this year helps buttress the detente image the Soviets are attempting to project both at home and abroad.

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CHINA

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Peking announced on December 2 that the man-made satellite China launched on November 26 had returned to earth as scheduled.

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Peking has reportedly given high priority to developing military reconnaissance and communications satellites in its space program.

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NOTES

The Laotian communists on December 3 announced that a two-day "National Congress of People's Representatives" had accepted the abdication of King Savang Vatthana and dissolved the coalition government. The monarchy has been abolished, and Laos is now a "people's democratic republic."

According to the announcement, a president of the republic will soon be named, along with a "supreme adviser to the president." Souphanouvong, the head of the Lao Patriotic Front, presumably will be the president, and other front personalities will compose a new cabinet. Real power, however, will rest with the Lao communist party headed by Kaysone Phomvihan. The communists may reveal the fate of the now deposed Souvanna Phouma at a press conference scheduled for December 4 in Vientiane.

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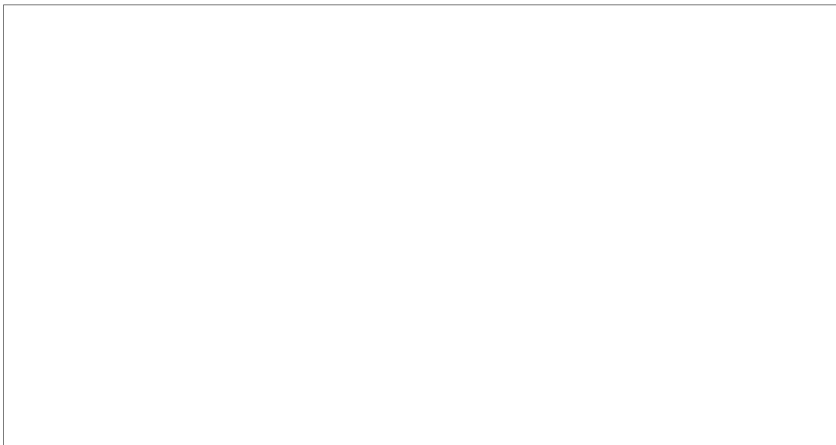
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A large Soviet floating drydock was towed into Berbera on Monday.

The size of the drydock--an estimated 8,500 tons--suggests that it is intended for Soviet, not Somali use. The Soviets will now be able to perform major repairs in Berbera on ships and submarines of their Indian Ocean Squadron, and can thus extend the operational time of their ships in the Indian Ocean.

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Soviet Premier Kosygin failed to attend the opening day's session of the Supreme Soviet on December 2.

We have no ready explanation for his absence. At 71, he appears to enjoy relatively good health and works hard. He may have suffered a sudden indisposition, or he may have had other official duties that prevented his attending the session. Politburo members do not play an active role in these meetings, but usually attend to add lustre to the gathering. Kosygin's major role at the 25th party congress next February, like that of General Secretary Brezhnev, was announced at the Central Committee plenum this week.

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