



# The President's Daily Brief

March 30, 1976

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*March 30, 1976*

Exempt from general  
declassification schedule of E.O. 11652  
exemption category 58(1)(2)(3)  
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the Director of Central Intelligence

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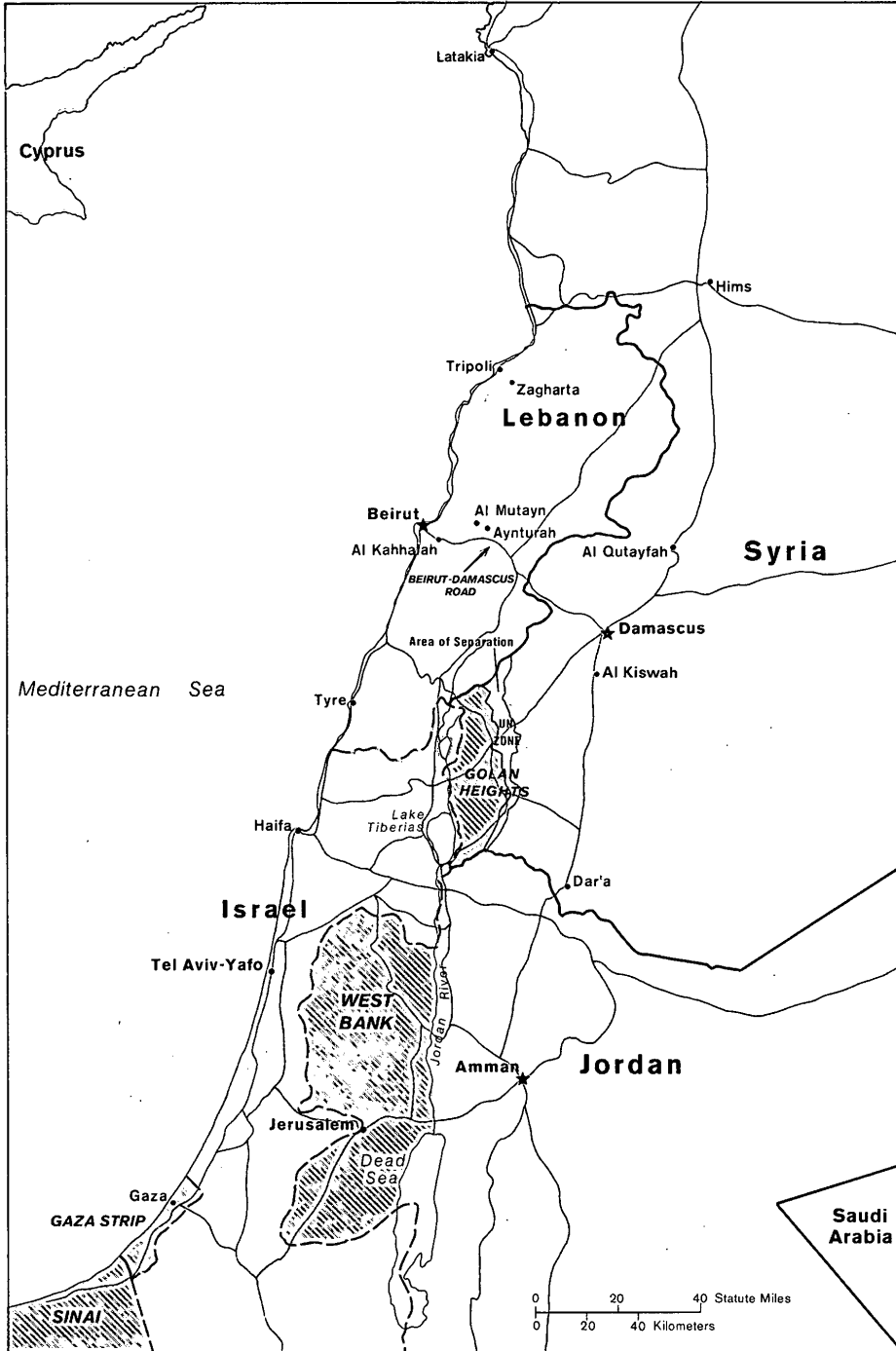
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## LEBANON

*Syrian mediation efforts remain stalled as leftist forces continue their drive against Christian strongholds in Beirut and the mountains east of the capital. Damascus seems for the moment to pin its hopes for slowing the leftists' offensive on its arms cut-off and on PLO chairman Yasir Arafat's efforts to persuade Lebanese leftist Kamal Jumblatt to accept a cease-fire.*

Syria's proposed solution reportedly calls for an immediate cease-fire and a meeting of the Lebanese parliament to amend the constitution and elect a new president. All the leftist leaders except Jumblatt agreed yesterday to support it. Jumblatt apparently is holding out in hopes the leftists will first capture the port area of Beirut.

We doubt that Asad has made a decision yet to intervene openly in Lebanon. He would probably face strong opposition in Damascus if such intervention appeared aimed at preventing the leftists from scoring a military victory. He may believe it best to delay a decision, hoping the leftists will soon run out of steam.

Leftist forces, however, made some additional inroads against the Christians yesterday, especially in the hotel district of Beirut and at Al Kahhalah, astride the main road to Damascus just east of Beirut. In see-saw fighting, leftist troops reportedly occupied at least part of Al Kahhalah yesterday and continued to put strong pressure on the Christians in their principal stronghold in Beirut.

Christian forces in the mountains east of Beirut held their own and may even have made some gains around the villages of Aynturah and Al Mutayn.

Fighting in the Tripoli-Zagharta area in the north apparently was limited to intense artillery exchanges, with neither side making appreciable gains.

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Israeli officials, meanwhile, continue to monitor Lebanese developments closely, while avoiding extensive public comment. In an interview published Friday, Defense Minister Peres emphasized that Israel would not intervene simply to maintain the status quo in Lebanon. He reiterated the position that Israel would take necessary "defensive measures" if there were "direct Syrian military intervention which might endanger the security of Israel."

Jordan has placed some of its military units on alert--probably in reaction to the crisis in Lebanon.

US attachés in Amman have reported that units at Jordan's two principal fighter bases have been in an increased state of readiness since Sunday. Fighter aircraft reportedly have been armed and put into protective shelters. Antiaircraft artillery units are reported to have been moved to combat positions near the airfields.

The attachés said some Jordanian ground force units were on increased alert yesterday, although most of the army appeared to be in a normal status. Air defense elements of Jordan's 2nd Infantry Division were on alert, and support elements were seen moving from rear areas toward the northwest border area. The 2nd Division is responsible for defending that border area.



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We have no indications of unusual Syrian or Israeli military activity. The US defense attaché in Damascus saw no evidence, as of early yesterday morning, of Syrian troop movements that might be related to the Lebanese situation.

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WEST GERMANY

*The economic and political constraints of a West German election year have led Chancellor Schmidt to respond negatively to US attempts to obtain financial support for several costly military projects.*

Affected are a new agreement to offset the cost of stationing US troops in West Germany, a US-built airborne early warning system, and new facilities for a US brigade assigned to NATO's Northern Army Group.

Schmidt's reservations result from several factors. [redacted]

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[redacted]

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[redacted] Schmidt has closely identified himself with the widespread feeling in West Germany that Bonn should stop serving as the paymaster for NATO and the EC.

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He is also determined to project an image of fiscal responsibility by keeping a tight rein on the budget. All West German ministries have been ordered to cut expenditures, and the Chancellor is insisting that the bureaucracy keep an anticipated budget deficit as small as possible.

Bonn's unwillingness at this time to provide financial assistance does not represent a fundamental change in policy. After the election, Bonn will probably be more flexible on defense matters and more forthcoming in providing financial assistance.

In the meantime, West German officials are hinting that Bonn will not support the airborne warning system unless the US purchases the German-built Leopard II tank. This linkage was made most forcefully last week by a defense expert of the opposition Christian Democrats [redacted]

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[redacted] Carl Damm, the defense expert, will testify at a US Senate hearing tomorrow and will propose the swap at that time.

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NOTE

*The Iranian ambassador in London has approached British officials about renting facilities at an air base in the Maldives archipelago that the Royal Air Force is leaving.*

Under the 1965 independence agreement, the British retain a veto until 1986 over Maldivian proposals to lease RAF facilities to a third country.

[redacted] it seems likely that London will respond favorably.

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The Maldivian government has said it will not allow another foreign power to use the facility. It realizes that India, with which it has good relations, would disapprove. Iranian financial inducements, however, might persuade the Maldivian government to reexamine its position.

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