



The President's Daily Brief

May 1, 1976

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FOR THE PRESIDENT ONLY

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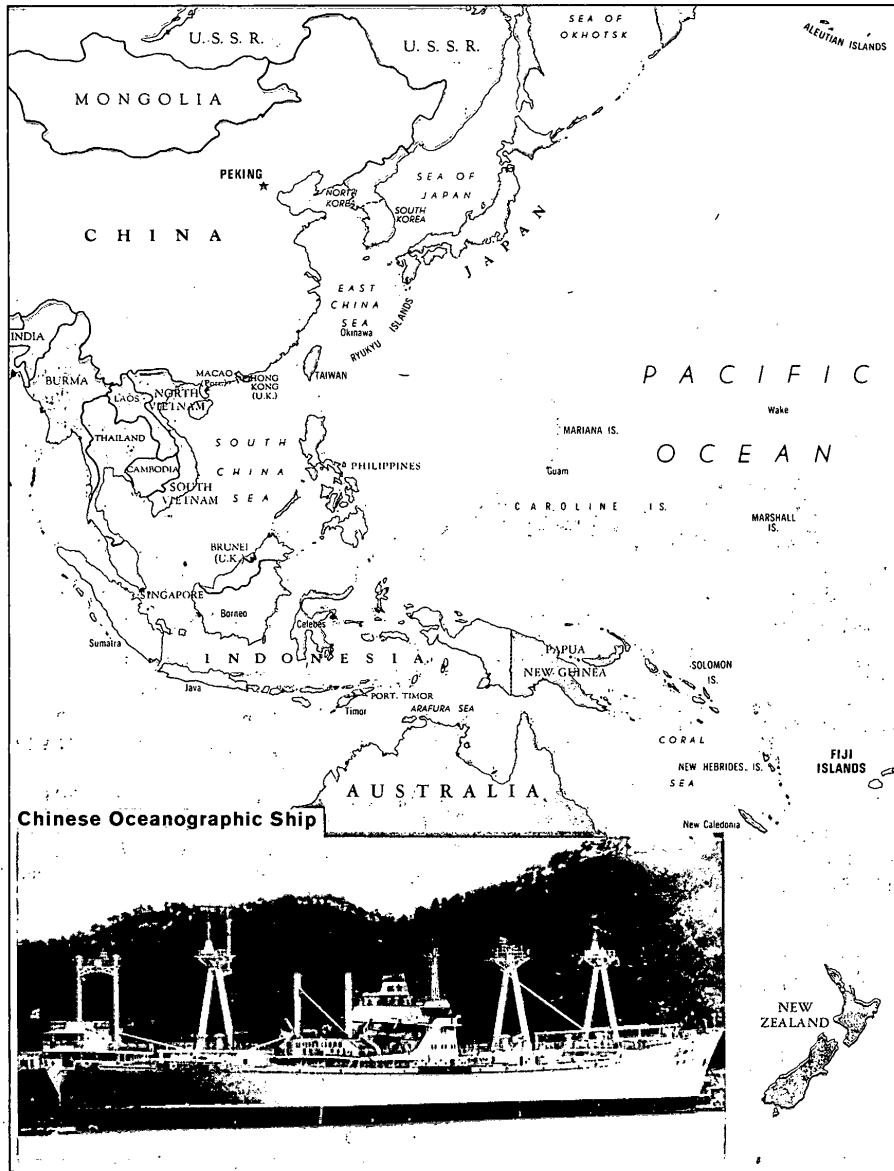
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LEBANON: *The presidential election originally scheduled for today will be delayed until next Saturday.*

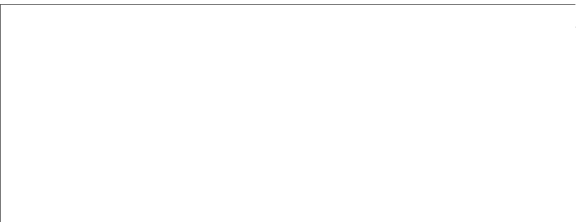
The speaker of the Lebanese parliament announced the decision yesterday after heavy pressure from leftist leader Kamal Jumblatt, whose preferred candidate Raymond Edde has lost ground in recent days. Jumblatt alleges that Syria is exerting undue pressure on members of parliament to vote for its candidate, Ilyas Sarkis.

Jumblatt may now seek support from uncommitted delegates for a compromise candidate sympathetic to his reform program. The Lebanese Christians and Syrians probably would accept a compromise candidate, although reluctantly.

Damascus so far has not commented on the postponement. Any delay threatens Syria's effort to arrange a settlement and represents embarrassment for President Asad.

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CHINA: *The two Chinese ships now operating off the Fiji Islands in the South Pacific have been identified as oceanographic research vessels.*



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Chinese Foreign Ministry officials arrived in Fiji on April 13 to open an embassy. The two research ships may make a port call while they are in the area.

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PANAMA: *Panamanian reaction to discussion of the treaty negotiations in the US presidential campaign has been split between a generally restrained response to statements by official US spokesmen and harsh words for former governor Reagan.*

Panamanian leader Torrijos recognizes that his own best interests dictate an emphasis on the US commitment to a fair treaty, and he has had the press continue to publicize this point. If Torrijos allowed his public to believe that the US was reneging on its negotiating commitments, the likelihood of anti-American violence would reduce his options.

Secretary Kissinger receives favorable treatment by Panamanian media for his stand on the treaty, although not necessarily for his policies in other areas. In marked contrast, the Panama press consistently derides Mr. Reagan.

Torrijos remains wary of trouble from leftist students and sensitive to their carping about his failure to take a harder line. This was probably a motive--in addition to the purely economic incentive of huge fines--behind the more aggressive policies toward fishing vessels initiated this week. Torrijos has also begun to emphasize that Panama's patience for a new treaty will end in 1977; this line demonstrates resolve to his domestic audience.

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ANGOLA: *A struggle for power is said to be taking place within the leadership of the ruling Popular Movement for the Liberation of Angola. President Neto does not seem to be in any immediate danger, but his room for political maneuver has been restricted by pressure from black radicals within the Movement's military hierarchy.*

Factional strife has been common within the Popular Movement for many years and has centered primarily on policy differences between the political and military wings. These tensions have been exacerbated by the civil war and the Movement's emergence as the sovereign political power in Angola. The organization's military victory strengthened the hand of the military hierarchy.

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There are racial overtones in the dispute because educated mulattos have virtually monopolized the political hierarchy while blacks are predominant in the military structure. Neto heads the faction made up primarily of the traditional mulatto leadership.

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Neto is said to want a reconciliation with the National Union, which is still in the field against him, that will end the threat of an insurgency and thus make a large Cuban force unnecessary. The black radical faction, on the other hand, favors strong ties with Moscow and Havana.

Neto is an adroit politician who has weathered serious political crises in the past, and he may well manage to stay on top in the present struggle. To do so, however, he may have to move somewhat closer to the radicals.

NOTES

Italian President Leone opens a round of consultations today to decide how to proceed in the aftermath of Prime Minister Moro's resignation.

All signs continue to point to a presidential decision to dissolve parliament and schedule an election.

The most likely date for an election is June 20. In order to hold the contest on that date, Leone would have to dissolve parliament by next Thursday.

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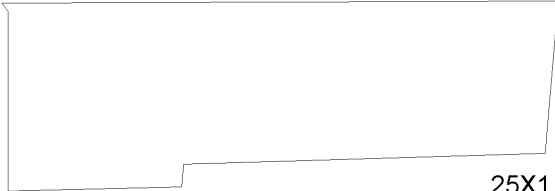
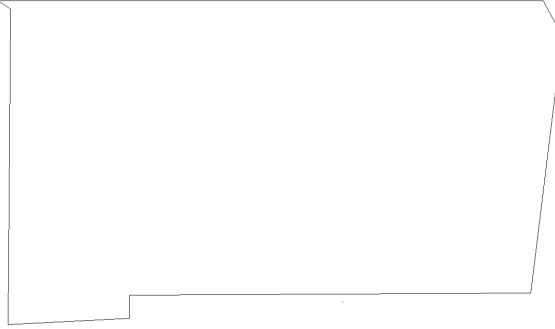
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Some of the leading Soviet experts on US affairs are attending the Tenth Dartmouth Conference that opened yesterday near Tucson, Arizona.

These unofficial bilateral meetings were initiated at Dartmouth College in 1960 by President Eisenhower. American and Soviet experts have been meeting quietly and at fairly regular intervals since then, with the two countries alternating as host.

The current conference may be of particular interest because the Soviets have made it clear that they want to discuss foreign policy issues during a US election year. Among the Soviet delegates is Georgy Arbatov, director of the Institute of the USA and Canada. Georgy Zhukov, political observer for Pravda who was elected to the party's Central Committee in March, is also participating.

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The Japanese trade surplus continues to grow.

Exports rose at a 72-percent annual rate during the first three months of 1976, while the Japanese import bill remained essentially unchanged. The trade balance with the US during the first quarter 1976 reached an annual rate of \$6 billion in Japan's favor.

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The EC countries are worried about their rising trade imbalance with Japan.

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[REDACTED] In the case of steel, Japan's leading export commodity, the EC has already limited Japanese exports to the Community market in compliance with an agreement reached in late 1975.

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