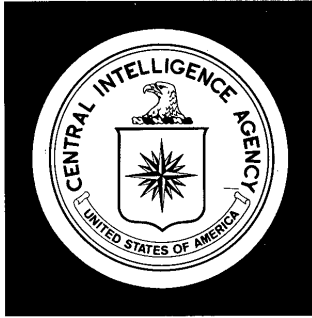


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The President's Daily Brief

May 31, 1976

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May 31, 1976

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FOR THE PRESIDENT ONLY

LEBANON: *Fighting increased in Beirut and in northern Lebanon over the weekend, and is threatening the limited progress that president-elect Sarkis has been making in arranging "roundtable" talks among leaders of the warring factions.*

Rebel Muslim army units in the north have mounted heavy attacks on two Christian villages close to the Syrian border. Christian forces have countered with an attack on a Sunni Muslim village south of Tripoli. Christian extremists and fedayeen also have been fighting near Beirut.

The increased fighting does not appear to have resulted directly from the recent attack on Christian leader Raymond Edde or the murder of the sister of leftist leader Kamal Jumblatt. There are widespread fears in Beirut, however, that a wave of political assassinations may be imminent.

President-elect Sarkis is continuing to consult with leaders of all the major factions, but apparently he has been unable to reach an agreement on any important issue. His meeting with Jumblatt reportedly will be held this week.

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PORTUGAL: *Four candidates of national stature met the filing deadline on Friday for Portugal's presidential election on June 27. A fifth candidate, representing the interests of the many Portuguese who have returned from the colonies, joined the other contenders at the last moment. The campaign still is likely to be primarily a personality contest between Prime Minister Azevedo and Army Chief of Staff Eanes.*

Eanes is the early favorite because of the endorsements he has garnered from the three major political parties--the Socialists, the centrist Popular Democrats, and the conservative Social Democratic Center--as well as from two groups on the far left. He is also counting on support from a major portion of the military.

Prime Minister Azevedo is widely credited with defeating Communist-backed bids for power last year. Although he is not supported by any party organization, Azevedo hopes to capitalize on Eanes'

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seeming inability to establish rapport with crowds and on his own reputation in rural areas.

In statements earlier this week, Azevedo took a harder position than his opponent against admitting Communists into his government. Eanes said this week that, while the Communists could not enter the government now, they might be able to do so later on.

Azevedo is apparently trying to identify himself with the US and the NATO alliance. Eanes is giving less than whole-hearted support to NATO, insisting that Portugal will remain a loyal ally but expressing his belief that both military blocs should disappear.

Of the minor candidates, former security chief Otelo de Carvalho is expected to appeal primarily to the far left, which represents no more than 5 percent of the voters.

The Communist Party candidate, Octavio Pato is not in the race to win but to serve as a bargaining chip with which the Communists hope to gain a position in the new government.

If no candidate receives an absolute majority, a runoff must be held within three weeks.

Thailand

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UK Foreign Secretary Crosland and Icelandic Foreign Minister Agustsson will meet in Oslo today to begin negotiations designed to end the "Cod War."

The talks were made possible when London accepted the Icelandic precondition that British frigates leave Icelandic waters. As another gesture of good will, London reportedly has ordered British trawlers to cease fishing while the talks are taking place.

The two sides reportedly will negotiate a six-month interim agreement that will permit 24 British trawlers to operate within Iceland's unilaterally-proclaimed 200-mile zone and to fish within 20-30 miles of the Icelandic coast. The British and Icelanders differ on other issues that may not be resolved or even discussed during

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the talks in Oslo, and it is un-
clear what will happen when the
interim agreement expires on Decem-
ber 1.

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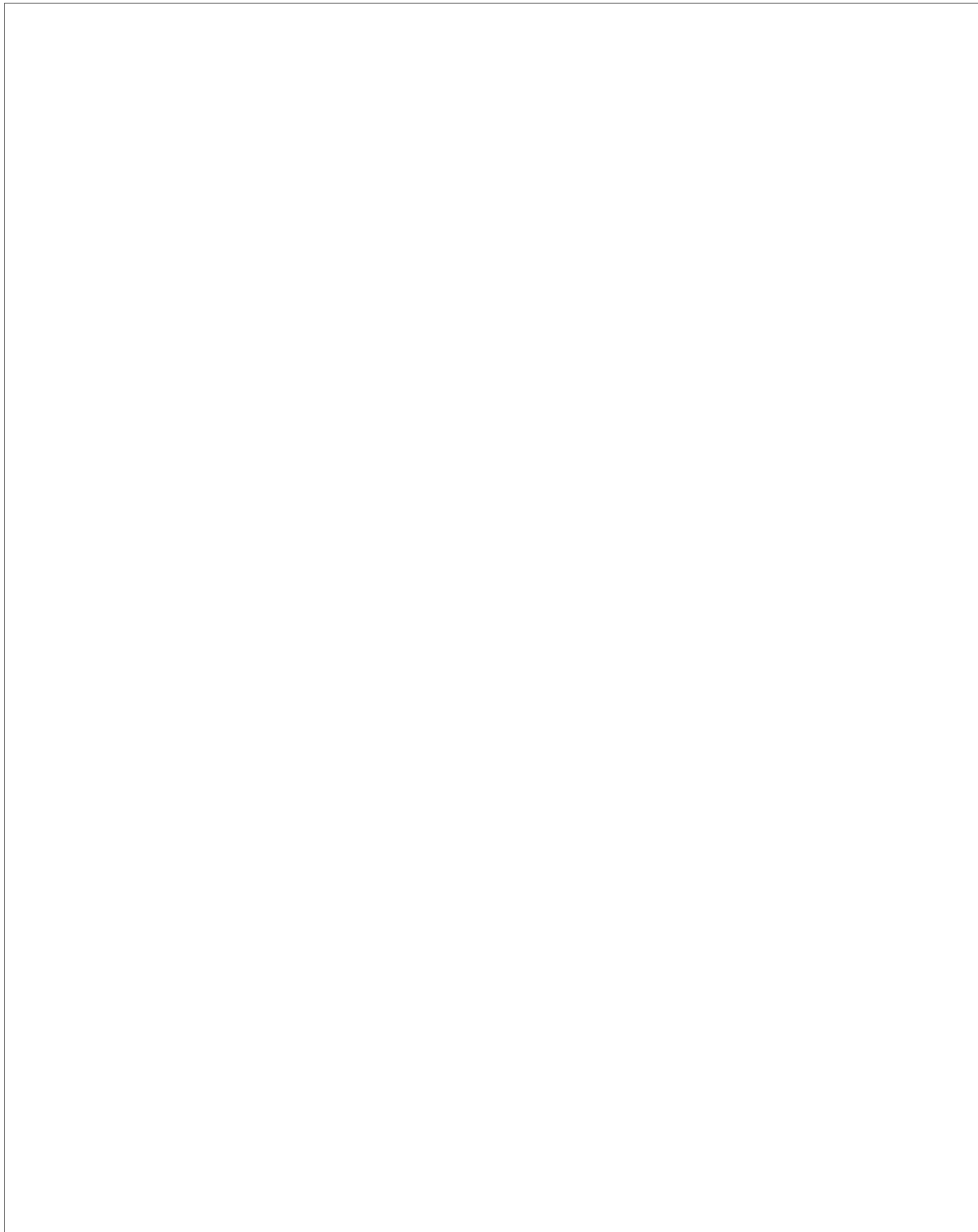
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