

The President's Daily Brief

October 27, 1976

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LEBANON: The Arab summit that ended in Cairo last night affirmed support for the Lebanese cease-fire arranged at the six-party meeting in Riyadh last week.

Arab League Secretary General Riyad later announced that the conservative Arab oil states--Saudi Arabia, Kuwait, the United Arab Emirates, and Qatar--would underwrite most of the financial costs of the peace-keeping force and that Lebanese President Sarkis would have the final say on the force's composition.

The willingness of most of the other Arab states to go along with these arrangements represents another victory for Syria over the Palestine Liberation Organization, as it will allow the Syrians to dominate the Arab force. The PLO had joined with the radical Arab states in attempting to limit Syria's participation, which could include providing as many as 25,000 of the planned 30,000-man force.

To placate the Palestinians, the conference did reaffirm past declarations that the Palestine Liberation Organization is the "sole legitimate representative of the Palestinian people," promise to support the Palestinian struggle "with all means," and condemn Israeli "acts of aggression" in southern Lebanon.

Fighting in the south diminished yesterday with all sides holding their positions.

Christian forces continued to shell the Muslim town of Bint Jubayl but claimed to have established effective control of the area between Rumaysh and the Argub.



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YUGOSLAVIA: We have not seen any official Yugoslav reaction to last week's Presidential debate, although press commentary suggests that Yugoslav leaders were startled that their country has become a campaign issue.

In the fullest response to date, the Zagreb <u>Vjesnik</u> said on Sunday that an alleged Soviet threat to Yugoslavia has become "an unnecessary but nevertheless central issue" in the US election. The front-page commentary quoted statements by US journalists that Governor Carter's remarks on Yugoslavia were his "biggest error" in the debate, and caustically scored the Governor for his seeming inclination toward "one-sided limitations in foreign policy."

<u>Vjesnik</u> was somewhat restrained on your response, noting simply that you "took the opportunity to preserve a statesmanlike reserve" and that you mentioned only the Korean War--and not Yugoslavia--in your rejoinder.

Belgrade's <u>Politika</u>--which is relatively more staid than <u>Vjesnik</u>--asked rhetorically why a hypothetical invasion by the USSR, which has not previously "been on the public agenda," should be raised at this late date.

Sarajevo's main daily said that "everyone should be told to mind his own business and leave Yugoslavia to build its own future... Yugoslavia does not need preachers." Vjesnik similarly denounced the "American penchant for fantastic assumptions" and "disaster scenarios."

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The incident probably will not alter the perceptions of top Yugoslav leaders of the likelihood of US military support in a confrontation with Moscow. In the short-run, the most important effect may be to perplex the Yugoslav military, which has been pushing for purchases of US arms as a means of "balancing" its sources of foreign equipment.

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NOTES

The Soviet Central Committee yesterday elected a new member to the Secretariat and approved the five-year economic plan and next year's budget.

The plenum did not remove Defense Minister Ustinov from the Secretariat, possibly indicating that he will continue to oversee the defense industry for the party. His continued membership in the Secretariat violates the USSR's practice of not allowing members of the leadership to hold fulltime party and government posts simultaneously. N.A. Tikhonov, who was promoted to first deputy premier in early September, was not awarded the Politburo status that usually goes with the post.

The failure to make these changes may reflect some disagreement among the leaders as well as their long-evident reluctance to make shifts in the senior leadership. The plenum's outcome does not preclude the Supreme Soviet from announcing some changes on the government side.

The Polish leadership is worried about a possible outbreak of violence at Warsaw University.

The US embassy notes that over the past several months there has been a proliferation of dissident manifestos and increasingly open protests against regime policies. Although students have demanded that the party and government send representatives to hear their grievances, to date only several well-known journalists have met with them.

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The regime so far has shied away from repressive measures against the students, and the internal security organs have kept a low profile at the university in order not to increase tensions. In the past, both the working class and the intellectual elite have caused problems, but rarely at the same time. Now these groups are concurrently voicing serious complaints against the regime.

Japan at the fishing negotiations in Tokyo next month.

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The primary item on the agenda will be the 200-mile US fishing zone, which will become effective in March. Tokyo has publicly argued that a unilaterally imposed 200-mile limit is illegal under international law, but it almost certainly will acquiesce in US authority within the region.

The Japanese fishing industry is particularly vulnerable to pressures from coastal countries because it harvests 45 percent of its catch within 200 miles of foreign shores. Thirteen percent of Japan's catch comes from within 200 miles of US shores.