



The President's Daily Brief

December 7, 1976

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FOR THE PRESIDENT ONLY

December 7, 1976

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Table of Contents

25X1

Mexico:

[Redacted]

[Redacted]

(Page 1)

25X1

Iraq - Palestinians - Arab States:

[Redacted]

25X1

[Redacted]

25X1

(Page 2)

Notes: Cuba; France; China-USSR (Pages 4 and 5)

At Annex we discuss Syria's foreign policy following Arab endorsement of the Lebanese cease-fire in late October.

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MEXICO :

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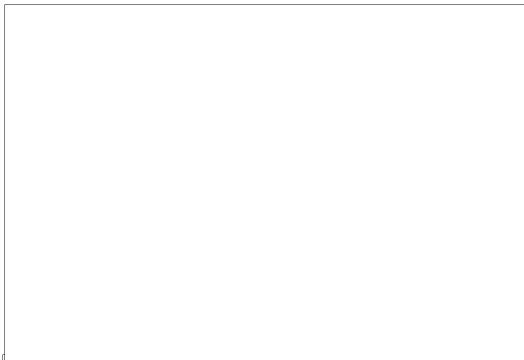


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*The Lopez Portillo gov-
ernment apparently has
reached an agreement
with protesting peasants
in the northwest state
of Sinaloa.*

According to press reports, peasant
leaders have agreed to withdraw
within 48 hours from the fertile
land that they invaded last week.
Government officials reportedly
are trying to persuade landowners
in Sinaloa to cede an additional
5,000 hectares (12,000 acres) to
the peasants; last month, Sinaloan
landowners gave peasants about
13,500 hectares (33,000 acres). 25X1



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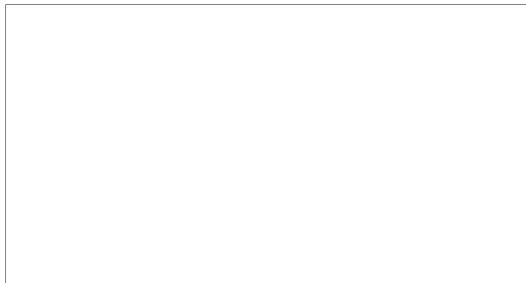
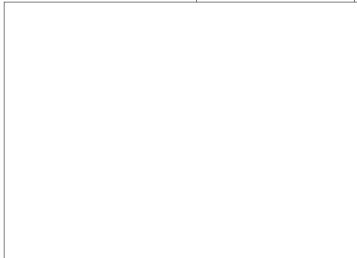
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IRAQ - PALESTINIANS -
ARAB STATES:

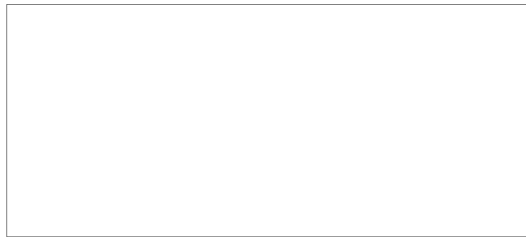


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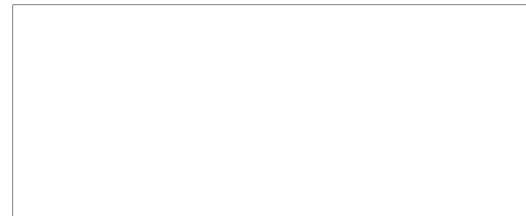
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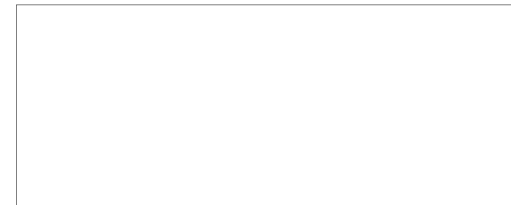
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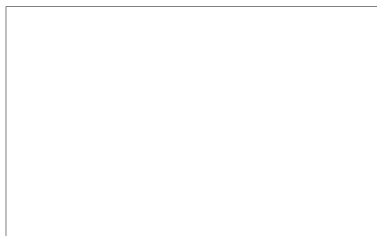
NOTES

The top power structure in Cuba remains largely unaltered despite nominal changes instituted last week.

Fidel Castro--now Cuba's president--is in supreme command, and his younger brother Raul is still the number-two man in the regime.

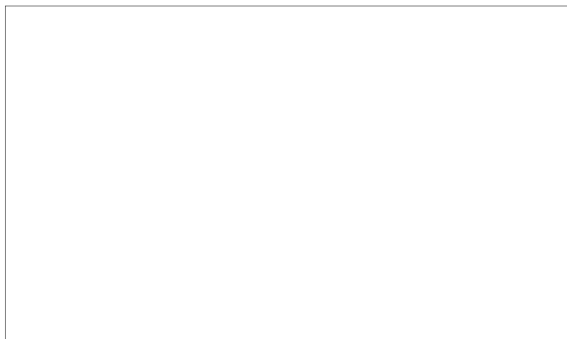
Osvaldo Dorticos was removed from both the presidency, which he had held since 1959, and from his post as chief of the Central Planning Board. Health problems rather than political difficulties are probably responsible for Dorticos' reduced status.

The only other significant change is the replacement of Raul Roa--aged 70 and in poor health--as foreign minister by Isidoro Malmierca Peoli. Malmierca is 46, has traveled extensively, speaks English, and was a member of the pre-Castro communist party. He may owe his appointment to Cuban hopes of improving relations with the US.



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Chinese diplomats continue to express skepticism in conversations with US and other officials that any new Soviet proposals will produce progress in Sino-Soviet border talks.

A Chinese official in Moscow has asserted that recent Soviet gestures were actually aimed more at Washington than Peking. A second diplomat did not entirely rule out the possibility of movement but noted that progress would depend on what the USSR had to offer.

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SYRIA

Syrian President Asad's position both at home and abroad has strengthened since the Arab heads of state endorsed the Lebanese cease-fire in late October. The halt in fighting--even without progress toward a Lebanese political settlement--has brought to a stop most public expressions of discontent within Syria as well as effective pressure on Damascus from Egypt and the USSR, and the possibility of a conventional military move by Iraq.

Asad's improved political position has opened the way for him to focus on foreign policy concerns beyond Lebanon and is almost certain to make him push harder for progress in wider Middle East peace negotiations. It will not, however, make him any more willing to offer significant concessions to Israel.

Syria's strategy now is to marshal as much Arab and international support as possible to press the US and Israel to resume serious peace negotiations. To minimize political risks and to avoid the appearance of making concessions, Asad probably will work through Arab states with close ties to the US, particularly Jordan and Egypt.

Strategy Toward Jordan

Asad's immediate aim is to strengthen further his close ties to Jordan. During his current visit to Amman, he is likely to urge on Jordanian King Husayn a joint announcement of the two states' intention to create--sometime in the future--a federation or confederation of the two countries.

The Syrians undoubtedly believe that such a demonstration of Jordan's support and confidence, following Syria's victory in Lebanon, will remind the US, Israel, and Asad's Arab critics that Damascus holds a significantly stronger position in the region, and that its views on Lebanese and Middle East peace negotiations must be accommodated.

King Husayn probably will endorse the principle of closer political cooperation. He will delay indefinitely, however, implementing any scheme that would cede to others significant influence over Jordan's internal security or foreign and military policy.

Coordination with Egypt

Asad is now willing to put aside his public criticism of the second Sinai accord while he attempts to work through

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Sadat to make gains in negotiations. Asad plans to visit Cairo on Saturday.

The Syrians prefer that Sadat take the lead in arranging a new round of talks. Asad recognizes that Egypt has had more experience than Syria in dealing with the US, and he prefers that Egypt suffer the public criticism that would accompany a failure to get talks going again.

Working with Egypt also helps Syria in its relations with the other Arabs. It particularly pleases the Saudis, who provide budgetary support to Syria, fund the predominantly Syrian Arab peacekeeping force in Lebanon, and control use of the Arab oil weapon.

The rapprochement between Syria and Egypt also helps undercut Asad's radical Arab critics. The Palestinians and the Iraqis succeeded in delaying the establishment of a Syrian-backed peace in Lebanon when they had active backing from Egypt, but without Egyptian support they have had to acquiesce in the Syrian occupation.

As long as the Syrian-Egyptian rapprochement holds, the Palestinians will find it much more difficult to play the Syrians and Egyptians off against one another. Cooperation between Cairo and Damascus reduces chances that the Palestinians will be able to veto any formula arranged for the return of an Arab delegation to Geneva. It also makes less likely Palestinian use of a future meeting of the Palestine National Council--the Palestinian parliament--to reduce Syria's control of the fedayeen.

Peace Talks

Syria has equivocated publicly for months about the utility of reconvening the Geneva conference. If Damascus believes it can make significant progress in peace negotiations, there is no doubt that it will be willing to return to the conference. Damascus' renewal last month of the mandate of the UN observer force on the Golan Heights without significant political wrangling reflects in part Syria's interest in avoiding an obstructionist image at a time when the Arabs are pushing for a resumption of serious negotiations.

Asad is not likely to abandon his position that the Palestinians must be represented at Geneva from the start of any new round of talks. If he perceives that progress may be possible on substantive issues, however, he might agree to the formation of a joint Arab delegation--which Egypt would support--that would include Palestine Liberation Organization representatives but not have the PLO present as an organization.

This would have the advantage, from Syria's point of view, of facilitating control of the PLO by the moderate Arab states.

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A2

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It would also have the advantage of putting both the PLO and Israel on the defensive. Neither would like such a formula, but both would be concerned about the possible political costs of rejecting it outright.

On substantive matters, Syria in the coming months will press for negotiations aiming at the return of the Arab territories occupied by Israel in exchange for an end to "all forms of aggression."

Israel and Lebanon

Asad's successful pursuit of his Lebanon policy against the wishes of the Palestinians, Iraqis, Egyptians, and Soviets almost certainly has reinforced his conviction that perseverance pays off. We anticipate that the net effect of the Lebanese involvement will be to make Asad more confident and determined than ever to maintain pressure on Israel, and to give Israel no excuse to refuse either to participate in negotiations or to turn to military action.

Syria will continue, for example, to reaffirm its support for the creation of a Palestinian state. This worries the Israelis and also disarms Asad's fedayeen critics, who argue that his Lebanese policy was directed against the Palestinians.

The presence of approximately 30,000 Syrian troops in Lebanon serves as an implicit threat to Israel, even though they are dispersed throughout the country and pose no immediate threat to Israel's security. The Syrian troops are likely to remain for some months even if the Lebanese cease-fire holds and will tend to create new political problems between Israel and Syria. Having not protested so far, however, the Israelis will be in an awkward position to counter this threat.

Syria has begun to rebuild the Syrian-controlled Saiqa fedayeen group in Lebanon and has moved small units of the Syrian-dominated Palestine Liberation Army into the Arqub region of southern Lebanon. These actions are not directed at Israel, but, because they expand Syrian control in Lebanon, will also raise Israeli concern.

Syria has indicated in the public media its desire to move its forces into the southern Lebanese port of Tyre to eliminate the last important source of resupply for the Palestinians and leftists. It has delayed doing so to deny Israeli forces an excuse to move into southern Lebanon in force. Should the Syrians decide they cannot risk a move into Tyre, they are likely to conclude also that continued tension and occasional skirmishing between the fedayeen and Lebanese Christian and Israeli forces in the border area--despite the adverse impact on Lebanese stability--serve Syria's interests in dealing with Israel.

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A3

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Continued tension, the Syrians might calculate, would oblige the Israelis to choose between a Syrian presence in the border area and low-level fedayeen cross-border terrorism.

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