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OF IMMEDIATE
BY NTE 10000 2982100
O 230004Z OCT 75
FM THE SITUATION ROOM//TOHAK 043//

TO BRENER/BARBAN/RODMAN FOR THE SECRETARY

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TOHAK 043

OCTOBER 22, 1975

MEMORANDUM FOR SECRETARY KISSINGER
FROM: THE SITUATION ROOM
SUBJECT: INFORMATION ITEMS

GENERAL FRANCO -- SITUATION REPORT: GENERAL FRANCO IS AP-
ARENTLY STILL ALIVE. AS OF EARLY THIS MORNING OUR TIME, HE
WAS REPORTEDLY STILL CONSCIOUS AND ABLE TO SPEAK. HE HAS,
HOWEVER, REPORTEDLY SUFFERED "IRREVERSIBLE" DAMAGE. AN IMPAS-
SE APPEARS TO HAVE DEVELOPED OVER THE TRANSFER OF POWER TO
FRANCE JUAN CARLOS. FRANCO IS REPORTEDLY STEADFAST IN HIS
REFUSAL TO Cede POWER PERMANENTLY AND JUAN CARLOS IS ADAMANT
THAT HE WILL NOT AGAIN ACCEPT POWER ON A TEMPORARY BASIS AS HE
DID IN THE SUMMER OF 1974. YESTERDAY THE CABINET MET AND
PRIME MINISTER ARIAS REPORTEDLY PROPOSED THAT THE COUNCIL OF
THE REALM BE CONVENED TO DECLARE FRANCO INCAPACITATED AND
INITIATE THE TRANSFER OF POWER. VOICING OPPOSITION WERE
THREE MINISTERS AND THE PRESIDENT OF THE PARLIAMENT, RODRIGUEZZ
DE VALCARCEL, WHO MAINTAINED THAT SINCE FRANCO COULD THINK,
SPEAK, AND WRITE HE WAS NOT INCAPACITATED. ON THE OTHER HAND,
THE MINISTER SECRETARY OF THE NATIONAL MOVEMENT, JOSE SOLIS
RUIZ, AND THE MINISTER OF THE ARMY, GENERAL COLONAL, EXPRESSED
SUPPORT FOR ARIAS' PROPOSAL. NO DECISION WAS REACHED. THERE
IS EVIDENCE THAT THE SPANISH MILITARY IS INCREASINGLY UNWILLING
TO TOLERATE A "POWER VACUUM" IN SPAIN AT WHAT THEY CONSIDER
TO BE A CRITICAL TIME -- THE SITUATION IN THE SPANISH SAHARA,
FOR EXAMPLE, REQUIRES IMMEDIATE ATTENTION, AS DOES THE CON-
TINUING TERRORIST CAMPAIGN IN SPAIN. IF FRANCO DOES NOT DIE
OR Cede POWER WITHIN THE NEXT 48 HOURS, THE GOVERNMENT PRODDED
BY THE MILITARY, MAY DECLARE HIM INCAPACITATED AND PASS THE
POWER TO JUAN CARLOS. IF FRANCO WILL NOT TRANSFER POWER VOL-

NSA, DIA reviews completed

NAVY review(s) completed.

***** HSR COMMENT *****
State Dept. review completed
ON-FILE NSC RELEASE INSTRUCTIONS APPLY

SEC FILE

PSN1049785 PAGE 01 TOR:295/21:55Z DTG1230204Z OCT 75

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UNTARILY, THE CONSTITUTIONAL PROCEDURE FOR VACATING HIS OFFICE REQUIRES RECOGNITION OF HIS INCAPACITATION BY A TWO-THIRDS MAJORITY OF THE CABINET, OF THE ADVISORY COUNCIL OF THE REALM, AND OF THE LEGISLATURE. THIS PROCEDURE COULD TAKE SOME TIME, BUT ONCE ACCOMPLISHED JUAN CARLOS WOULD BE SWORN IN AS KING JUAN III WITHIN EIGHT DAYS. JUAN CARLOS COULD DECIDE TO ACCEPT POWER TEMPORARILY, BUT THIS SEEMS UNLIKELY. THERE IS SO FAR NO INFORMATION THAT ANTI-REGIME GROUPS ARE ATTEMPTING TO CREATE PUBLIC ALARM OR DISORDER.

LEFTIST CHALLENGES TO PORTUGUESE GOVERNMENT: THE COMMUNIST AND FAR LEFT SPONSORED "POPULAR POWER" DEMONSTRATION SCHEDULED FOR TOMORROW EVENING IN LISBON IS BEING ORCHESTRATED INTO A MAJOR CHALLENGE TO THE GOVERNMENT AND COULD RESULT IN A SERIOUS CONFRONTATION. THE COMMUNIST-DOMINATED PORTUGUESE TRADE UNION FEDERATION HAS URGED MASSIVE PARTICIPATION IN THE RALLY, WHICH, IT SAYS, IS TO PROTEST AGAINST THE GOVERNMENT'S ALLEGED TURN TO THE RIGHT -- A DEVELOPMENT WHICH IT COMPARED TO THE ANTI-ALLENDE COUP IN CHILE. MILITARY AND CIVILIAN FAR LEFT AND COMMUNIST ELEMENTS WHICH HAVE BEEN RESPONSIBLE FOR SEVERAL RECENT VIOLENT INCIDENTS ARE EXPECTED TO PARTICIPATE. IT IS NOT KNOWN WHAT, IF ANY, MEASURES THE GOVERNMENT SECURITY FORCES PLAN TO TAKE TO CONTROL THE DEMONSTRATION. SEVERAL PORTUGUESE NEWSPAPERS YESTERDAY CARRIED UNCONFIRMED REPORTS THAT THE DEMONSTRATION COULD BE USED AS A SPRINGBOARD TO LAUNCH A LEFTIST COUP. EARLY THIS MORNING THOUSANDS OF LEFT WING SOLDIERS AND CIVILIANS TOOK CONTROL OF THE CATHOLIC RADIO STATION OUTSIDE OF LISBON. SO FAR THERE HAS BEEN NO OFFICIAL REACTION TO THE SEIZURE. PRIME MINISTER AZEVEDO CLOSED THE STATION SEVERAL WEEKS AGO BECAUSE IT WAS BROADCASTING ANTIGOVERNMENT PROPAGANDA.

TURKISH AMBASSADOR TO AUSTRIA ASSASSINATED: OUR EMBASSY IN VIENNA REPORTS THAT AUSTRIAN POLICE HAVE CONFIRMED RADIO NEWS FLASHES THAT THREE PERSONS, ARMED WITH PISTOLS AND SUBMACHINE GUNS, POSSIBLY ENTERED THE TURKISH EMBASSY IN VIENNA AT ABOUT NOON TODAY AND SHOT TO DEATH TURKISH AMBASSADOR DANIS TUNALIGIL. THE ATTACKERS ESCAPED BY AUTO UNHINDERED. NEITHER PERPETRATORS NOR THEIR MOTIVES ARE KNOWN AT THIS TIME. AUSTRIAN LAW ENFORCEMENT AUTHORITIES THROUGHOUT THE COUNTRY HAVE BEEN ALERTED AND POLICE ARE ATTEMPTING TO ESTABLISH THE ATTACKERS' ROUTE OF ESCAPE.

SOVIET HELICOPTER SALE TO TURKEY: ACCORDING TO A DAD REPORT FROM MOSCOW, TURKEY MAY BE IN THE PROCESS OF PURCHASING 60 MIL HELICOPTERS FROM MOSCOW. THE SAME SOURCE ALSO INDICATED THAT TURKEY HAD DECLINED AN OFFER TO PURCHASE EITHER MIG-21S OR MIG-23S.

UNUSUAL SOVIET SUBMARINE PATROL: THERE ARE INDICATIONS THAT

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PAGE 02

TOR1295/21155Z

DTG1230204Z OCT 75

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A Y-CLASS NUCLEAR-POWERED BALLISTIC-MISSILE SUBMARINE IS OPERATING NORTHEAST OF BERMUDA. IF CONFIRMED, ITS CURRENT LOCATION WOULD BE ABOUT 500 NAUTICAL MILES WEST OF THE TRADITIONAL Y-CLASS PATROL AREAS. CHANGES IN Y-CLASS SUBMARINE PATROL TRACKS AND OPERATING AREAS THIS YEAR HAVE MADE IT MORE DIFFICULT TO PREDICT HOW THE PATROLS WILL BE CONDUCTED. COORDINATED Y-CLASS AND W-CLASS NUCLEAR-POWERED ATTACK SUBMARINE OPERATIONS WERE CONDUCTED SOME 300 NAUTICAL MILES OFF THE U.S. EAST COAST IN JUNE. AN H-II CLASS SUBMARINE PATROLLED SOUTH OF ICELAND DURING JULY AND AUGUST. A D-CLASS SUBMARINE CONDUCTED AN INITIAL PATROL IN THE NORTH ATLANTIC IN AUGUST. SPECIAL OPERATIONS WERE CONDUCTED BY A Y-CLASS UNIT IN THE GREENLAND AND NORWEGIAN SEAS IN EARLY SEPTEMBER. THERE ARE SEVERAL REASONS WHY THE SOVIETS MAY BE VARYING THEIR SUBMARINE PATROL PATTERNS: TO RETARGET SOME OF THEIR SUBMARINE BALLISTIC MISSILES; TO IMPROVE OPERATIONAL SECURITY; AND TO TEST WESTERN ANTI-SUBMARINE WARFARE REACTIONS.

WEST GERMAN GNP: FIVE MAJOR WEST GERMAN ECONOMIC INSTITUTES FORESEE ABOUT FOUR PERCENT REAL GROWTH IN WEST GERMANY'S GROSS NATIONAL PRODUCT NEXT YEAR -- SLIGHTLY LOWER THAN THE FIVE TO SIX PERCENT BONN HAS BEEN PROJECTING. CIA BELIEVES THEIR FORECAST IS OVERLY OPTIMISTIC. NEW INDUSTRIAL ORDERS ARE FLAT AND ECONOMIC ACTIVITY REMAINS DEPRESSED IN WEST GERMANY'S EUROPEAN TRADING PARTNERS. REAL INVESTMENT HAS FALLEN FOR NINE CONSECUTIVE QUARTERS THROUGH THE FIRST HALF OF THIS YEAR, AND THE INSTITUTES DO NOT SEE MUCH OF A REVIVAL IN 1976. INDUSTRY IS OPERATING AT ABOUT 75 PERCENT OF CAPACITY, AND PROFITS ARE SHRINKING. THE FIVE ECONOMIC INSTITUTES HAVE ERRED ON THE SIDE OF OPTIMISM IN EACH OF THEIR LAST THREE FORECASTS. THIS SPRING, FOR EXAMPLE, THEY CALLED FOR A REAL GROWTH OF ABOUT ONE PERCENT THIS YEAR. THE INSTITUTES NOW EXPECT A FALL OF AT LEAST FOUR PERCENT. THE ECONOMIC INSTITUTES HAVE TRIED TO REMOVE SOME OF THE ROSINESS FROM THE GOVERNMENT ESTIMATE WHILE RETAINING AN OPTIMISTIC TONE. IN DOING SO, THEY AVOID CRITICISM BY CHANCELLOR SCHMIDT, WHO SEES A FAVORABLE PSYCHOLOGICAL CLIMATE AS A KEY INGREDIENT TO ECONOMIC GROWTH.

BREZHNEV'S HEALTH IS ASSESSED: FRENCH OFFICIALS WHO PARTICIPATED IN TALKS BETWEEN GENERAL SECRETARY BREZHNEV AND VISITING FRENCH PRESIDENT GISCARD D'ESTAING LAST WEEK SAY THAT BREZHNEV IS SHOWING HIS AGE. ACCORDING TO A SENIOR FRENCH FOREIGN MINISTRY OFFICIAL WHO HAS OBSERVED THE 30-YEAR LEADER A NUMBER OF TIMES DURING THE PAST SEVERAL YEARS, BREZHNEV SEEMED TIRED AND NOT A WELL MAN. FRENCH OFFICIALS BELIEVE, HOWEVER, THAT BREZHNEV LOOKED AND PERFORMED MUCH BETTER THAN HE DID DURING BILATERAL TALKS AT HELSINKI IN JULY. THEY REPORTED HE DEFINITELY HAD SOMETHING WRONG WITH

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PAGE 05

TCR1295/21155Z

DTG:1230204Z OCT 75

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HIS THROAT LAST WEEK, PROBABLY BRONCHITIS, BUT DID NOT SAY THAT THIS WAS THE REASON FOR THE ABRUPT MID-VISIT CHANGES IN DISCARD'S SCHEDULE. DURING THE TALKS, BREZHNEV, AS HE HAD AT HELSINKI, TENDED TO READ FROM BRIEFING NOTES AND FREQUENTLY REPEATED HIMSELF. THE FRENCH BELIEVED THAT BREZHNEV WAS LUCID LAST WEEK, BUT LACKED THE SHARPNESS THAT THEY HAD OBSERVED PRIOR TO THE HELSINKI SUMMIT.

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INDONESIA USES MORE MILITARY FORCE IN TIMOR; THE INDONESIANS HAVE APPARENTLY CONCLUDED THAT THE PORTUGUESE ARE NOT GOING TO INVITE INDONESIA TO INTERVENE IN TIMOR AND ARE INCREASING DIRECT MILITARY INTERVENTION IN THE COLONY. THE INDONESIAN AIR FORCE CONDUCTED ITS FIRST STRIKE -- WITH ONE PLANE -- AGAINST TARGETS IN PORTUGUESE TIMOR ON MONDAY. ANOTHER LIGHT BOMBER WILL ARRIVE IN THE AREA IN TEN DAYS; A C-47 GUNSHIP IS ALREADY THERE. THE PLANES WILL BE SUPPLEMENTED BY NAVAL AND TROOP REINFORCEMENTS. ALTHOUGH THE INDONESIAN GROUND FORCES ARE STALLED, JAKARTA STILL HOPES TO TAKE ATABAI AND THE KEY JUNCTION TOWN OF BOBONARO. THE AIR STRIKES ARE PROBABLY INTENDED TO WEAKEN PRETILIN DEFENSES BEFORE A RE-NEWED ASSAULT BEGINS.

SOVIET EXPERT ON U.S. HAS BEEN PROMOTED: GEORGY KORNIYENKO, WHO HAD BEEN HEAD OF THE SOVIET FOREIGN MINISTRY'S USA DEPARTMENT SINCE 1966, LAST WEEK WAS PROMOTED TO DEPUTY FOREIGN MINISTER. KORNIYENKO TOLD AMBASSADOR STOESEL THAT HE WILL CONTINUE TO DEAL EXCLUSIVELY WITH U.S. AFFAIRS. NO OTHER SOVIET DEPUTY FOREIGN MINISTER HAS EVER BEEN ASSIGNED A SINGLE COUNTRY.

THE WASHINGTON STAR

A CLOSE AND FRIENDLY RELATIONSHIP WITH THE CIA HAS BECOME VIRTUALLY "A PREREQUISITE FOR PROMOTION" TO TOP POSTS IN THE STATE DEPARTMENT, A MIDDLE-LEVEL FOREIGN SERVICE OFFICER HAS TOLD THE HOUSE INTELLIGENCE COMMITTEE STAFF. "YOU ARE NOT GOING TO HAVE AN AMBASSADOR ANYWHERE IN THE WORLD UNLESS HE HAS A RECORD OF WORKING CLOSELY WITH THE CIA," THE

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PAGE 04

TOR1295/21155Z

DTG:238204Z OCT 75

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OFFICER SAID IN A TELEPHONE INTERVIEW AFTER AN HOUR-LONG UN-ANNOUNCED TALK WITH A COMMITTEE LAWYER. (A-3)

YOU ARE PICTURED ON PAGE FOUR BEING GREETED BY COMMUNIST PARTY CHAIRMAN MAO TSE-TUNG IN PEKING YESTERDAY.

A STAR EDITORIAL SAYS THAT THE PICTURE OF MOROCCAN KING HASSAN LEADING 300,000 UNARMED MEN AND WOMEN INTO SPANISH SAHARA WOULD BE FUNNY IF IT DID NOT CONTAIN THE SEEDS OF HUMAN AND POLITICAL TRAGEDY. HE SHOULD BE TALKED OUT OF THE SPECTACULAR ANNEXATION ATTEMPT BEFORE THE PLAN GOES ANY FURTHER. HASSAN'S IDEA FOR A TAKEOVER BY SHEER HUNDREDS OF PEOPLE "ARMED ONLY WITH THE KORAN" IS AGGRESSION WHETHER OR NOT ANY SHOTS ARE FIRED. AND WITH MOROCCAN, ALGERIAN, AND SPANISH TROOPS IN THE VICINITY, THERE IS NO TELLING WHETHER THE "PEACEFUL" WALK THROUGH THE DESERT MIGHT TURN OUT TO BE A VIOLENT AFFAIR WITH THOUSANDS OF HELP-LESS CIVILIANS IN THE MIDDLE. (A-18)

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PAGE 05

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TOR1295/21155Z

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