

# THE PRESIDENT'S DAILY BRIEF

A handwritten mark consisting of a large, stylized letter 'C' with a horizontal line underneath it.

January 20, 197<sup>7</sup><sub>6</sub>

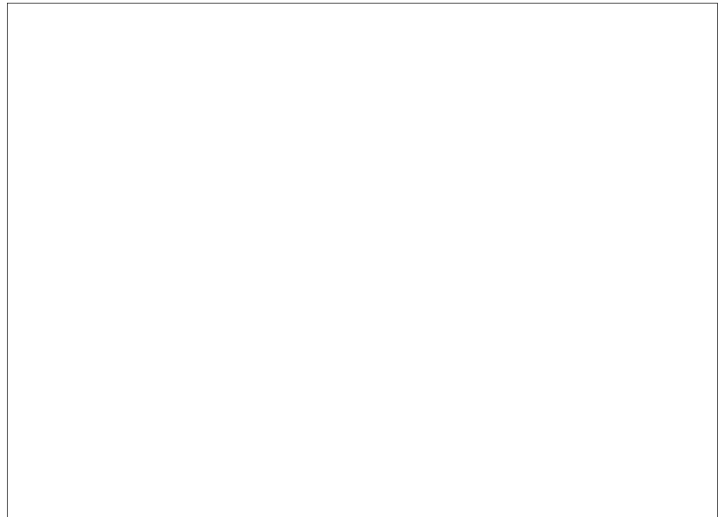
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EGYPT: Sadat's problems

The past two days of demonstrations have no doubt seriously eroded President Sadat's popularity. He may consider deflecting criticism from himself by setting Prime Minister Salim up as a scapegoat.

The regime's chief support, the military establishment, has thus far apparently remained loyal. If the demonstrations continue the danger will rise that the military leadership might move against Sadat in an effort to restore order.



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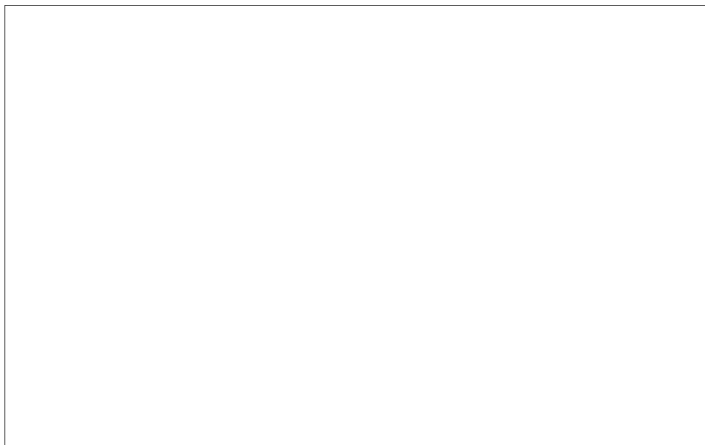


CYPRUS: Makarios-  
Denktash meeting

*President Makarios has agreed to meet Turkish Cypriot leader Denktash under UN auspices to discuss the present impasse in negotiations and to draw up guidelines for new discussions.*

Talks between representatives of the two communities have been stalled since last February. Makarios stipulated that the coming meeting not be held until late this month so that he could assess the outcome of the visit to Washington of former Cypriot negotiator Clerides.

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NOTES

- A. Soviet President Podgorny's planned visit to India within the next couple of months probably is intended to check as to whether Prime Minister Gandhi's criticism of the leftists in her party and the pro-Marxist Communist party of India is affecting Soviet-Indian relations.
- B. Yugoslav President Tito is cutting short his Middle East tour because of the urgent need to fill the vacancy created by Premier Bijedic's death as well as the rioting taking place in Cairo.
- C. Qatar Oil Minister Al Thani, the current president of OPEC, is traveling through the Persian Gulf to line up support for a compromise with Saudi Arabia and the United Arab Emirates on oil prices. Such a compromise would require the concurrence of both Saudi Arabia and Iran.
- D. The situation remains tense in Benin. All US citizens in the capital are accounted for, but security forces are arresting many Caucasians in their search for mercenaries left behind when the coup force fled.

Attached is an annex discussing European concerns over Cyprus.

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## EUROPEAN INTERESTS IN CYPRUS

European officials intend to raise the question of Cyprus with Vice President Mondale during his visit next week. They have already tagged Cyprus as the major external concern of the European Community in early 1977, and are now trying to develop a new plan, in cooperation with the US, aimed at resolving the conflict.

The Nine may approve a plan for breaking the impasse in negotiations at the foreign ministers' political cooperation meeting scheduled for January 31. Some officials hope that, with the understanding of the US, this plan could be presented to UN Secretary General Waldheim before Congress takes up legislation on US-Greek and US-Turkish agreements. Additional scenarios are being proposed by UN and European officials.

European interest in a Cyprus settlement springs in part from concern that Greek-Turkish tension undermines NATO's position in the eastern Mediterranean. The EC also has a special involvement with Greece and Turkey as associates and prospective members. Negotiations on Greek membership are under way, but Turkish membership is not likely for some time. This makes it difficult for the EC to maintain a balanced policy toward the two countries.

Turkey fears that Greece, through membership, will gain the advantage of participation in EC political talks on Cyprus and other Mediterranean issues. This has led Turkish officials to propose that Ankara be included in such talks even before Turkey becomes a full member of the EC.

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For The President Only

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Among European countries, France has taken a position fundamentally favoring Greek interests, perhaps because of French emphasis on the role Europeans can play to support democratic government in Greece. French concern for Greece is also part of a policy of trying to balance German influence within the EC.

Recently French officials have been reported to oppose any Soviet involvement in a Cyprus settlement. They therefore question the wisdom of a predominant US role in Cyprus talks lest it elicit a Soviet reaction.

In contrast, Germany has been solicitous of Turkey, largely because of Turkey's important but uncertain future role in NATO defense. While Paris received Turkish Foreign Minister Caglayanil noncommittally in early November, his visit to Bonn in mid-December brought a promise from German Foreign Minister Genscher to do everything possible to meet Turkey's requests.

The Europeans are pondering a response to a Council of Europe report harshly critical of Turkey for alleged violations of the Convention of Human Rights in Cyprus following the 1974 invasion of the island. The report is on the agenda of a meeting next month of the Council's Committee of Ministers. Turkey has threatened to withdraw from the Council of Europe if the report is accepted.

Both Germany and France hesitate to antagonize Turkey over this issue but believe that they cannot compromise without undermining the credibility of their defense of human rights in Soviet bloc countries and Berlin, particularly in the context of the CSCE review in Belgrade this summer.

Ireland, which is chairing the February session of the Council of Europe has asked for US guidance. British officials may try to avoid a clash with Turkey in that forum by stressing legal and procedural questions that may dispose of the report.

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