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The President's Daily Brief

August 3, 1974

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

August 3, 1974

PRINCIPAL DEVELOPMENTS

A recent sampling of Greek Cypriot opinion in Nicosia indicates strong support for Clerides and virtual unanimity against Makarios' return. Leaders of the Communist Party this week gave Clerides qualified support but urged him to dismiss the right-wing cabinet he inherited. Meanwhile, fighting continued yesterday northwest of Nicosia. (Page 1) 25X1

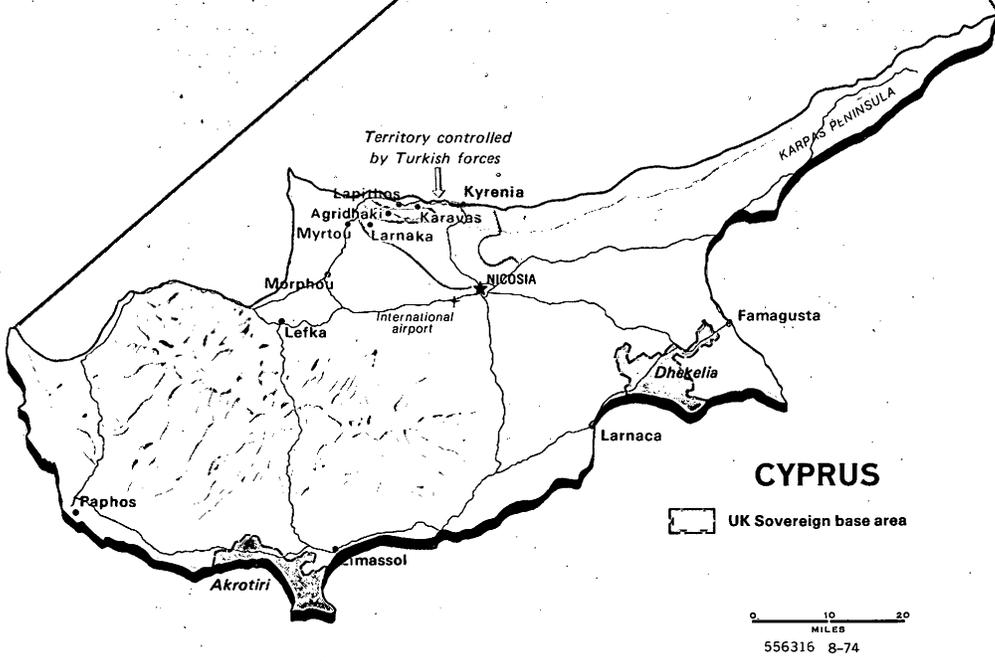
The Portuguese junta's order temporarily suspending publication of three major Lisbon newspapers Thursday may bring on a serious clash between the junta and younger officers of the Armed Forces Movement, even though the junta has moved to reduce the tension and the papers will resume publication today. (Page 2) 25X1

[redacted] Venezuela [redacted] 25X1
[redacted] Cuba [redacted]
[redacted] USSR [redacted]
[redacted] (Page 3) 25X1

Soviet and East European leaders may hold their annual summer summit in the Crimea within the next few days. (Page 4) 25X1

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China. (Page 4)

UN Secretary General Waldheim has said that Portugal will announce independence for Portuguese Guinea during Waldheim's three-day visit to Lisbon, which began yesterday. (Page 4) 25X1



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CYPRUS

A wide sampling of Greek Cypriot opinion conducted by the US embassy in Nicosia reflects strong support for Clerides and virtual unanimity against Makarios' return. The political right, as expected, continues to oppose Makarios on personal and ideological grounds. The center and communist left, however, are retreating from their normal pro-Makarios position because they fear his return will result in civil war. Only the leftist group headed by Vassos Lyssaridis, who has long been close to Makarios, is insisting that the Archbishop return.

Leaders of the Communist Party gave Clerides qualified support this week, but urged him to dismiss the right-wing cabinet he has inherited and form a new one composed of individuals acceptable to all political groupings. On the other side, the leader of the extreme right ESEA--the political arm of the Greek Cypriot terrorists who supported the coup against Makarios--said on July 31 that his organization opposed any immediate changes in the cabinet. The right reportedly believes it is now sufficiently united to serve as a political counterweight to the strong Communist Party, and that Clerides need not cater to the left as Makarios did.

Clerides now plans to reshuffle his cabinet next week; he will have to move cautiously to avoid a clash between left and right.

* * *

The fighting continued yesterday northwest of Nicosia. Turkish tanks reportedly attacked one of the few remaining Greek strongpoints on high ground overlooking the towns of Lapithos, Karavas, Larnaka, and Agridhaki. Turkish infantry units began moving into the four towns yesterday after heavy artillery barrages drove Greek forces out.

Meanwhile, the Turks have thwarted, with artillery and machine gun fire, attempts by UN observation teams to delineate Turkish-held territory. Turkish units have complete control of the Lapithos-Karavas road, and UN troops are convinced that the Turks are pushing hard to seize the entire western part of the Kyrenia mountain range.

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PORTUGAL

The Portuguese junta's unilateral order temporarily suspending publication of three major Lisbon newspapers Thursday could lead to a serious clash between the junta and younger officers of the Armed Forces Movement.

The junta moved without consulting the commission, composed of members of the Armed Forces Movement, that is supposed to supervise the media to ensure compliance with the new press law. The entire commission resigned to protest the junta's action.

The matter may be brought before the Council of State, which can declare any act unconstitutional. President Spinoza is said to control 11 of the 21 votes in the council, but the Armed Forces Movement has exercised more influence within that body than its seven votes would suggest.

Early Saturday the junta moved to ease the tension by announcing that "the matter was satisfactorily cleared up," after junta representatives had met with editors of the three publications to explain the suspension. The suspensions had expired by the time the junta made the announcement canceling the penalty, however.

The junta apparently decided that strong measures are needed to stop what it considers irresponsible reporting. Two of the papers--one of them a Socialist daily--were reportedly suspended for giving prominent coverage to rallies held by the far left. One newspaper in particular provoked the junta by reporting that members of the armed forces had taken part in such rallies.

FOR THE PRESIDENT ONLY

VENEZUELA-CUBA-USSR

There is growing evidence that Venezuela may begin to supply oil to Cuba later this year in exchange for equivalent oil deliveries from the USSR to Venezuela's customers in Western Europe. This arrangement, which has been under consideration for some time, would result in substantial savings in transportation costs for both Venezuelan and Soviet oil.

Cuba consumes some 160,000 barrels a day, almost all of which now comes from the Soviet Union. Caracas apparently will fill only part of Cuba's needs, at least initially.

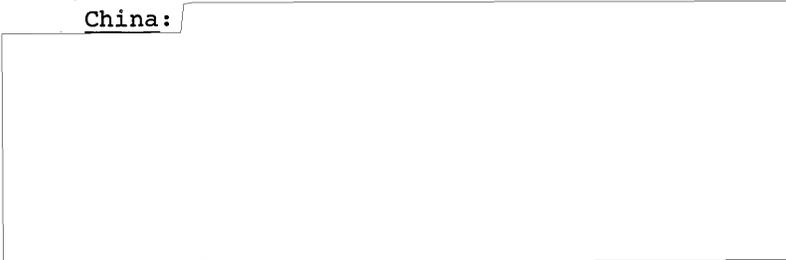
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NOTES

USSR - Eastern Europe: Soviet and East European leaders may hold their annual summer summit in the Crimea within the next few days. Czechoslovak party chief Husak and Poland's Gierak are already vacationing in the USSR, and there are signs that Hungarian party leader Kadar is on his way. Talks would probably focus on the conduct of detente policy toward Western Europe and the US, the problem of China, and the situation in Cyprus and the Middle East.

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China:



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Portugal - Portuguese Guinea: UN Secretary General Waldheim has stated that during his three-day visit to Lisbon--which began yesterday--Portugal will announce the independence of Portuguese Guinea. The Secretary General reportedly had asked that the announcement be delayed until his visit. Waldheim also predicted that Lisbon would sponsor Guinea-Bissau's admission to the UN.

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