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The President's Daily Brief

August 7, 1974

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

August 7, 1974

PRINCIPAL DEVELOPMENTS

Brezhnev has encouraged the heads of several non-aligned states to call for a special UN General Assembly session to deal with Cyprus. The UN framework is the only place where the Soviets have a direct voice in the problem. (Page 1)

The talks on Cyprus in Geneva will be complicated by disagreements within both the Greek and Turkish governments on Cyprus policy. Greek Cypriot leader Clerides, meanwhile, has come up with a compromise proposal on the form of government for the island. (Page 2)

The Israelis have been conducting an unusual mobilization exercise since last week and Israeli military authorities announced on August 5 that a large-scale military exercise had begun on the West Bank. (Page 3)

Lao communist Deputy Prime Minister Phoumi Vongvichit apparently will head the coalition government during Prime Minister Souvanna's convalescence in France. (Page 4)



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A note on Pakistan-India appears on Page 6.

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USSR-CYPRUS

General Secretary Brezhnev reportedly has encouraged Indian Prime Minister Gandhi, Yugoslav President Tito, and Algerian President Boumediene to call for a special UN General Assembly session to deal with Cyprus. Brezhnev's activity is consistent with Moscow's position that the future of Cyprus should be settled within the UN framework--the only place the Soviets have a direct voice in the problem and where Soviet Ambassador Malik is president of the Security Council this month.

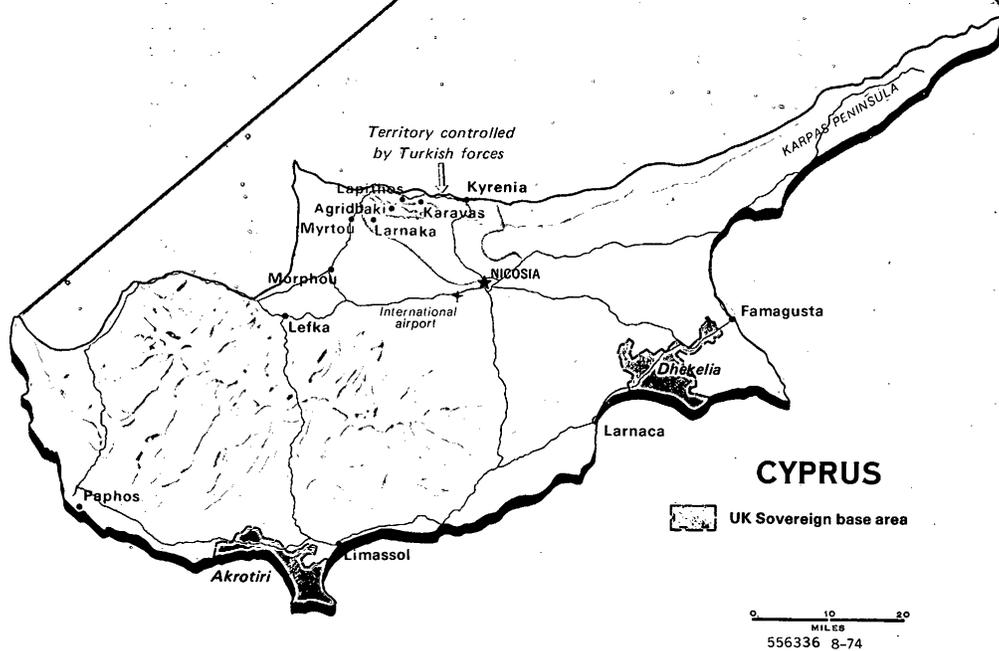
In an effort to promote the UN as the appropriate forum, the Soviets have attacked the tripartite peace conference in Geneva and are seeking to spread distrust of NATO's intentions regarding Cyprus. On August 4, Pravda said the Geneva cease-fire declaration was meant to delay a political settlement and to prolong the occupation of Cyprus. Moscow is concerned that the longer Turkish and Greek troops remain on the island, the greater are the prospects for partition. Moscow's diplomatic activity is designed to forestall such a development.

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These concerns may be leading Moscow to adopt a cooler attitude toward the Turks.

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The USSR, meanwhile, has expressed cautious approval of the new government in Athens, and Pravda has commended it for its positive attitude toward a Cyprus settlement.



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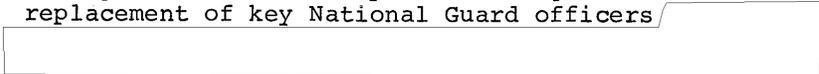
CYPRUS

Prospects for negotiating a political settlement for Cyprus are being complicated by the lack of consensus in the Greek and Turkish governments about the policies they should adopt at Geneva.

Greek Cypriot leader Glafkos Clerides believes Athens has not yet worked out a firm policy. In Ankara, cracks have appeared in the political unity that surrounded the original decision to intervene on Cyprus. Deputy Prime Minister Erbakan, leader of the minority party in the coalition government, has appeared at times to disagree with Prime Minister Ecevit's proposal for a federated, but independent, Cyprus. He has seemed to prefer outright partition.

Clerides, meanwhile, is considering a solution that is akin to federation without using what has now become a highly charged word. He favors the establishment of a "cantonal system" for Cyprus, with two autonomous administrations linked by a Greek Cypriot president and a Turkish Cypriot vice president. He said such an arrangement would be virtual abandonment of the Greek Cypriot insistence on a unitary state and is in accord with earlier Turkish Cypriot demands.

Clerides said the Greek Cypriot community could face a showdown in the next two or three days because of objections from the political right to Athens' replacement of key National Guard officers



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Clerides received the resignation of the entire cabinet last night.

Turkish forces pushed hard yesterday to capture the whole western part of the Kyrenian mountain range. They moved tanks and artillery into the area west of Kyrenia during the morning and by midday fighting had spread to the inland slopes of the mountains. If the Turks can hold on to the positions seized yesterday, they will have control of important high ground overlooking the Kyrenia coast, where many Turkish forces and supplies are located.

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ISRAEL

The Israelis have been conducting an unusual mobilization exercise since last week, the announced purpose of which is to test a new system for calling up reserves in an emergency. The extent of the exercise and the actual number of reservists called up, however, are not known.

Israeli military authorities announced on August 5 that a large-scale military exercise involving airborne, armor, and infantry forces had begun on the West Bank. Some of the recalled reservists are probably participating in the maneuvers.

Meanwhile, in Egypt, some of the reservists called up in the Egyptian mobilization exercise that began on August 1 have apparently been released.

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LAOS

Lao communist Deputy Prime Minister Phoumi Vongvichit apparently will head the coalition government during Prime Minister Souvanna's convalescence in France.

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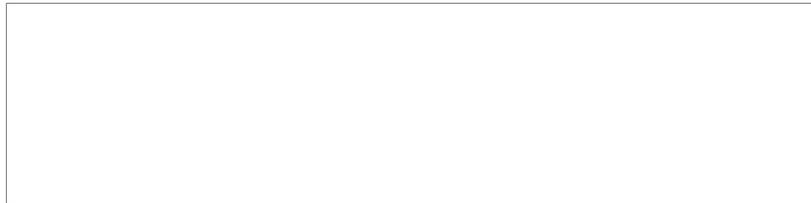
Although the non-communists have insisted that Phoumi's duties be limited to "regulation of government business" and that both sides share equally in making decisions, Phoumi has already begun to assert himself as the senior member of the cabinet. Phoumi took the initiative for both cabinet meetings held since Souvanna fell ill on July 12 and clearly dominated the sessions. He has only nominally shared the leadership with the lackluster Leuam.

The non-communists are becoming more worried that Souvanna may never be able to resume his official duties. On August 5 the non-communists seriously considered selecting a successor. Their choices included Prince Khammao, [Redacted] president of the King's Council, Interior Minister Pheng Phongsavan, and, surprisingly, nominal Pathet Lao leader Prince Souphanouvong, provided he placed nationalism first and was acceptable to the Western powers.

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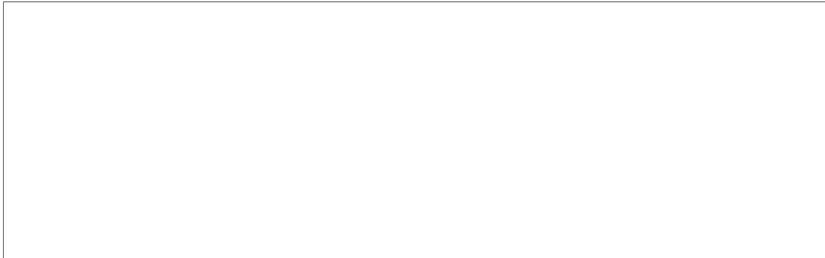
USSR



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NOTE

Pakistan-India: Recent statements by the leaders of the two countries indicate they are willing to resume talks on restoring communication and transportation links as well as other ties broken by the 1971 war. The Pakistanis apparently believe they have squeezed the maximum propaganda benefit out of Prime Minister Bhutto's breaking off the talks in mid-May following India's nuclear test. Both sides, however, have widely differing views on the pace and substance of the talks, and mutual suspicions remain deeply ingrained. Progress will be slow.

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