



# The President's Daily Brief

*August 20, 1975*

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FOR THE PRESIDENT ONLY

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PORTUGAL

*The Communist counteroffensive that began last week when party leader Cunhal exhorted party militants to return to areas in northern Portugal appears to have stalled. The Communists canceled a rally scheduled for Porto last night after another effort, in Alcobaca, ran into stiff resistance.*

The decision to call off the Porto rally was doubtless influenced by continuing attacks on party offices in the north. Party leaders have been made cautious by the growing tendency of internal security troops--especially in the north--to act on their own. In a town near Porto, a party member recently was killed by gunfire from security forces.

In the recent disorders, troops in three northern towns are reported to have placed themselves on alert without notifying the military region headquarters. Troops in the north have been pressing for the removal of the regional commander, General Corvacho, considered to be a Communist sympathizer and an ally of Prime Minister Goncalves. According to a communiqué released yesterday by the northern regional headquarters, Corvacho has been temporarily relieved of his command.

Communist control of labor is also eroding. The party made a concerted effort to show its muscle by calling for a half-hour general strike yesterday, then modified the call by limiting it to the Lisbon area. The impact of the strike was minimal. Its primary effect was to feed anti-Communist sentiment in Lisbon, and this will be seen as another defeat for Prime Minister Goncalves.

Former president Spinola, who is living in exile in Rio de Janeiro, has added his voice to the anti-Goncalves chorus in an open letter to President Costa Gomes. Costa Gomes released the document yesterday. In fact, Spinola's letter may add force to the periodic warnings from Goncalves that Portugal is in danger of returning to fascism. This danger is of such an overriding concern for the members of the Armed Forces Movement that many

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will continue to hesitate to take action against Goncalves or; if he is finally ousted, they will seek to make sure that a new government does not provide an opening to the right.

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*On August 19, Pravda published an authoritative "Observer" article on the situation in Portugal. Like other recent coverage the general tone of the article is defensive and pessimistic.*

As the distress of the Portuguese Communists has deepened, the Soviets' seeming confidence about the course of events in Portugal has given way to increasing criticism of outside meddling. *Pravda* charges that the leaders of the Portuguese Socialists are providing a rallying point for reactionaries by attacking the Communists. The tone is less strident, however, than when Moscow was denouncing the Socialists immediately after they had left the government. In fact, *Pravda* again calls for "concerted action" by the Armed Forces Movement, the Communists, the Socialists, and other progressive forces. This theme is now at least nominally in accord with Portuguese Communist leader Cunhal's recent expressions. *Pravda* offers no practical advice and provides no clues about what, if any action the Soviets might take to support the Portuguese Communists.

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ANGOLA

*The Popular Movement's announcement yesterday that it is going to establish paramilitary "people's defense committees" can only be seen as a move to force Portugal into recognizing the Movement as the only effective political organization in Angola, or backing up its own claim to sovereignty by suppressing the committees.*

The Popular Movement says that the committees will be composed primarily of the thousands of civilians in Luanda who were armed by the Movement during the existence of the transitional government. The Portuguese acting high commissioner, who said only last week that he was assuming administrative control of the territory, will probably seek Lisbon's advice before he acts. Any delay on his part, however, will only strengthen the Popular Movement's control of Luanda and allow similar committees to form in other areas where the Movement has military dominance.

Meanwhile, the battles for Lobito and Benguela are continuing. So far, the National Union, with some assistance from the National Front and materiel from Zaire, is putting up a stiff fight in Lobito. Both the National Front and the National Union now apparently recognize that they have run out of political options and have no choice but to escalate the fighting.

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## NOTES

Syrian President Asad views the prospect of a second-stage Sinai disengagement accord between Egypt and Israel with more equanimity than he did last March, according to our ambassador.

Damascus' increased confidence in recent months about the negotiating process in general apparently is partly due to an improvement in its relationship with Cairo. As a result, the Syrians now express greater certainty that Sadat will tie a new Sinai agreement to subsequent negotiations on the Golan Heights. Damascus is also reported to have more confidence in US intentions to be helpful in obtaining a Golan agreement. Despite their more relaxed attitude, however, the Syrians remain skeptical that Israel will soon be ready to offer acceptable proposals for a further pullback on the Golan Heights. Damascus is aware that the Israelis perceive little, if any, room for maneuver on a further Golan accord and is taking at face value the continuing rigid Israeli public statements on this issue.

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Bangkok has expressed an interest in retaining a limited US military presence in Thailand after the US troop withdrawal is completed next March.

Foreign Minister Chatchai, a leading proponent of withdrawal, told Ambassador Whitehouse on Monday that once combat forces are gone, other units and activities could stay, provided they came under the jurisdiction of the US military advisory group rather than the US military assistance command which he described as a "combat command." Chatchai made clear that Thailand's main concern is to be in a position to affirm publicly that no US combat forces remain on Thai soil. He added that if the US air force wanted to keep some "utility" planes in Thailand, "that would be fine." He implied that the government was prepared, in the course of "some future eventuality," to grant the US re-entry rights to the vacated air bases.

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*The Lao communists may be planning to use the demonstrations in Vientiane to rid the government of additional non-communist personalities.*

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[Redacted] The police [Redacted] have been rounding up young people judged hooligans because of long hair and flamboyant Western attire. Meanwhile, on Monday the communists completed their takeover of Luang Prabang. The old administration was abolished and new "revolutionary" officials appointed.

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*Spanish General Franco's meetings with Prince Juan Carlos this week have sparked speculation that Franco has decided to turn over his powers to the Prince.*

The speculation stems from the unexpected nature of Juan Carlos' sudden visit to Franco's vacation retreat. The General customarily meets with his cabinet several times during the summer, but this is the first time the Prince has been invited. Government officials say that the talks will last for three days, but refuse to disclose any details. A full cabinet meeting is scheduled for Friday.

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*Frictions have surfaced in Bangladesh between junior army officers who led last week's coup and senior officers of the armed forces.*

Senior officers, who supported the plotters after the coup began, appeared by late Monday to have reasserted their authority. Most coup leaders reluctantly agreed to obey orders and return to their units, but the main leaders--majors Farook, Raschid, and Dalim--still seem recalcitrant. This could be a serious development and senior officers are moving cautiously lest an incident develop that might plunge the country into civil war and give India an excuse to intervene.

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