



The President's Daily Brief

August 29, 1975

5

~~*Top Secret 25X1*~~

Exempt from general
declassification schedule of E.O. 11652
exemption category 5B(1),(2),(3)
declassified only on approval of
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

August 29, 1975

Table of Contents

Portugal: Communist leader Cunhal has urged that military and civilian leaders meet for a last-ditch effort to avoid civil war. The danger of an armed showdown is real enough, but Cunhal's main purpose in calling for talks is to avoid the onus for any fighting. (Page 1)

China: Peking is spreading the word inside China that your trip there is unlikely to result in improved bilateral relations. (Page 2)

Notes: Greece-NATO; India (Page 3)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

PORTUGAL

Communist Party leader Alvaro Cunhal appealed last night for a last-ditch effort to avert civil war. Cunhal told a hastily assembled press conference there was a growing feeling in the country that a recourse to force was inevitable and that the only way to avoid it was to find a common political solution immediately. He said his party is ready to meet with virtually all political and military factions to seek such a solution.

Cunhal is obviously concerned about Goncalves' staying power as prime minister, but he may also be maneuvering to avoid the onus for an armed showdown should one occur. In addition to a limited number of military units that might support Goncalves in such a showdown, the Communists and allied leftists reportedly have 15,000 armed men, although this figure may have been deliberately circulated by the Communists to frighten their opponents.

Costa Gomes' hesitancy about removing Goncalves has been attributed [redacted] to the threat posed by these armed militants. There are again signs, however, that Costa Gomes now intends to take a tougher stand. On Wednesday, he warned the news media about adding to the present political tension. The same evening, he cut short a speech to a pro-Goncalves demonstration because of harassment from the crowd. [redacted]

25X1

25X1

25X1

Pro-Antunes military groups may also be losing patience with Goncalves and the Communists. On Tuesday one Antunes supporter, the commander of the Southern Military Region, asked his units for the latest reports on troop strengths. Yesterday, units in the Central Military Region, which have been on maneuvers since last week, were setting up roadblocks outside Coimbra, along the most direct route for Communist reinforcements from Porto to Lisbon.

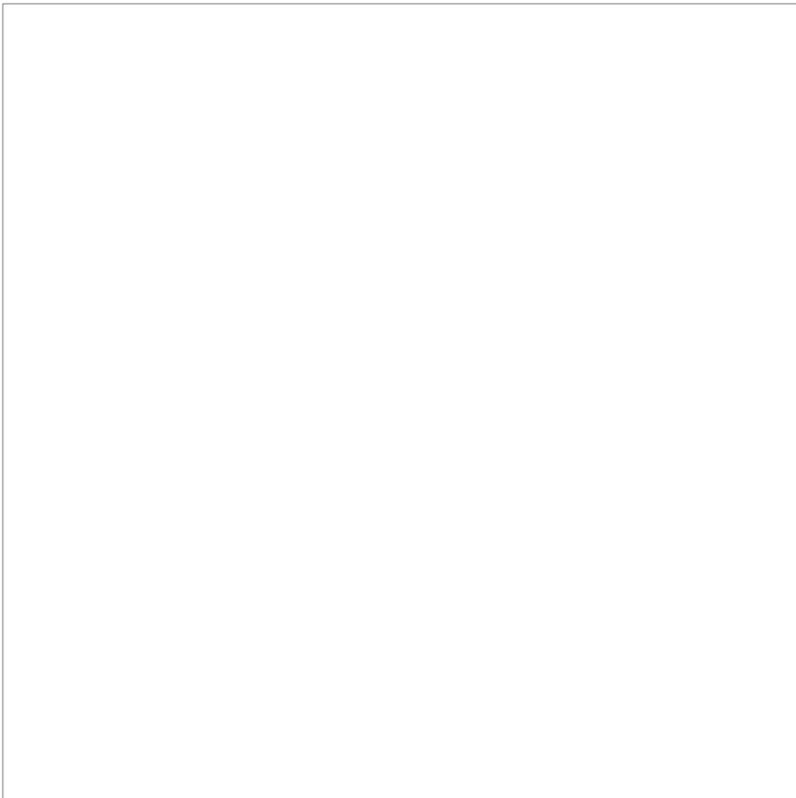
As the crisis drags on, Cunhal's warning of civil war takes on added credibility.

FOR THE PRESIDENT ONLY

CHINA

25X1

Peking is spreading the word inside China that your trip there is unlikely to result in improved bilateral relations. This effort apparently is designed to reduce popular expectations about your trip and to prepare the country to accept the status quo at least for the time being.



FOR THE PRESIDENT ONLY

NOTES

25X1
25X1
25X1
25X1
25X1

	Greek	
		NATO

* * *

Prime Minister Indira Gandhi's political position remains strong as India enters its third month under a state of emergency.

The Prime Minister is encountering little resistance to her increasingly authoritarian rule, and her hand has been strengthened since June by encouraging short-term economic prospects. India appears headed toward its best economic year since 1970-71. Ample summer rainfall promises an unusually good harvest this fall. The government's success in cooling inflationary pressures has lowered prices considerably. Gandhi seems to be leaning more toward conservative political advisers and trying to play down her long-standing ties with the pro-Soviet left. She has also indicated an interest in improved relations with the US; last Sunday she unexpectedly accepted a dinner invitation from the US embassy.

Top Secret