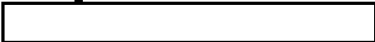
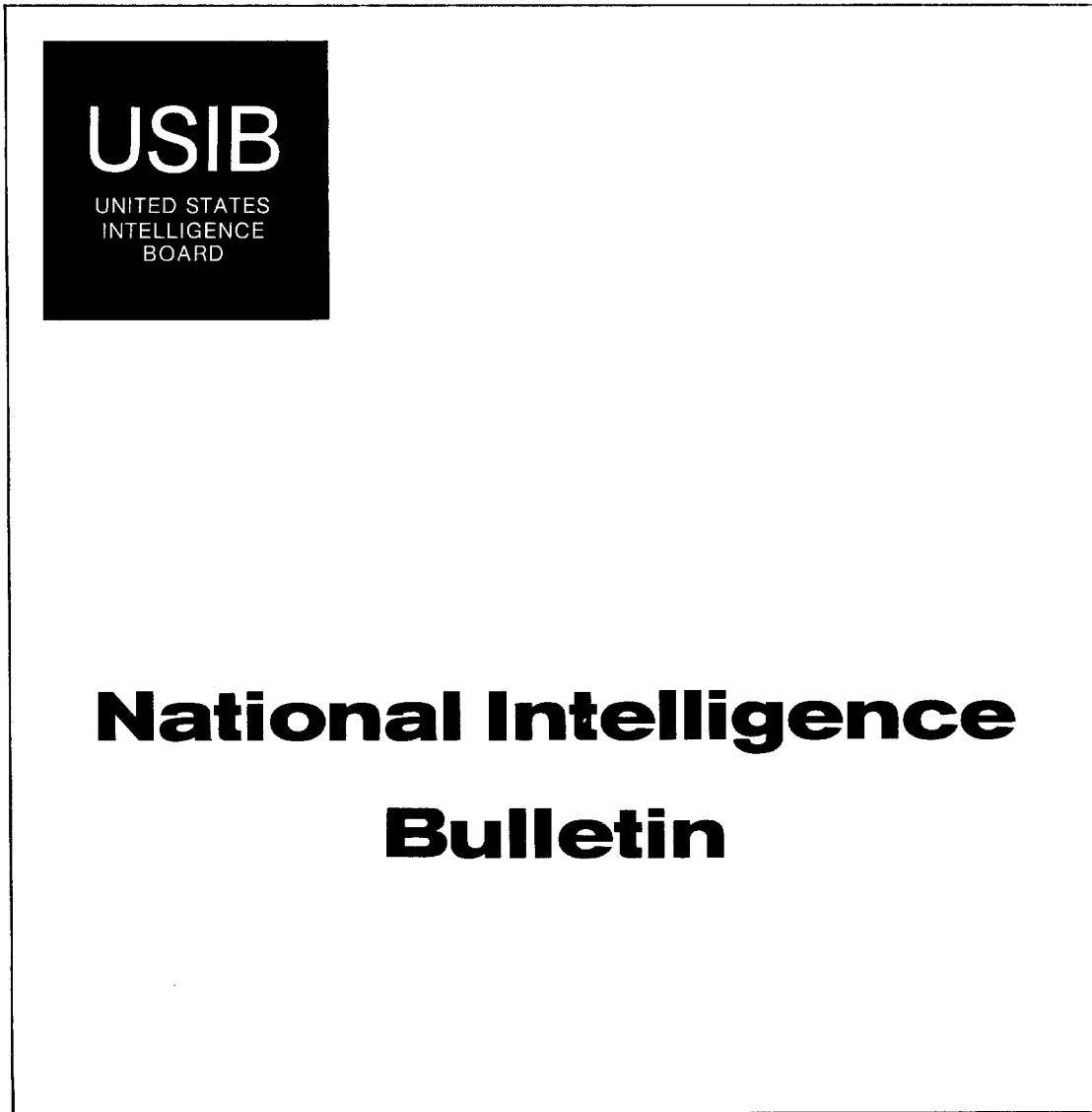


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**LEBANON**

Ilyas Sarkis was elected president by parliament on Saturday, despite last-minute efforts by leftist leader Kamal Jumblatt to impede the vote. Sarkis, who had strong backing from Syria and conservative Christians and Muslims, received the votes of 66 of the 69 deputies who attended the session.

If Sarkis is able to assume office and the cease-fire does not collapse, his leadership will provide significant new impetus toward a political solution to the crisis in Lebanon. He will give added strength to Phalanges leader Pierre Jumayyil, who in the past often capitulated to the less-flexible positions of President Franjyah and Interior Minister Shamun. Sarkis is respected in broader Christian circles and, unlike most Lebanese politicians, he has few enemies within either the Christian or Muslim establishments.

The outcome of the balloting in parliament was a major political setback for Jumblatt, who was able to keep only 29 deputies of the 98-member assembly from participating in the election. Jumblatt's own choice for the presidency, Raymond Edde, received no votes.

The US embassy in Beirut has expressed concern that Jumblatt is becoming increasingly irrational in his campaign to thwart Syrian influence in Lebanon and that he may be prepared to press his fight on the ground. The fierce fighting in Beirut on Saturday near Sarkis' hotel and parliament's temporary headquarters, however, has died down. Several of Jumblatt's aides are frustrated by their inability to influence him with appeals for moderation. One has described him as capable of acting without any consideration for the consequences.

Sarkis' victory has given a much-needed boost to Syrian policy in Lebanon and should strengthen Damascus' hand in dealing with Jumblatt. Over the past month, Syria had become increasingly frustrated by the elusiveness of a political settlement and less willing to incur the risks of imposing a solution by sending more of its troops into Lebanon.

Statements of support for Sarkis by Raymond Edde and the leftist-leaning Beirut radio just after the election indicate that some of Jumblatt's sympathizers are prepared to cooperate with Sarkis, if not with Damascus. The support the Syrians received from Palestinian chief Yasir Arafat in efforts aimed at holding the election will almost certainly have a sobering effect on Jumblatt's more militant allies, many of whom rely heavily on the Palestinians for arms and financial support.



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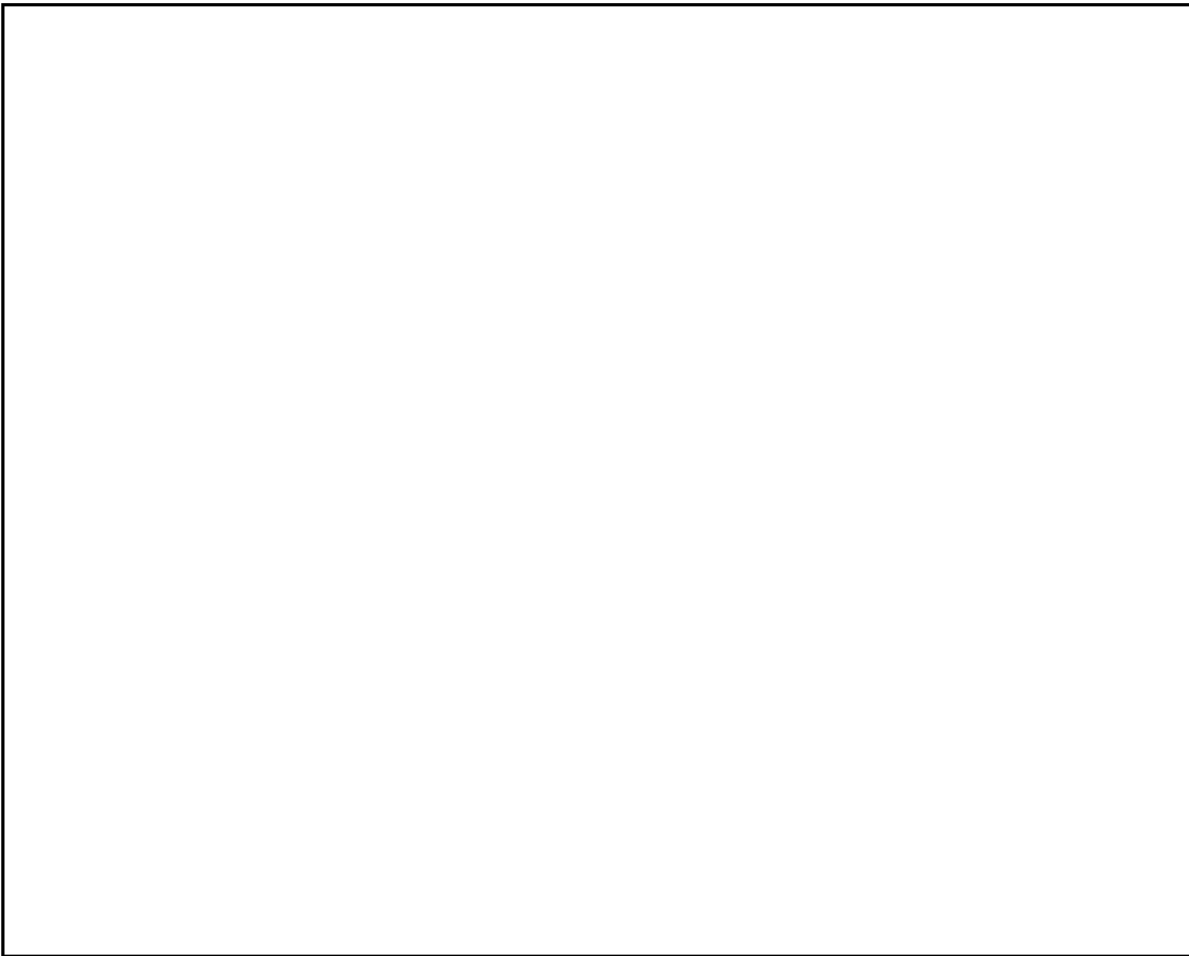
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Sarkis has also had frequent personal contacts with Jumblatt over the past several weeks, apparently in an attempt to arrange further talks. His understanding of Jumblatt's position and willingness to deal with him directly could be important ingredients in a formula for a reconciliation.

The Syrians still face many hazards in Lebanon, the most pressing of which is the smooth transfer of power to Sarkis.

Sarkis contacted Franjiah immediately after his victory, presumably to discuss arrangements for the President's resignation. Sarkis' mandate from parliament and endorsement from Phalanges leader Pierre Jumayyil and other important Christians should overcome any lingering reluctance on Franjiah's part to step down. Most Lebanese expect the transfer of power to take place early this week. They fear it will be the occasion for a final effort by Jumblatt to block Sarkis.

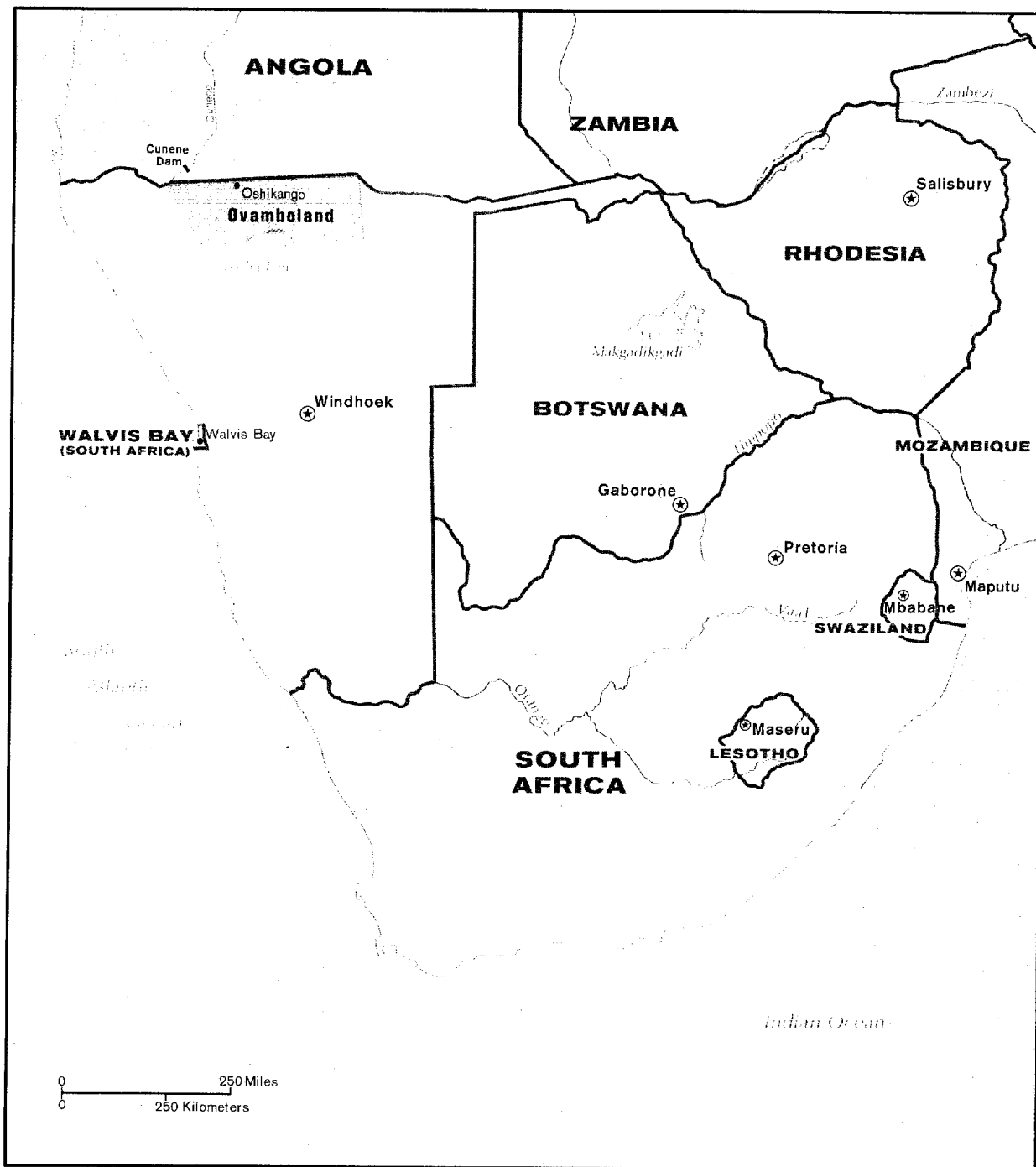


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# NAMIBIA (SOUTH-WEST AFRICA)



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### NAMIBIA

South African authorities have announced that a security buffer zone one kilometer in depth is being established along part of Namibia's border with Angola. The buffer zone, which is to parallel the border of the Ovamboland homeland, is intended to help counter sporadic cross-border incursions by guerrillas of the South-West African People's Organization operating from Angola.

According to Pretoria, all people living in the buffer zone will be resettled. The South Africans say the new security measures were requested by Ovambo tribal authorities.

The South Africans will require all those who enter Namibia from Angola to come through the town of Oshikango. Personnel connected with the Cunene River project in southern Angola will be permitted to cross at two other points.

The South African government reportedly first considered establishing a security zone early last fall but decided against it. Since then, however, there have been a series of small-scale terrorist attacks in northern Namibia that South Africa blames on the SWAPO guerrillas. The US embassy reports that since late 1975, at least 17 Ovambo tribesmen have been killed, 21 more abducted, and 10 shops robbed in the territory.





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**ITALY**

Italian party leaders are beginning to plot campaign strategy following the collapse two weeks ago of the Moro government and President Leone's decision to dissolve parliament and hold a national election on June 20 and 21. Moro resigned on April 30, but will stay on in a caretaker status during the campaign.

The Christian Democrats are divided and disoriented. They continue to disagree among themselves on the question that will be at the center of campaign debate—the future role of the Communist Party.

No Christian Democrat is calling for actual Communist membership in the government, but party secretary Zaccagnini and his allies seemed willing, during the maneuvering prior to the collapse of Prime Minister Moro's government, to grant the Communists an indirect role in national policy-making. Christian Democratic conservatives, led by party president Fanfani, will push, however, for a tough anti-Communist line in the campaign. The Lockheed scandal continues to be a major problem for the Christian Democrats and overshadows most political issues in the media.

The campaigns of the Socialists and the Communists have already begun to take shape. While they will be competing with each other, both are likely to emphasize that the Christian Democrats are worn out, corrupt, and unresponsive to the country's needs after more than 30 years in power.

Three of the smaller parties—the Social Democratic, Republican, and Liberal—are wary of losing seats to the three major parties and have taken tentative steps toward presenting joint lists of candidates in some constituencies. Fundamental and persistent differences, however, will make it difficult for them to maintain a united front through the campaign.

The campaign is almost certain to produce more politically motivated violence by left- and right-wing extremists operating outside the regular political parties. The Communists, who seem to be viewed by an increasing number of Italians as the only party capable of restoring order, appear to be in the best position to benefit politically if there should be an upsurge of violence during the campaign.

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## ARGENTINA

In an effort to head off trouble from organized labor, Argentina's military junta has decreed an across-the-board 15-percent pay hike, effective June 1st. The government has also arrested a number of businessmen accused of price gouging.

The pay increase will be augmented by increases in family allowances. Even so, workers will not be able to keep pace with inflation, which is running at 30 to 35 percent a month.

The arrest of businessmen is designed to give substance to the junta's earlier promise to punish anyone who tries to take unfair advantage of its decision to lift price controls. One of the government's early acts was to remove such controls in an effort to avert shortages of consumer goods. Among those detained is the local head of a US-owned firm. The arrests may also be a gesture toward organized labor at a time when much of the junta's economic policy most directly benefits business.

Although the junta has moved to deprive labor of the political and economic power it held during the Peron regimes, the government cannot afford to alienate workers. Even though the unions are now under close government supervision, they have the potential to be politically disruptive. A highly restive work force would be difficult, if not impossible, to keep in line without recourse to the repressive tactics the junta has thus far successfully avoided.



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## PAKISTAN-AFGHANISTAN

Afghanistan's decision to invite Pakistani Prime Minister Bhutto to visit Kabul is a sign of improvement in relations between the two countries. Relations have been poor since Mohammed Daoud came to power in Kabul in 1973 and then sharply increased Afghan agitation on the Pushtunistan issue, a long-standing territorial dispute between the two countries.

The Pakistanis late last month pledged some \$1 million in food and other relief assistance for victims of a recent earthquake and flooding in Afghanistan. Pakistani propaganda against Afghanistan has ceased, and, according to the US embassy in Kabul, the Afghan government appears to have responded by suspending its regular program of anti-Pakistan radio propaganda on the Pushtunistan issue.

These developments followed a Pakistani initiative to ease tensions with India, Pakistan's other adversary in the region and a supporter of the Daoud regime.

Bhutto's apparent interest in reducing tensions with his Indian and Afghan neighbors may have been stimulated by recent signs of a modest improvement in India's relationship with China, which Pakistan has long viewed as its primary big-power supporter. Daoud, for his part, may believe that indications of a thaw between India and Pakistan increase Afghanistan's interest in attempting to reduce friction with Pakistan, which is stronger militarily.

There has, nonetheless, been no evidence that either side is prepared to make concessions on the Pushtunistan issue. Afghanistan has maintained its position that the two Pakistani border provinces inhabited by the Pushtun and Baluchi ethnic groups should be granted self-determination or greater autonomy by Islamabad; the Pakistanis reject this view.

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