

The President's Daily Brief

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THE PRESIDENT'S DAILY BRIEF

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PRINCIPAL DEVELOPMENTS

Portugal's new leader, General Antonio de Spinola, publicly pledged last night to work toward the early re-establishment of constitutionality. He promised to respect Portugal's international commitments. (Page 1)

The Kremlin is still exuding confidence about the future of detente, even though such confidence is marred by concern about the near-term outlook. (Page 2)

President Sadat's decision to elevate Minister of Economy Hijazi to first deputy prime minister confirms his determination to continue Egypt's liberalized economic policy despite criticism from the Soviets and radical Arabs. (Page 4)

The arrest of an employee of Chancellor Brandt's office as an East German spy will fuel attacks on Ostpolitik by the opposition. (Page 5)

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The "Notes" page		25X1 ∠⊃⊼ I

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PORTUGAL

General Antonio de Spinola, Portugal's new leader, publicly pledged last night to work toward the early re-establishment of constitutionality. He said a constituent assembly and then a president of the republic will be chosen in free elections. Spinola himself is a likely candidate for president.

Spinola also promised to honor all Portugal's "international obligations under established treaties."

The seven-man junta set up by the officers who seized power early yesterday asserts that the country is under complete control. There are no reports of resistance and the coup itself was almost bloodless.

In his speech last night Spinola made only generalized reference to the principal issue that sparked the coup--Portugal's policy toward the wars in its African territories. The insurgents have consistently asserted that they will accept nothing less than complete Portuguese withdrawal from Africa and independence for the territories. They are not disposed to accept Spinola's plan for increased autonomy within a federal system.

The insurgencies will continue in Africa and may even grow as the rebels seek to benefit from the sudden change in Lisbon.

The governments of Rhodesia and South Africa, long suspicious of Portugal's staying power in Africa, will now be inclined to the view that they have no choice but to expand their military forces. Rhodesia, in particular, sees Mozambique as the key to its own security and, in its defense plans, has consistently defined Mozambique as a buffer against increased insurgency in Rhodesia.

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1

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USSR

The Kremlin's recent pronouncements on detente continue to show confidence that, despite obstacles, a patient pursuit of its "peace offensive" will pay off. The defensive quality of some of these statements suggests, however, that Soviet leaders are concerned about the near-term outlook.

Speaking at the Soviet Communist youth congress in Moscow this week, Brezhnev said the words "peace offensive" indeed aptly describe the Soviet foreign policy line, which he claimed is progressing steadfastly though not without certain difficulties. Brezhnev blamed the Maoists in Peking and "imperialist circles" for attempting to undermine Soviet detente policies, but the Soviet leader maintained that his gradualist, step-by-step approach would produce positive results.

Politburo candidate-member Ponomarev, in a recent speech, said that Brezhnev's policies have resulted in the Kremlin's voice being listened to everywhere with "massive attention." Ponomarev noted, however, that "stubborn efforts" will be required if the "systematic provocations" against Moscow's peace policies are to be overcome and if detente is to become irreversible. Ponomarev defensively asserted that there was no reason to change Soviet foreign policy merely because of "temporary political situations."

In a somewhat different vein, Moscow's leading Washingtonologist, Yury Arbatov, has assessed the prospects for detente in an article written especially for United Press International. Addressing US-Soviet relations, Arbatov says that the improvement so far in bilateral relations may not prove to be lasting if steps are not taken soon to give it more substance. Arbatov argues that Soviet students of American affairs regard the present US commitment to detente as "very complicated and contradictory." He alleges that the US has tried to interfere in Soviet internal affairs, presumably emigration policies, thus endangering mutual trust and confidence. If obstacles to trade and other economic matters are not removed, Arbatov writes, there may be a serious setback in relations.

Arbatov further warns that the arms race may grow unless measures are taken soon to go beyond certain unspecified provisions of the ABM treaty concluded in May 1972. This may be an allusion to an issue that might be raised at the forthcoming summit in Moscow.

2

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Fighting on the Golan front yesterday was light; UN patrols reported only intermittent artillery and small arms fire. Israeli aircraft flew reconnaissance missions and defensive patrols over both the Golan Heights and southern Lebanon, but no groundattack missions or aerial combat was detected.

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3

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EGYPT

President Sadat went forward with his longplanned cabinet reorganization yesterday, and moved Economy Minister Hijazi up to a newly created post of first deputy prime minister. Hijazi is the author of Egypt's liberalized economic policy; his elevation confirms Sadat's intention to pursue this policy despite criticism from the Soviets and the radical Arabs.

Hijazi will be prime minister in all but name; Sadat retains the formal title. Sadat's retention of the prime ministership is chiefly a public relations gesture. He assumed the post in March 1973 when he formed a "confrontation cabinet" to centralize planning for the war.

His original plan was apparently to make Hijazi prime minister, but when the plan surfaced following the disengagement agreement with Israel, Sadat was criticized for paying too little attention to the still uncompleted "confrontation." He responded by pledging to remain in the post until the last Israeli soldier had left Arab territory.

The new cabinet has few new faces. Foreign Minister Fahmi retains his post, as does War Minister Ismail, who has been given the additional position of deputy prime minister. Ismail is now one of three deputy prime ministers under first deputy Hijazi. Each of the three also holds a ministerial portfolio.

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WEST GERMANY

The arrest yesterday of Guenter Guillaume, an employee of the chancellor's office, and five others as spies for East Germany will enable the opposition Christian Democrats to play on public sentiment that has become more skeptical of Ostpolitik over the past year. The Christian Democrats will point to Guillaume as proof that the policy has not moderated the basically hostile attitude of the Pankow regime.

Brandt reportedly had been contemplating an early meeting with East German chief Honecker to reinvigorate Ostpolitik and thus help reverse Social Democratic losses both in the polls and in several recent state and local elections. If the Guillaume affair becomes a major political issue, this meeting presumably would have to be put off. The first test of the impact of the Guillaume affair on the voters will come in an important state election in Lower Saxony on June 9.

Brandt cannot afford to soft-pedal prosecution of the suspects, but he will probably take the public position that the affair does not, in the long run, prove that Ostpolitik is not a valid policy. He will get considerable sympathy from the outset as being but the latest victim of East German espionage, and this could increase if the opposition tries to make too much of the affair. Brandt will hope that the case will prove to have as little political impact as did the Steiner affair of 1972, in which an opposition deputy and sometime East German agent was bribed to keep Brandt in power.

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