

The President's Daily Brief



July 1, 1976

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~~*Top Secret*~~

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July 1, 1976

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Lebanon: There was more sharp fighting in Beirut yesterday. Syria is still playing along with Libyan Prime Minister Jallud's mediation attempts and with the Arab League mission in order to minimize its continued involvement in the fighting and consolidate its military positions. (Page 1)

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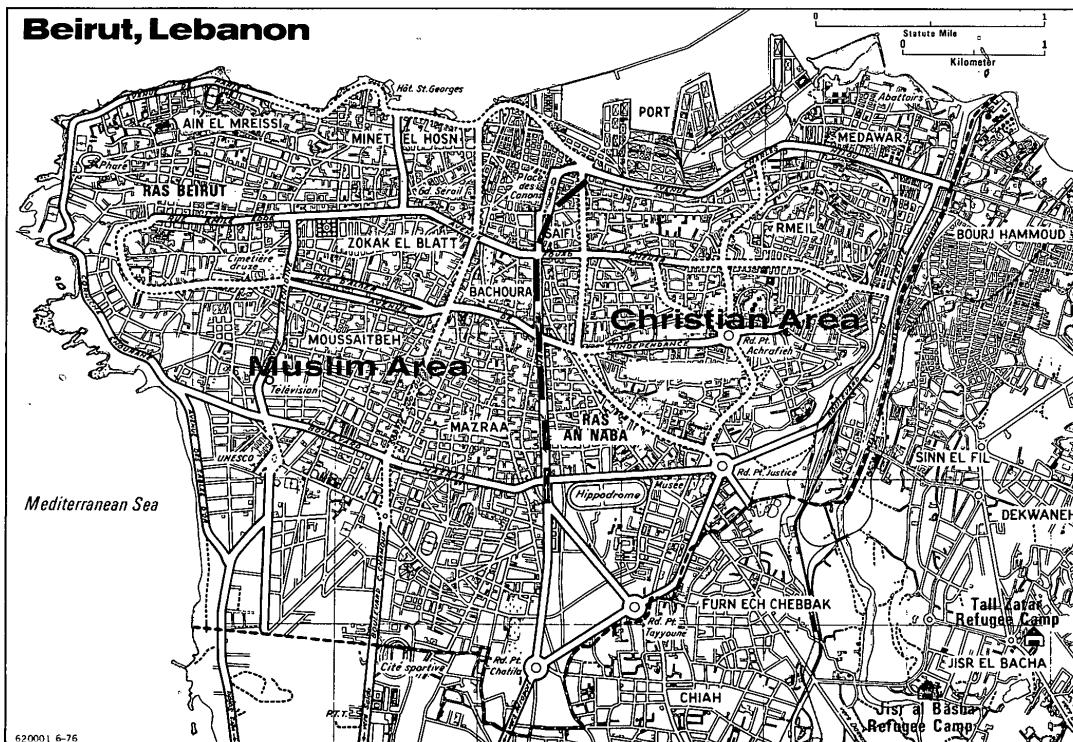
Cuba-Angola:

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FOR THE PRESIDENT ONLY



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LEBANON: Heavy fighting continued yesterday in Beirut in the central portion of the city, in the port area, and in the vicinity of the airport.

Residential areas of west Beirut suffered another day of bombardment as the exchange of artillery fire between the eastern and western sectors of the city continued its gradual escalation. The US embassy reports that shortages of food and water are becoming serious in many areas of the capital. We cannot confirm Palestinian charges that Syrian forces have joined the Christian offensive in Beirut.

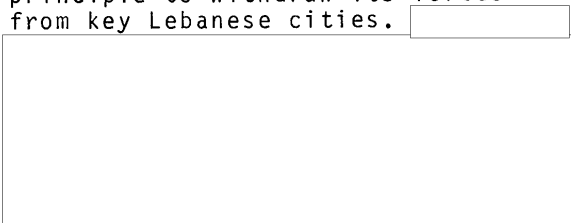
In eastern Lebanon, Syrian forces in the Bekaa Valley have tightened their encirclement of Balabakk and nearby leftist positions and are advancing westward. Elsewhere,

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Syrian units surrounding the southern port city of Sidon launched a heavy artillery attack there yesterday. The Syrians' principal aim is to tighten the blockade of the port area to prevent seaborne deliveries of arms to the Palestinians.

Libyan Prime Minister Jallud is still in Damascus negotiating with President Asad, even though Jallud announced on Tuesday that he was ending his mediation mission.

Asad apparently has convinced Jallud that Syria is still willing in principle to withdraw its forces from key Lebanese cities.



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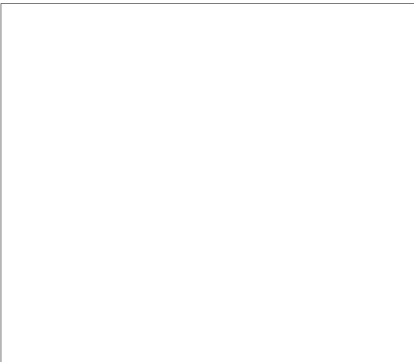
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Syria also authorized its representative at the Arab League foreign ministers' meeting that ended yesterday to say that Damascus is now ready to facilitate the transport of the Saudi and Sudanese contingents to Beirut to take up their duties as part of the League security force.

Damascus has been playing along with Jallud and with the League mission to buy time and forestall added Arab political pressure. Both missions have provided a useful facade for Syria's efforts to minimize its continued involvement in the fighting and to consolidate its military positions. The ceasefire called for last night by the League is not likely to have any immediate effect on the fighting.

Although the Syrians may temporarily mollify some of their critics, the other Arabs will not be misled for long. Libyan President Qadhafi, for example, is increasingly impatient with Syria and may order Jallud to cease his tacit cooperation with Damascus.

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Recent information indicates that the disease may have been brought into Lebanon by Palestinian troops who previously had been stationed in the vicinity of an outbreak of plague in the Suez Canal area. We have no further evidence of plague in Lebanon, but there is a good possibility that it has broken out there. The breakdown of sanitary services in Lebanon provides excellent conditions for proliferation of infected rats and fleas that transmit plague to man.

Troops entering Lebanon from other Arab countries could spread the disease to those countries when they return home.

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EUROPE-USSR: Yugoslav President Tito and Romanian President Ceausescu delivered, as anticipated, the two most independent speeches by ruling party leaders heard at the European communist party conference.

Tito stressed that Yugoslavia opposes any form of interference in the internal affairs of other parties. In a thinly veiled reference to the Soviet Union and Bulgaria, he asserted that the failure of Yugoslavia's neighbors to recognize national minorities and their rights is directly contrary to both basic human rights and Marxism, and undermines lasting peace and cooperation in Europe.

Ceausescu defended "socialist patriotism" and the role of the nation in international affairs. He called for effective safeguards against interference in Romania's domestic matters, and declared that the inevitable differences among parties--read, among others, the Soviets and Chinese--should be solved in a "principled spirit" via private, bilateral sessions.

Polish party chief Gierak took a cautious stance and placed more stress on the solidarity of the communist movement than on Poland's role. Warsaw is billing as more important a speech Gierak is to give tomorrow in Katowice, a key Polish industrial city.

Among Moscow's allies, Bulgarian leader Zhivkov declared that a party's attitude toward the USSR and the Soviet party represented the "most reliable criterion of loyalty" to the communist ideal. In condemning anti-Sovietism and Maoism, Zhivkov stressed that when inevitable differences between parties emerge, they should be resolved in a spirit of "proletarian internationalism," thereby asserting that the Soviet party is the first among equals.

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FOR THE PRESIDENT ONLY

Czechoslovakia's Husak, East Germany's Honecker, and Hungary's Kadar, although supportive of Moscow, did not go as far as Zhivkov.

Speeches by the major West European leaders reasserted their independence from Moscow in no-nonsense terms.

Italian party chief Berlinguer said the development of Marxism had not kept pace with the reality of the world today. He also restated his party's intention to pursue an autonomous line without foreign interference and "within the framework" of Italy's international alliances--a reference to the party's acceptance of Italian membership in NATO and the EC.

French party leader Marchais emphasized his party's adoption of a more independent stance by noting that it recently had discarded the concept of the "dictatorship of the proletariat." In addition, he came down hard on those parties in power which, in the name of peaceful coexistence, cooperate with governments in the West to the detriment of the local communist party. The French Communists have long believed that Moscow's relations with Paris have worked against their own interests.

In the most strongly worded speech, Spanish Communist leader Santiago Carrillo underscored his party's independence from Moscow with a demand that diversity be accepted, and a warning that failure to do so would result in a schism. With an eye toward his party's current struggle for legalization in Spain, Carrillo asserted that full democracy is essential for all "socialist states" and pointedly observed that socialism in Western countries would be brought about by pluralism rather than dictatorship.

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Cuban Commercial Air Routes to Africa



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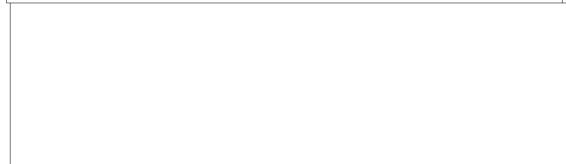
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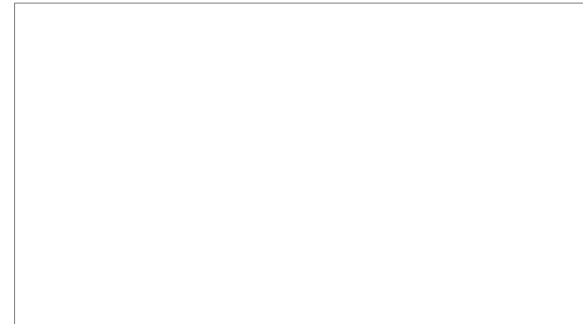
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Havana's regular commercial air service to Africa began on schedule on Tuesday.

Flights will leave Havana for Luanda, Angola, twice a week. The Bristol Britannia aircraft used on this run will be configured to carry 92 passengers. The twice-weekly Aeroflot flights between Havana and Luanda via Conakry by IL-62s are continuing.

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PUERTO RICO SUMMIT:

EC foreign ministers meeting in Luxembourg on Tuesday reacted positively to the results of the economic summit.

The ministers regarded the discussion of the general economic situation in the West as particularly useful and noted their satisfaction with talks regarding East-West relations and relations with the developing world. Initial press coverage from European capitals on the summit also has been generally favorable. Most commentators say it provided Western leaders a good opportunity to work out a general strategy for controlling the economic recovery.

The Italian press has given the summit heavy play, noting the willingness of other participants to express support for Italy. The need for Italy to adopt stringent economic austerity measures within the framework of greater political stability also has been emphasized.

In West Germany, Chancellor Schmidt's argument that only a few developing states would benefit from a common fund for raw materials evoked considerable interest. One leading newspaper noted that the US and West Germany have reached agreement on this issue, but that a common approach to developing countries was not worked out in Puerto Rico.

Press commentary on the summit from the UK, France, and Canada thus far has been sparse.

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NOTES

General Secretary Brezhnev and other Soviet leaders who were in Moscow on June 18 reportedly signed off on the draft proposal to China that the two countries make a joint declaration on principles of mutual relations.

Brezhnev apparently was concerned that the proposal not be presented to the Chinese until after Mao's death. He approved it when assured that it would be held until that time.

Politburo consideration of the subject suggests that Soviet preparations for the post-Mao era have accelerated. Moscow's awareness of coming change in China also is reflected in Soviet propaganda, which largely has avoided criticism of China's new premier, Hua kuo-feng, and has focused instead on Mao as the prime source of China's anti-Soviet position. Recent Soviet propaganda has commented approvingly on policies allegedly advocated by moderate members of China's leadership opposed to Mao.

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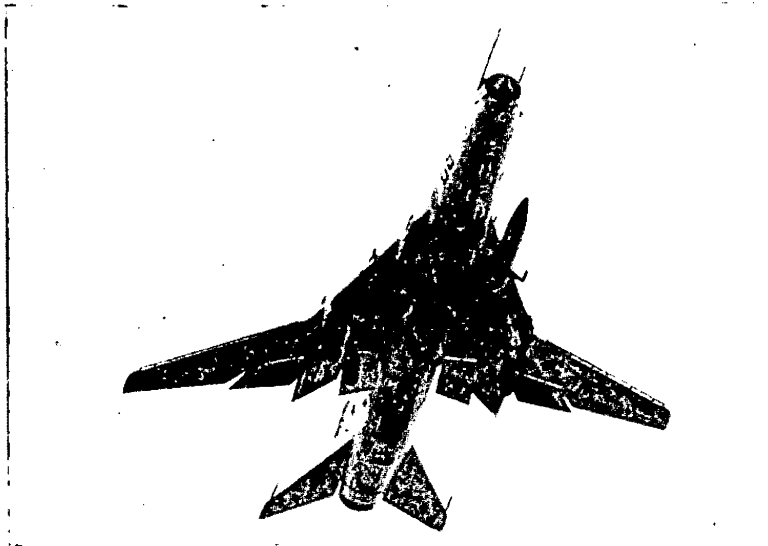
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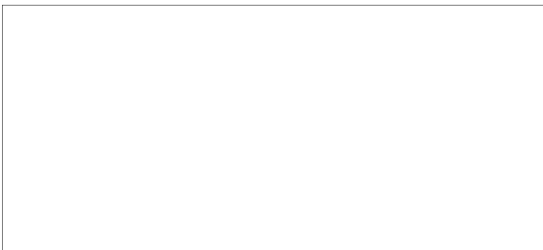
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A Peruvian air force purchase of Soviet fighter-bombers on apparently generous financial terms may be near completion. Peru previously has purchased only equipment for its ground forces from the USSR.



This would be the first introduction of this aircraft in the Western Hemisphere; Cuba does not have this model in its inventory.

The purchase, coupled with other unconfirmed reports that the Peruvians also are buying Soviet surface-to-air missiles, suggests that additional Soviet technicians and advisers will be arriving in Peru in coming months. In addition, it raises questions about Peru's intentions in acquiring sophisticated weapons that far exceed its reasonable defensive needs.

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The guerrilla war is beginning to erode the morale of Rhodesia's white civilian population

So far, however, most whites still appear to support Prime Minister Ian Smith, and the Rhodesian army apparently has not yet been adversely affected by morale problems.

The attack by insurgents last April on motorists on the main highway to South Africa, combined with other recent incidents, has alarmed white civilians about travel in Rhodesia.

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In addition, morale among the reserve forces reportedly has dropped as the reservists are called away from their civilian pursuits more frequently and for longer periods.

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In April and May Rhodesia suffered a net loss of 1,460 whites through emigration, its highest since 1965. The government is trying to prevent the exodus of young whites due for military call-up.

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