

The President's Daily Brief

July 2, 1976

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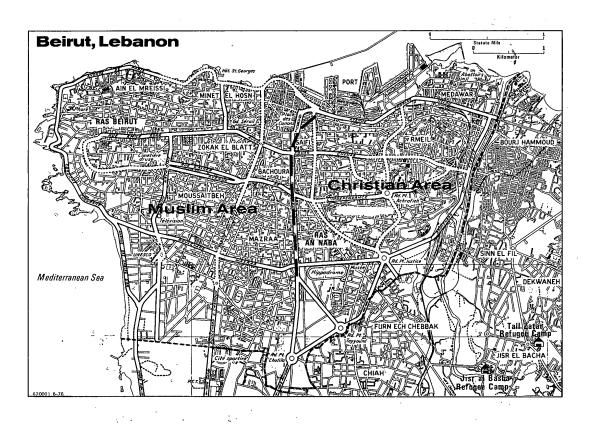
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LEBANON: Christian forces yesterday launched what they expect to be the final attack on Tall Zatar refugee camp. Palestinian defenders of the camp--estimated at 6,000--have reportedly been ordered not to surrender.

As the battle for Tall Zatar grows even more severe, fear of Palestinian and leftist reprisals has gripped Beirut. The greatest concern is for some 70,000 Christians who live in Muslim-controlled areas of Beirut and its environs.

Muslim leftist leaders and Salah Khalaf--the ranking Palestinian leader in the absence from Lebanon of Yasir Arafat--are reportedly trying to prevent unauthorized acts of vengeance and have publicly promised that "peaceful" Christian enclaves will not be attacked. Neither Palestinian nor leftist leaders, however, are capable of controlling the numerous factions that operate throughout Beirut.

Jumblatt reportedly told an Arab League official this week that he was prepared to consider any form of negotiation if the Christians would withdraw to their former positions around 25X1 Tall Zatar.

Arab League Secretary
General Riyad and his
two-man peace committee
left for Beirut yesterday despite the fact
that their call for a
cease-fire yesterday
has been totally disregarded.

The committee will have virtually no impact on the situation until the Christians have achieved their victory over Tall Zatar, and even then the prospects for negotiating a truce are bleak.

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The Saudi and Sudanese contingents of the league security force have entered Lebanon and reportedly were stationed yesterday on the outskirts of Beirut.

SPAIN: The resignation yesterday of Prime Minister Arias, reportedly at the request of King Juan Carlos, may provide new impetus to the government's reform program. The move came as a surprise to the cabinet, which must also resign.

Juan Carlos has been displeased for some time with Arias' failure to provide strong leadership for the government's liberalization efforts. The King has hesitated until now to replace the Prime Minister because he could not be sure the rightist-dominated Council of the Realm, a 17-man advisory body, would approve a reformminded successor. Juan Carlos apparently now feels more confident that he can prevail on the Council to nominate someone of his choice.

The King will select the new prime minister from a slate of three names the Council must submit within ten days. The King's secretary told Ambassador Stabler that the man chosen would be one of the present cabinet ministers.

The most likely candidate at this stage appears to be Interior Minister Fraga, the chief architect of the reform program and the dominant force in Arias' cabinet.

Fraga faces opposition from the right, however, for his strong support of reform and from the left for his role as chief of the internal security forces.

Another candidate is Foreign Minister Areilza, but he is distrusted by the right and the military because of his strong liberal image.

If the Council decides that both Fraga and Areilza are too liberal, a compromise candidate might be the young minister of the National Movement, Adolfo Suarez, who favors gradual reform.

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JORDAN-USSR: Another report on the Soviet air defense package offered King Husayn late last month gives lower figures than those quoted by General Aboud, chief of the Jordanian air force, which we reported in the Daily Brief June 30.

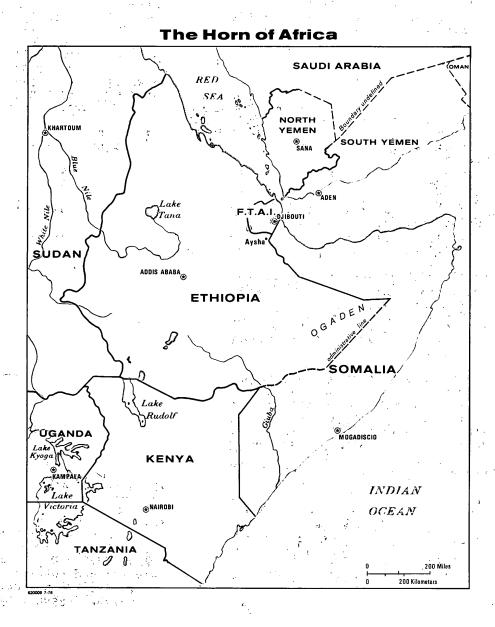
General Aboud claimed the Soviets offered Jordan 40 missile batteries. The armed forces commander, General bin Shakir who, like General Aboud, accompanied King Husayn to Moscow, told the US ambassador yesterday that the USSR agreed to provide up to 28 batteries.

Shakir went on to explain that the King is revising the Soviet proposal down to 24 batteries. The revision would eliminate the SA-2 system which the Jordanian air force considers old, inefficient, and requiring too much manpower; it would increase the number of SA-3 and SA-6 units reportedly offered by the Soviets.

We are still not certain what number of missile batteries were actually offered. We compare the reported packages below.

Chief of Air Force	Armed Forces Commander	Revised Jordanian
General Aboud	General bin Shakir	Package
40 batteries	28 batteries	24 batteries
9 SA-2	9 SA-2	0 SA-2
16 SA-3	9 SA-3	12 SA-3
15 SA-6	10 SA-6	12 SA-6
600 SA-7 (shoulder- launched)	100 SA-7	100 SA-7
unknown number of ZSU-23/4 (self-pro- pelled antiaircraft gun)	60 ZSU-23/4	72 ZSU-23/4

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ETHIOPIA-SOMALIA: Ethiopia conducted a military exercise on Tuesday near its border with Somalia and the French Territory of the Afars and Issas.

The exercise apparently was intended as a show of force to demonstrate Ethiopia's resolve to contest any Somali moves into the FTAI. Addis Ababa does not normally station units in the triborder area.

In response, Mogadiscio has ordered three battalions to move to the border area, according to a source of the US defense attache in Addis Ababa.

the Somalis have sent a reconnaissance team across the border to observe the Ethiopian troops.

General Teferi Benti, chairman of Ethiopia's ruling military council, told the US ambassador this week that Addis Ababa is not only concerned about Somalia's intentions toward the FTAI but is also watching Somali-supported insurgent activity in southern Ethiopia. This is the first official Ethiopian reference to infiltration across the southern border.

Teferi said the military council considers private Soviet assurances that Moscow will do its best to restrain Somalia to be "less than satisfactory." He urged US-Soviet collaboration to preserve peace in the area.

ANGOLA: The ruling Popular Movement is working hard to increase the efficiency of its army, apparently because of its concern over continuing guerrilla activity by Jonas Savimbi's National Union.

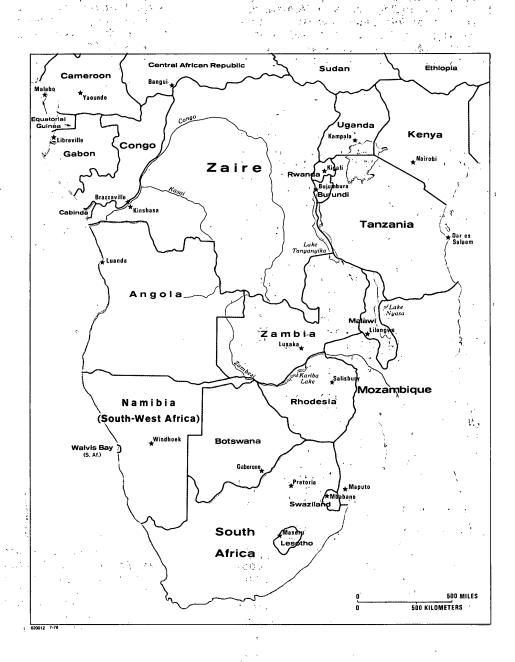
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The National Union, meanwhile, is said to have worked out an arrange-ment with South Africa for the use of Namibia as a supply corri-	
dor.	25 X 1

JAMAICA: The state of emergency imposed on June 19 appears to be accelerating political polarization and solidifying Prime Minister Manley's alliance with the radical wing of his party.

The security minister has announced that 353 persons have been arrested, many of them leaders and organizers of the opposition Jamaica Labor Party. Labor Party leader Seaga has denounced the government's actions as a "political witch hunt" aimed at assuring victory by Manley and a majority of his party's candidates in the elections that must be held by next spring.

The partisan enforcement of the state of emergency has caused public opinion to turn against the government, according to the US

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embassy. Manley's failure so far to establish a tribunal to review the cases of persons detained also has undermined the government's credibility.

Manley, meanwhile, has publicly claimed that the security forces have uncovered evidence of subversion and terrorism aimed at overthrowing his government. A government-sponsored propaganda campaign has attempted to link the Labor Party with these "plots." Manley's campaign against Seaga and the Labor Party undoubtedly has been urged on him by the increasingly influential radical wing of his party.

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NOTES

Italy's Christian Democratic Party has called for a coalition with the Socialists and has offered the Communist opposition a limited consultative role in the formulation of government policies.

Christian Democratic chief Zaccagnini made clear that the Communists would be consulted on the new government's program, but said they would have to remain in the opposition rather than become part of the government's working majority in parliament, as the Socialists have been demanding.

Zaccagnini was vague about the format for discussions with the Communists, but implied that the negotiations would take place in parliament. The Christian Democrats in the past have resisted the idea of negotiating openly with the Communists in parliament on the grounds that such an arrangement would blur the distinction between the governing majority and the opposition.

Polish officials are releasing more details about last week's disturbances.

The mayor of Radom, where the local party headquarters were gutted, has stated that 75 militiamen were hurt, eight of them seriously, in the "fighting," and that two demonstrators were accidently killed by other workers. He said that all those who had been detained would receive deserved punishment.

Polish party leader Gierek will reportedly make a "major" speech today in his home town of Katowice where he can be confident of a large and warm welcome.

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Peru's military regime reacted swiftly yesterday to quell demonstrations, strikes, and limited violence in Lima and its port, Callao.

The disturbances followed the government's announcement of severe economic austerity measures. A 30-day state of emergency has been declared that suspends some personal freedoms, and a curfew has been imposed for Lima and Callao.

The incidents and the measures President Francisco Morales Bermu- dez has been obliged to take do not augur well for the stability of his government. The President's	
power base is not strong	25 X ′
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Firing broke out in various quarters of Khartoum this morning. Sudanese President Numayri, who had just returned to the country, reportedly slipped away.

Since an attempted coup was promptly put down last September, there have been several reports of serious unrest in the military. In late May, several Sudanese officers were arrested in connection with an alleged Libyan-backed plot against Numayri, although they had made no overt move.

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