



The President's Daily Brief

September 23, 1976

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FOR THE PRESIDENT ONLY

September 23, 1976

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LEBANON: *President-elect Sarkis is scheduled to take the oath of office at noon today in Syrian-occupied Shaturah, despite threats by some leaders--most notably Prime Minister Karami and leftist Kamal Jumblatt--to boycott the ceremony.*



Ilyas Sarkis

Speaker of the House Kamal al-Asad expects between 65 and 70 of the 99 parliamentary deputies to attend.

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Muslim deputies will refuse to make the trip. Al-Asad has said that Sarkis will be sworn in even in the absence of a quorum, which is 66 deputies.

Karami's refusal to attend the ceremony is probably less an attempt to undercut Sarkis than it is to portray himself as opposed to Syrian control of Lebanese politics.

Sarkis' inaugural address is expected to focus on his plans for trying to resolve the Lebanese conflict, the first public expression of his thoughts on the matter. Sarkis may remain in Shaturah to attend another Syrian-Palestinian-Lebanese meeting scheduled for tomorrow, but the session may be postponed.

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Some Christians who view Sarkis' ascendancy with uncertainty may be willing to take action if they come to believe Sarkis has moved too far out of line.


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Some high-level Phalangist and Shamunist officials are also said to have talked about limiting the degree of power Sarkis will be allowed to exercise, at least in the beginning.

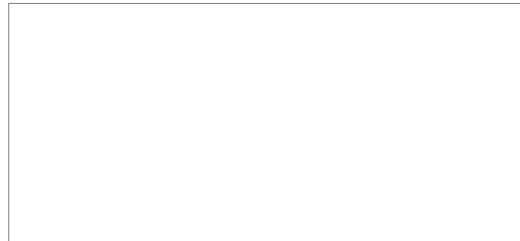
Acting Premier Camille Shamun 



 and his party's deputies have announced that they will attend the ceremony.

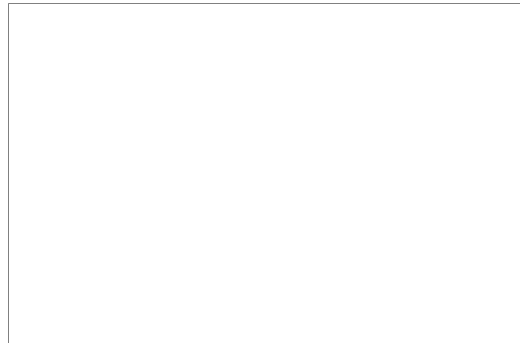
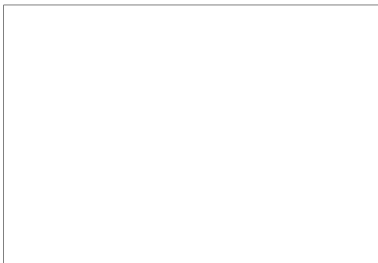
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Heavy fighting is continuing in Beirut.

There have been outbreaks of intense shelling in the city and sniper fire in the downtown area has virtually closed off the crossing point near which Sarkis was scheduled originally to take his oath of office. Clashes were particularly heavy yesterday in the southern suburbs of Beirut. There also was fighting in the Mount Lebanon area and in Tripoli.

USSR-SYRIA-LEBANON:

The USSR is reducing criticism of Syria, displaying more evenhandedness toward the Syrians and the Palestinians in public statements regarding Lebanon, and is stressing the need to resume efforts toward an overall Middle East settlement.

An authoritative "Observer" article in Pravda on September 8 upbraided "leftist elements" of the PLO along with Syria for failing to achieve a cease-fire. Since then, the central press has not called for Syrian troop withdrawal.

A Soviet diplomat in Cairo told US officials this week that Moscow was urging both the Syrians and the Palestinians to reach a compromise. He said the USSR has tried to persuade Syrian President Asad to adopt a more impartial position toward Christians and Muslims in Lebanon and was pressing the Palestinians to be more accommodating toward the Syrian leadership.

The Soviet official stated that the recent visit to Syria of Vladimir Vinogradov, the co-chairman of the Geneva conference, was meant to put pressure on Damascus. Syria's deputy foreign minister has told a US embassy official, however, that Vinogradov appeared chiefly interested in relating the Lebanese crisis to a resumption of the Geneva conference. If this is true, Foreign Minister Gromyko is likely to make such an appeal during his address to the UN General Assembly next week.

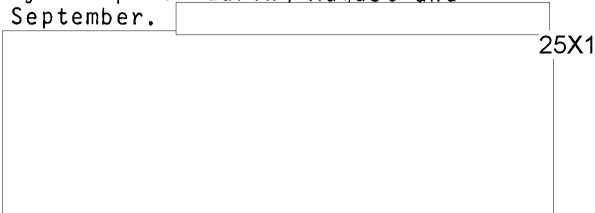
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An article in Pravda on Sunday called for a solution to the Arab-Israeli crisis as a prerequisite to ending the Lebanese entanglement. For the past several months the Soviets had referred to these priorities in reverse order. The article also emphasized the "urgency of the speediest convening" of Geneva.

Soviet economic and military aid to Syria continues.

Soviet arms carriers arrived at Syrian ports during August and September.



* * *

CHILE: The Pinochet government will have a hard time ducking charges that it is responsible for the assassination Tuesday of former ambassador Orlando Letelier, an active exile opponent of the junta.

Although the identity of the person or group responsible is unknown, opponents of the government are blaming the junta and are pointing to Letelier's employment by the Washington-based Institute for Policy Studies as the most probable reason for his murder. His studies for the institute reportedly were influential in persuading the Netherlands to deny a recent loan to Chile and to undertake a boycott of Chilean products--actions cited by the Chilean government in depriving Letelier of his citizenship earlier this month. He was also active in lobbying against US economic and military aid to the junta.

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Exiled Chileans have played a prominent role in the campaign to discredit the military government. The major centers of activity have been in Italy, France, Sweden, Finland, and the UK. Pockets of exiles are also scattered throughout other nations in West and East Europe, as well as the US.

There have been several attempts this year to form a united opposition movement, composed of Salvador Allende's Popular Unity parties and some social democratic groups, including the left wing of the Christian Democratic Party. A joint exile organization was founded in Mexico earlier this year headed by one of Allende's foreign ministers.

Leftist opponents of the junta, who have the most to gain from the incident, are already accusing Chilean intelligence services of complicity. The assassination together with the opening of the UN General Assembly in New York will give the junta's enemies a clear opportunity to focus world attention on human rights.

* * *

FRANCE: *Prime Minister Raymond Barre yesterday announced his economic program designed to lower the French inflation rate below the double-digit range.*

The program includes a three-month freeze on most prices, a moderate tax increase for higher-income groups and business, an anti-inflation tax on business, and slower monetary growth. The program does not mention controls on wages, which have been rising recently at an annual rate of 17 percent.

The measures should have a dramatic short-term impact, holding consumer price increases near zero during the last quarter of this year, but the real test will come early next year when the price freeze expires.

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On balance, the new program should lower the French inflation rate somewhat next year, but it will still be high, possibly close to 10 percent. So much inflationary pressure has been built into the French system--specifically the recent rises in wages, money supply, and prices of imported raw materials--that a more dramatic improvement seems unlikely.

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NOTES

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Saudi Arabia

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Yugoslav President Tito appears to be recuperating.

Last weekend Tito left Belgrade for a political visit to Slavonia, a stronghold of partisan war veterans staunchly loyal to him. On Monday, he received a delegation of top federal and republic officials. Informed sources in Belgrade announced yesterday that veteran diplomat Averell Harriman will meet Tito soon.

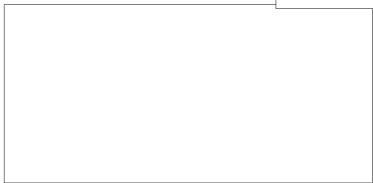
The original forecast by Yugoslav officials had been that Tito would stay in Belgrade--though not hospitalized--for treatment of an acute liver condition.

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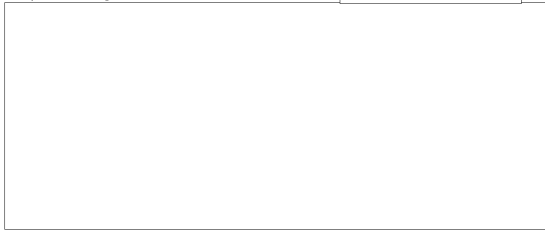
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The Indonesian government--in announcing an alleged plot against President Suharto



It is unlikely that a serious conspiracy is involved.



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Parliamentary elections are scheduled for next May, and political controls aimed at winning a large government majority must also have had an influence in the government's action yesterday.

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Thai Prime Minister
Seni Pramot has told
the National Assembly
that he will tender his
resignation today, ac-
cording to a press re-
port from Bangkok.

Seni's bid to step down apparently
resulted from parliamentary criti-
cism of his decision to allow for-
mer prime minister Thanom to re-
turn to Thailand.

Thanom arrived back in the country
on Sunday to visit his father, who
reportedly is near death. Thanom's
return two years ago set off stu-
dent demonstrations that forced
the government then in power to
expel him again. The unauthorized
visit last month of Thanom's for-
mer deputy, Field Marshal Praphat,
also led to sizable student pro-
tests and some violence.

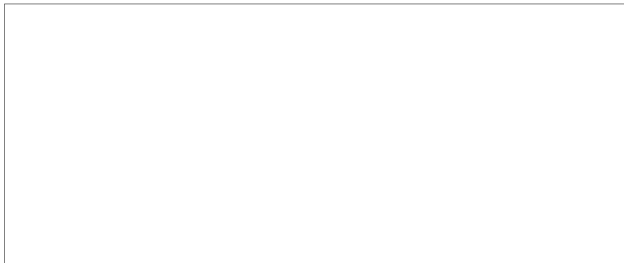
The Prime Minister may be engaging
in a maneuver to improve his po-
litical position. The absence of
any immediately viable alternative
to Seni appears to be his strong-
est suit.

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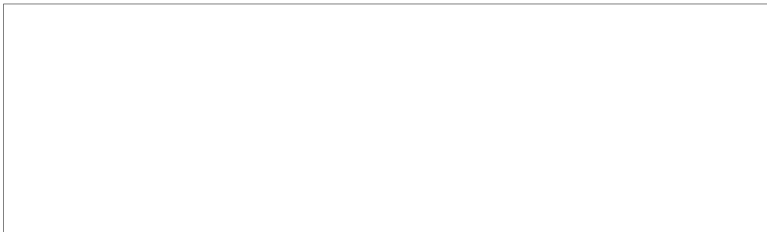
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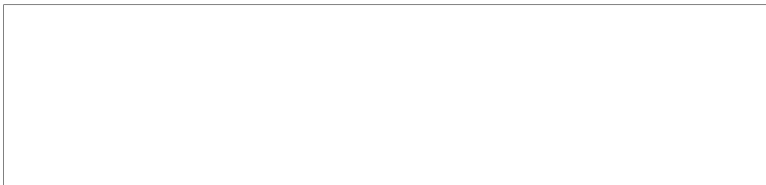
WEST GERMANY



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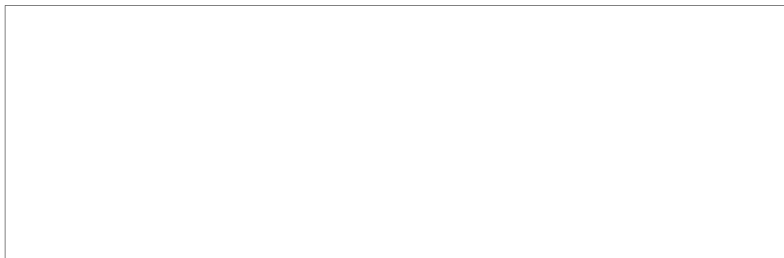
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