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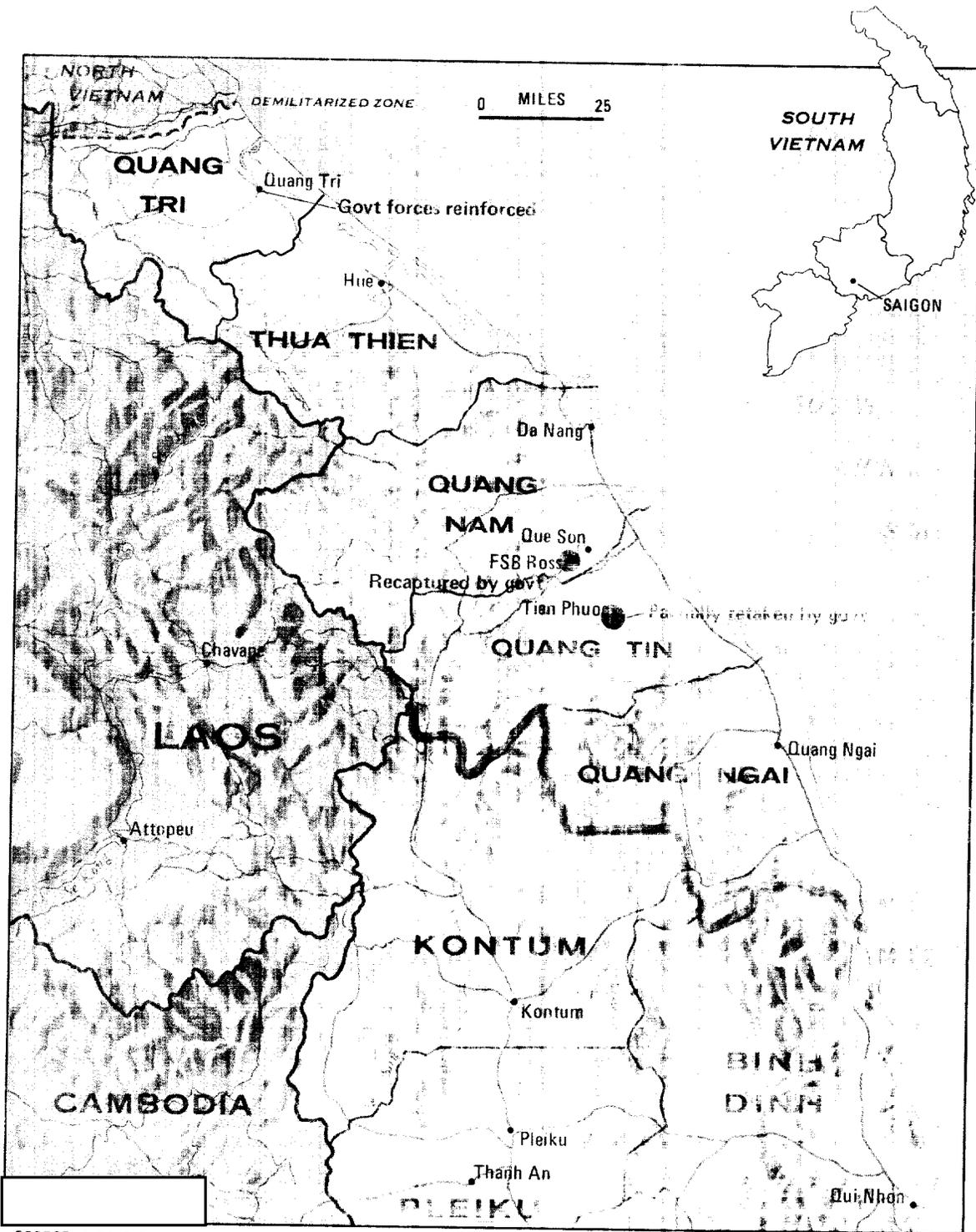
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VIETNAM: South Vietnamese Rangers yesterday reoccupied parts of Tien Phuoc district town in Quang Tin Province that had been abandoned by territorials on Thursday. Additional army units diverted from the Que Son campaign have moved into the town. In Quang Nam Province South Vietnamese regulars recaptured Fire Support Base Ross yesterday afternoon.

In Quang Tri Province, some 2,000 South Vietnamese Rangers reportedly have moved into the southern sector of the provincial capital, apparently to add punch to the government's effort to recapture the city. Enemy shellings and ground attacks in Quang Tri City have eased somewhat, but Communist attacks against South Vietnamese paratroop positions farther south have increased.

US pilots have reported several T-54 tanks close to the 209th Regiment of the 312th. According to a recently captured prisoner, the 209th was to participate in an attack against South Vietnamese paratroop positions in support of another Communist force tasked with "liberating" Quang Tri City. Bad weather may have delayed the attacks, which reportedly were scheduled to start on 3 September and last for at least seven days.

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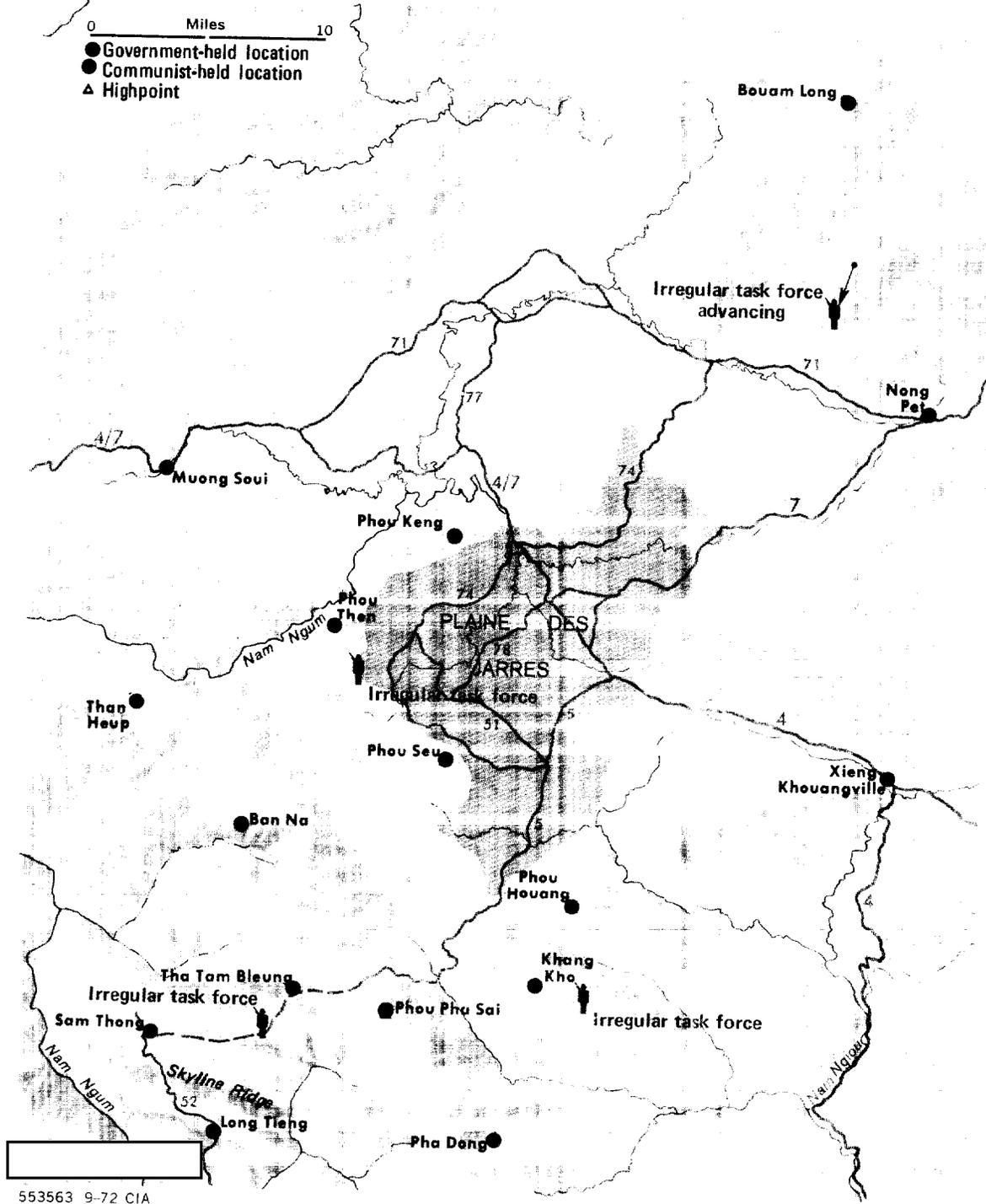
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LAOS: PLAINE DES JARRES AREA



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LAOS: The government's offensive in northern Laos continues to make little progress.

Only one of the four remaining task forces is currently moving toward its objective. This force, which six days ago had been pushed back by strong Communist attacks, on 7 September advanced to positions about five miles northwest of Nong Pet, the junction of vital Communist supply lines to the Plaine des Jarres.

The remnants of the irregular task force that was dispersed north of the Plaine on 30 August have been withdrawn to Long Tieng, where they will be regrouped. Thus far, about one third of the irregulars in this unit have returned to government lines. The task forces west, southwest, and southeast of the Plaine have clashed sporadically with the Communists in the past few days, maneuvering into better defensive positions rather than making any effort to move toward the Plaine. Low morale and sickness continue to trouble government forces. [REDACTED]

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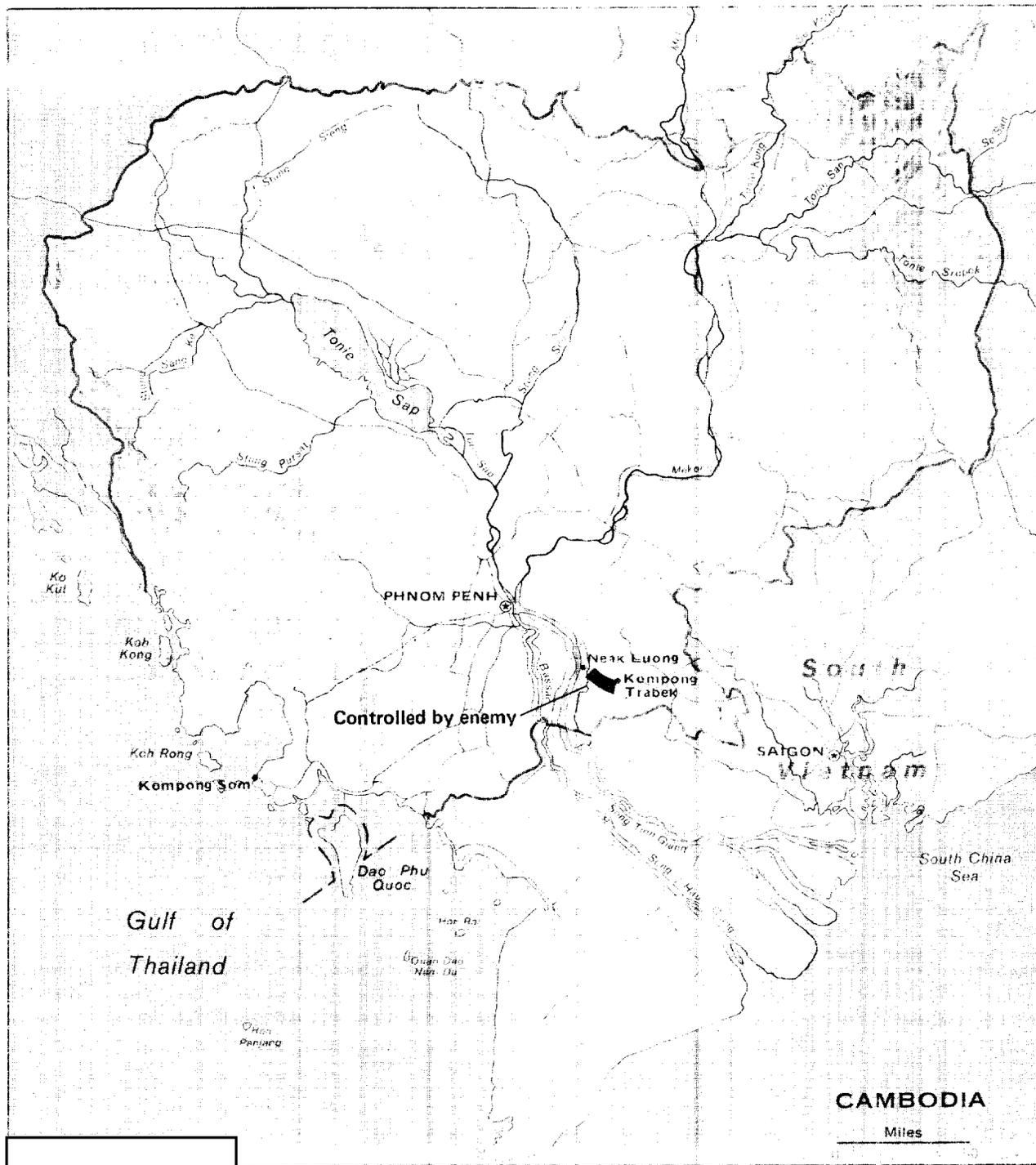
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CAMBODIA: The stability of the government has been shaken by a series of military disorders in Phnom Penh.

Roving bands of undisciplined Cambodian Army troops--including personnel from elite paratroop units--engaged in widespread but essentially non-violent looting in the capital yesterday. The breakdown in public order was triggered by a wave of raids on 7 September against shops, markets, and warehouses by soldiers seeking cheap rice. Those incidents were in part encouraged by an ill-timed government order calling on the troops to "inspect" shops in the city to ensure that merchants were selling rice at the new subsidized prices established by the regime.

In a bid to restore order and public confidence, Lon Nol has made a nationwide broadcast in which he promised summary executions of those caught in subsequent acts of thievery. He also stated that a limited airlift was being organized to transport rice to Phnom Penh from Battambang, and announced that the government is soliciting rice supplies from abroad.

The looting is a dramatic manifestation of the unrest that has been building up throughout the army over the past few months. Officers and troops alike have become increasingly upset by the rising cost of living and by the current rice crisis, as well as by pervasive military corruption and by the lack of direction and support for tactical operations. If Lon Nol does not begin to give more earnest and energetic attention to these grievances, he risks losing his control over the military--which now represents his main source of political support.

Besides all these problems, the government continues to fare badly on the battlefield. Communist forces have again struck hard at government

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positions along Route 1, and have now gained control over a ten-mile section of that highway between Neak Luong and Kompong Trabek, once again isolating the defenders of Kompong Trabek. Given the present situation in Phnom Penh and the army's past performance along Route 1, it is unlikely that the road can be cleared without the aid of South Vietnamese forces.

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CHILE: Allende's Popular Unity (UP) coalition is making new attempts to firm up its labor support.

Although low income groups have clearly benefited from many of the UP's economic policies, the independent-minded Chilean workers have proven largely unwilling to make the sacrifices demanded by Allende's revolution. Strikes, deliberate inefficiency, and political infighting have compounded already serious economic dislocations. The recent steep rises in many prices, although designed to hit the affluent hardest, have in fact been most deeply felt by the poor.

Allende has now acted to reassure workers of quick financial relief. His government has promulgated a law awarding a tax free bonus to public employees, farm workers, and pensioners, and requiring private employers to do the same. The law also provides for a wage increase for October to equal the cost of living increase for the first nine months of 1972. By this action, Allende has pre-empted the opposition congressional majority's attempt to legislate two politically attractive wage increases.

The importance of labor support was apparent in the government's success in aborting a general transportation strike on 6 September by private bus and truck owners. Threats by drivers' unions to take over vehicles and run them for the government strengthened the UP's hand. Although concessions were made that will probably raise transport rates, more serious consequences were averted.



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SOUTH KOREA - USSR: Seoul's efforts to establish some contact with Moscow have drawn a tentative response from the Soviets.

Victor Louis, a Soviet journalist who has acted as an unofficial contact man for Moscow in the past, has reportedly arrived in Seoul to cover the plenary session of the Red Cross talks opening on 13 September. As the first well known Soviet figure to visit South Korea, Louis' presence is a decided plus for Seoul's efforts to reach out to selected Communist countries. For more than a year the South Koreans have been approaching Moscow [redacted]

[redacted] but the Soviets have not been willing to follow up Seoul's overtures. The Louis visit suggests that Moscow has now decided to pursue these contacts on a somewhat more public level, perhaps to encourage Seoul's more independent foreign policy efforts.

The Soviet reluctance to encourage the South Koreans probably stemmed from North Korean objections to earlier limited Soviet contacts with Seoul. Louis obtained a visa for South Korea late last year but his trip never materialized. The improved atmosphere in North-South relations may have eased Soviet problems in Pyongyang.

The Soviets are also probably using the Louis visit to get a first hand assessment of the North-South talks. Moscow may not have been aware of the secret North-South contacts in advance of the 4 July communiqué, and its subsequent lukewarm coverage of developments has indicated some pique. The Soviets may now feel that it is important to get fully read in on the new Korean situation. Toward that end, Konstantin Katushev, the CPSU Central Committee secretary responsible for dealing with ruling Communist parties, is currently in North Korea, holding the first party-to-party discussion with the North Koreans in over a year. [redacted]

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FRANCE-USSR: The Socialist-Communist electoral alliance in France has been strained by Socialist Party First Secretary Mitterrand's strong criticisms of Soviet policies.

Mitterrand canceled a visit to Moscow planned for this November after he received a harsh letter from Soviet Ambassador Abrasimov attacking his recent criticisms of Soviet policies on Czechoslovakia and Jewish emigration from the USSR. Abrasimov suggested that Mitterrand's activities had put his trip "in question." Following publication of the letter in the French Communist daily Humanite on 4 September, Mitterrand announced that he would not go.

The controversy has put the French Communists very much in a box. While the French Communist Party (PCF) deplored both the Czechoslovak invasion and the recent trials, its mild censures were considered inadequate by the non-Communist left. Soviet immigration policy presents a similar problem. PCF endorsement would alienate many in France but criticism would raise Soviet hackles. In an apparent attempt to cover both flanks, the PCF Politburo issued a communiqué on 6 September which was critical of reactionary propaganda against socialist states, but which reserved the party's right to criticize any situation in these states.

An additional problem for the PCF is that Mitterrand and the Socialists will probably gain the most from the controversy. Abrasimov's reaction effectively refutes the charges leveled when the Socialist-Communist alliance was signed that Mitterrand had become a dupe of the Communists. Moreover, it emphasizes Mitterrand's argument that the alliance did not indicate total agreement. In this first major test each party put its own interests ahead of the common cause of the united left. The alliance--very much a marriage of convenience--will

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undoubtedly face many more strains before the elections next spring. Hard-line Communists, for instance, reportedly are concerned that basic party positions may appear to have been compromised and have urged efforts to make sure that the real stand of the PCF is made known.

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EGYPT: Egyptian Foreign Minister Ghalib was replaced yesterday by the Minister of State for Information, Muhammad Hasan Zayyat. No reason for the change was given, but Ghalib's many years as the Egyptian ambassador to the Soviet Union may have publicly associated him too closely with Moscow's interests. Zayyat was formerly the head of the Egyptian mission to the UN and has had a long career in the Foreign Ministry. His tenure at the UN may have recommended him as a valuable asset to President Sadat's current diplomatic "offensive" designed to bring some movement to the deadlock with Israel.

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