

~~SECRET~~

[REDACTED]

b3

PAGE 002
TOT: 020935Z MAR 91

[REDACTED]

b3

10. IN BRIEF

1. IRAQ-KUWAIT: SITUATION REPORT

[REDACTED]

b3

[REDACTED]

b1
b3

OUTGOING
MESSAGE

OUTGOING
MESSAGE

OUTGOING
MESSAGE

~~SECRET~~

~~SECRET~~

PAGE 003
TOT: 020935Z MAR 91

HIZBALLAH DECLARES JIHAD

SEVERAL HIZBALLAH LEADERS--INCLUDING AN INFLUENTIAL MEMBER OF THE LEADERSHIP COUNCIL--HAVE DECLARED A HOLY WAR AGAINST THE US. THE DAY AFTER THE CEASE-FIRE WAS ANNOUNCED, THE GROUP WARNED THAT THE US PRESENCE IN THE REGION IS NO LONGER JUSTIFIED, AND ONE MEMBER CLAIMED THAT NOW "THE REAL MOTHER OF BATTLES" BETWEEN ISLAM AND THE WEST HAD BEGUN.

COMMENT: SOME HIZBALLAH ELEMENTS PROBABLY WILL PUSH FOR ATTACKS ON US INTERESTS SOON.

3. USSR: YEL'TSIN TRIES TO ACCELERATE REFORM
YEL'TSIN LAST WEEK SIGNED A DECREE DECREING THE REPUBLIC'S

~~SECRET~~

C
U
I
C
I
M
G
M
E
S
S
A
G
E

~~SECRET~~

[REDACTED]

b3

PAGE 004
TOT: 020935Z MAR 91

[REDACTED]

b3

DEEPENING ECONOMIC CRISIS AND DEMANDING THAT THE RSFSR COUNCIL OF MINISTERS SUBMIT BY 15 MARCH A PROGRAM FOR TRANSITION TO A MARKET ECONOMY. THE DECREE BLAMES THE REPUBLIC'S STRAITS ON THE CENTRAL GOVERNMENT'S PRICING, FINANCIAL, AND TRADE POLICIES, AS WELL AS ON FAILURES OF THE RUSSIAN COUNCIL OF MINISTERS AND SUPREME SOVIET. THE DECREE SETS TIGHT DEADLINES FOR THE SUBMISSION OF SPECIFIC REFORM MEASURES RANGING FROM EFFORTS TO PROMOTE PRIVATE GARDENS TO PLANS FOR A NEW STRUCTURE OF MANAGEMENT FOR THE RSFSR ECONOMY.

b3

COMMENT: YEL'TSIN MAY HAVE CHOSEN THIS MOMENT TO MOVE MORE AGGRESSIVELY ON ECONOMIC REFORM IN ORDER TO PUT HIMSELF IN A STRONGER POSITION FOR THE 17 MARCH REFERENDUM, WHEN THE QUESTION OF A POPULARLY ELECTED REPUBLIC PRESIDENCY WILL BE DECIDED. HE PROBABLY ALSO IS TRYING TO DEFLECT GROWING CRITICISM OF THE REPUBLIC'S POOR ECONOMIC PERFORMANCE. ITS ECONOMY REPORTEDLY DECLINED MORE SHARPLY THAN THE SOVIET ECONOMY AS A WHOLE LAST YEAR. SPEEDING THE IMPLEMENTATION OF REFORM MAY HELP EASE RUSSIA'S ECONOMIC PROBLEMS, BUT GAINS IN ECONOMIC PERFORMANCE WILL BE LIMITED BY THE CENTER'S CONTINUED CONTROL OF THE KEY ECONOMIC LEVERS.

b3

4. USSR: MINERS' STRIKE ENTERING NEW PHASE (C NF)

THE ANNOUNCEMENT YESTERDAY BY MINERS IN THE KUZBASS REGION OF RUSSIA THAT THEY INTEND TO STRIKE ON MONDAY HAS CHANGED THE COMPLEXION OF WHAT HAD BEEN A 24-HOUR STRIKE BY THE INDEPENDENT MINERS' UNION TO PROMOTE PRIMARILY ECONOMIC DEMANDS. THOUSANDS OF MINERS IN KAZAKHSTAN, THE UKRAINE, AND THE VORKUTA REGION OF RUSSIA WALKED OFF THEIR JOBS OR ENGAGED IN OTHER ACTIONS YESTERDAY TO DEMAND WAGE INCREASES AND EARLY RETIREMENT. THAT KUZBASS MINERS WILL NOT ONLY SUPPORT THESE DEMANDS BUT WILL ALSO TRY TO POLITICIZE THE STRIKE BY DEMANDING THE RESIGNATION OF PRESIDENT GORBACHEV, THE DISSOLUTION OF THE USSR SUPREME SOVIET, AND THE DEPOLITICIZATION OF THE ARMY AND THE KGB. THE CENTER HAS ANNOUNCED THAT IT WANTS TO NEGOTIATE A NATIONAL WAGE AGREEMENT WITH THE MINERS.

b3

b3

COMMENT: THE DECISION BY THE KUZBASS MINERS TO HOLD A ONE-DAY WALKOUT GREATLY ENHANCES THE VIABILITY OF THE UNION AND GIVES THE STRIKE A POLITICAL FOCUS. THE DOMESTIC CRISIS MAY INTENSIFY IF WORKERS FROM OTHER INDUSTRIES JOIN IN. THE CENTER WILL BE UNDER PRESSURE TO ADDRESS THE MINERS' ECONOMIC DEMANDS QUICKLY, BUT THE ADDITIONAL SUBSIDIES AND A HIGHER BUDGET DEFICIT THIS WOULD REQUIRE WOULD FUEL INFLATION.

b3

5. USSR: DEEPENING DEBATE OVER AIR DEFENSES

DEFENSE MINISTER YAZOV'S ANNOUNCEMENT THURSDAY THAT IRAQ'S DEFEAT CALLS FOR A REVIEW OF SOVIET AIR DEFENSES WILL FUEL AN ONGOING PUBLIC DEBATE OVER THE NEED FOR A NATIONWIDE SYSTEM. MILITARY COMMENTATORS ARE ATTEMPTING TO DEFLECT DOUBTS OVER THE EFFECTIVENESS OF SOVIET DEFENSES BY NOTING THAT IRAQ'S EQUIPMENT WAS OLD, POORLY MANNED, AND INCLUDED NON-SOVIET WEAPONS AND THAT COALITION AIR FORCES HAD THE ADVANTAGES OF NUMBERS AND SURPRISE.

b3

b3

[REDACTED]

b1, b3

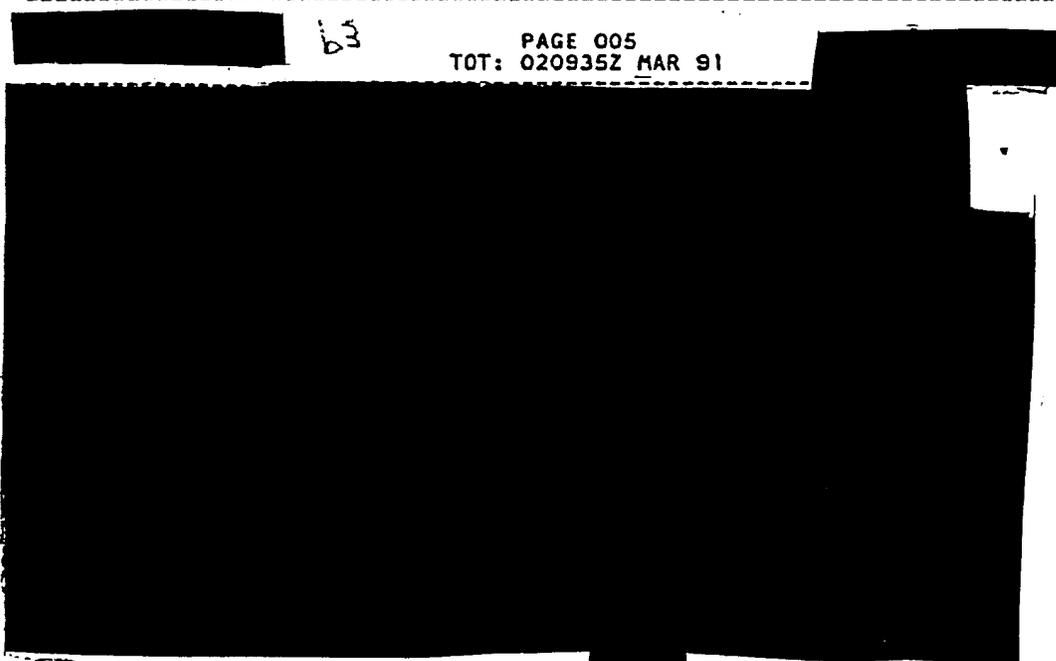
~~SECRET~~

OUTGOING MESSAGE

OUTGOING MESSAGE

OUTGOING MESSAGE

~~SECRET~~



PAGE 005
TOT: 020935Z MAR 91

b3

b1, b3

b1

OUTGOING MESSAGE

7. EC: FOREIGN MINISTERS TO DISCUSS AID

b3

WHEN THE EC FOREIGN MINISTERS MEET MONDAY THEY ARE LIKELY TO RELEASE \$1 BILLION IN FOOD AID AND CREDITS TO THE USSR AUTHORIZED IN DECEMBER BUT WITHHELD TO PROTEST THE CRACKDOWN IN THE BALTIC REPUBLICS; [REDACTED] THEY ALSO MAY FREE SOME OF THE SUSPENDED \$564 MILLION IN TECHNICAL SUPPORT. THEY WILL TRY TO PERSUADE GREECE TO LIFT ITS NINE-YEAR VETO ON AID TO TURKEY BY LINKING IT TO DISBURSEMENT OF THE \$3 BILLION LOAN APPROVED LAST MONTH FOR ATHENS OR TO FUTURE DEVELOPMENT AID. [REDACTED]

OUTGOING MESSAGE

[REDACTED] THE EC PROBABLY BELIEVES ITS AID SUSPENSION ADEQUATELY EXPRESSED ITS DISAPPROVAL OF THE BALTIC CRACKDOWN AND WANTS TO AVOID UNDERMINING GORBACHEV BY WITHHOLDING ASSISTANCE ANY LONGER. RELEASE OF THE FOOD CREDITS, HOWEVER, MAY BE SLOWED BY DEBATE AMONG MEMBER STATES OVER ALLOWING MOSCOW TO USE THEM TO BUY EAST EUROPEAN AS WELL AS EC AGRICULTURAL GOODS. [REDACTED]

b3

b1

OUTGOING MESSAGE

8. YUGOSLAVIA: BOYCOTT DISRUPTS NEGOTIATIONS

CROATIAN PRESIDENT TUDJMAN BOYCOTTED YESTERDAY'S MEETING OF FEDERAL AND REPUBLIC LEADERS AFTER THE FEDERAL PROSECUTOR ACCUSED HIM OF TREASON FOR ASKING PRESIDENT BUSH IN A LETTER TO HELP THE DEVELOPMENT OF DEMOCRACY IN YUGOSLAVIA. THE SUMMIT PARTICIPANTS DELAYED CONSIDERING TERMS FOR REPUBLIC SEPARATION FROM YUGOSLAVIA UNTIL 12 MARCH. THE NATIONAL ARMY NEWSPAPER YESTERDAY ACCUSED US DEFENSE ATTACHES OF HELPING THE CROATIANS TRY TO ORGANIZE AN ARMED REBELLION. [REDACTED]

b3

[REDACTED] SERBIAN NATIONALISTS AND THE MILITARY APPEAR TO BE JOINING TOGETHER TO PUT CROATIAN LEADERS ON THE DEFENSIVE. PRESIDENT JOVIC, A SERB, PROBABLY ORDERED THE PROSECUTOR'S CHARGE IN ORDER TO

b3

~~SECRET~~

~~SECRET~~

[REDACTED]

b3

PAGE 006
TOT: 020935Z MAR 91

[REDACTED]

b3

WEAKEN SERBIA'S MAIN RIVAL IN ANTICIPATION OF TOUGH NEGOTIATIONS OVER TERRITORIAL ISSUES. TUDJMAN MAY BOYCOTT SUMMIT SESSIONS INDEFINITELY, HOWEVER, TORPEDOING THE NEGOTIATING PROCESS. THE ARMY VIEWS CROATIAN PARAMILITARY FORCES AS ITS GREATEST DOMESTIC CHALLENGE AND CLEARLY STILL HOPES TO REIMPOSE CENTRALIZED COMMUNIST RULE.

b3

9. ALBANIA: LAYING DOWN THE LAW [REDACTED]

AFTER INITIALLY CONCEDED TO REFORMERS' DEMANDS LAST WEEK, PRESIDENT ALIA NOW IS CLAMPING DOWN ON DISSENT. ON THURSDAY THE PRESIDENTIAL COUNCIL CALLED FOR FIRMER ACTION BY SECURITY FORCES AND BORDER GUARDS TO PREVENT FURTHER UNREST. THE GOVERNMENT TIGHTENED CONTROL OF THE MEDIA LAST WEEKEND AND YESTERDAY CLOSED TIRANE UNIVERSITY FOR THE REST OF THE YEAR. OPPOSITION LEADERS, MEANWHILE, ARE COMPLAINING OF HARASSMENT, AND THE FLOW OF REFUGEES INTO GREECE AND ITALY--INCLUDING SOME MILITARY PERSONNEL--HAS INCREASED. THE GOVERNMENT APPARENTLY STILL PLANS TO HOLD THE 31 MARCH ELECTION AND IS TRYING TO ENSURE A VICTORY BY MAKING ADDITIONAL GOODS AVAILABLE AND APPEALING TO PATRIOTISM.

b3

[REDACTED] LAST WEEK'S VIOLENCE CAUGHT PRESIDENT ALIA OFFGUARD, AND HE IS ACCEDING TO HARDLINERS' DEMANDS FOR A CRACKDOWN. HE AND HIS REPUTEDLY MORE PRAGMATIC NEW PRIME MINISTER PROBABLY STILL WANT TO CONTINUE ECONOMIC REFORMS BUT WILL FACE STIFFENING RESISTANCE FROM HARDLINE IDEOLOGUES, THE MILITARY, AND BUREAUCRATS. FURTHER UNREST STILL MAY SCUTTLE THE ELECTION, EVEN THOUGH ALIA REALIZES SUCH A STEP WOULD THREATEN ALBANIA'S ACCESS TO BADLY NEEDED INTERNATIONAL ECONOMIC AID. (C NF)

b3

10. IN BRIEF

EUROPE

--ELECTION OF HARDLINER AS GENERAL SECRETARY PROBABLY WILL SPLIT GREEK COMMUNIST PARTY (KKE) . . . SOME MODERATES MAY JOIN SOCIALIST PASOK . . . KKE RIFT WOULD WEAKEN COMMUNIST-LED LEFT ALLIANCE COALITION.

b3

--NORDIC COUNCIL MEMBERS TO INCREASE SUPPORT FOR BALTIC REPUBLICS DESPITE SOVIET CRITICISM . . . ONCE AFRAID TO CONFRONT SOVIETS, NOW REPUBLICS' ARDENT SUPPORTERS . . . CONCERN ABOUT HARMING RELATIONS WITH USSR PREVENTING DIPLOMATIC TIES NOW.

b3

[REDACTED]

b1, b3

USSR

--SOVIET DEFENSE MINISTER YAZOV APPARENTLY DELAYING CHINA TRIP SO AS TO MEET WITH UK PRIME MINISTER IN MOSCOW . . . LIKELY TO RESCHEDULE LATER THIS MONTH . . . RECENT INTERVIEW OUTLINED MUTUAL REASSURANCES ABOUT MILITARY INTENTIONS.

b3

--SOVIETS HAVE ANNOUNCED INTERIOR MINISTRY CROWD-CONTROL EXERCISE OCCURRED IN MOSCOW TUESDAY AND WEDNESDAY . . . CENTER MAY

~~SECRET~~

OUTGOING MESSAGE

OUTGOING MESSAGE

OUTGOING MESSAGE

4291

1625

~~SECRET~~

[REDACTED]

b3

PAGE 007
TOT: 020935Z MAR 91

[REDACTED]

b3

HAVE GONE PUBLIC TO FORESTALL RUMORS, INTIMIDATE DEMONSTRATORS.

[REDACTED]

b3

b3

OUTGOING MESSAGE

OUTGOING MESSAGE

OUTGOING MESSAGE

~~SECRET~~