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WEEKLY SUMMARY

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CONTENTS

(Information as of noon EST, 16 December 1965)

VIETNAM

The major military activity in South Vietnam this week was in the central coastal region, where Allied forces made sporadic contact with a Viet Cong regimental force. Political developments in the South centered around the <u>annual</u> conference of the Unified Buddhist Association.

Peking has renewed its promises of any aid "required" by Hanoi, but in the same equivocal terms as in past such statements.

The Communist World

- SOVIET BUDGET AND ECONOMIC PLAN FOR 1966 Moscow's basic economic guidelines for next year indicate a moderate shift in the allocation of resources in favor of military and space programs, consumer welfare, and the agricultural program adopted last March. Gains in these areas will be at the expense of a recovery in the rate of economic growth.
- SOVIET TRAVEL RESTRICTIONS ON US MILITARY ATTACHES The restrictions were imposed a month ago to show displeasure over publication of the Penkovsky papers, but Moscow has refrained from other retaliatory moves.
- SOVIET MILITARY DOCTRINE FOR NIGHT OPERATIONS Soviet military doctrine, which has always emphasized surprise as a vital factor for battlefield success, stresses that night operations must be conducted with the same efficiency and in the same magnitude as daylight operations. Military training in the USSR reflects this doctrine by great attention to night exercises. Soviet science equals the US capability to develop night vision aids.

25X1

SECRET

Page i WEEKLY SUMMARY

17 Dec 65

Approved For Release 2009/03/20 : CIA-RDP79-00927A005100060001-1

25X1

Page

1

5

7

SECRET

- SOVIET EAST EUROPEAN LONG-TERM TRADE PACTS The increasingly businesslike nature of Soviet trade with Eastern Europe is reflected in recent trade pacts for 1966-70, during which period trade will be less favorable for Eastern Europe than in the past.
- THE APEL AFFAIR IN EAST GERMANY The unconfirmed West German accounts of East German planning chief Apel's suicide are plausible enough to be causing confusion in East Germany. The affair could have repercussions within the party leadership and in East German - Soviet relations.
- POPULAR ATTITUDES AND MORALE IN COMMUNIST CHINA The Peking regime, which once had the approval as well as the obedience of the Chinese people, has been unable to arouse the population from its political apathy since the failure of the "Great Leap Forward" and the economic disasters of the years 1959-1961. The regime's intense indoctrination programs intended to recover some of the former revolutionary elan appear largely ineffective.
- COMMUNIST CHINA'S 1965 ECONOMIC AID PROGRAM 10 During 1965 Peking gave new economic assistance to North Vietnam and Albania but made available only about \$45 million in new credits to free world countries--most of it to Afghanistan and Uganda.

25X1

Asia-Africa

- COMMUNISTS MAY STEP UP FIGHTING IN LAOS13The Pathet Lao radio has announced a "mobilization13order," and there are other signs of plans to move13against government forces.13
- INDONESIAN ARMY KEEPS INITIATIVE AGAINST SUKARNO It has secured the removal of Foreign Minister Subandrio as deputy chief of the Supreme Operations Command, and is trying to saddle Sukarno with blame for economic problems.

SECRET

Page 11 WEEKLY SUMMARY 17 Dec 65

Approved For Release 2009/03/20 : CIA-RDP79-00927A005100060001-1

25X1

8

9

14

YEMEN CONFERENCE IN DEADLOCK After three weeks of intermittent conferring, Yemeni republicans and royalists are still wrangling over the interpretation of the agreement between their respec- tive Egyptian and Saudi allies for establishing a joint provisional government.	15
POLITICS REVIVING AFTER CONGO COUP Some politicians, tribal groups, and army officers are unhappy at General Mobutu's assumption of power for five years.	15
AFRICANS GIVE BRITAIN MORE TIME ON RHODESIA ISSUE Ghana, Guinea, Mali, and Tanzania have broken relations with London, but most other African governments have apparently decided to try other ways of pressuring Brit- ain.	16 25X6
DISSIDENCE IN ETHIOPIAN BORDER PROVINCES	17

Government forces are encountering increasing trouble in several outlying provinces, some of it stemming from traditional sources of friction and some fanned by foreign agitation.

Europe

FINNISH PROPOSAL TO NEUTRALIZE NORTHERN SCANDINAVIA 18 President Kekkonen contends that a treaty between Finland and Norway neutralizing their northernmost provinces would alleviate tension in the border area during periods of international crisis. Oslo has not replied formally, but unofficial reaction is largely negative.

Western Hemisphere

COSTA RICA TO HOLD NATIONAL ELECTIONS IN FEBRUARY The US Embassy predicts a close finish but gives a slight edge for the presidency to Daniel Oduber, who would not depart substantially from the pro-US cast of the incumbent administration which his party heads.

SECRET

Page iii WEEKLY SUMMARY 17 Dec 65

Approved For Release 2009/03/20 : CIA-RDP79-00927A005100060001-1

21

25X1

24

SECRET

- LABOR UNREST AND POLITICKING IN THE DOMINICAN REPUBLIC 22 As mounting labor unrest threatens to provoke a new crisis, the verbal exchanges between rival politicians are eroding what little remains of the political truce called for by the OAS peace terms.
- VENEZUELAN REACTION TO COMMUNIST TERRORISM 23 A recent terrorist explosion which killed a congressman's wife has caused a loud popular and official outcry and dispelled hopes that the Communist Party and its allies might soon abandon violence in favor of legitimate political action.
- URUGUAYAN LABOR TENSIONS EASE A reported agreement between the government and both state and autonomous-agency employees seems to have brought a temporary peace, but Uruguay's labor difficulties are far from solved.

United Nations

UN FINANCING AND PEACEKEEPING PROBLEMS STILL AT IMPASSE 25 Following the failure of the current 20th session of the General Assembly to find solutions, the whole problem has been dumped once again on the Committee of 33, whose mandate has recently been extended.

SECRET

Page iv WEEKLY SUMMARY 17 Dec 65

VIETNAM

The major military activity in South Vietnam this week was in the central coastal region, where large Allied forces made sporadic contact with a Viet Cong regimental force which had battered two government battalions on 8-9 December near the Quang Nam - Quang Tin US B-52 Stratofortresses border. supported US Marines and Vietnamese ground troops by bombing nearby Communist base areas four times between 11 and 14 December. Heavy fog and rain occasionally impaired the effectiveness of other tactical aircraft as well as mobility on the ground. A1lied casualties during the tenday operation totaled nearly 600 killed, wounded, or missing. Confirmed Viet Cong losses were about 250 killed and captured, although estimates of additional enemy dead are as high as 1,250.

Government efforts elsewhere during the week were highlighted by generally successful search operations in the IV Corps provinces of Go Cong, Vinh Binh, and Dinh Tuong, where more than 400 Viet Cong were killed, with only moderate government losses. Continuing Allied operations northwest of Saigon failed to engage large enemy forces near the Binh Duong - Tay Ninh border, although a sizable Viet Cong facility was discovered.

Large-scale activity initiated by the Viet Cong declined slightly, but incidents of enemy harassment, sabotage, and terrorism rose to the second highest level of the year. Renewed incidents of terrorism were directed against Vietnamese police in Saigon, and a large number of reports have forecast a spate of Viet Cong terrorism against both Vietnamese and US installations during the next two weeks to coincide with Communist anniversaries.

Political developments in Saigon this week centered around the annual conference of the Unified Buddhist Association (UBA). The opening address by aged monk Thich Tinh Khiet apparently did not contain the ambiguous remarks previously drafted by influential Thich Tri Quang. However, the alleged desecration of a Buddhist pagoda by US Marines in the Da Nang area this month was discussed. A statement by Ambassador Lodge offering US assistance in restoring the pagoda (without acknowledging US culpability) satisfied most UBA leaders, but younger and more militant monks are reportedly still demanding a US apology. The conference reelected the moderate UBA leadership.

25X1

SECRET

Page 1 WEEKLY SUMMARY 17 Dec 65





SECRET

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			The more recent impressions of DRV firmness are borne out by propaganda which is apparently laying the groundwork to dis- credit any new pause in US bomb- ings. Radio Hanoi declared on
			10 December that the pause last May was nothing but a trick to cover up further escalation of the war, and strongly implied that Hanoi would interpret a sec- ond pause the same way.
			Chinese Support for Hanoi
			In a 14 December <u>People's</u> Daily editorial Peking restated its promise to give the DRV whatever was "required" to carry on with the
	Hanoi Set to Pursue the War		war. This was the first major Chinese pronouncement on assist-
25 X *	1		ance to Hanoi since early Octo- ber and appears intended as a reply to recent reports of US plans to increase military

SECRET

Page 3 WEEKLY SUMMARY 17 Dec 65

pressure. The editorial skirted the question of direct Chinese involvement in hostilities.

The editorial noted that another "pause" in US air attacks would be nothing more than a scheme to facilitate further escalation of the war. It then restated the standard Chinese line on negotiations calling the Hanoi four-point formula and the Liberation Front five-point statement the "only correct basis." Premier Chou En-lai reportedly took a similar line in talks with French diplomat Jean Chauvel on 30 November. Chauvel told the US Embassy in Laos that, when he pointed out that Hanoi's preconditions made negotiation impossible, Chou indicated that this was precisely why China supported them. Chou also reportedly asserted that Peking would take no initiative to widen the war in Vietnam.

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Page 4 WEEKLY SUMMARY 17 Dec 65

SECRET

The Communist World

SOVIET BUDGET AND ECONOMIC PLAN FOR 1966

The basic economic guide-lines the USSR has set forth for next year indicate a moderate shift in the allocation of resources in favor of military and space programs, consumer welfare, and the agricultural program adopted last March. The increased efforts in these areas will be at the expense of a recovery in the rate of economic growth, particularly in the industrial sector.

The increase in military and space expenditures is signaled by a 5-percent rise in the explicit defense allocation in the state More persuasively, a budget. significant increase in production of military and space materiel is implied by the 9-percent increase in machinery and equipment output. When compared with a rise of less than 5 percent in the supply of such items to investment -- the major nonmilitary consumer of machinery and equipment -- it is apparent that considerable increases in the supply of hardware to the defense establishment are contemplated. Other appropriations for defense are probably concealed in such budgetary categories as science, the outlay for which is almost 10 percent higher next year than in 1965.

The regime's intention to improve consumer welfare next year is reflected in the 6.5-percent rise planned in per capita real income. There will also be a continued increase in pensions as well as in expenditures for health and education. Much of the improvement in consumer welfare, however, will depend on fulfilling the planned increase of 8 to 10 percent in total farm output. Present indications are that an increase of this magnitude will not be achieved.

Production increases have been scheduled for both soft goods and consumer durables, but even if they are realized it is doubtful that next year will see any substantial relief in the inflationary pressures now present in the USSR. Although money incomes of the population in 1965 grew by 10 percent, savings deposits rose by 19 percent and inventories of unsold consumer goods continue to pile up in warehouses. The leadership recognizes the incentive advantages involved in a larger supply of acceptable consumer goods, but it is apparently unwilling or unable to provide more than a modest improvement in 1966.

In addition to a healthy increase of 16 percent in agricultural investment scheduled for 1966, other measures are consistent with the farm support program promulgated by Brezhnev in March. The relatively low delivery quotas for the major agricultural products approved last March have been maintained, and the 12-percent rise planned in the income of collective farmers is probably aimed at increasing incentives. Scheduled deliveries of farm machinery and trucks in 1966 correspond to the average annual rates of increase needed to attain the five-year goals contained in Brezhnev's program for 1966 to 1970.

With the focus of the Soviet economy in 1966 on attacking

SECRET

Page 5 WEEKLY SUMMARY

17 Dec 65

SECRET

SELECTED INDICATORS OF SOVIET ECONOMIC PERFORMANCE, 1960-66

ANNUAL PERCENTAGE RATES OF GROWTH 1966 TRENDS 1960-64 1965 1966 Actual" Plan Plan Actual LINVESTMENT RATES OF 9 9 6% Investment 6 INCREASE COMPARED WITH Consumer-oriented sectors 31/2 N. A. 12% 13 less than 4 1960-64 AVERAGE 7% N. A. 5 **Heavy** industry 12 6 6% 8 Commissionings of new fixed capital **CONSUMER - ORIENTED** INVESTMENT-- UP INVESTMENT FOR **GROWTH-- DOWN** 7 II. SHIFTING PATTERN IN Total machinery production, including military 9 Q 8 THE ALLOCATION OF Civilian machinery CIVILIAN MACHINERY allocated to: iess than 5 12-13 12 Investment 10 N.A. N.A. 11 Consumer durables 8% N.A. 6% III. INDICATIONS OF **Real incomes** 4 7% CONTINUED REGIME SUPPORT 21/2 N. A. N.A. N. A. Consumption FOR CONSUMER WELFARE Retail trade 6 7 8 6 17% N. A. (Per capita rate of change) 7% N.A. Money savings in banks

Rounded to nearest half-percent.
Average annual rate of growth.

 Includes investment in agriculture, housing, and consumer goods industries.
Excludes collective farms and private housing. N. A. (Not evailable)

60060

pressing, immediate problems -agriculture and living standards -- and on supporting existing and prospective programs in the military and space fields, the regime has had to divert its attention from the basic problem of declining growth rates and of relatively low levels of investment, especially since 1960. The over-all 1966 investment data indicate that the goals for expanding plant and equipment next year will be the lowest since the war, and about one half the planned increments for 1965.

Most of this modest increase in investment, moreover, will be channeled into housing, agriculture, and consumer goods production where additions in investment are planned at 10, 16. and 15 percent respectively. In contrast, investment in heavy industry is scheduled to rise by less than 4 percent next year.

Industrial production is planned to grow by 6.7 percent, almost 2 percentage points below the increase actually claimed for 1965 and unusually low by

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Page 6 17 Dec 65 WEEKLY SUMMARY

Approved For Release 2009/03/20 : CIA-RDP79-00927A005100060001-1 -

25X1

SECRET

Soviet standards. In addition to the apparent decline in the rate of expanding new capacity, this projected decline reflects the mediocre 1965 harvests, which will deprive the light and food industries of some of their expected raw materials. Although the current campaign for quality instead of quantity production may have contributed to the low industrial target, the industrial reform program approved in October for 1966 through 1968 will not be a major disrupting factor next year. Only selected branches of the light and food industries will be operating on the new system by the end of 1966.

SOVIET TRAVEL RESTRICTIONS ON US MILITARY ATTACHES CONTINUE

Restrictions on the travel of US military attaches in the USSR, imposed by Moscow because of its displeasure over publication of the Penkovsky papers, are continuing into their second month. Earlier this month, in a meeting with a high Defense Ministry official, the US attaches gained the impression that Soviet irritation over the papers was on the wane. On 13 December, however, when they asked when the travel ban would be lifted, they received a negative reaction.

The restrictions were imposed on 18 November. Although the Soviets officially protested the publication of the papers, they have carefully limited retaliatory action to the military sphere. In so doing, Moscow has chosen an approach that is relatively free from publicity and not so provocative as to cause Soviet-US relations to fall into complete disrepair.

The reaction to the papers disrupted a four-month period of unusual cordiality noted by the US Army attaché in his con-

tacts with high-level Soviet officers in Moscow. The attaché stated that "even Malinovsky has been pleasant." He concluded that although the Soviets probably desired to keep to a minimum public displays of US-Soviet friendship because of Vietnam, they wished to remain amicable in military relationships and other areas. Shortly before publication of the papers, the Soviets had proposed that the USSR and the US exchange military information and maneuver observers. There are as yet no indications that the Soviet position on these exchanges will be affected by the papers' publication.

The Soviet military attaches in Rome, Ankara, Vienna, and Paris have also suddenly become friendlier to their US counter-The US attaches in these parts. capitals have been impressed by the unusual frankness and friendliness of the Soviets. In one instance a Soviet assistant attaché in Paris stated on 9 November that his personal mission in Paris was to try to promote closer ties between the US and the Soviet Union.

SECRET

Page 7 WEEKLY SUMMARY

17 Dec 65

25X1

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SECRET

SOVIET - EAST EUROPEAN LONG-TERM TRADE PACTS

The increasingly businesslike nature of Soviet trade with East European countries has been reflected in recently concluded trade pacts covering the period from 1966 to 1970. Trade during this time will be less favorable for Eastern Europe than has been the case recently. However, both sides recognize that these countries will continue to depend economically on the USSR.

In the past two months Moscow has signed long-term trade agreements with Poland, Czechoslovakia, East Germany, Bulgaria, and Hungary. The pacts call for substantial, although generally declining, rates of growth in exchanges. Most of the basic raw materials and fuels that these countries need to import will still be supplied by the USSR. Certain uneconomic practices such as the supply of iron ore by expensive long-haul ground transport to Hungary and East Germany, however, are to be cur-Because of changing retailed. quirements in Eastern Europe, Soviet deliveries of crude oil-needed to expand and modernize petrochemical and energy industries--and of rolled steel for machinery and equipment industries are scheduled to rise rapidly.

There was hard bargaining throughout 1965 over Soviet provision of foodstuffs and raw materials, particularly grain. Deliveries of these products had fallen sharply since the 1963 Soviet crop failure. In the case of Czechoslovakia, Prague's irritation over the Soviets' failure to commit themselves on future grain deliveries was so great that the matter came under top-level discussion during Brezhnev's visit to Prague in mid-October. Subsequently, it was announced that grain shipments would rise over 1964-65 levels and that the USSR would supply about two thirds of Czechoslovakia's estimated import requirement of two million tons next year.

A similar arrangement probably has been worked out with East Germany, which also depends on the USSR for its basic wheat imports, but no amounts have as yet been announced. However, the Soviets reportedly harshly rejected other East German trade proposals, presumably because they did not conform to Moscow's intention to conduct its trade with more regard for its own economic interests. East Germany's preliminary plans for 1966 to 1970 indicated that it expected more favorable treatment than was forthcoming. (See also next article, on the Apel affair.)

Despite Moscow's reluctance to expand exports of grain and some important industrial raw materials and its greater selectivity in accepting imports of East European manufactures, exchanges between the USSR and Eastern Europe will remain sizable--more than 50 percent of Soviet foreign trade.

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THE APEL AFFAIR IN EAST GERMANY

Although the circumstances surrounding East German planning chief Erich Apel's suicide on 3 December remain unclear, the unconfirmed West German accounts and explanations seem to be plausible enough to cause confusion within the East German Communist (SED) party and among the people. If these accounts are accurate, furthermore, the Apel affair could have repercussions within the party leadership and in East German - Soviet relations.

Sensational West German accounts of a violent argument between Apel and the Ulbricht leadership over reported Soviet economic exploitation have been broadcast widely by radio and TV. There is no confirmation, however, that Apel prepared a document detailing East German differences with the USSR or that any such document is in Western hands. West German accounts have referred to a letter, one or two documents in the form of testaments, or a personal notebook kept by Apel. No West German or Berlin official has

admitted to US officials seeing any of these documents.

East German sensitivity to the whole matter is reflected in the heavy propaganda labeling the Western accounts as fiction and the documents as nonexistent, and extolling the new Soviet -East German trade agreement.

If, as some reports indicate, several East German "technocrats" side with Apel against the majority of the leadership, a few demotions may be forthcoming. No wholesale purging is expected, however, because these men are needed to run the economy, now undergoing a reorganization. In any event, the Ulbricht regime may reconsider the wisdom of promoting apolitical "technocrats" like Apel, or at least of circumscribing more carefully their role in top policy levels of the party.

25X1

SECRET

Page 9 WEEKLY SUMMARY 17 Dec 65

SECRET

COMMUNIST CHINA'S 1965 ECONOMIC AID PROGRAM

During 1965 Peking gave new economic assistance to North Vietnam and Albania but made available only about \$45 million in new credits to free world Between countries. 1960 and 1964 annual Chinese Communist aid to free world recipients averaged almost \$140 million, including a record \$340 million in 1964.

The Chinese extended new military and economic aid to Hanoi last summer, and gave additional economic credits in early December during North Vietnamese Vice Premier Nghi's visit to Peking. The amount of this new aid is not known, but much of it will probably be used for repairs to transportation and industrial

projects as well as for building new facilities. Earlier Chinese assistance, amounting to over \$450 million, was used largely for similar purposes. China's only other aid to a Communist country this year was a new long-term credit for Albania's next five-year plan.

Of this year's aid to free world countries, Afghanistan received the largest share, a \$28-

> million credit for economic development projects. Uganda got most of the remainder. Another credit--\$100 million for Indonesia--was shelved following the attempted coup in Indonesia on 30 September.

Since 1950 when China's aid program began, the bulk of the assistance has gone to Communist countries--North Korea, North Vietnam, Mongolia, Albania, and Cuba--which have received at

SECRET

Page 10 WEEKLY SUMMARY 17 Dec 65

Approved For Release 2009/03/20 : CIA-RDP79-00927A005100060001-1

25X1

least \$1.2 billion. China's economic aid extensions in the free world--totaling about \$830 million--have been spread among 21 of the less developed countries. The countries selected and the amounts extended have been calculated primarily for political impact. Until 1963, most of Peking's aid gestures toward non-Communist countries were in Asia. Since then, Peking has directed its attention toward

Africa and the Middle East, reflecting wider diplomatic interests.

Less then one third of the Chinese credits offered to the free world from 1956 to 1964 have been drawn upon, primarily because of delays in developmental programs in the recipient countries. By comparison, about two thirds of such economic aid to Communist countries has been used.

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SECRET

Page 11 WEEKLY SUMMARY 17 Dec 65



SECRET



The Communists apparently plan to intensify the fighting in Laos, although they have made no significant new attacks in the past several weeks.

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On 8 December the Pathet Lao radio announced a "mobilization order" which described the military situation as "very critical" and claimed that "counterthrusts" would have to be made to preserve "our territory." These actions are portrayed as defensive, but the Communists also refer to possible thrusts in areas "held by the enemy." The entire statement is reminiscent of similar Communist exhortations made prior to increased military activity in past years.

In the panhandle area, military activity in the past week has been confined to small-scale skirmishes. Government forces are continuing a cautious sweep south and east of Thakhek in an effort to regain positions lost in early November. The Communists apparently have strengthened their positions along the Se Bang Fai River and have increased their probes in that area.

nists have made plans for an attack just north of Attopeu during the current dry season. 25X1

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There are indications that the Communists may also be planning to step up their activity in northern Laos, where they have been generally quiet during the past ten months. They may strike back in the Plaine des Jarres area, where a strategic Communist position has been under concerted attack in the past several weeks. Roadwatch reports indicating very heavy enemy truck movements near Samneua town suggest that the Communists may make another attempt to clear Route 6.

SECRET

Page 13 WEEKLY SUMMARY 17 Dec 65

INDONESIAN ARMY KEEPS INITIATIVE AGAINST SUKARNO

The Indonesian Army is maintaining the initiative in its political sparring with President Sukarno.

It registered a clear gain this week with the removal of Foreign Minister Subandrio from his position as deputy commander of the powerful Supreme Operations Command (KOTI). A triumvirate replaces him. In the new arrangement, Defense Minister Nasution will be responsible for military affairs, the Sultan of Jogjakarta will oversee economic matters, and Minister for People's Relations Ruslan Abdulgani will handle social issues.

Subandrio's ouster may indicate that Sukarno is reassessing the political cost of continued support for a man widely thought to be implicated in September's abortive coup. The US Embassy in Djakarta reports a growing coolness toward Sukarno on the part of the Indonesian press; most papers have endorsed the army's recent actions at Sukarno's expense.

Sukarno has devoted increasing attention to the country's growing economic crisis. In an effort to stem rocketing inflation the President ordered an exchange of currency at the rate of 1,000 old to one new rupiah, combined with a flat confiscation of 10 percent of the new currency.

This, plus a ceiling on prices and a tight control of import quotas, should have a measurable deflationary impact. The army hopes to exploit popular dissatisfaction over the worsening economic situation by placing the blame at Sukarno's door.

Suppression of the Communist Party (PKI) continues, and the army apparently is more hopeful than ever of eventually eliminating it from the Indonesian political mosaic.

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Sukarno,

however, may still hope to reconstitute the party in some other form. In a speech on 11 December he warned that "there would no longer be an Indonesia" without Communist ideology.

Subandrio, who remains foreign minister, has called for talks with Singapore and Malaysia's component territories on their mutual differences. This appears to be little more than a propaganda gesture, since it fails to recognize the integrity of the Malaysian Federation. There is some likelihood, however, that Subandrio is genuinely seeking to improve relations with Singapore.

25X1

SECRET

Page 14 WEEKLY SUMMARY 17 Dec 65

SECRET

YEMEN CONFERENCE IN DEADLOCK

After over three weeks of intermittent conferring at the village of Harad in northern Yemen, Yemeni republicans and royalists remain deadlocked over the formation of a joint provisional government, as provided for in the agreement of last August between Egypt's President Nasir and Saudi King Faysal. The two sides are wrangling over the meaning of the terms of the agreement, which also outlined other steps for ending the three-yearold civil war.

The republicans insist that the provisional government be republican in name, on the grounds that the present republican government is internationally recognized. The national plebiscite scheduled for next November would then accept or reject it. The royalists, backed by Faysal, insist that the provisional regime be neutral, and suggest labeling it simply "the state of Yemen" or "the provisional government of Yemen."

The Saudi and Egyptian leaders have already kept the conference going once when it was on the verge of collapse, and their views remain crucial. The Saudis have urged again that the conference continue at all costs. The Egyptians' position has been equivocal, although Nasir still seems intent on reaching a settlement, however precarious, that would enable him to take his more than 50,000 troops home.

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POLITICS REVIVING AFTER CONGO COUP

Congolese politics are beginning to simmer again as the momentum of General Mobutu's coup runs down. Most of the politicians are disappointed at Mobutu's assumption of power for five years, some important tribal groupings are restive. should be able to keep ahead of these disparate opposition elements. However, Mobutu's call for austerity and hard work seems unlikely to jolt the country out of its traditional ways. Jockeying for position among civilian and military factions thus seems likely to increase gradually in intensity and to pose a steadily greater challenge to Mobutu.

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For the next few weeks at least, Mobutu and Premier Mulamba

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Page 15 WEEKLY SUMMARY 17 Dec 65

SECRET

AFRICANS GIVE BRITAIN MORE TIME ON RHODESIA ISSUE

Only Ghana, Guinea, Mali and Tanzania broke relations with Britain on 15 December pursuant to the resolution of the Organization of African Unity's special conference of foreign ministers on 3 December. The other OAU governments, which quickly developed doubts about the wisdom of the resolution, have apparently decided to use the alternatives for pressuring Britain into strong action against Rhodesia which were offered this week by Nigeria, Ethiopia, and Kenya. Nigeria's Premier Balewa called for a meeting of Commonwealth heads of state in Lagos early in January; the Ethiopian Emperor proposed another OAU conference, this time with heads of state attending; and Kenya's President Kenyatta plans to request a UN Security Council decision for mandatory sanctions against Rhodesia under chapter VII of the UN Charter.

President Kaunda continues to place Zambia's economic interests above his personal and political reasons for wanting to join the sanctions-against-Rhodesia club. His government decided for the time being to meet Prime Minister Smith's requirement that all Rhodesian exports to Zambia be paid for in nonsterling currency.

Kaunda continues to insist that Britain must station troops on the Rhodesian side of the Kariba dam. Kaunda is unlikely to accept the World Bank's reported offer to establish a small security force at the dam. In an apparent attempt to exert more pressure on London to station British troops there, Kaunda has decided to dispatch delegations to Washington and Moscow to discuss protection of the dam.

In Rhodesia, economic sanctions are being felt sooner than anticipated, but there are no apparent breaks in the ranks of the white militants. Rather, Smith's support--even among those not originally committed to independence--is reportedly growing as the sanctions increase. 25X6

25X1

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SECRET

Page 16

WEEKLY SUMMARY 17 Dec 65

SECRET

DISSIDENCE IN ETHIOPIAN BORDER PROVINCES

Security conditions in peripheral Ethiopian areas are deteriorating and causing increasing concern to US officials in Addis Ababa.

During the past two to three years government forces have encountered growing trouble in several outlying provinces which Addis Ababa has never tightly controlled, notably western Eritrea, Sidamo, Bale, and Ilubabor. Somali tribal dissidence poses a continuing problem in Harar Province, although it has abated since Ethiopian and Somali Republic army units clashed along the border two years ago.

The US Embassy in Addis Ababa reports that the growing numbers of



Approved For Release 2009/03/20 : CIA-RDP79-00927A005100060001-1

17 Dec 65

WEEKLY SUMMARY

Page 17

SECRET

Americans traveling and working in the remote areas risk American casualties, although no deaths have yet resulted. The embassy is concerned also that security problems will impede US developmental projects.

Various motivations stir the dissidents: religious enmity. tribal rivalries, political differences, and simple brigandage as practiced through the centuries. The ruling Christian Amhara peoples have traditionally displayed a superior attitude toward the Muslim and animist tribesmen, the central government has failed to redress many of their long-standing grievances, and the pace of development in remote areas has lagged.

In recent years a heavy influx of arms has reached the dissident tribes, and occasionally given them an advantage over government Some weapons security forces.

have been acquired through capture from government-supplied tribes, from police and army units, and from travelers. Others are acquired by smuggling from neighboring countries, and still others come initially from Ethiopian officials, including the Emperor, who seek thus to secure the loyalty of doubtful tribes. In addition, the wide distribution of transistor radios has increased the impact of propaganda broadcast from Cairo, Khartoum, Damascus, and Mogadiscio.

In the view of the embassy the most crucial factor is the weakness of the Ethiopian security forces, which continue to deal with tribal dissidence in the traditional manner by burning villages, destroying or removing crops and cattle, and beating or killing the people. In addition, the Emperor, even while seeking further aid from the US, has obstructed modernization of the forces lest he increase their potential for staging a coup.

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Europe

FINNISH PROPOSAL TO NEUTRALIZE NORTHERN SCANDINAVIA

There has been no official Norwegian reply to Finnish President Kekkonen's proposal for a treaty between Norway and Finland neutralizing their northernmost The proposal was made provinces. in a public address on 29 November. The Norwegian press and various Oslo officials have reacted in an almost uniformly negative fashion, but the Borten government has hesitated to reject the suggestion out of hand and is taking the position that no immediate answer is required.

The proposal was couched in imprecise terms, but Kekkonen contended that the treaty would alleviate tension along the Finnish-Norwegian border during periods of international crisis and would eliminate the threat to this area posed by the fact that NATO and Soviet forces face one another along Norway's 122-mile frontier with the USSR in the far north. Kekkonen apparently has it in mind that both Norway and Finland would defend this territory against a move by either Warsaw Pact or NATO countries

SECRET

17 Dec 65

Page 18 WEEKLY SUMMARY Approved For Release 2009/03/20 : CIA-RDP79-00927A005100060001-1

SECRET

to use the area as a path of attack. In short, Norway--a NATO member-would be asked to remove all or a portion of the northernmost part of its territory from the protection of the alliance. Norway has never permitted foreign troops or nuclear weapons to be stationed on its soil in peacetime. but NATO would be handicapped in other ways if the northern province of Finnmark were to assume a special status. The Oslo government, for example, has permitted NATO to hold military exercises in the area.

There continues to be considerable speculation in Finland and

elsewhere in Scandinavia regarding Kekkonen's motives in advancing the proposal. The US Embassy in Helsinki believes he was motivated by foreign policy as well as domestic political considera-Kekkonen may have extions. pected to gain some credit with the Soviet Union by the initiative, which he advanced along with his frequently proposed scheme for declaring Northern Europe a nuclear-free zone. Soviet propaganda, however, has thus far not commented on the proposal, perhaps in order to avoid strengthening speculation that it was inspired by Moscow.



Kekkonen was probably also seeking to enhance the prospects of his Center Party in next year's national elections by reminding the voters of the importance of electing a government which has the confidence and support of the Soviet Union. Faced with the continuing decline of the rural population, the agrarian-based Center Party has sought to broaden its support by turning to the all-important area of foreign relations. where it claims for itself a special competence and understanding 25X1 of the USSR by virtue of Kekkonen's good relations with the Soviet leadership.

SECRET

Page 19 WEEKLY SUMMARY 17 Dec 65



COSTA RICA TO HOLD NATIONAL ELECTIONS IN FEBRUARY

The outcome of the Costa Rican national elections of 6 February 1966 will be extremely close in the view of the US Embassy in San Jose. At the present time, Daniel Oduber, standard bearer of the ruling National Liberation Party (PLN) is accorded a slight edge for the presidency over opposition coalition candidate, Jose Joaquin Trejos.

Oduber, a shrewd, pragmatic politician, is a leader of the PLN's sizable liberal wing. The PLN ticket, which appears to be moderate and broadly based, was fashioned to please conservative, wealthy members of the PLN and to nullify opposition attempts to link Oduber to Castro and the Communists. Even if Oduber wins, the PLN may have only a thin majority in the 57-man unicameral Legislative Assembly.

Political neophyte Trejos of the opposition National Unification Party (UN), a coalition of the Republican and National Union parties, is a moderate and highly respected university professor. His candidacy has also been endorsed by a third faction, the United Republican Action Party of ex-President Mario Echandi. The UN ticket covers the political spectrum. Dr. Jorge Vega, its candidate for the first vice-presidency, is wealthy and ultraconservative, while Calvo Sanchez, candidate for the second vice-presidency,

is a member of the Republican reformist wing. Among the problems Trejos has had to face are the strong organizational advantage of the PLN, and the fear of many of his supporters that the Republican Party would have "excessive" influence in a UN government. Also it is unclear whether the Trejos ticket will retain the active support of Echandi and his backers now that they have failed to get the UN to run pro-Echandi legislative candidates.

A Trejos victory would bring to power a coalition of disparate groups. Their lack of a unified approach would impede government operations and might herald increased nationalism in Costa Rican dealings with the United States.

The embassy believes Oduber, if elected, would spare no effort to make his administration a successful one under the general framework of the Alliance for Progress. The embassy also believes that an Oduber administration, although it might well take a somewhat more liberal and independent line on some issues, would not depart substantially from the pro-US cast of the incumbent Orlich government, and that the prospects for smooth transition and effective government would be better than in the case of a Trejos victory.

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SECRET

Page 21 WEEKLY SUMMARY 17 Dec 65

LABOR UNREST AND POLITICKING IN THE DOMINICAN REPUBLIC

Mounting labor unrest could provoke a new crisis in the Dominican Republic. President Garcia Godoy's decision to pay only part of the traditional Christman bonus to public employees and his intention to enforce a November decree which forbids strikes by government employees are being put to the test by a wave of strikes in public offices. Civil servants demanding the payment of back wages have joined a strike which started with a call by two of the country's three labor federations for walkouts at most of the government-owned sugar mills.

The government's firmness in dealing with disorders by unemployed workers at a US-owned banana plantation near Azua has become a political campaign is-In an effort to increase sue. waning Dominican Revolutionary Party (PRD) strength in the labor movement, Juan Bosch has publicly taken the administration to task for using troops and arrests to prevent violence at the plantation. Labor problems at the US-owned La Romana sugar central could also easily flare up as management faces an extremist-controlled union in contract talks.

Little remains of the vaguely defined political truce called for by the OAS peace terms. Campaigning for the June 1966 elections by the two major parties, the FRD and Joaquin Balaguer's Reformist Party (FR), has earnestly begun. Bosch took to the airwaves on 11 December

to answer charges by Balaguer and others of government partiality toward the PRD. Employ_ ing the style he so effectively used in the 1962 campaign, Bosch charged that everything that has adversely affected the PRD or the "people's" interests is part of a plot by reactionary sectors to rekindle the civil war. Bosch took the opportunity to lump such elements as the military terrorists, US news media, and the US-owned banana company into the reactionary category.

The working relationship between Garcia Godoy and military leaders has been maintained and the Fresident continues to issue optimistic statements concerning the integration of rebel military personnel into the armed forces. Over 300 former rebels reportedly have been paid off and have left the 27th of February camp, according to Garcia Godoy. He told US officials that he expects the remaining rebels who are eligible will be incorporated into the military this week--perhaps a too-optimistic estimate. To reduce temporarily the number of troublemakers in the armed services, the government has accepted an Israeli offer to provide three months' training to Dominican officers.

In an effort to promote honest elections next June, the government has announced that new identification cards, used in the voting process, will be issued. Numerous reports have indicated that leftist forces had illegally acquired large stocks of the old cards.

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Page 22 WEEKLY SUMMARY 17 Dec 65

VENEZUELAN REACTION TO COMMUNIST TERRORISM

An explosion on 6 December which killed a congressman's pretty, young wife--she was Miss Venezuela in 1963--appears to have dispelled the government's hope that the Venezuelan Communist Party (PCV) and its ally, the Movement of the Revolutionary Left (MIR), might soon abandon violence in favor of legitimate political action.

Congress, in a special joint session on 7 December, unanimously condemned both the PCV and MIR. President Leoni also spoke out against the PCV. A subsequent Communist effort to shift the blame to unidentified rightists served only to infuriate the military. Sharp denials and countercharges were issued by spokesmen for those officers who feel the government has not been sufficiently vigorous in pursuing terrorists and guerrillas of the PCV/MIR paramilitary group, the Armed Forces of National Liberation (FALN). A secondary public reaction thereafter was a ripple of rumors that a military coup was imminent, but such rumors seem to have died down.

Even before the bombing, efforts by PCV moderates to create a peace-loving image were being thwarted by MIR and FALN murders of policemen, national guardsmen, and agrarian leaders. A recent editorial in La Republica, a daily that often acts as the government's unofficial mouthpiece, cited these and other incidents in refuting a PCV claim that the government had rejected Communist overtures for rapprochement. Among other things, the paper pointed out that the PCV had been offered "concrete opportunities" for pacification since before the elections of December 1963.

The paper repeated a statement from President Leoni's first message to Congress, in January 1964, that if the Communists would abandon violence and give proof of their new stand they would open the path to rehabilitation of their party. La Republica denied Communist charges of ideological persecution, pointing out that the PCV is still legal and that captured terrorists and guerrillas were jailed for civil crimes rather than for political activities.

Recently, dissension has appeared among the leaders of the PCV and the MIR. Some are trying to persuade their violence-minded colleagues to return to orthodox political action--the so-called "via pacifica." The dispute between advocates of violence and proponents of the "via pacifica" is inducing polarization in both parties. Members of both groups have threatened to split away to follow the policies they advocate. Such a formal schism would reduce the present slim possibility that the advocates of political action would be able to stop the violence committed by the die-hard terrorists of the MIR and the FALN.

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Page 23 WEEKLY SUMMARY 17 Dec 65

Approved For Release 2009/03/20 : CIA-RDP79-00927A005100060001-1

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URUGUAYAN LABOR TENSIONS EASE

At least temporary peace appears to be returning to the Uruguayan labor scene in the wake of a reported agreement between the government and both state and autonomous agency employees.

The government was forced to reimpose emergency security measures during the week of 6 December in order to deal with the protracted labor unrest. Although wages were no longer at issue, workers had refused to accept penalties the government imposed on those who took part in strikes in October. Most government employees engaged in strikes and slowdowns, which on 9 December virtually paralyzed all but emergency services. Scattered incidents of violence and sabotage occurred, and police arrested several hundred striking bank and press employees.

The majority faction of the government let it be known that it was considering breaking relations with the USSR because of alleged Soviet interference in the labor crisis. The threat to sever relations appears to have been intended primarily to frighten the Uruguayan Communists and to make them halt the labor agitation, for which they were in large part responsible. Government leaders seemingly had little serious intention of breaking relations with the Soviets-with whom they have just concluded a substantial wool sale --and were surprised at the international reaction to their threat. The government may now, however, consider limiting the activities of bloc diplomats and reducing the size of the large Soviet Embassy staff in Montevideo.

The maneuver appears to have served its purpose, as labor leaders reportedly have agreed to accept some pay sanctions. The government reduced to suspension the penalty of dismissal which had been assessed against some workers and agreed to release jailed trade unionists. The Communist-influenced National Workers' Convention suspended its planned 14 December general strike.

Uruguay's labor difficulties are far from solved, however. The cost of living has risen nearly 60 percent in the first eleven months of 1965 and unemployment is increasing. Many workers in the private sector will probably press for wage agreements more favorable than the 26- to 30-percent adjustment made for the government employees. The government workers themselves will probably become increasingly dissatisfied with their salaries, which are frozen until after next November's election.

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Page 24 WEEKLY SUMMARY 17 Dec 65

United Nations

UN FINANCING AND PEACEKEEPING PROBLEMS STILL AT IMPASSE

No progress has been made in resolving the problems of initiating and financing UN peacekeeping operations in the four months since the US reluctantly agreed to drop further efforts to enforce Article 19 against delinquent members. Following the failure of the current 20th session of the General Assembly to find solutions, the whole problem has been dumped once again on the Committee of 33, whose mandate has recently been extended.

The UN is increasingly hard put to find ways of financing the peacekeeping operations it Secrehas already authorized. tary General Thant has indicated it may be necessary to resort to assessments to save the Cyprus operation, especially since the Scandinavian countries which have provided troops have been pressing for reimbursement of their expenses. Contingency funds for the two UN missions in Kashmir are exhausted and Thant is seeking to have them financed under the regular budget. To overcome the expected Soviet and French objections, he may resort to the French formula whereby the Security Council would "invite" the General Assembly to inscribe the expenses in the regular budget. However, the method of financing these operations may in the end be modeled after whatever compromise is reached for financing the Middle East Emergency Force (UNEF), one of the oldest UN operations which now is under close review.

The current assembly's only specific move so far toward re-

solving the precarious financial situation is approval of a French resolution for a year's study on UN expenditures. Response to the UK's lead earlier this year in making voluntary contributions to alleviate the critical situation has been poor. Moscow and Paris, the principal delinquents, have still not made contributions, although France may do so in the first quarter of 1966.

Discussion on future peacekeeping operations in the assembly's Special Political Committee has focused on the Irish proposal to revise the Uniting for Peace resolution which allows the assembly to take peacekeeping action when the Security Council is paralyzed by a veto. Irish Foreign Minister Aiken, author of the resolution, maintains that it is necessary to reimpose mandatory assessments for peacekeeping if the UN is to operate at all. The Soviet delegate, however, has maintained the traditional Soviet position that the proposal is at variance with UN Charter provisions giving the Security Council jurisdiction in peacekeeping.

This Soviet opposition and reservations on the part of other countries caused the Irish proposal to be referred to the Committee of 33. Past experience has shown, however, that if the committee is to become more than a debating forum it will need firm guidelines on how to proceed and what should be accomplished before the 21st assembly.

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Page 25 WEEKLY SUMMARY

17 Dec 65

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SECRET

17 December 1965

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SPECIAL REPORT

SOVIET MILITARY DOCTRINE FOR NIGHT OPERATIONS

CENTRAL INTELLIGENCE AGENCY OFFICE OF CURRENT INTELLIGENCE

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SOVIET MILITARY DOCTRINE FOR NIGHT OPERATIONS

Soviet military doctrine has always emphasized surprise as a vital factor for battlefield success. To achieve this surprise, the Soviets stress that night operations must be conducted with the same efficiency and in the same magnitude and tempo as daylight operations. Soviet military training reflects this by great attention to night exercises, and Soviet science equals the US capability to develop night vision aids.

Doctrinal Change Since the War

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During World War II, the Soviets used darkness and fog primarily for troop movements, for preparation of large-scale daylight attacks, for construction of field fortifications, and for supply operations. Night operations usually consisted of attacks in up to regimental strength, reconnaissance in force, and raids. Tanks were regarded as dawn-to-dusk weapons.

Current Soviet doctrine emphasizes that operations at night are to be considered a normal phase of combat which provides maximum opportunity for achieving surprise and reducing losses from enemy fire. Full offensives, including tank units, may be initiated at night, and an offensive begun during daylight is expected to maintain momentum beyond nightfall.

The Field Service Regulations of the USSR Armed Forces --the field "bible" for division

Page 1

and regimental commanders--has a section providing detailed guidance for the conduct of night offensive operations. This section states in part: "Extensive use should be made of night conditions to conduct offensive operations with decisive aims. A night offensive facilitates the delivery of surprise strikes and the continuity of combat operations. It also makes countermeasures more difficult for the enemy.... The success of combat operations at night depends on thorough planning and on the training of troops, and also on the skillful handling of night vision devices and illumination equipment."

Training for Night Operations

The Soviets recognize that the skills necessary for the effective conduct of night operations can only be attained by constant training. Soviet units are known to conduct realistic night training exercises at all levels.

SECRET SPECIAL REPORT

17 Dec 65


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Soviet military publications frequently publish articles discussing night training and operational techniques or praising units which have demonstrated proficiency. For example, Military Herald, the major unclassified journal for combined-arms commanders, had an article in its November 1965 issue titled "Training in Night Firing." This article praised and described in detail the training in night firing techniques conducted by a motorized infantry company.

Night Vision Aids

Soviet night combat doctrine emphasizes the employment of illumination and night vision devices by friendly forces and restricting enemy use of such equipment. The Soviet ground forces now are equipped to overcome the lack of visibility at night and to detect and counter enemy use of infrared equipment. (See photos on reverse of page).

Although Soviet forces in the field are widely supplied with night vision equipment, most of it is not much more sophisticated than that which was available to US and German forces at the end of World War II. Nevertheless, infrared vision, driving, and aiming aids are mounted as standard equipment on Soviet tanks and some other vehicles. Passive infrared detection equipment has been issued to Soviet field forces down to squad level.

The Soviets also plan extensive use of searchlights, illuminating artillery shells, and signal and identification devices. According to the field regulations, "Aircraft...are brought in to create lighted reference points in enemy positions and to illuminate the most important targets." To aid in the concealment of Soviet forces, the regulations state: "In addition to its usual tasks, artillery destroys enemy radiotechnical means and night vision equipment."

The Soviets have demonstrated a determination to develop more sophisticated night vision equipment for their field forces. Beginning with the German equipment and scientists captured during World War II, the Soviets launched an intensive developmental program that continues to the present. While this work is highly classified, available information indicates a capability to develop advanced infrared equipment and low-level light amplification devices for tactical forces which is at least equal to that of the Current emphasis appears to US. be on the development of less vulnerable passive systems which do not expose the user to detec-So far as is known, none tion. of these highly sophisticated systems has yet been issued to troops.

SECRET SPECIAL REPORT

Page 3

17 Dec 65

Approved For Release 2009/03/20 : CIA-RDP79-00927A005100060001-1



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SPECIAL REPORT

POPULAR ATTITUDES AND MORALE IN COMMUNIST CHINA

CENTRAL INTELLIGENCE AGENCY OFFICE OF CURRENT INTELLIGENCE

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POPULAR ATTITUDES AND MORALE IN COMMUNIST CHINA

Until 1958, the Peking regime had the general approval of the majority of the Chinese people. Since the failure of the "Great Leap Forward" and the economic disasters of the years 1959 through 1961, the gap between the revolutionary goals of the leadership and the individual, materialistic goals of the people has widened. The regime can command compliance and obedience but it is unable to arouse the population from its political apathy. The leadership would like to recover some measure of the former revolutionary elan, and has been conducting persistent and intense political indoctrination programs for this purpose. At present, these programs appear largely ineffective.

The Peasants

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The morale of China's 600 million peasants is closely tied to their current living situation, and their attitudes to the policies of the regime that directly affect them. The average Chinese peasant lives a spartan and localized life. He is a member of a commune where he works on collective farmlands and tills his own minuscule private plot. The average rural resident eats about 2,000 calories a day--much more than in 1960-61, but still slightly less than in a "normal" year such as 1957. About 20 percent of this is supplementary food which he has grown himself or bought on the open market. He earns very little cash, but there is little need for money except to buy food

Page 1

to supplement his rations. His greatest material need is probably for cloth, and he has been limited to a cotton cloth ration of less than five feet a year for the past several years. His well being depends to a large degree on the state of the harvest, which has been barely average since 1962.

The failures of the "Great Leap Forward" and subsequent regime concessions to time-honored methods and individual enterprise have destroyed whatever belief the peasant might have had that the regime was infallible. In fact, he probably resents its efforts to spur him on to greater political and economic achievements from which there is little personal gain. These feelings are essentially passive, however, and he would probably not do anything to express his dissatisfaction as long as he could somehow manage to exist. If he lived close enough to Hong Kong or Macao and an opportunity to escape arose, he would probably take advantage of it. He probably thinks or

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SPECIAL REPORT 17 Dec 65

knows little about foreign affairs, except when he is called upon to make greater efforts, for example, for the war in Vietnam. He is probably somewhat skeptical of the regime's propaganda in general, and this skepticism probably extends to propaganda about US weaknesses and hostile intentions.

The regime would like to overcome peasant apathy and has devoted considerable propaganda and organizational effort to this purpose. The spring and summer of 1965 maw the renewal of Poor and Lower Middle Peasant Associations, with hints that these organizations would have some voice in local agricultural programing. Composed of the most "progressive" peasants and separate from the commune structure itself, these organs could serve as checks on the local party cadres as well as rallying points for the peasants. They appear to be under the control of a new central committee department called the Political Work Department for Agriculture and Forestry, established in August 1965.

Youth



By Mao Tse-tung's own admission. China's 130 million youth (aged 15-24) are a source of worry to the Peking leaders, mostly because the coming generation lacks the revolutionary zeal that brought the present leadership to power. Even worse, a large part of the young people apparently do not support the regime. They were prominent in the May 1962 exodus of refugees from Kwangtung to Hong Kong, and 10,000 of the 11,000 high school and college students who vacationed in Hong Kong in the summer of 1962 opted not to return to China. Since then, the Communists have held the number of exit permits for students to a few hundred per summer.

China's youth are probably most dissatisfied because there seems to be no future for them on the mainland. Opportunities for schooling are extremely limited. In one high school in Peking, for example, only 20 percent of the junior high school students who wanted to could continue their schooling in 1965 and only about 30 percent of the senior high school students who so desired could go on to college. These proportions probably are much lower in other cit-Peking itself announced ies. in April 1963 that 100,000 of the 170,000 college and university graduates of 1962 were required to return to rural areas for employment.

For the young person whose schooling has been terminated, there are few job opportunities. The regime has tried to accommodate them by moving many to remote areas such as Sinkiang or enrolling them in "half-work, half-study" schools, from which a career as a farmer or factory worker is the most they can expect. The current stagnation in

Page 2 SPECIAL REPORT

17 Tec 65

Approved For Release 2009/03/20 : CIA-RDP79-00927A005100060001-1

SECRET

industrial activity precludes any extensive recruitment of youths by factories.

Such dim prospects engender loss of faith in the regime's wisdom and purpose, as well as personal disappointment. Lowered standards of instruction and the forced migration to rural areas with their more primitive educational facilities are criticized

Impatience with political indoctrination is widespread. The regime's attempted remedies, including a revamping and expansion of party-affiliated youth organizations and increased indoctrination, appear to be ineffective.

There is no evidence either of any recent general overt expression of dissatisfaction on the part of young people, or that they could express their dissatisfaction without expecting sharp reprisals from the government. It is unlikely, however, that the regime can spur them on to be true "revolutionary successors."

Intellectuals



The four million or more professional people who make up China's academic, artistic, and managerial intelligentsia have

been a prime target of indoctrination since 1949, and they probably reciprocate the regime's distrust of them. Their standing in China has varied from the extreme low after the "100 flowers" movement in 1957 to the relative high of the early 1960s when the regime openly acknowledged its need for them and told them that their expertise, even without "redness," would suffice. This policy again began shifting in 1964, and recent indications 25X1 are that political indoctrination may again be intensified. In June 1965, China's foremost rocket expert, US-trained Chien Hsuehpublicly apologized for havsen ing belittled politics in the past and recommended that scientists study Mao's works more conscientiously.

These people must find the regime's erratic industrial and economic policies frustrating. They must also resent the time "wasted" on political indoctrination and labor stints in the countryside. The close party supervision of their work, as well as the constant suspicion with which they are treated, have also been sources of private complaints.

Since all top Chinese intellectuals were either trained in the West or had teachers trained there, they, more than any other segment of Chinese society, appreciate the wealth and power of the West and are able to contrast this with China's tremendously backward state. They remain, however, very much Chinacentered and furthermore tend to credit the regime at least with re-establishing China as a world power.

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Page 3 SPECIAL REPORT

17 Dec 65

Approved For Release 2009/03/20 : CIA-RDP79-00927A005100060001-1

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Party Apparatus

Some cadres have become increasingly corrupt and have trekked on a deviate path.... Some cadres have lost their great revolutionary, traditional spirit.... This has become a very shameful and serious problem. (Secret directive on "socialist education" for cadres, issued by the party central committee, November 1964)

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Medium and lower level party cadres are the officials who must carry out the regime's policies and as such are most often the direct recipients of blame or praise for failure or success from both the people and the government. Since late 1962, they have been receiving particular attention in political indoctrination from the Chinese leadership.

Most conspicuous of the regime's efforts has been the "four clearance" phase of the socialist education movement, which centers on discovering cadres' errors and misdeeds and which is to continue until as late as 1972. Substantial numbers of infractions by local cadres have been found (4,000 in one county in Kwangtung), involving embezzlement of funds, misuse of official position, promiscuity, and the like. There have been several reported instances of suicide by miscreant cadres, indicating that at least some have reached the breaking point.

The confidence of workinglevel party cadres in the rewards of absolute party fidelity has been gravely impaired by contradictory domestic policies of the regime as well as by their own observation of peasant hardships. During periods of economic difficulties such as the serious food shortages of the winter of 1960-1961, reports were received of cadres purposely overlooking cases of theft of food from the fields. The cadres have increasingly tended to discard the ascetic self-sacrifice of earlier days in favor of naked opportunism, which the current socialist education movement is Indications meant to correct. are, however, that the movement is counterproductive, and in fact has impaired the morale and effectiveness of low-level officials.

The purification campaigns so far have been aimed chiefly at officials in factories and collective farms. Since mid-October, county-level officials for the first time have been made the target of a "socialist education movement." People's Daily has published several editorials criticizing county-level leadership for being "out of balance" and demanding that it be "revolutionized."

Cadres are probably more cynical toward official propaganda on all subjects than the population generally. They are for the most part, however, so committed to the regime that they would not seriously entertain any ideas, or take any actions, significantly at variance with the party line.

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Page 4

SPECIAL REPORT 17 Dec 65

Armed Forces

Party influence permeates all levels of the 2.5-millionman armed forces. The senior political and military leaders are united by ties of comradeship in a long revolutionary war. Political commissars are assigned to every command down to company level. Although the troops are conscripts, they are selected for political reliability and receive constant political indoctrination.

Among the officer corps, however, there appear to be persistent frictions with the party.

The

abolition of military ranks on 1 June 1965 for the announced purpose of strengthening "revolutionary purity" of the People's Liberation Army was followed by an increase in indoctrination aimed at officers above regimental level. These measures could adversely affect morale. Many military officers probably believe that party interference is excessive and that the party is paying too much attention to Mao's guerrilla war doctrines and not enough to problems of modernization.

The over-all morale and discipline within the armed forces is probably good, however. Morale sagged in the lean years of 19591961 in reaction to ration cuts and adverse news from home regions, but the regime moved effectively to counter this reaction by giving soldiers preferential treatment while simultaneously tightening discipline and party control. Combat victories during the Sino-Indian border conflict in 1962 and China's nuclear testing in 1964 and 1965 also provided a psychological lift. Military defectors are rare.

Outlook

The heavy political indoctrination campaigns that the regime is relying on to counter 25X1 the negative attitudes and poor morale in Chinese society are unlikely to have the desired effect. So long as the regime insists on "politics over economics," emphasizes political and police controls over material incentives, and refuses to allow scope for the development of personal individual goals for fear that this will replace state-oriented goals, there will be popular disaffection. And the present leaders of the Chinese Communist regime show no indication that they can escape long enough from their ideological strait jacket to effect significant changes in their approach.

Under these circumstances, demands from the people for an amelioration of their harsh lives and for a relaxation of

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Page 5 SPECIAL REPORT

17 Dec 65

the insistent pressures for political conformity will increase. These demands are unlikely in the near future to lead to much active resistance, for the military and police controls are too strong for this. But apathy, work slowdowns, and passive resistance to the regime's desires will result.

Given the present leaders' ossified views, an ascending spiral of counterpressures may result. As popular morale sinks and negative attitudes grow, the regime is likely to attempt even greater political oppression. This will bring in its wake more disaffection. Such a cycle will not follow a neat mathematical progression: the current regime has shown itself capable of temporary periods of relaxation when the weight of its programs has proven too much for the people The net result over the to bear. years, however, has been for a gradual increase in the oppression.

While the present regime seems unlikely to change even in the face of increased public passive resistance, a new generation of leaders may well adopt a more pragmatic view. This, in fact, is what happened in the Soviet Union after Stalin's death. Although a similar development will not necessarily occur in Communist China, Mao Tse-tung himself has made it clear on many occasions that it is this adoption of Soviet "revisionism" that he most fears in those who are likely to replace the men now in power.



Page 6

17 Dec 65 SPECIAL REPORT

Approved For Release 2009/03/20 : CIA-RDP79-00927A005100060001-1

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