

4 March 1966

OCI No. 0279/66

Copy No. 49

# WEEKLY SUMMARY

## CENTRAL INTELLIGENCE AGENCY OFFICE OF CURRENT INTELLIGENCE

State Dept. review completed

ARMY review(s) completed

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**C O N T E N T S**

(Information as of noon EST, 3 March 1966)

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<p>The continuing increase in Viet Cong activity in South Vietnam has resulted in mounting casualties on both sides. Communist propaganda exploiting the current US debate over Vietnam policy has begun to appear. Hanoi has not yet commented specifically on Senator Kennedy's remarks on Viet Cong participation in a Saigon coalition regime, but Peking has denounced the suggestion as a "trick." British Prime Minister Wilson's visit to Moscow failed to induce any movement in Soviet tactics on Vietnam.</p>	
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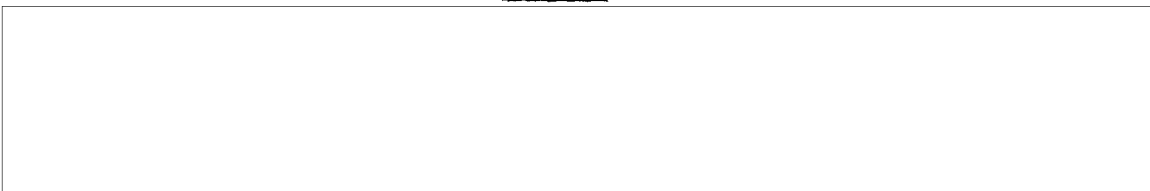
**INDONESIA'S SUKARNO LIKELY TO RESUME LEFTIST POLICIES** 17  
 Sukarno's recent moves against the army have met no significant resistance. He has declared that Indonesia is now back on its original revolutionary path.

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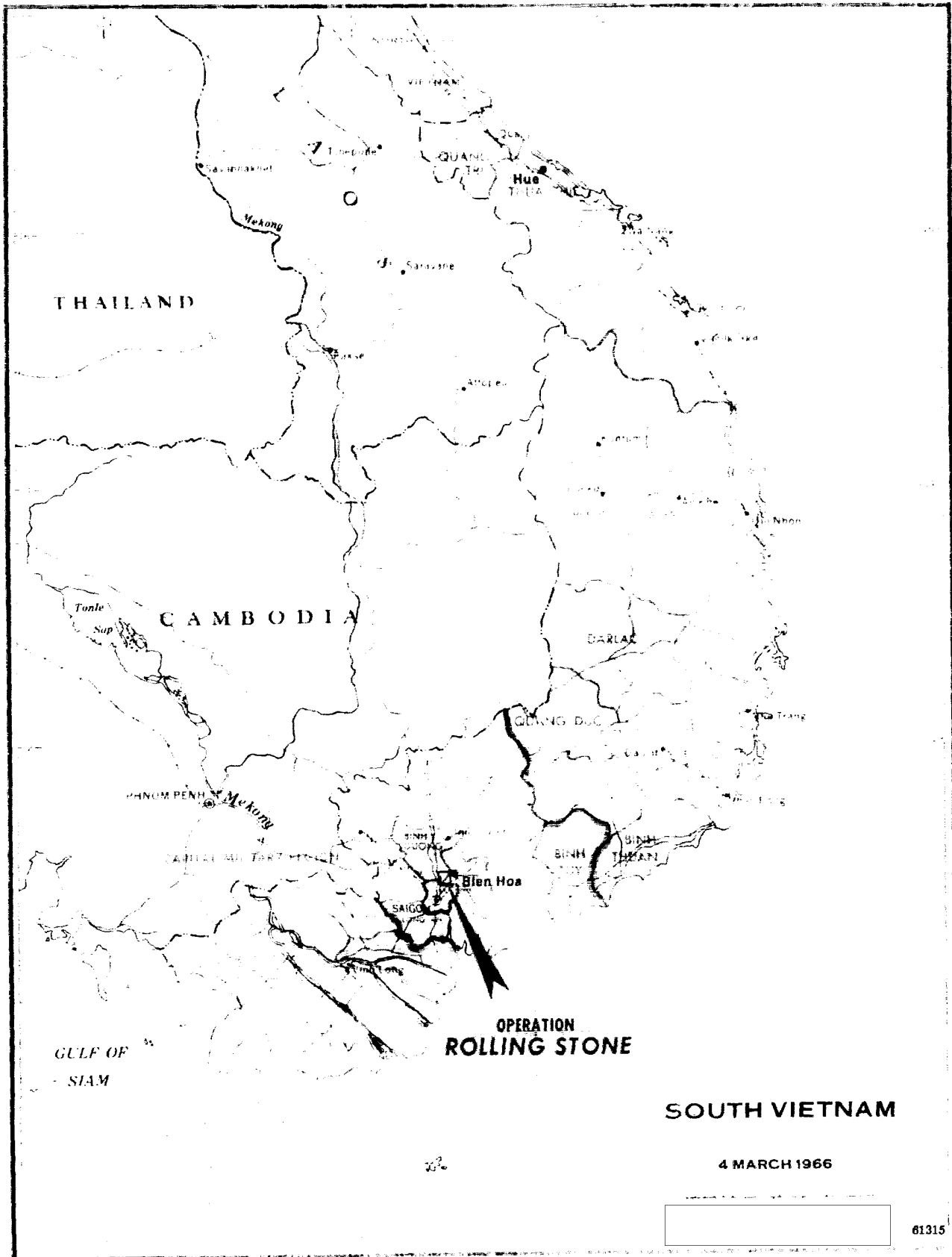
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VIETNAM

The increase in Viet Cong activity which began in late February continued this week, with enemy initiatives reported throughout the country.

Two significant attacks on US troops occurred in the Binh Duong - Bien Hoa area of III Corps. On 24 February, US forces conducting Operation ROLLING STONE in Binh Duong Province successfully defended their command post against three enemy battalions, killing over 100 Viet Cong. Two days later, a company of the US 173rd Airborne Brigade on patrol several miles north of Bien Hoa sustained casualties of 14 killed and 76 wounded during a two-hour battle with a force of unknown size. US and Australian forces searching this area have failed to re-establish contact.

Other large-scale enemy assaults were reported in Binh Thuan and Binh Tuy provinces, as were coordinated attacks against outposts around district towns in Long An and Dinh Tuong. Installations in the normally quiet provinces of Quang Duc and Darlac were also attacked by smaller Viet Cong forces.

South Vietnamese troops in Quang Tri Province reacted to enemy activity earlier in the week by launching an operation several miles north of the provincial capital on 24 February.

In four days of intense fighting, more than 350 Viet Cong were reported killed. Government troops and US marines operating south-east of Hue in Thua Thien Province killed over 150 Viet Cong in the same period.

The higher tempo of military activity has resulted in mounting casualties on both sides. With losses in some actions not yet included, allied casualties of more than 2,300--the highest of the war--were reported for the week ending 26 February. In the first two months of this year, Viet Cong losses have totaled nearly 8,000 killed and captured. However, US military officials in Saigon have estimated that the enemy has the capability--through infiltration and local recruitment--to put some 8,000 new troops in the field each month.

South Vietnamese Politics

The Saigon government is apparently planning to hold provincial and municipal elections this spring. Government officials had considered extending for two years the terms of present council members, elected last May under the Quat government. The record of these councils has varied depending upon the local situation and individuals involved. US officials feel that they have been more responsible than originally expected. The holding of local elections this spring may temporarily abate popular demands for national elections.

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Candidates for the "democracy building" council, an appointive national civilian advisory group, are reportedly being reviewed by the ruling military Directorate, and a complete council of about 100 may be made public next week. Directorate Secretary General Chieu, responsible for the nomination of candidates, has reportedly reversed his earlier position and decided to permit certain members of elected provincial councils to serve on the advisory council.

The US Embassy has reported that Catholics, business circles, and ethnic southerners were generally appeased by Premier Ky's recent cabinet reorganization. Although Buddhist circles were unhappy about some of the changes, the embassy sees no sign of any early Buddhist opposition.

### Reaction to US Debate on Vietnam

Communist propaganda reaction to the current debate over American policy in Vietnam has begun to appear. Hanoi Radio quoted extensively from Western press reports to prove that public opposition to US policy is growing rapidly and that the Senate Foreign Relations Committee hearings were bringing the "truth" to the American people. Hanoi broadcast a lengthy statement on the "legal" status of the Liberation Front in an apparent attempt to support the critics of US policy.

A DRV press attaché in Paris reportedly elaborated somewhat on Communist terms for Front participation in a coalition government: North Vietnam could accept a coalition government with "some Ky people as a transitional move" but "both Premier Ky and the Americans would have to go." Hanoi has not commented specifically on Senator Robert Kennedy's remarks on Viet Cong participation in a coalition government in South Vietnam. Peking, however, reacted immediately in a 27 February broadcast implicitly advising the Viet Cong not to settle for anything less than total control of the government. Peking termed Kennedy's suggestions a "trick" and declared that the Front would never play the "walk-in part" of a "showpiece in a puppet regime fostered by the US."

### Wilson's Visit to Moscow

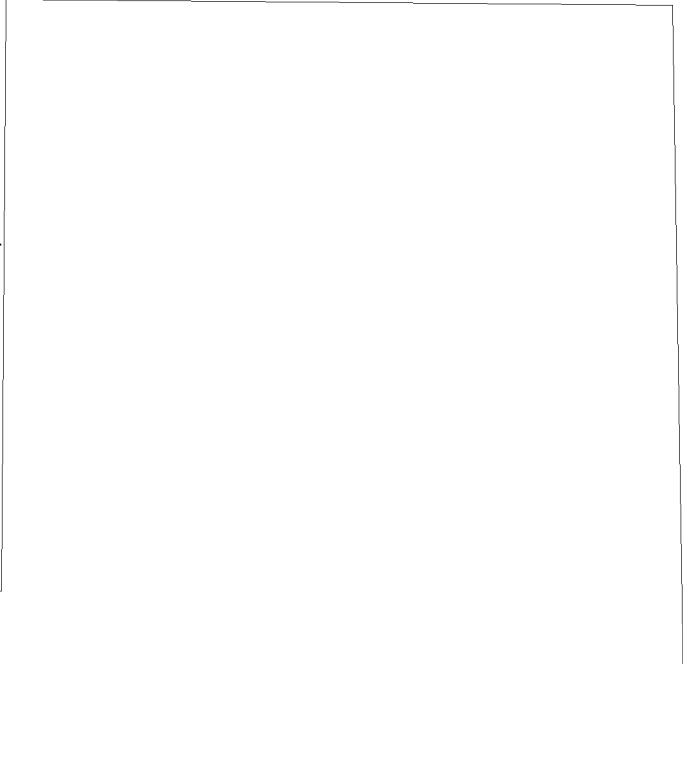
British Prime Minister Wilson's visit to Moscow failed to induce any movement in Soviet tactics on Vietnam. The British got the distinct impression that the Soviet Union sees no door open to negotiations, and accordingly is unwilling to take any initiative. Although worried by the dangers of escalation, the Soviet leaders evidently believe that any Russian move at this time in favor of a negotiated settlement would be ineffective and seriously detrimental to their own interests in the Sino-Soviet dispute.

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Western press reports of Lord Chalfont's discussions with the DRV chargé in Moscow--which implied that the chargé would seek clarification of Hanoi's four-point program for a negotiated solution--were also quickly quashed by Hanoi. Hanoi maintained that the chargé had clearly explained the DRV Government's four-point stand, had condemned British support for US policy, and had unmasked the "wicked US schemes" in proposing "so-called" unconditional negotiations. The North Vietnamese party daily on 26 February attacked the British prime minister for his support of the US.



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The Communist World

**CHANGES IN CENTRAL COMMITTEE AT SOVIET PARTY CONGRESS**

Changes in assignments of Soviet party and government officials since Khrushchev's ouster, although extensive, do not at this time suggest a drastic alteration in the membership of the Central Committee and Central Auditing Commission at the 23rd party congress which convenes on 29 March. Indications are that approximately two thirds of the current membership, a fairly high proportion, will probably be re-elected.

Relatively few new men have been appointed to jobs which customarily warrant membership in the Central Committee. The political connections of most of these are not clear. Although more of them appear to have identifiable political connections with First Secretary Brezhnev than with any

other leader, there are not yet enough of them to demonstrate an extensive rigging of the Central Committee by Brezhnev.

In the central party apparatus, a few new men associated either with Brezhnev or with Deputy Premier Mazurov have been brought into jobs in the ideological and propaganda field which are likely to give them membership on the new Central Committee for the first time. Most of the recent appointments to the central party apparatus, however, are already members of the Central Committee elected in 1961.

Appointments in the various republics seem to reflect the preferences of Presidium members closely associated with those

**Soviet Party Central Committee and Central Auditing Commission**

TABLE 1

Membership According to Major Occupational Categories

	ELECTED AT RECENT CONGRESSES			RETAIN ESTIMATE FOR 1966	NEW	TOTAL CONGRESS
	1952	1956	1961			
Party Officials	144	158	192	115	59	174
of which - Central Apparatus	27	23	36	23	16	39
Government Officials	131	148	171	112	54	166
of which - Military	28	21	34	14	6	20
Police	10	4	2	2	1	3
Diplomatic	9	17	21	14	5	19
Miscellaneous	17	23	44	10	8	18
<b>Total*</b>	<b>273</b>	<b>318</b>	<b>395</b>	<b>232</b>	<b>121</b>	<b>358</b>

\*Total includes double counting of those with dual-membership.

TABLE 2

Members Dropped as Percentage of Membership Elected at Preceding Congress

Congress	Months Between Congresses	Dropped	Rate of Attrition
15th (1927)	24	17%	.70/mo
16th (1930)	31	17%	.55/mo
17th (1934)	43	32%	.74/mo
18th (1939)	61	84%	1.39/mo
19th (1952)	163	63%	.39/mo
20th (1956)	40	35%	.89/mo
21st (1959)*			
22nd (1961)	68	50%	.74/mo
23rd (1966) (to date)	53	32%	.60/mo

\*Extraordinary Congress - no new Central Committee

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areas. Men associated with Brezhnev have also fared well at the republic and province levels, but, again, most are already Central Committee members. A number of appointments in agriculture, an area in which Brezhnev has shown a special interest, probably reflect his preferences as well as those of Polyansky, the Presidium member most directly concerned with agriculture.

Changes in the government bureaucracy have affected few occupants of positions which traditionally carry high party status. Many newly appointed ministers had previously chaired related state committees before the ministerial reforms and are already Central Committee members. A number of other new ministers also already have this status, having served elsewhere in important government positions. Few of the new faces brought into the government since Khrushchev's ouster are likely to be elected to the new central party organs at the forthcoming congress, and the government's weight in the party's central organs is thus likely to remain almost unchanged.

Since 1961, several military officers have gained positions which probably entitle them to membership on the Central Committee. It is more difficult to predict military members to be dropped; possibilities include

one or another of the inactive marshals in the Inspector General Group and wartime associates of Khrushchev presently occupying secondary positions in the high command.

A few Foreign Ministry officials, mostly ambassadors to East European countries, are Central Committee members. The present Soviet ambassadors in Peking, Hanoi, and Pyongyang are not members but the latter two in particular may be given the status as a mark of the improvement in party relations achieved by Khrushchev's successors. The ambassadors to the United States and Britain may also be elevated to membership.

Over-all, assignments involving the top layer of party officials made since Khrushchev's ouster suggest that a rather delicate political balance, somewhat weighted in Brezhnev's favor, now exists. Changes in assignments in many cases have been part of the process of reversing the organizational innovations imposed during the last two years of Khrushchev's regime and of restoring the status quo ante. This process is now largely accomplished, and appointments from now on are likely to be more directly a product of political competition among Khrushchev's successors.

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### USSR ESTABLISHES NEW RULES FOR MANAGEMENT OF ENTERPRISES

The USSR's major economic journal recently published detailed regulations for enterprises converted to the new system of planning and management proposed by Premier Kosygin last September. This system, aimed at improving efficiency and product quality, provides new incentives and somewhat increased freedom of action for the individual enterprise. The published rules reveal no gross changes in Kosygin's outline, and confirm that the new system will not have an immediate major effect on the economy. Apparently only a small number of plants will be affected this year.

Central planners will continue to give each enterprise "assignments" governing level of sales, profit, assortment of products, total wage fund, new investment, supply of materials and equipment, and introduction of new technology. All other factors--such as number of employees, labor productivity, and average wage--are left to the enterprises themselves. The rules make clear that enterprises converted to the new system will still be bound by a tight system of control.

During the first half of 1966 only plants which work well and are highly profitable under present prices will be transferred to the new system. Thereafter, primarily whole branches of industry will be converted. Conversion of all industrial enter-

prises to the new system is scheduled to be completed by the end of 1968. The partial transfer this year is aimed at testing the practical effects of many details of the new system. The Council of Ministers has recently shown concern that this conversion not be bogged down by bureaucratic detail.

Under the new rules, the enterprise may keep for its enterprise fund all of its profits after paying out a capital charge set temporarily at six percent of the book value of fixed and working capital. Use of this fund by enterprises is to be subject--as in the past--to close regulation by planning authorities. It will be apportioned for management bonuses, social-cultural measures, workers' housing, and plant modernization and now is to be sharply increased. In enterprises scheduled for rapid growth, bonuses from the fund will be paid to managers for fulfillment and overfulfillment of the sales plan if the profit and assortment plans are met. In all other enterprises profit will become the most important criterion for bonuses.

These new incentives may result in scattered improvements in efficiency and in the quality of some products. The high degree of central planning retained suggests, however, that the Kosygin program will probably not produce major gains.

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SOVIET VENUS PROBES ARRIVE

The two Soviet Venus probes have completed their three-and-a-half-month journey, but at least one did not entirely fulfill its mission.

According to the Soviet announcement, Venus 3--carrying the emblem of the USSR--impacted on the planet's surface early on 1 March. The Soviets admitted, however, that they lost communications from the probe during the last portion of its flight. Therefore, it is not known whether Venus 3 obtained any data on the planet, although it probably relayed information about conditions in space during its journey.

Moscow also announced that Venus 2 flew by the planet at a distance of only 13,000 nautical miles on 27 February. Venus 2 --like Venus 3--carried instruments to measure a number of physical conditions, including temperature, radiation, and atmospheric composition. In this respect Venus 2 was similar to the fly-by of Venus in December 1962 by the US Mariner 2. However, the Soviets have made no recent reference to communications with Venus 2, and it is unclear whether it has transmitted any data.

Spacecraft failures have consistently plagued the Soviet

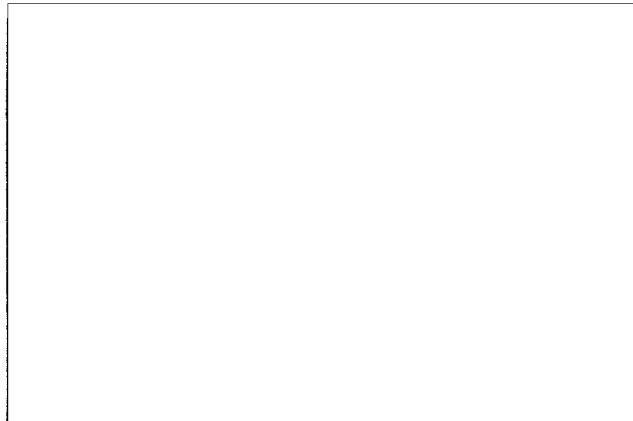
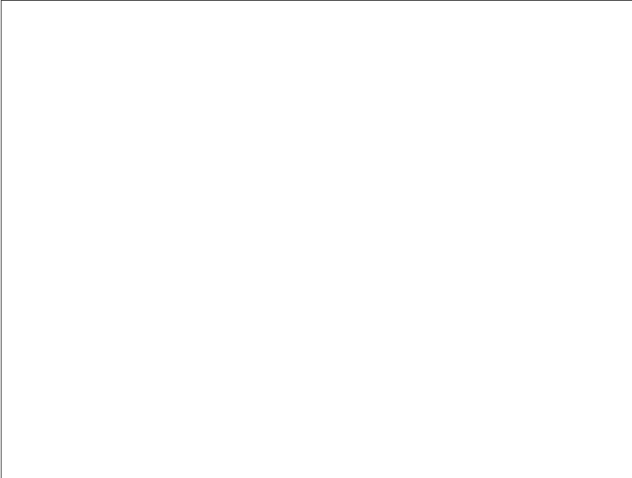
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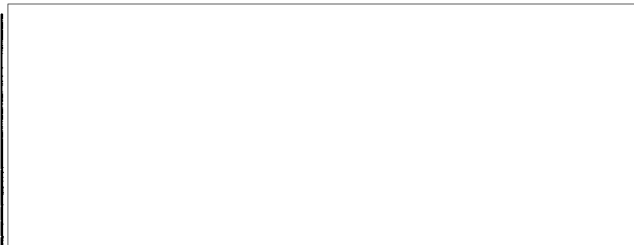
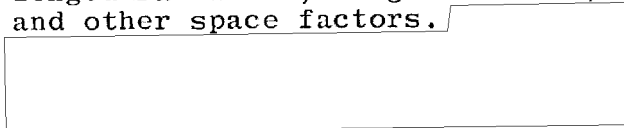
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**FUTURE TRENDS IN SOVIET SPACE OPERATIONS**

The Soviets are developing several new systems apparently to meet the growing demands of a more diversified space program.

Cosmos 110 was launched on 22 February with two dogs and a sophisticated package of biological specimens on board. This satellite is similar in many respects to the Voskhod vehicles but may be testing a life support system considerably modified from that used in previous dog flights. Recent TASS statements support the belief that Cosmos 110 is studying effects of prolonged radiation, weightlessness, and other space factors.



Cosmos 110 could remain in orbit until at least 20 March, after which daylight recovery within the Soviet Union will be possible.

The flight of Cosmos 110 may be the forerunner of a manned space flight of extended duration, possibly 30 days, and underscores the careful attention Soviet scientists have always given to the biomedical aspects of manned flight.

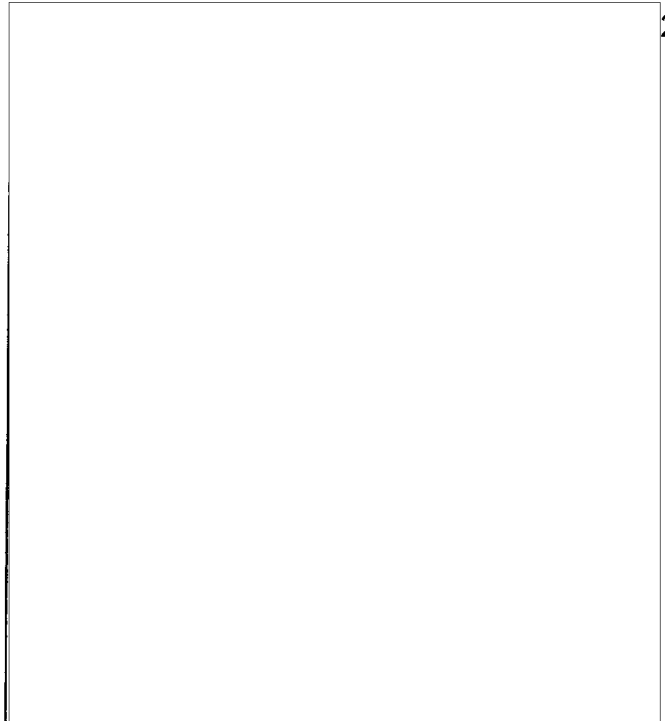
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The spent second stage is apparently intended to fall into a Northern Pacific impact area set up by the Soviets on 16 December. According to the Soviet announcement, the area would be used for testing "variants of systems for landing space vehicles" and parts of booster rockets would fall into it.

The Soviets have also tested a very large space booster which may ultimately be used for large space stations and lunar missions.

Development of these new systems could be related to manned orbiting laboratories, scientific and interplanetary exploration, or orbital weapons systems and indicates that the Soviets plan to expand their already massive space program.

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### PEKING AND WEST AFRICA

The overthrow of Nkrumah's leftist and violently anti-Western government (see next article) and the attendant rapid erosion of Peking's position in Ghana is the most recent and probably most damaging setback the Chinese Communists have sustained in the radical West African states in the past half year.

Although Guinea and Mali can still be ranked as Communist China's closest friends in Africa, their willingness to support Peking's international objectives and to facilitate its African programs has been considerably reduced. These countries are increasingly equating their own best interests with ties to the West and the USSR. Chinese relations with Congo-Brazzaville also appear to have chilled somewhat. The drift away from Peking of these radical states is due in part to the steamroller tactics China used in preparing for the postponed Afro-Asian Conference and to the over-weening advice Foreign Minister Chen Yi dished out during his African circuit last September.

While the Chinese had grown increasingly concerned at Nkrumah's pretensions to the role of international peacemaker, they have long viewed Ghana as a useful base country for supporting revolution in West and Central Africa. Peking's guerrilla experts have been training African "freedom fighters" in Ghana. The new government of General Ankrah has declared "Ghana will no longer be a haven for 'freedom fighters' and subversives ousted

from their own countries." Reportedly the new leaders in Accra intend to send home all Chinese technicians and "teachers"--about 50--allowing only Peking's embassy staff to remain. Thirteen or so Chinese have already left.

The current standing of the Chinese in Congo-Brazzaville is somewhat ambiguous, although the Chinese once regarded this country as one of their major African bases. They have had considerable successes in cultivating the regime and individual Congolese leaders have seemed to regard Peking as their principal foreign benefactor.

In both Guinea and Mali, the latter rabidly pro-Chinese in early 1965, Peking's extremist stance, attempts at arm-twisting, and inability to satisfy local African economic aspirations have caused presidents Touré and Keita to moderate sharply their propaganda support for Peking. This reduction in political backing for Peking has not, however, been accompanied by a perceptible reduction in the Chinese aid presence in either country. Mali continues to have the greatest number--about 1,200--of Chinese aid personnel of any black African country.

The trend toward significantly reduced political support for Peking among China's former African allies and the concomitant

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upgrading of ties with the Soviets and the US undoubtedly upset the Chinese considerably particularly since these events occur at a time when Peking is experiencing losses elsewhere. These four radical states, together with Algeria, and possibly Tanzania represented China's

greatest hopes in the continent. The Chinese have attempted to rationalize these setbacks by stating in a People's Daily article of 1 March, that in the worldwide struggle for liberation "victory is frequently mingled with reverses and advance in movements with retreat."

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Asia-Africa

NEW REGIME MAKING IMPORTANT CHANGES IN GHANA

The pro-Western army and police officers who toppled Kwame Nkrumah's radical regime last week have consolidated their control of Ghana and are implementing some basic policy changes. The effect will be to reverse Ghana's progressive estrangement from the West and to transform it into a moderate African state.

Most of the widespread public expressions of support for the army take-over appear genuine. Although Nkrumah's popularity was massive when he led Ghana to independence nine years ago, in recent years major segments of the country's society had become alienated by his oppressive rule and a tightening economic squeeze.

Ghanaian affairs are now in the hands of a National Liberation Council (NLC) of eight army and police officers. It is headed by popular General Ankrah, fired by Nkrumah last summer, and includes police chief Harlley as well as Colonel Kotoka--now major general--who lined up the military support essential to the coup. Civil servants, who in general adapted quickly to the

new situation, have been given wider latitude in running the government.

Detailed policy formulation apparently will be the responsibility of several new committees staffed by senior civilian specialists, most of whom are competent and Western oriented. This is particularly true of the committee charged by the NLC with the priority task of steering Ghana's currently severely strained--but basically rich--economy onto a sound course again. The committee, which is reported already developing new austerity programs, has made preliminary approaches for major Western assistance. On 2 March Ankrah indicated that henceforth free enterprise would be given wider scope in Ghana.

The new leaders have promised a new constitution, free elections, and a return to representative civilian government.

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[redacted] For the present, all political parties and political activity are banned.

"on my way back." Touré's welcoming gesture designating Nkrumah the new "President of Guinea" provides some indications of the political gyrations Touré is preparing on Nkrumah's behalf.

Moderate African states have now begun to extend recognition to the new regime. This has been facilitated by the seating of the NLC's delegation at the current Organization of African Unity meeting in Addis Ababa after a heated wrangle provoked by Nkrumah's radical allies. The NLC's measures to liquidate Nkrumah's African subversion program--the secret Chinese-supported guerrilla training camp was closed the day of the coup--and to mend Ghana's long-troubled relations with neighboring moderate states should further strengthen the new regime's African position.

Soviet reaction to Nkrumah's ouster has been cautious and noncommittal. The expulsion of the technicians can be expected to elicit a negative response, but this will probably be tempered by a desire to maintain some presence in Ghana. Soviet press reaction has implied Western intelligence involvement, but the new regime has not been attacked directly.

Although Nkrumah's prospects for a comeback now appear very dim, he evidently has not abandoned such hopes. Before leaving Peking on 28 February he announced his intention to fight back and took steps to rally support among Ghanaians and other Africans. However, this netted him little more than expressions of solidarity from other radical African leaders, notably President Touré of Guinea. Nkrumah arrived in the Guinean capital on 2 March still claiming to be

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SYRIA STILL UNSETTLED IN WAKE OF COUP

Syria remains volatile in the wake of the 23 February coup, but no military opposition has yet developed and a new Baath government was named on 1 March.

Infighting has already begun among the radical military leaders of the new regime. Rivalries between the majority Sunni Muslims and members of the minority Alawite and Druze sects will probably be a particularly divisive factor in the conflict.

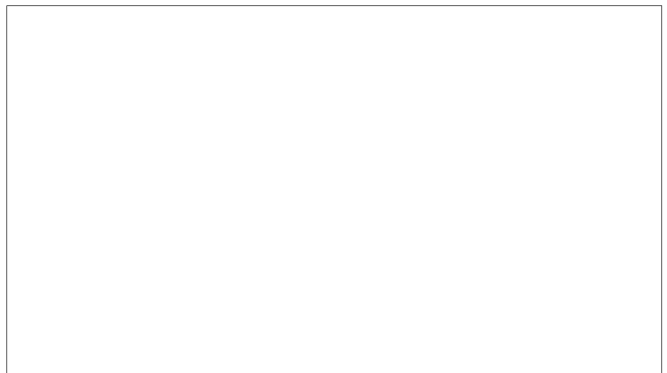


There is still no evidence that the 16,500 troops on the Israeli border have yet come over in support of the new regime.

Civilian Baathists seem equally reluctant to commit themselves, and Premier Yusuf Zuayyin reportedly had difficulty in forming his government. The new 19-man cabinet is made up primarily of civilians, many of whom have served in previous Baath governments, and contains at least one member of the Communist Party of Syria (CPS). This is the first CPS member to hold a portfolio in three years of Baathist rule. The deposed Hafiz government, however, had proclaimed its aim of cooperation with all "progressive forces" and named several Communists or

sympathizers to the Syrian legislative body last August.

If the new regime does manage to stay in power, it may be forced to compete with another "official" Baath organization based outside Syria. The Damascus clique will have difficulty maintaining its legitimacy as a Baath government in the face of opposition from such party leaders as founders Salah al-Din Bitar and Michel Aflaq or Secretary General Munif Razzaz, who presumably escaped in the confusion of the coup. As one observer has commented, "The Baath without Aflaq would be like Christmas without Santa Claus."



The regime will probably adopt a strong anti-Nasir stance and heighten anti-US propaganda. What other policy shifts will occur, however, is not yet certain.



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### IRAQ STAGNATES AS KURDISH WAR CONTINUES

Despite promises of early reforms and a "new look" at Iraq's many economic, administrative, and social problems, the relatively moderate cabinet of Premier Bazzaz has made little progress to date. The sense of realism, enthusiasm, and movement that Bazzaz attempted to inculcate when he succeeded Arif Abd al-Razzaq--following the latter's ill-considered coup attempt last autumn--has almost wholly dissipated.

Bazzaz and his cabinet have found that they have had to devote most of their attention to the inconclusive war against the rebel Kurds in northern Iraq. The premier made a few conciliatory gestures toward the rebels when he first took office, but he soon discovered that the differences between the two sides were virtually irreconcilable, and in December and January the largest battles since 1963 were fought in Kurdistan. The war has also involved Iraq in a nasty dispute with Iran, whose "covert" aid to the rebels has been open knowledge in Baghdad for some time. In addition, differences regarding the proper approach to the Kurdish problem have caused strains within the cabinet itself.

Kurdish leader Barzani has been occupied with numerous problems of his own. He faces dis-

sension within his own ranks, and must deal with an increasing war-weariness among the inhabitants of Kurdistan. The government, however, still lacks the military strength to impose its will on the north, although it did gain some verbal support for its policy at the recent meeting of the Iraqi-Egyptian "unified political command" in Cairo.

Egypt, however, continues to show a marked reluctance to become overly involved in Iraqi domestic matters. Bazzaz also has shown no real desire to push toward unification of the two countries, although he is careful to pay lip service to this ideal. Iraqi pro-Nasirists were considerably discredited by Abd al-Razzaq's abortive coup, but the premier is still anxious to protect his weak and narrowly based government from renewed pressure on the part of advocates of early union with Egypt.

Pro-Nasirists, Baathists, and various stripes of conservatives are all plotting against the regime, but none of these groups appears to have sufficient assets at the moment to bring it down.

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NASIR-FAYSAL DIALOGUE ON YEMEN FALTERS

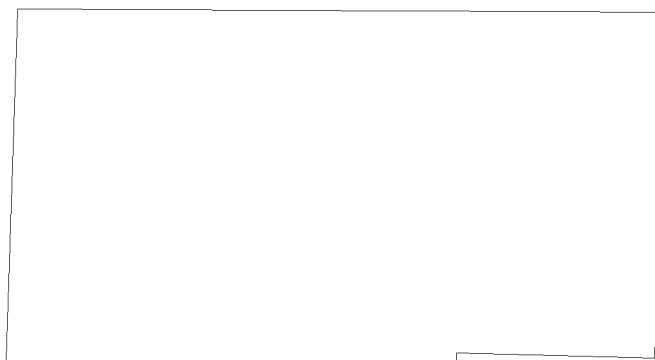
The renewed dialogue over Yemen between Egypt's Nasir and Saudi King Faysal is faltering. Both leaders have almost completely lost confidence in the intentions of the other. However, both sides are holding back from a renewal of Yemeni fighting in the hope that the deadlock can be broken.

This crisis of confidence has deepened during recent days. On 22 February Nasir made a speech in which he reacted to an otherwise unnoticed interview given by Faysal in which the latter remarked that Egypt was busy solving its important internal problems. Nasir, apparently pricked by an imputation of weakness, responded that Egypt would not withdraw its troops from Yemen until an interim government was formed to conduct the plebiscite on the future of Yemen, even if it took five years.


On 24 February the Saudi ambassador to Cairo delivered the long-delayed reply by King Faysal to Nasir's four-point proposal of 11 January. It was received without enthusiasm and described

by Egyptian officials as "unresponsive and indicative of the hardened position the Saudis are taking."

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concessions by both parties have failed to soften the hardened stance taken by each side.

In Yemen unruly tribesmen have seized upon the period of uncertainty to enlarge their own area of influence. Public security and self-defense measures have brought Egyptian forces into action, albeit to a limited degree. The joint Saudi-Egyptian peace commission has generally failed to effect a lasting truce during these disturbances, and 25X1 it seems inevitable that a series of clashes will continue to endanger the general peace. 

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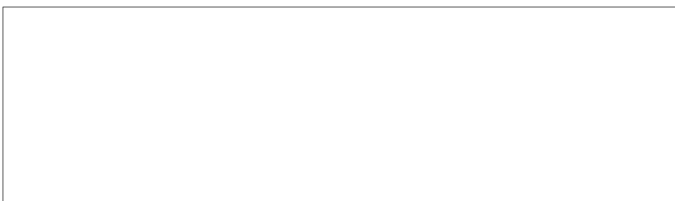
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BLOC MILITARY DELIVERIES TO INDIA RESUME

The first major bloc military shipments to India since the India-Pakistan confrontation last August are arriving. Tanks, surface-to-air missile (SAM) equipment, naval equipment, and aircraft recently have been delivered from the USSR and Czechoslovakia.

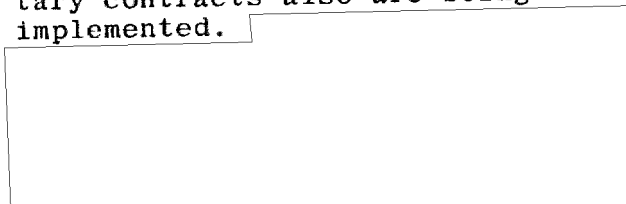
The Soviet freighter Mezh-durechensk docked in Bombay on 14 February and unloaded at least ten PT-76 amphibious tanks and SAM-related equipment. Two other Soviet ships have been sighted en route to Bombay and are suspected of carrying some military cargo. These ships are delivering at least 58 aircraft crates. They may contain AN-2 Colt single-engine transports. It also is possible they contain components of MIG-21 Fishbed fighters for assembly.



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Negotiations in recent months under what appears to be the open-ended Soviet-Indian military pact have resulted in arrangements for additional military hardware. The value of military contracts with the USSR since 1960 now exceeds \$600 million, making India the third largest non-Communist recipient of Soviet military aid (after Egypt and Indonesia).

Czechoslovak-Indian military contracts also are being implemented.



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INDONESIA'S SUKARNO LIKELY TO RESUME LEFTIST POLICIES

President Sukarno's recent moves against the Indonesian Army have met no significant resistance, and he now seems likely to resume the leftist policies he pursued prior to the 1 October coup attempt.

Only the students openly opposed Sukarno's latest moves, and they were notably unsuccessful. When student demonstrators tried to prevent the installation of the reshuffled cabinet on 24 February by blocking access roads to the palace, Sukarno ordered helicopters to ferry the ministers over the roadblocks and mobs. The following day he banned KAMI, the anti-Communist student confederation that had organized the resistance, and prohibited further university student demonstrations. On 3 March the higher education minister ordered the University of Indonesia temporarily closed and banned student "university and nonuniversity activities."

At the cabinet installation ceremony, Sukarno announced that Indonesia would concentrate on destroying the "remnants of feudalism" within the nation and on crushing "imperialism," with emphasis on Malaysia. He told a leftist student rally on 28 February that the "revolution" had

been off the track since 1 October but that now Indonesia had returned to its "original progressive revolutionary rails."

At the same rally, Foreign Minister Subandrio urged leftists not to await government legal action but to act on their own to root out "counterrevolutionaries." He said victory must be fought for by eradicating those "who are using terror against us by facing them with counterterror."

Army leaders, although continuing their policy of showing no open resistance to Sukarno, are said to be discussing various ways to protect or even advance their political position.

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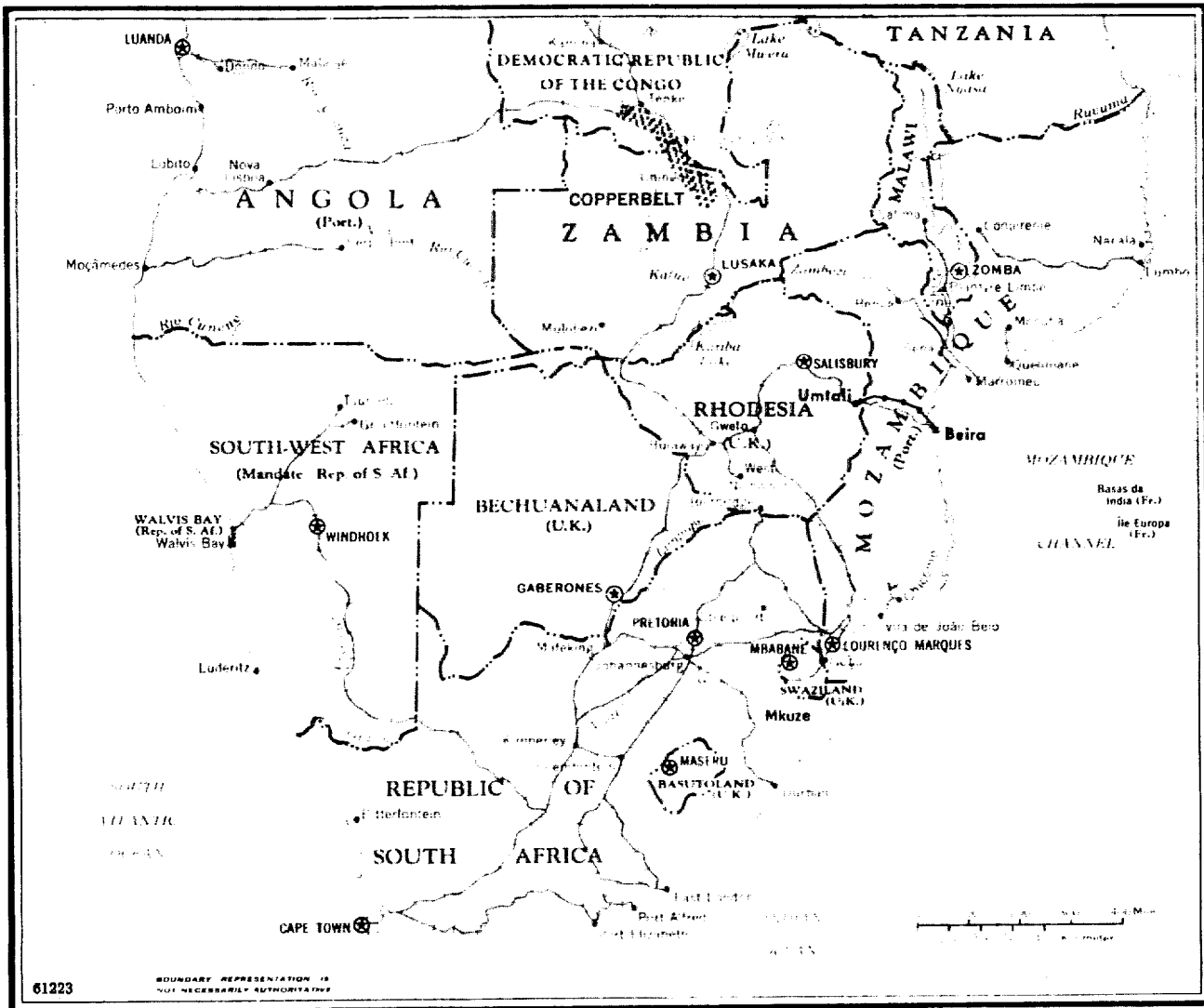
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## RHODESIA GAINS SLIGHTLY IN STRUGGLE WITH UK

The UK and Zambia are heading toward a more protracted struggle with Rhodesia as the possibilities for London's "quick kill" through economic sanctions wane.

Rhodesia may be on the verge of puncturing, if not smashing,

the oil embargo, presently Britain's main economic lever. The leakage of oil products to Rhodesia through South Africa or Mozambique may not supply significant amounts of petroleum goods over a long period of time. However, South African and Portuguese governments do



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not appear to have stopped the flow, which could permit Rhodesian oil stocks to last until summer.

Before then Salisbury may be able to reopen the pipeline from the Mozambique port of Beira to Rhodesia. The first of six storage tanks under construction to permit crude oil to be transferred from the docks to the pipeline, bypassing British-controlled facilities, reportedly will be completed this weekend. Portugal has already announced that it will permit oil to be pumped through the line if it reaches Beira, thus breaking the embargo. Numerous past reports have indicated that "pirate" oil firms are willing to ship oil to Beira for sale to Rhodesia. However, to date Britain has been able to persuade suspect ships on the high seas to stay away from Beira.

Zambian leaders are convinced that economic sanctions alone will not bring down the Smith regime, and that military force, preferably British, will be necessary. Britain's election campaign,

through 31 March, should help forestall African pressures for more militant action, but President Kaunda has warned the British that after the elections Zambia will apply all possible pressure to force British military action.

Zambia went to this week's OAU foreign ministers conference still opposed to an OAU presence in Zambia or a major Rhodesian guerrilla effort. Either alternative would introduce racial tension and risk the departure of white workers essential to the Zambian economy, many of whom sympathize with Smith.

The risk of a white exodus was increased by renewed labor strife in the copperbelt. Government overreaction to wildcat strikes has inflamed the white mineworkers, who remain in the country only because of financial inducements. According to a white Zambian official, Kaunda expects a general strike by the miners and is prepared to declare a state of emergency and use army and police units to prevent a work stoppage.

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**ELECTIONS MAY BE CALLED IN BELGIUM**

The failure on 2 March of a second effort to re-establish a Catholic-Socialist coalition in Belgium increases the likelihood that elections will be called. Political leaders have been able to agree thus far on approaches to only a few of the country's economic, social, and ethnic problems.

The two parties are unable to agree on the education budget or on the medicare issue which brought the government down on 11 February. The Socialists are holding out for insured treatment with no supplementary fees in certain Socialist hospitals. The Catholics, on the other hand, are supporting the doctors, who insist on fee payments by individual patients.

The most recent negotiations concentrated on government finance and the threat of inflation posed by the unbalanced government budget. A committee of experts, headed by national bank president Ansiaux, has recently pointed out that, unless corrective action is taken, the budget deficit for 1966 will be \$820 million, equal to 20 percent of projected total

receipts. Ansiaux's projection for 1967 is still gloomier, and his report notes that between 1959 and 1964 the Belgian public debt increased 20 percent as compared with an average 8 percent for the other EEC countries.

Catholic and Socialist leaders agree on budget balancing, but the Socialists face serious grass-roots opposition on proposed budget cuts. The Catholics are more nearly in agreement on economic issues with the Liberals--who make up Belgium's third-ranking party--than with the Socialists, and a Catholic-Liberal coalition is technically possible. Its greatest practical difficulties would arise from disagreement on how to deal with relations between Dutch-speaking northern Belgium and the French-speaking south.

If elections are held, and if the voters stick to the usual Belgian pattern of favoring the opposition, the Liberals are likely to increase their present 23 percent of parliamentary seats and substantially enhance their prospect of being included in the government.

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WEST GERMANY'S NEAR EAST PROBLEM

The West German Government has resumed the difficult task of fulfilling its commitments to Israel and simultaneously improving its ties with the Arab states. On 23 February, German and Israeli officials, meeting in Bonn, began drafting an economic aid pact which is expected to funnel large sums of assistance to Israel for many years. Two days later, Chancellor Erhard told a press conference that he would welcome any opportunity to renew diplomatic relations with those Arab states that broke with Bonn last May, when it recognized Israel.

The Bonn negotiations--which aim at finding a replacement to the reparations agreement under which Israel received nearly \$900 million--have already run into difficulties. German officials agree that their nation has not yet completely repaid its moral debt, but they view that debt in monetary terms, as far smaller than does Israel.

Israel is asking for a minimum of \$87.5 million annually for four or five years.

Also implicit in the Israeli argument is the contention that West Germany should feel a sense of responsibility for Israel's territorial security. Bonn fears that acceptance of this thesis, with its implication of renewed military assistance, would destroy its chances for regaining Arab diplomatic ties.

The economic talks could thus further sour relations which have failed to live up to the expecta-

tions of either party. From time to time, each has shown a remarkable insensitivity to the other's feelings. Bonn, for instance, chose as its first ambassador Rolf Pauls, a Wehrmacht veteran, and appointed Alexander Toerock, a diplomat in the Nazi era, as his deputy. Israel, in turn, chose as its ambassador Asher Ben-Nathan, a former Defense Ministry official

By failing thus far to build a solid relationship with Israel, the Erhard government has, in effect, left the door open to eased relations with the Arab states, all of which except Libya, Morocco, and Tunisia severed political ties with Bonn last spring. Trade apparently has not suffered, although Germany terminated economic aid not already in the pipeline. Erhard has made it a point to compliment the Arab states for not establishing diplomatic ties with East Germany.

West German representatives

have gone to various Arab capitals to take soundings on prospects for a new ambassadorial exchange, and return visits have been paid to Bonn. Arab expectations of large sums of economic aid have proven a major stumbling block thus far, but Erhard seemingly remains hopeful. His friendly words in recent days apparently were timed to have an impact on the meeting of the Arab league this month.

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Western Hemisphere

OAS COMMISSION STUDYING CHANGES IN ORGANIZATION'S STRUCTURE

A plenary commission of the Organization of American States (OAS) has been meeting in Panama since 25 February to consider proposals for strengthening and modernizing the structure of the OAS. The revisions approved in Panama will be formally acted upon at a special conference scheduled for Buenos Aires in July.

One change which is sure to be adopted is the introduction of some type of annual meeting as a substitute for the irregular meetings of the OAS' highest organ, the Inter-American Conference.

Among major projects being considered are enhancing the powers of the present council--the standing body of the OAS--to enable it to deal more rapidly with

threats to hemispheric peace and security, and a plan to create two additional coequal councils to deal with growing economic, social, and cultural activities.

The Inter-American Peace Force is unlikely to be formalized at this session. Also controversial is a charter amendment concerning the peaceful settlement of disputes. Favored by Ecuador and other countries which are dissatisfied with existing boundaries, this item will draw staunch resistance from countries such as Argentina, Peru, and Chile which are dedicated to preserving the sanctity of treaties.

While not definitive, the commission's efforts will furnish an indication of the course that the OAS will probably take in the future.

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REASSIGNMENT OF DOMINICAN MILITARY CHIEFS DRAWS BOSCH'S FIRE

The outgoing Dominican Air Force and Army chiefs were sworn in on 26 February as vice ministers of defense, positions with no responsibility. Their decision to accept the shift was made reluctantly partly as a result of arguments by newly designated

Defense Minister Perez and other military moderates that the military was harming itself by continued defiance of civilian authority.

President Garcia Godoy was equally unhappy about this

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compromise solution. However, having said he wanted a "Dominican solution," he was not prepared to call on the Inter-American Peace Force to exile the old service chiefs to overseas assignments by force.

The new service chiefs, Folch of the air force and Perdomo of the army, were selected by Garcia Godoy from candidates put forward by the military, and their political orientation is as unacceptable to the left as that of their predecessors. Bosch strongly criticized this compromise solution in a radio address on 28 February. He charged that Garcia Godoy had "ignored" his promise to the left and had set a precedent for future military disrespect of any elected government. This, Bosch charged, made it "useless" to hold elections on 1 June. Although Bosch avoided calling for a renewal of the general strike, ended on 16 February, to obtain military compliance with the government's original order, he clearly left this course open. He was particularly critical of Garcia Godoy's leadership abilities, saying that he "bobbed like a cork" and that while the provisional regime "crowed like a rooster" it "laid eggs like a hen."

Garcia Godoy has not responded to Bosch's criticism, but he apparently considers his battle for military command changes ended. He evidently was

heartened by Bosch's failure to attack either the specifics of the agreement with the military or the new chiefs. To appease the left for his decision on the military issue, he has recognized the election of a university council controlled by radical leftists and Communists--a concession which will have detrimental long-term effects. In doing this, he is probably trying to avoid prolongation of the civil-military impasse, which would seriously jeopardize the holding of elections on schedule.

Bosch, in his speech, focused attention on the election by alleging that the government had failed to create a proper climate and implying that for this reason he may not be a candidate. He will probably run if he feels he can win and assume office, but he is likely to continue his threats to boycott the election in the hope of forcing the government to honor his demands for security of himself and his supporters during the election campaign.

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URUGUAYANS CONSIDER CONSTITUTIONAL REFORM

Reform of Uruguay's unwieldy nine-man executive--the National Council of Government (NCG)--has become a major concern of both the governing Blanco Party and the opposition Colorados. Originally unresponsive to the public demand for reform, substantial segments of both parties have now gone on record as favoring constitutional measures to strengthen the executive. They hope this will provide the firm leadership needed to halt the increasing political and economic deterioration.

The two largest Blanco factions are in basic agreement on a proposal to create a presidential system under which the president, vice president, senators, and deputies would be elected by straight majority vote rather than by the present complicated summing of votes for each party faction. A continuing point of difference between the two groups, however, is the Herrerista faction's desire to continue the present bipartisan representation on the directorates of the autonomous government agencies --thus assuring itself a share in high-level political spoils even if the Blancos do not win the November elections.

Portions of the Colorado Party's three largest factions have agreed on a common reform project--fairly similar to the Blanco proposals--but have not succeeded in getting support from other Colorados. Some of the latter adamantly oppose altering the party's traditional support for the bipartisan plural executive system

which the Colorados introduced and have historically fought for; others favor a one-party five-man NCG. Some politicians dislike the proposal that current NCG members be made ineligible for the first presidency, as several councilors consider themselves leading presidential contenders.

The influential Uruguayan Communist Party (PCU) opposes all reforms which would lead to a strong executive able to halt the Communists' exploitation of the current slump and to reduce their present freedom of operation. The PCU is sponsoring its own radical reforms, more in hopes of splitting votes than in expectation of having its proposals adopted.

The mechanics of reform are complicated and prospects for a change before November seem slim. If the Blancos and Colorados cannot reach a compromise and decide to submit separate proposals to the voters, it is probable that no one project will receive the necessary majority. Frustration of the strong desire for reform would encourage those who feel change must come, by unconstitutional means if no others are available. Even if Uruguay adopts a presidential system, there will be no cure for the country's economic and political distress unless the president is prepared to make and enforce difficult decisions and is able to overcome Uruguay's unfortunate tradition of putting partisan advantage ahead of the national welfare.

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EXPANSION OF CUBAN COMMUNIST PARTY

The Cuban Communist Party (CCP), formally constituted at the national level late in 1965, is continuing its drive to increase its membership and to extend its influence over all aspects of Cuban life. The general structure and organization of the party presumably will have been completed by the end of this year when a "socialist" constitution is to be promulgated.

On 23 February the Political Bureau announced the formation of a Labor Committee to advise the Central Committee "on everything concerning labor and social policies." Lazaro Pena, Cuba's most prominent labor leader and a member of the pre-Castro Communist Party, has been appointed chairman, and three of the four other members are also "old" Communists. The creation of the Labor Committee for the first time brings labor affairs under direct party control but leaves power in the hands of the same men. Nevertheless, the move again emphasizes the decline of friction between Cuba's "old" and "new" Communists, and demonstrates that the leadership now functions with a greater unity than at any time since Castro came to power.

Five other standing committees, set up in October 1965 when the Central Committee was created, have assumed wide responsibility

for domestic and foreign affairs. This shift of power from government to party was underlined on 24 February when Osmani Cienfuegos, chairman of the party's Foreign Relations Committee, was relieved of his duties as minister of construction to devote full attention to foreign policy and party affairs. The appointment of Ramon Darias Rodes to replace him reflects the policy evident during the past year or so of placing young and skilled technicians in high ministry positions.

There now are probably about 55,000 party members, as many as one third of whom may be from the Cuban armed forces. Party cells are still being organized in military units, and on 24 February the first cell in an artillery unit was established. The Union of Communist Youth (UJC), the party's youth wing, has also considerably expanded its membership in the military, and the regime hopes to include about one third of the military in the two organizations. In so expanding the role of the military in the party, Castro's objective is to amalgamate the regime's two most important forces.

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