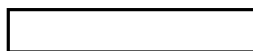
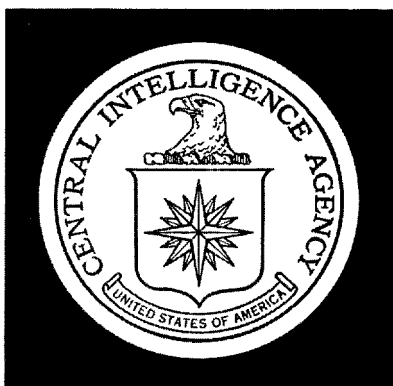


Secret



25X1

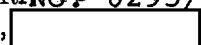


DIRECTORATE OF
INTELLIGENCE

WEEKLY SUMMARY

State Dept., NAVY reviews completed

Secret
49

ARCHIVAL RECORD June 1967
PLEASE RETURN TO 0295/67
AGENCY ARCHIVES, 

25X1

228531/1

25X1

Approved For Release 2007/03/09 : CIA-RDP79-00927A005900010001-8

Approved For Release 2007/03/09 : CIA-RDP79-00927A005900010001-8

C O N T E N T S

(Information as of noon EDT, 22 June 1967)

Far East

	<u>Page</u>
THE WEEK IN PERSPECTIVE	1
VIETNAM	2
Premier Ky is launching a massive effort to win the South Vietnamese presidential election set for 3 September. The recent lull in the ground fighting in South Vietnam was interrupted as the Communists offered stiff resistance to five major allied operations in widely scattered areas.	
DISORDER CONTINUES IN COMMUNIST CHINA	5
The regime still shows little disposition to use force to end the fighting among political factions, probably because militant elements in Peking remain determined to push the Cultural Revolution.	
CHINESE COMMUNISTS TEST THERMONUCLEAR WEAPON	8
The detonation on 16 June was in the high yield range and demonstrated the continuing progress of the Chinese nuclear weapons development effort.	
CHINESE TRY TO KEEP UP ANTI-BRITISH CAMPAIGN IN HONG KONG	9
The local Communists' latest effort is a virulent poster campaign, and Peking's low-keyed propaganda support continues.	
NEW TENSIONS IN SINO-INDIAN RELATIONS	9
Despite a rapid chain of incidents in Peking and New Delhi, neither government apparently wants to push matters to a break in relations.	
POSTELECTION TURBULENCE IN SOUTH KOREA	10
Responding to public protests, the government is punishing some of its supporters who were involved in flagrant irregularities during the parliamentary elections on 8 June. The opposition party still demands new elections.	

SECRET

SECRET

Europe

- THE WEEK IN PERSPECTIVE 11
- USSR CONTINUES TO ENLARGE SPACE SUPPORT FLEET 12
The seventh unit to join the fleet is equipped with elaborate instrumentation, which will considerably enhance Soviet capabilities to support advanced space operations.
- TITO MOVES TO REVIVE THIRD-FORCE MOVEMENT 12
President Tito has quickly reaffirmed Belgrade's devotion to the principle of nonalignment in international affairs after he had gravely weakened the credibility of his stand by adhering to the 9 June Soviet bloc declaration in support of the Arabs.
- NATO FOREIGN MINISTERS' MEETING 15
French obstructionism clouded discussion of the Mid-east crisis at the 13-14 June semiannual session of the NATO foreign ministers, which also dealt with such issues as the nonproliferation treaty, East-West detente, and the "technological gap."
- STUDENT UNREST IN WEST BERLIN 16
Allied and German officials alike are worried over the challenge to public order accompanying the increasing tendency to violence among student iconoclasts.

Middle East - Africa

- THE WEEK IN PERSPECTIVE 17
- THE MIDDLE EAST SITUATION AND ITS RAMIFICATIONS 18
As the Arab states, individually and collectively, and Israel as well display continuing uncertainty about how to unravel the mess created by their latest hostilities, their supporters, detractors, and would-be mediators practically everywhere else in the world are no more united about what to do. The battle of words that succeeded the shooting war remains centered at the UN, having moved from the Security Council to the General Assembly. There and elsewhere the Communist states' political moves to display support for the Arabs have accelerated. The Soviet airlift to re-supply the Arab military forces seems to have ended, however. In the war zones, the cease-fire, except for one reported incident without casualties, is holding.

SECRET

SECRET

NEW STRAINS BETWEEN GREEK COUP GROUP AND KING

26



25X1

25X1

SHOWDOWN DELAYED IN NIGERIA

27

The breakaway Eastern region--"Biafra"--is still awaiting both a military attack by federal forces and international recognition.



25X1

25X1

Western Hemisphere

THE WEEK IN PERSPECTIVE

29

TROUBLED BOLIVIA FACES NEW PROBLEMS

30

Unrest in the tin mines and growing cooperation among opposition political groups are adding to the problems of the Bolivian Government, already engaged in an unsuccessful effort to rout guerrillas in the southeast.

POLITICAL UNREST IN HAITI

31

The execution of 19 military officers for "high treason" on 8 June has again sparked rumors of coup plotting and the expectation of further punitive action by Duvalier.

NEW DISORDERS POSSIBLE IN NORTHERN MEXICO

32

Continuing reprisals against those who oppose the government candidate for governor of Sonora have engendered increased public bitterness toward the ruling party and have raised the potential for renewed violence. Large-scale voter defection to the minority party candidate is expected in the 2 July election.

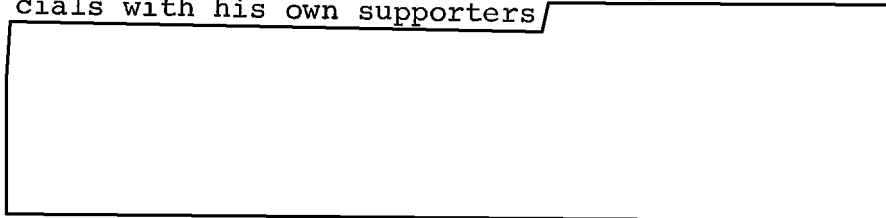
SECRET

~~SECRET~~

FAR EAST

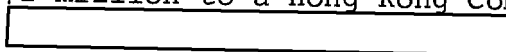
Although there are still no signs that the Communist "summer offensive" has been launched, heavy infiltration from the North is continuing and North Vietnamese forces may have completed preparation for major attacks against allied Special Forces camps in Kontum Province. A drive against these positions probably would be aimed at diverting allied forces from more critical areas in the strategic central highlands and from the northern provinces of I Corps.

Premier Ky's maneuvers to advance his presidential candidacy are generating growing concern among his rivals that the election next September will be rigged. Ky is manipulating the Saigon press to attract attention to his own actions and to censor Chief of State Thieu's statements. Ky is also replacing unsympathetic police officials with his own supporters/



There is no evidence that the trend toward growing chaos and violence in China has been reversed by the early June directive to the army to restore order. Leading party journals continue to deplore the resort to force by rival "revolutionary" groups but Maoist leaders appear determined to push the Cultural Revolution regardless of the political and social disorder it creates. The achievement represented by China's thermonuclear test last week undoubtedly has strengthened the Maoists' confidence that they can maintain the assault against their political enemies without damaging vital areas of China's strategic power and prestige.

Most of the steam has been drained from the Hong Kong Communists' campaign against British authorities. The majority of the colony's workers have ignored recent strike calls and business activity has remained near normal. The Communists are trying to maintain momentum through anti-British posters and by publicizing Peking's contribution of nearly \$2 million to a Hong Kong Communist "struggle fund."

~~SECRET~~

SECRET

VIETNAM

Fissures in the South Vietnamese political fabric are beginning to show as candidates for September's national elections intensify their campaign efforts. Mounting tensions are reflected in both the press and the Provisional National Assembly (formerly Constituent Assembly). According to the US Embassy, recent assembly voting has reflected the increasingly open and caustic rivalry between presidential aspirants Premier Ky and Chief of State Thieu, with a particular effect on the assembly's majority bloc which in the past has been generally responsive to Ky's direction. Uneasiness among the press was pointed up by a recent editorial citing a popular concern that "rigged elections in Korea" might be repeated in South Vietnam.

The campaign for the presidency does not get under way officially until 3 August, but Ky has already prepared a massive effort in his own behalf. His organizational preparations to date are unusually ambitious compared with the limited steps taken by the other candidates.

Ky will benefit from his placement of sympathetic supporters in strategic corps and cabinet positions during his two years in office, and a premier has many other resources at his disposal.

Ky's campaign efforts range from the posting of signs pro-

claiming his government as "the government of the poor" to frequent trips to the provinces. [REDACTED]

25X1

[REDACTED] He is still trying to create a coalition of diverse political and religious groups into a political "front." Moreover, Police Director Loan's security apparatus has started to swing into action in the provinces in support of Ky.

Ky's minister of information has not only clamped down on Saigon's newspapers but has also reportedly instructed his ministry to advance Ky's campaign. [REDACTED]

25X1

Ky is also looking ahead to the National Assembly elections. [REDACTED]

25X1

[REDACTED] He wants a controlled working majority in both houses and has advanced plans to support at least 40 candidates for the 60-man Senate. Since each

SECRET

SECRET

voter will cast a ballot for 60 senators, Ky could conceivably carry such a majority.

Military Developments

Heavy fighting occurred in widely scattered sections of South Vietnam this week (map on next page).

In the north, Communist units of company size or larger engaged US Marines in the coastal flatlands of Quang Nam and Quang Tin provinces in several pitched battles. The Marines are sweeping this area to secure vital supply lines along the coast between the major Marine installations at Da Nang and Chu Lai.

In southern Quang Ngai and northeastern Binh Dinh provinces, elements of the US 1st Air Cavalry Division engaged units of the NVA 3rd Division on 21-22 June killing more than 130 enemy soldiers. Six Americans were killed and 41 wounded in two major engagements.

Farther south in Phu Yen Province, elements of the North Vietnamese Army (NVA) 95th Regiment have recently displayed increased aggressiveness. On 16 June a force estimated to be of battalion size attacked South Vietnamese Army (ARVN) troops providing security for Revolutionary Development teams near Tuy Hoa, the provincial capital.

On the northern fringes of Communist War Zone "D" about 45 miles north of Saigon, a Communist regiment offered stiff

resistance to a battalion of the US 1st Infantry Division participating in Operation BILLINGS on 17 June. Nearly 200 enemy soldiers were killed in the battle, raising the cumulative Communist casualty toll to 353 since the operation began on 11 June. US losses to date stand at 38 killed and 199 wounded.

Early in the week a battalion subordinate to the 274th Regiment of the Viet Cong 5th Division attacked units of the US 11th Armored Cavalry Regiment taking part in the large US/ARVN search-and-destroy Operation AKRON. The operation is aimed at clearing the 5th Division and local guerrillas from their base areas in the Phuoc Tuy - Long Khanh - Bien Hoa tri-border area east of Saigon.

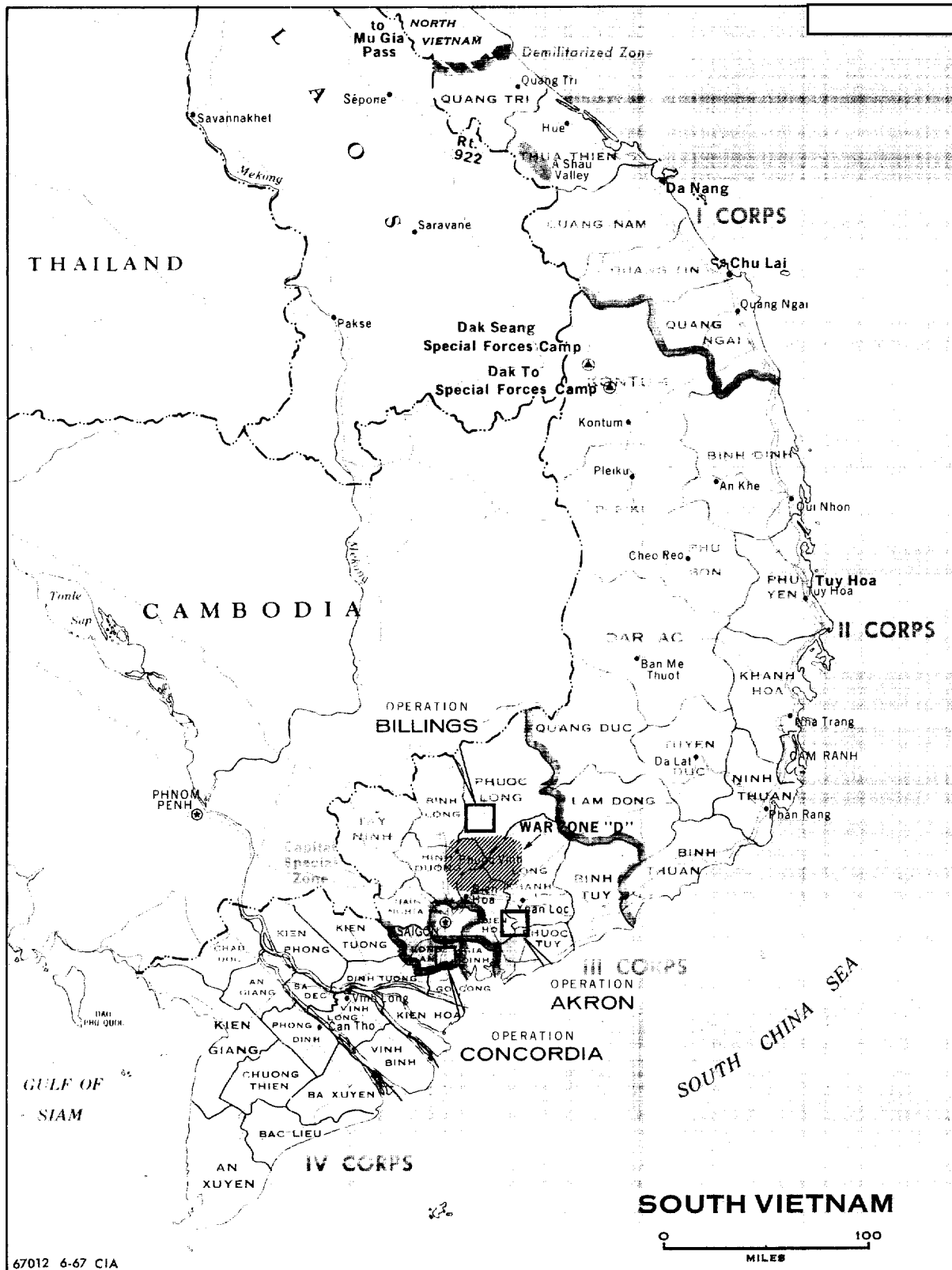
In the southern portion of the delta province of Long An, two battalions of the US 9th Infantry Division killed 250 Communist soldiers in a battle on 19 June. US forces suffered casualties of 48 killed and 143 wounded in this operation, named CONCORDIA.

NVA units in the central highlands may have completed preparations for launching a major offensive against allied positions and installations in Kontum Province. The newly reinforced NVA 24th Regiment together with another unidentified Communist regiment apparently are now located northeast of the Dak To Special Forces camp. Increased pressure against "New Life" hamlets, outposts, and reconnaissance patrols in this area has been evident since mid-May, and during the past week, several

SECRET

SECRET

25X1



SECRET

SECRET

Special Forces camps--including Dak To and Dak Saeng--and an ARVN regimental headquarters have been subjected to heavy mortar fire.

Infiltration Through Laos

Infiltration of North Vietnamese military personnel and supplies into South Vietnam through Laos continues at a high level. Although truck traffic moving through the panhandle has slowed down with the advent of the rainy season (June-September), the Communists are trying to keep key sections of this road net open as long as possible--particularly the Mu Gia Pass and Route 922 into the A Shau Valley of South Vietnam. Recent captives have

confirmed the infiltration of several large groups this spring which are currently being used as replacements for units in South Vietnam's I, II, and III Corps.

One recently captured document indicates that the North Vietnamese hope to move some 200 tons a month over Route 922 during the rainy season, a figure comparable to the amount observed during the dry season. Despite their unprecedented efforts, the Communists probably will be unable to move more than a small number of trucks through Laos during the height of the rainy season. [REDACTED]

25X1

DISORDER CONTINUES IN COMMUNIST CHINA

For many weeks warring political factions have been engaging in violent clashes in many areas of China. So far the regime shows little disposition to use force to end the fighting, probably because some militant elements in the leadership, including Mao Tse-tung and Defense Minister Lin Piao, are determined to push the Cultural Revolution

vigorously, regardless of the disorder it creates.

Peking periodically issues statements deploring the use of violence to settle political disputes, but continues to aid and encourage Red Guard groups which have been the chief instigators of violence. An editorial in People's Daily on 18

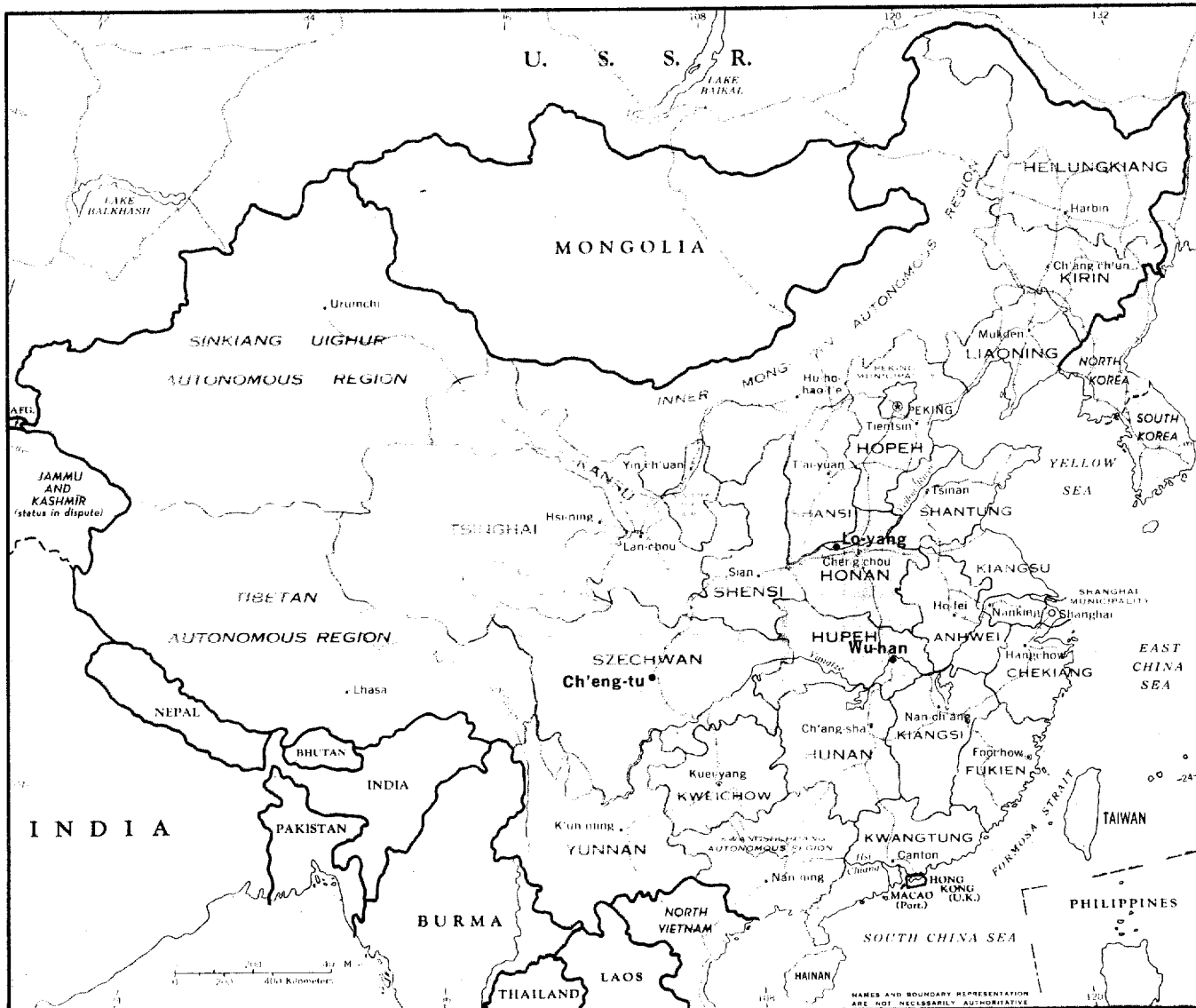
SECRET

SECRET

June took a tolerant view of recent conflicts, saying that most are "nonantagonistic," meaning that the participants are considered loyal, if misguided, Maoists. On 19 June Red Flag also assumed a pose of being above the battle. It offered advice to both sides in recent conflicts, urging "conservatives" to return

voluntarily to Mao's side, and "revolutionaries" to use reasoned arguments, not force, in converting "misled people" to Maoism.

During the past week the most disorderly areas of China appear to have been Honan, Hupeh, and Szechwan provinces. In Honan



66987 6-67 CIA

SECRET

SECRET

the conflict has spread from the provincial capital of Cheng-chou--the scene of almost daily fighting since April between Red Guards and local military authorities--to Lo-yang. According to a Red Guard poster, a "conservative" army of 30,000 attacked a group of revolutionaries at Lo-yang on 19 June, killing 12 and injuring 54. Although undoubtedly exaggerated, the account probably has a basis in truth, since [redacted] [redacted] a resident of Lo-yang stated that violent clashes occurred daily.

The large industrial city of Wu-han in Hupeh has become an especially hot spot. [redacted]

[redacted] Wall posters in Peking charge that "conservative" forces backed by the Wu-han Military Region command attacked revolutionaries on 14 June and interrupted traffic over the Yangtze River bridge. Hundreds of revolutionaries allegedly were killed in fresh battles that took place on 17 and 18 June.

In Szechwan, posters report a new outbreak of fighting at the Cheng-tu Airframe Factory from 11

to 15 June, in which "conservative" members of an "Industrial Army" killed or injured many "revolutionary rebels."

Disruptions to railroad operations caused by civil disorders are continuing but are apparently not yet as serious as those noted last winter. The regime issued a directive for maintenance of order on the railroads and threatened severe punishment for violators on 1 June and again, in a broad injunction against disorder, on 6 June.

25X1

The disruptions would have to become far worse than is apparent at present to hinder seriously the aid shipments through China to North Vietnam.

25X1

SECRET

SECRET

CHINESE COMMUNISTS TEST THERMONUCLEAR WEAPON

Communist China's successful detonation of a high-yield thermonuclear weapon on 16 June shows its continuing progress in nuclear weapons design.

The sixth test was China's biggest so far, with a yield in the range of several megatons. Peking announced the test as the successful explosion of China's "first hydrogen bomb." The third and fifth tests were probably development efforts leading to the sixth test. The weapon was probably air-dropped by a medium bomber, most likely one of China's two TU-16 Badgers.

At present China's capability to deliver nuclear weapons is probably limited to its small force of medium bombers--about a dozen TU-4s and the two TU-16s. Peking announced the fourth nuclear test as missile delivered, however, indicating that China was developing the capability to mate fission warheads with missiles. The Chinese are believed to have been developing an MRBM for several years but there is no evidence yet of deployment of an MRBM force.

25X1

Peking's press announcement of the test was almost identical in political content to the statement made after the last test. Both cite the success of the nuclear program as the "rich fruit" of the Cultural Revolution and characterize the test as a "very great encouragement for Vietnamese people in their heroic war against US aggression." Peking also stated that the test would give great encouragement to the Arabs in their resistance to "aggression by the US and British imperialists and their tool, Israel." The Chinese repeated their standard assurance that China would never be the first to use nuclear weapons.

25X1

SECRET

SECRET

CHINESE TRY TO KEEP UP ANTI-BRITISH CAMPAIGN IN HONG KONG

The Chinese Communist apparatus in Hong Kong is having difficulty in keeping up the momentum of its campaign against the British. In an attempt to counter the largely successful British efforts to maintain order and undercut Communist leadership in the labor unions, the Communists have launched a virulent anti-British poster campaign. Most workers have ignored recent strike calls, however, and business activity has remained near normal.

Peking is trying to keep the dispute alive with low-keyed propaganda depicting an oppressed Hong Kong population determined ultimately to end British control of the colony. [REDACTED]

[REDACTED]

The tone and content of recent Peking pronouncements suggest that China has no immediate intention of forcing a showdown over British rule in the colony. Peking, however, will almost certainly continue to demonstrate its support for the Hong Kong Communists with propaganda pledges and financial support. Other moves to harass the colony will probably be largely determined by the strategy the local Communists adopt after they have sorted out their own internal problems.

25X1

25X1

NEW TENSIONS IN SINO-INDIAN RELATIONS

A series of incidents in Peking and New Delhi during the past two weeks has raised Sino-Indian tensions to the highest point in nearly two years. There are no indications that either side wishes to push matters to a break in relations, however, and both appear content to limit their activities to an exchange of abusive propaganda and harassment of diplomatic personnel.

The trouble began on 13 June when the Chinese expelled two Indian diplomats for alleged espionage activities eight days earlier. In rapid succession New Delhi retaliated by expelling two Chinese diplomats, Red Guards beat the departing Indian officials, Indian demonstrators broke into the Chinese Embassy in New Delhi and attacked embassy personnel, and the Indian Embassy in Peking was placed

SECRET

SECRET

under a virtual state of siege. On 20 June, however, no demonstrators appeared at the Indian Embassy for the first time in four days, and the Indians lifted restrictions they had placed on Chinese diplomats in New Delhi.

Peking appears to have trumped up the initial spying charges as part of a broader campaign to dissuade foreigners from collecting information from wall posters and Red Guard publications, and considered the Indians a safe target. A Foreign Ministry statement on 15 June

stated that the expulsion of the Indians "serves as a warning" to foreigners engaged in "illegal activities."

In New Delhi, despite opposition clamor in Parliament for a diplomatic break, the government seems to be playing down some of the more provocative aspects of the incidents. A detailed Indian news service account of demonstrations at the Chinese Embassy was killed on government instructions and replaced with a much blander report. [REDACTED]

25X1

POSTELECTION TURBULENCE IN SOUTH KOREA

Public protests against irregularities in South Korea's National Assembly elections of 8 June have led the government to punish the more blatant offenders. This seems to have taken the heat out of the opposition party's call for new elections. Early closing of the colleges and universities has discouraged the continuation of student demonstrations.

Following the outbreak of these widespread demonstrations, President Pak Chong-hui on 16 June publicly admitted the irregularities and promised retribution. Two successful candidates of Pak's Democratic Republican Party have been arrested. The election of one of these has been voided, with his opponent declared the winner. The two men in custody and six

other winners have been expelled from the DRP.

The principal opposition, the New Democratic Party, has failed to obtain broad public support for its call for completely new assembly elections. An NDP protest rally in Seoul on 19 June drew only moderate support. The press, although critical of the government's conduct of the elections, has characterized the NDP's demands as unrealistic and self-seeking. The NDP itself is divided on this issue, with moderates unhappy over the present line because they realize the party lacks the money to conduct another nationwide campaign. Hard liners are in control, however, and the political tension is likely to drag on as they continue efforts to develop a strong antigovernment movement. [REDACTED]

25X1

SECRET

EUROPE

Moscow's diplomatic campaign in support of the Arabs overshadowed other European developments of some consequence during the week. The Russians made clear that their immediate object is to ensure that Israeli forces withdraw to the territorial borders that existed as of 5 June. More generally, they are bent on preventing deterioration in their position in the Middle East. How much they are prepared to invest in this already expensive enterprise is not clear, and may not be fully clear in Moscow.

The USSR's second Venus probe this month failed on 16 June. The Soviets say the probe successfully launched on 12 June is still functioning properly, and will reach the planet in mid-October. The Soviets may try to launch still another probe this month.

The Soviet party plenum held this week formally elevated Yury Andropov, the recently chosen head of the security service (KGB), to candidate membership in the politburo. The party probably expects that this move will enable it to exercise closer control over KGB activities.

In East Germany, Premier Stoph announced that there will be a delay in his formal reply to West German Chancellor Kiesinger's letter of 13 June on how relations should be conducted. Pan-kow will probably continue to press for a summit meeting, but might accept negotiations at the ministerial level on inter-German trade, transportation, and communications matters.

The Wilson - De Gaulle talks on 19-20 June centered on Britain's bid for EEC membership. De Gaulle used the Middle East situation, however, to stress his charge that Britain consistently lines up with the US. He maintained his position that Britain has grave problems to solve before it can hope to enter the EEC.

SECRET

SECRET

USSR CONTINUES TO ENLARGE SPACE SUPPORT FLEET

The Soviets are continuing to expand and modernize their world-wide fleet of instrumentation ships which support space operations and extended-range missile firings. The active fleet, which augments the USSR-based tracking network, now consists of 15 vessels, of which seven have been added since last fall.

The latest addition, an elaborately instrumented ship, completed its outfitting in Leningrad last month. It is a large-hatch Poltava-class cargo ship--believed to be the Genichevsk

[REDACTED] The ship is similar in size and instrumentation to the new US space and missile tracking ships, which also are merchant ship conversions especially designed to support the Apollo manned space program.

The Genichevsk is a sister ship of the Bezhitsa, which began its duties last February and is currently operating in the South Atlantic. Neither the Bezhitsa nor the Borovich, another of the seven latest additions to this fleet, are outfitted with large radar antennas.

25X1

25X1

TITO MOVES TO REVIVE THIRD-FORCE MOVEMENT

Yugoslav President Tito has quickly reaffirmed Belgrade's devotion to the principle of non-alignment in international affairs after he had gravely weakened the credibility of this stand by adhering to the 9 June Soviet bloc declaration in support of the Arabs. Tito sent Foreign Minister Marko Nikezic to New Delhi

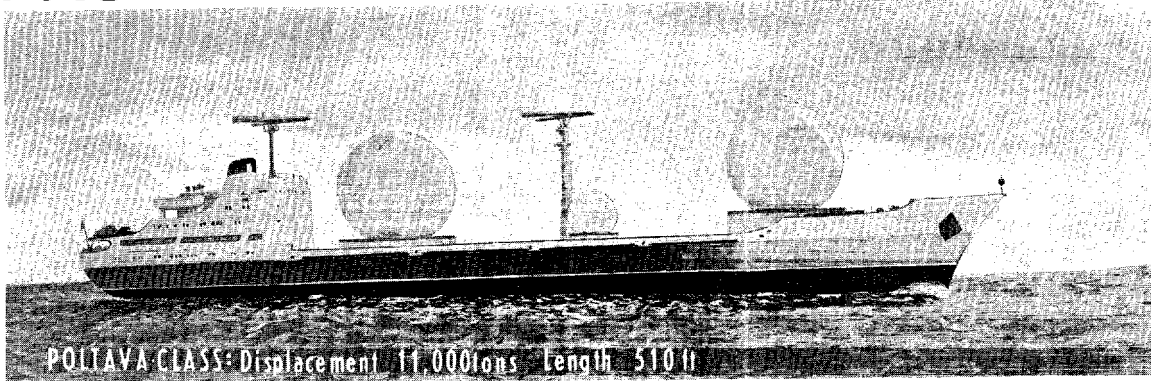
last week to repair fences with Mrs. Gandhi. Nikezic has since proceeded to the UN, where he and Premier Mika Spiljak are attempting to coordinate the views of the nonaligned states on the Middle East crisis.

Mrs. Gandhi, who with Tito and Nasir is one of the leaders

SECRET

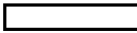
SECRET

ARTIST'S CONCEPTION OF NEW SOVIET SPACE SUPPORT SHIP

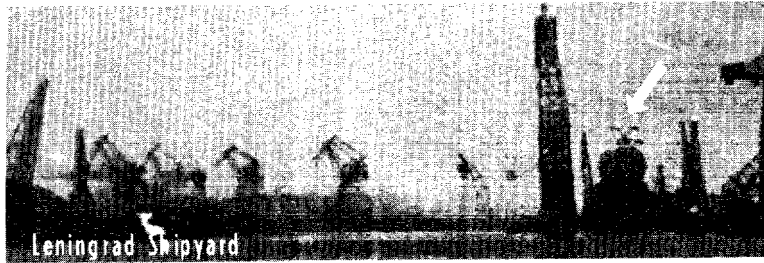


POLTAVA CLASS: Displacement 11,000 tons Length 510 ft

66985 6-67 CIA



25X1



Leningrad Shipyard



25X1

SECRET

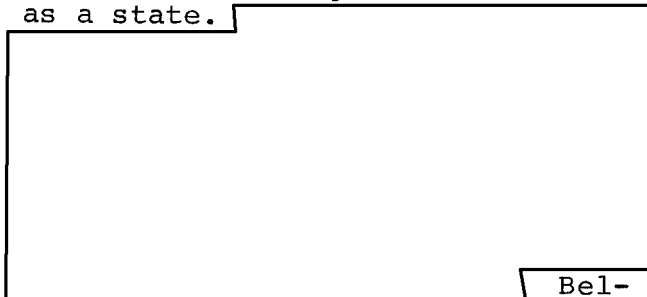
SECRET

of nonalignment, quickly criticized Tito for joining in the Moscow declaration. A prominent Asian diplomat probably also reflected the feelings of many other nonaligned leaders when he emphasized that Tito's move, although meant to help Nasir, actually aligned Yugoslavia with the Soviet bloc.

Belgrade's efforts at the UN are meeting with some success. With Indian support, its delegation was the moving force behind the 17 June meeting of the representatives of 43 nonaligned nations. The meeting selected Yugoslav representative Danilo Lekic to head a steering committee to develop a common position on the mideast. The Yugoslavs hope that the committee will represent the nonaligned states in their relations with other groups at the UN. The 17 June meeting also discussed a possible non-aligned foreign ministers meeting.

Both Yugoslavia and India continue to maintain a firm pro-Arab line. Both insist publicly that Israel must at least withdraw its forces to territorial boundaries that existed before 4 June as the essential precondition for negotiations with the Arabs. However, Indian and Yugoslav diplomats in New Delhi have hinted that negotiations might begin after a simple Israeli pledge to withdraw.

Unlike the Indians, Tito has urged Nasir to make concessions. The Belgrade press has reaffirmed that Yugoslavia has always recognized Israel's right to exist as a state.



25X1

Belgrade also is recommending direct negotiations through the UN to settle other Arab-Israeli issues.

The nonalignment theme, a cornerstone of Yugoslav foreign policy for many years, has been losing its appeal in recent months. The frequent conflicts of interests among the countries identified with the movement have constantly undermined such unity as it possessed, and correspondingly its ability to influence events. Despite these weaknesses, however, the idea has been useful to Tito over the years. It has afforded him considerable room for diplomatic maneuver and helped him maintain his independence with respect to Moscow. In the process the doctrine has also given Yugoslavia--and Tito--a disproportionate international influence.

25X1

SECRET

NATO FOREIGN MINISTERS' MEETING

Discussions of the Middle East crisis at the semiannual NATO foreign ministers' meeting on 13 and 14 June underlined once more that France, in addition to withdrawing from the military side of the Alliance, places very narrow limits on its participation in NATO political consultation.

The ministers all held roughly similar views on the nature of the Mideast crisis and the UN's role in its solution. They were especially critical of U Thant for removing the UN peacekeeping force. Preparation of a communiqué summing up the consensus of the meeting, however, encountered obdurate French objections. The French even refused to agree to express hope for good relations with all countries of the Middle East, because this would in some way imply their endorsement of the principle of consensus in NATO. The impasse was resolved by accepting the French position and omitting any reference to Mideast consensus in the communiqué. Ambassador Cleveland commented that even Krag of Denmark and Martin of Canada, who have been the staunchest advocates of patience toward the French, were incensed by their behavior on this occasion.

German Foreign Minister Brandt did not join the other ministers in endorsing the tabling of a draft nonproliferation treaty (NPT) by the US and Soviet delegations at the current Eighteen Nation Disarmament Committee meeting. Endorsement was contingent on the understanding that NATO members would be free to raise

questions as discussion continues at Geneva, and that the US would continue to discuss the subject in the North Atlantic Council. Brandt later told US officials that Germany would go along with tabling the NPT draft so long as the other NATO members had agreed. Members previously opposed to certain features of the NPT were sobered by the consequences the use of nuclear weapons might have had in the Israeli-Arab dispute.

Concerning East-West relations, the Scandinavians, Canadians, and British still viewed the prospects for a detente with the USSR more optimistically than the German, Dutch, Greek, and Turkish delegations. Ambassador Cleveland, however, noted a definite tendency by all to question Soviet motives. Even the French endorsed the need to continue a strong Western defensive position as a means of encouraging the Soviets to accept an eventual detente in Europe.

On the question of the so-called "technological gap," the European ministers, rather than engaging in their usual criticism of US economic "hegemony," emphasized the question of what Europe can do for itself. They approved a report from a special study group which recommended limiting NATO's role to fostering the spread of technical knowledge through joint military production and research and development projects. Other related projects are to be left to such groups as the Organization for Economic Cooperation and Development and the European Economic Community

25X1

SECRET

SECRET

STUDENT UNREST IN WEST BERLIN

Deepening unrest this past year among West Berlin youth has aroused concern among Allied and German officials. The unrest has been fomented largely by a small but vocal "new left" movement among university students which rejects all conventional values and seeks to destroy the "establishments" of both East and West by defying their authority. The US role in Vietnam is a favorite target of this element.

Earlier this year student unrest was directed against the administration of the Free University, but in recent weeks the city administration and the police have been the main targets. Events took a particularly serious turn on 2 June when a demonstration against the visit of the Shah of Iran turned into a riot. In the ensuing clash with the police, a youthful demonstrator, Benno Ohnesorg, was killed.

Ohnesorg's death produced an unprecedented feeling of solidarity between West Berlin students and professors. City authorities are especially concerned that many thousands of students--rather than the usual 300-400 troublemakers--now have become involved. The general public remains outraged by the rowdyism of the students, but the Berlin press has taken the authorities to task for their "inept" handling of the problem. A parliamentary investigation of the events of 2 June is expected to

uphold student charges that police were overzealous.

US observers believe that the increasingly disorderly activities of the students have become a serious challenge to public authority. The Allied Commandants concluded at a recent meeting that the situation required careful study and called for recommendations. The French representative asserted that Allied action was necessary because the students were establishing contact "with the East." He may have been alluding to the all-out East German propaganda exploitation of Ohnesorg's death and funeral.

All indications suggest, however, that the East Germans acted independently, and there is no proof of significant Communist infiltration of the West Berlin student movement. The East Germans occasionally send speakers to "new left" meetings in West Berlin and radical elements have smuggled in propaganda material from Peking's embassy in East Berlin. Virtually all the students admit, however, that the "establishment" in West Berlin allows them more freedom than their contemporaries in the East enjoy, and they consider the East German regime the embodiment of all that they oppose. The students have, thus far, refrained from attacking Allied authority in Berlin directly and appear to accept the Allies as guarantors of the city's security.

25X1

SECRET

SECRET

MIDDLE EAST - AFRICA

The radical Arab states keep trying to make anti-Westernism into a real bandwagon movement, but the moderates, led by Jordan's King Husayn, have so far been able to treat the issue somewhat more soberly. Prospects for an Arab summit have become less and less certain. The Israelis' main objective now is to get the Arabs to the conference table, but all the Arabs are opposed to any meeting until Israel withdraws from the Arab territories it occupies.

Egypt, meanwhile, is carrying on a public campaign to whip up tension among the populace, and the government is claiming that victory over the Israelis is still a possibility.

The security situation in Aden is worsening daily. The Front for the Liberation of Occupied South Yemen, the principal terrorist organization operating against the British, has called for a UN investigation of Britain's "war of extermination." The British Government will be under strong pressure at home to pull out of the area before independence in 1968 if the situation gets further out of hand.

In India, the rapidly deteriorating security situation in West Bengal has brought the leftist coalition government in that state to the brink of collapse. The sharp increase in lawlessness coincides with a precipitate decline in police morale and efficiency. A period of direct rule from New Delhi seems almost inevitable in order to re-establish law and order.

New strains are developing between the King and the military junta in Greece, as the regime consolidates its control.

The most serious problem in Africa remains the break-up of Nigeria. Governor Ojukwu of the "Republic of Biafra" has moved to acquire revenue from oil operations in the Eastern Region formerly paid to the federal government.

[REDACTED]

SECRET

SECRET

THE MIDDLE EAST SITUATION AND ITS RAMIFICATIONS

Anti-Western pressure is still heavy throughout the Arab states, but the radicals--Egypt, Syria, Algeria--have been unable so far to make anti-Westernism into a bandwagon movement which would compel the moderates to follow their lead. On the other hand, the moderates--led by Jordan's King Husayn--have been unable to create any forum in which they could impress their point of view on the radicals.

The Arab foreign ministers' meeting in Kuwait on 17 and 18 June produced nothing but a communiqué stating that the Arab states "firmly stood by their previous decision to cut off the oil." The foreign ministers then explained for the UN session in New York, talking of resuming their meeting there. Prospects for an Arab summit have thus become even hazier. This meeting, tentatively scheduled for 24 June, will probably not be held until early next month, if it takes place soon at all.

One likely reason why an Arab summit has not gotten off the ground is that the Nasir regime has been busy in its own house. The "retirement" of Marshal Amir, the putative architect of Egypt's military disaster, has evidently left the regime with a serious gap to fill. A reorganization announced on 18 and 19

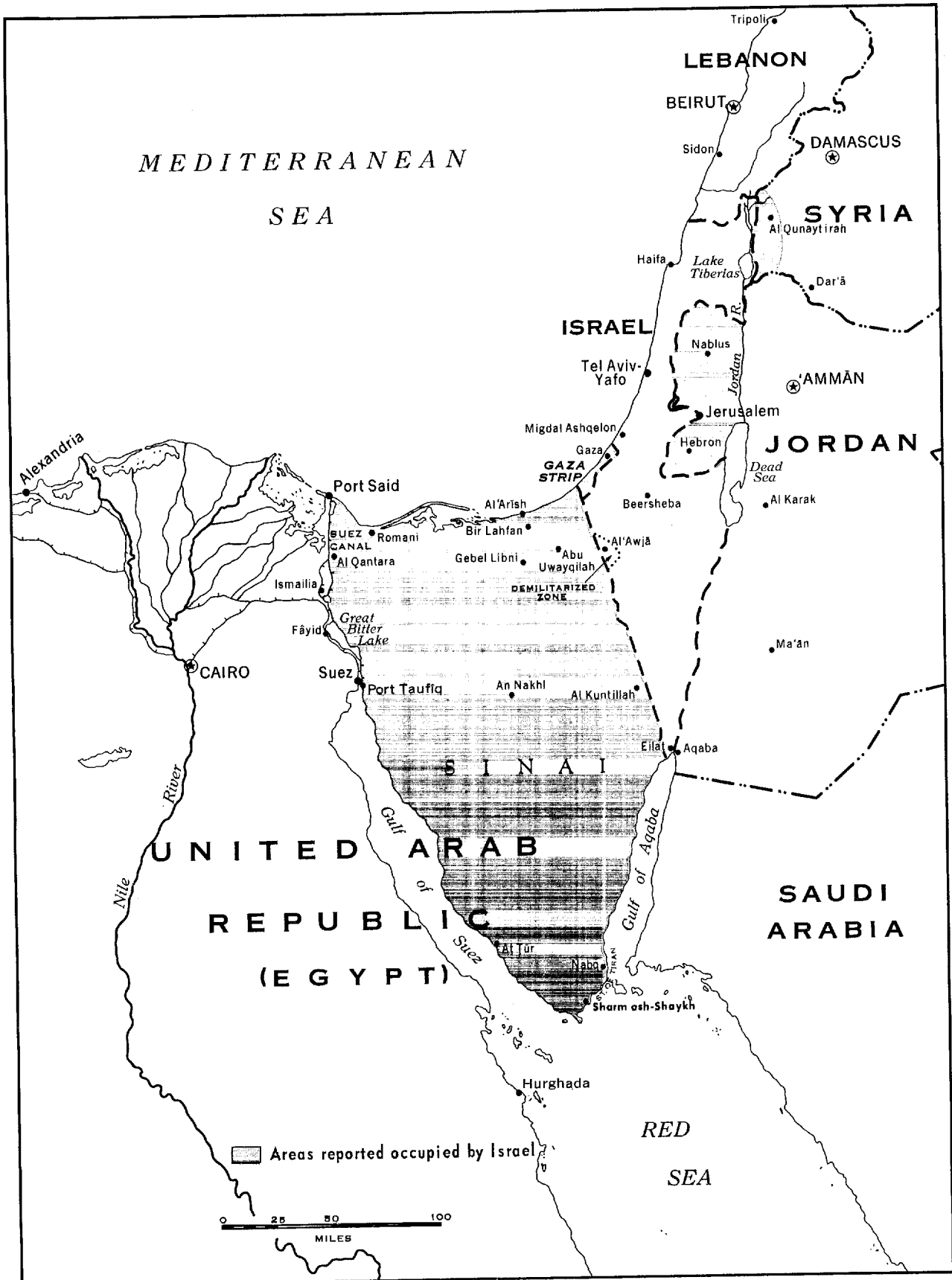
June gave President Nasir the premiership and made him secretary general of the regime's mass party, the Arab Socialist Union (ASU), as well. The shift followed a week of rumor that Nasir was a prisoner of allied leftist and "realist" factions, and that a power struggle was going on inside the regime.

A clearly identifiable representative of the army has not emerged, but the substitution of Nasir for the pro-Soviet Ali Sabri as effective head of the ASU lends some substance to reports that Sabri as well as Amir has fallen from favor. Sabri remains, however, one of Nasir's top deputies and is minister for local affairs. The new cabinet as a whole has a pragmatic flavor with few new names. Such reshufflings have occurred before in response to pressures for new emphases in Egyptian policy, without bringing any dramatic shift in the Nasir regime's attitudes toward the outside world.

In Jordan, King Husayn's position has remained surprisingly good. It may be undermined, however, unless the Jordanians prove capable of coping with the flow of refugees now moving steadily out of the camps in Israeli-occupied West Jordan. The Jordanians' arrangements at this point are makeshift at best. The Libyan

SECRET

SECRET



67010 6-67

SECRET

Government also has survived the storm of disorders which in effect put the country in the hands of the police and military, but the price has been a formal request that the US begin discussions on total withdrawal from Wheelus Air Base. The Lebanese Government remains fearful that some new untoward development will set off a civil war between Muslims and Christians; tensions are reported to be extremely high.

Even the Israelis are somewhat distracted by domestic politics. The partial demobilization effected during the past ten days has brought a relaxation, and with it has come political maneuvering involving the Rafi party of General Dayan, the left-socialist-oriented Achdut Haavoda, and Prime Minister Eshkol's Mapai. A Rafi committee voted this week to rejoin Mapai, which the leading lights of Rafi left two years ago after ex-premier Ben Gurion had become dissatisfied with Eshkol's leadership. Within Mapai, the move is being resisted by those who fear that Dayan may be hoping to capitalize on his present popularity as a military leader to take over the civilian leadership as well. The anti-Dayan group looks for a merger with Achdut Haavoda to balance Rafi influence.

This kind of political infighting may well make the Israeli Government even less flexible on peace terms; no Israeli leader presumably wants to face an electorate as the man who gave away

what Israel's soldiers won, even though it must be clear to the top Israeli leadership that the country cannot hope to hold its present territorial gains indefinitely.

The Israelis continue to emphasize, outside the UN forum as well as within it, that the main objective now is to get the Arabs to sit down with them, face to face, at the table. The Arabs, however, are digging in their heels as hard as they can; even moderate Arab leaders say categorically that such talks are impossible at present. The Arabs are focusing almost completely on the issue of an Israeli withdrawal, and such voices of radicalism as Damascus radio have called on the Palestinians to organize themselves for a "secret armed struggle."

Nasir as well as other regime spokesmen have emphasized that Egypt is willing to wait indefinitely--keeping the Suez Canal closed the while--for the Israelis to evacuate Sinai. So far, however, there has been only one report of a cease-fire violation; the Israelis on 18 June accused the Syrians of shooting, but there were no casualties.

The Canal and Oil Situations

Oil production in the Middle East is recovering. All Arab

25X1

SECRET

SECRET

producing countries with the exception of Iraq and Libya are producing and shipping oil to regular consumers other than the US or UK.

25X1

Iraq is permitting the Iraq Petroleum Company to pump enough oil to meet the internal requirements of both Syria and Lebanon, but there is no indication of when production and exports will be resumed.

West European oil consumers still are not displaying any great uneasiness about the oil supply situation. The OECD Council which met on 20 June again failed to institute any emergency programs because France, and others, could not agree on the urgent need for joint action. The problem now appears not to be the availability of Arab oil but one of transportation. The movement of Persian Gulf oil to markets west of Suez via the Cape of Good Hope will require additional tanker capacity that is not readily available. This lack of transport will affect the production and shipment of Arab oil at least over the next thirty days.

Nasir has stated that the Suez Canal will not be reopened until Israeli troops are withdrawn from its vicinity. It now seems highly likely that the waterway is, as reported, blocked by a number of sunken craft. Estimates of the time required to clear the

canal range from a number of days to six months, but the more reliable estimates are one to three months.

Closure of the canal has caused charter rates for tankers to increase by more than 300 percent, and some dry cargo rates by 100 percent. The landed cost of a ton of Persian Gulf crude to Italy, for example, has risen from \$14.50 to \$28.50.

Soviet Diplomatic Offensive

The Soviet effort to display solid support for the Arab cause was accelerated during the past week. Premier Kosygin at the UN, President Podgorny in Cairo, and the Soviet party central committee under Chairman Brezhnev in Moscow made a coordinated series of gestures to bolster the image of all-out Soviet backing.

Kosygin's speech at the UN General Assembly on 19 June made it clear that the chief Soviet aim is to force Israel to hand back captured Arab territory. Although his resolution would condemn Israel and call upon it to make restitution to the Arabs, the Soviets would probably give up these demands in return for a simple withdrawal resolution to be implemented by the Security Council. In line with established Soviet policy, Kosygin did not take a stand on direct Arab-Israeli talks or access to the Suez Canal and the Gulf of Aqaba.

SECRET

SECRET

Kosygin struck out at US policies in several areas, leading off with Vietnam and rehashing old charges on Cuba, the Congo, and the Dominican Republic. His remarks throughout were relatively temperate, however, and particularly so when speaking of the US role in the Middle East. He charged the US with taking steps which the Israelis might have considered as encouraging their "aggression," but he did not so much as hint at direct US intervention in the hostilities. He made a general reference to the possibility of halting arms races and the desirability of concerted steps by the great powers toward peace, which may have been intended to keep the door open for private talks with the US.

Podgorny arrived in Cairo on 21 June for talks with Nasir. The two regimes probably need to compare notes on their intentions regarding new moves in the crisis. Podgorny's arrival was preceded by that of Soviet Chief of Staff Zakharov, and both will probably take part in an assessment of the damage done to the Egyptian military machine. Podgorny may be empowered to bargain with Nasir over the extent to which the Soviets need to resupply the Egyptian armed forces. There is no clear indication as yet of how far Moscow intends to go in this regard. Podgorny may also work with Nasir in hammering out a more detailed and coordinated bargaining stance to be adopted

at the UN, in the expectation that the Soviets' present harsh resolution will need to be modified.

In Moscow, a two-day central committee plenary session ended on Wednesday after going through the formality of endorsing the politburo's handling of the Middle East crisis. The resolution adopted by the party body failed to mention one of Kosygin's three demands--censure of Israel--but it used harsher and more ideological language than had Kosygin at the UN. The party document was unrelieved by the more positive aspects of Kosygin's presentation, notably his statement on the right of every people "to establish an independent national state of its own," and his reference to great-power responsibility for peace in the Middle East.

The resolution took special note of the Communist summit conference in Moscow on 9 June, calling the "joint action" of the bloc countries a "powerful factor in the struggle against aggressive intrigues" but without specifying what "joint action" was planned. Podgorny's stop-over in Belgrade on the way to Cairo was probably designed to exploit Tito's willingness to join with the USSR and all the East European countries except Rumania on this issue.

East European Reactions

Following the pattern set by the Soviets, all the East European

SECRET

SECRET

governments except Albania are represented at the special UN General Assembly session by premiers and foreign ministers, and even Albania sent its foreign minister. Their views on the Middle East conflict and reactions to the proceedings--aside from the Rumanians--have predictably supported the Arab cause, but various delegates have revealed private doubts about the outcome of the session and about Soviet tactics and leadership in the crisis.

As expected, the Rumanians have emphasized the neutralist course party leader Ceausescu set by refusing to sign the 9 June Moscow declaration condemning Israeli aggression or to break relations with Tel Aviv. One Rumanian representative even noted to US officials that the views expressed by President Johnson in his speech were "not very far" from those of his own country.

Despite their close public alignment with the Soviet position, Czechoslovak and Hungarian delegates have complained privately that the Soviets have not kept them informed regarding their intentions. A Czechoslovak delegate even related that on 16 June Eastern European delegates "were forced to buttonhole" outsiders to learn Kosygin's expected time of arrival.

Reflecting his government's misgivings, Polish Deputy Foreign

Minister Naszkowski stated [redacted] on 15 June that Warsaw sees the UN debate as a propaganda exercise through which Moscow hopes to demonstrate continued support for the Arabs and to regain the initiative in the Middle East.

25X1

25X1

25X1

Meanwhile, in Warsaw, party boss Gomulka is trying to temper pro-Israeli sentiment in Poland, most recently in a speech delivered on 19 June. Gomulka's efforts in this direction reveal the regime's extreme sensitivity to the widespread sympathy for Israel among influential Jews within the party and government apparatus, as well as among the people in general.

Soviet Military Aid

The Soviet airlift to Egypt and Algeria appears to have ended. Between 6 and 19 June over 225 flights were made to those countries. While the cargoes included spare parts and some anti-aircraft guns, the flights are believed to have been intended primarily to resupply the Arabs with aircraft. The cargo to Egypt included possibly as many as 100 MIG fighters.

SECRET

SECRET

If the Soviets intend to build the Egyptian military hardware inventory up to the prehostility level and meet new Egyptian military equipment requirements, a large-scale sealift of some duration will be necessary. Since the fighting began on 5 June, however, only eight freighters possibly carrying military equipment have arrived in Middle Eastern ports--one in Algiers, five in Alexandria, two in Latakia--and one freighter is currently en route to Iraq via the Cape of Good Hope. Some of these ships carried armored personnel carriers, artillery, and anti-aircraft guns, and aircraft as well as tanks and a variety of wheeled vehicles. Egypt has been seeking the last two items on an emergency basis since 24 May.

Soviet Naval Posture

A significant number of Soviet combatant ships continue to operate in the Mediterranean. Units which have recently entered the Mediterranean or will do so in the next week include two Alligator-class landing ships, two cruisers, four destroyers, and five naval auxiliaries. A cruiser and seven other warships are scheduled to return to the Black Sea in the same period.

Four destroyers, an Alligator landing ship, and an intelligence collection ship continue to operate east of Cyprus and as many

as eight submarines, including two nuclear units, may be in the Mediterranean. The Soviets appear to be maintaining a large number of naval units in the area as a psychological prop to the defeated Arab states and to interfere with the freedom of action of the US Sixth Fleet.

UN Situation

There does not appear to be much chance that either the US or Soviet resolutions on the Mideast--at least in their original form--will attract the necessary two-thirds vote in the special session of the United Nations General Assembly. Several groups of nations are considering introduction of their own resolutions as the debate goes on.

Outside of the Communist and Arab states, there is almost no support for the clause of the Soviet resolution calling for the condemnation of Israel as the aggressor. Nor is there much interest in the Soviet proposal that Israel be required to make reparations. The Soviet resolution might pass, however, if it were cut down simply to a call for the withdrawal of Israeli forces behind the armistice lines. There is a possibility that India and other nonaligned states will introduce such a resolution themselves.

SECRET

SECRET

Many countries tend to believe that the UN must take a clear position against territorial gains as the result of military action, regardless of other considerations. The Chilean representative said that this was an important matter to most Latin American countries. Probably hoping to salvage something of Britain's economic relations with the Arab states, British Foreign Secretary Brown, when he addressed the assembly, opposed Israel's retention of conquered territory. The UK, however, is unlikely to press the Israelis to withdraw until they have gained some guarantees.

The US Mission to the UN characterized the initial reaction to Ambassador Goldberg's speech as "good to excellent from all friendly countries, and good from many marginal ones." Objections, however, were raised by some that

it ties an Israeli withdrawal to the recognition of permanent boundaries. There is deep pessimism in the halls of the UN about the prospects for such recognition any time soon, or even for Arab-Israeli talks, as proposed by the US.

The purpose of the debate in the General Assembly is generally recognized as being that of registering the sense of world opinion on the Mideast situation, with no intention by any country to endow the assembly with new implementing powers. There is, however, a growing belief that the UN needs new and improved machinery to deal with the Mideast--perhaps a special mediator appointed by the Secretary General, or strengthened peace-keeping forces. De Gaulle and Prime Minister Wilson still hope that a four-power summit meeting can be arranged.

25X1

* * *

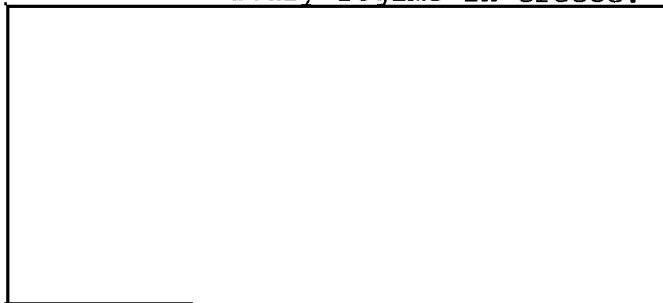
SECRET

25X1

NEW STRAINS BETWEEN GREEK COUP GROUP AND KING

There are new signs of strains between King Constantine and the military regime in Greece.

25X1



Constantine previously had approved almost pro forma the junta's suggested military retirements and promotions, which apparently have been carried out according to established procedures and without favoritism.

25X1

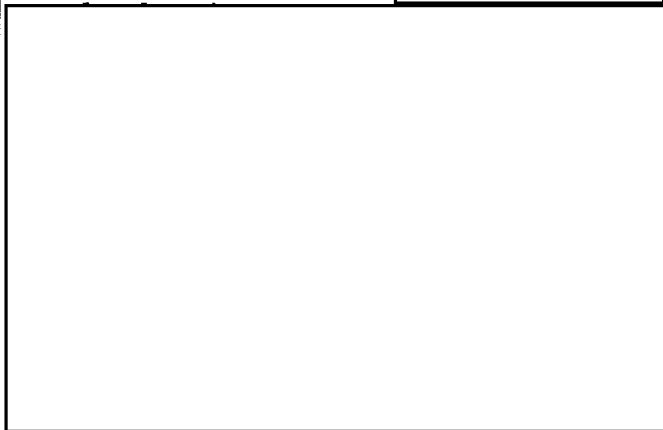
The regime has continued to consolidate its control with the appointment of key local, regional, and national governmental officials. Strict control of the news media is being maintained, and political activity is still proscribed. The military authorities have instituted severe penalties for both written and oral pronouncements threatening their established order.

Minister of Interior Pattakos announced last week that over half of the 6,138 political prisoners had been released. A press source quotes Pattakos as having said that over 10,000 persons had been arrested. The most

prominent detainee, Andreas Papandreou, has still not been tried, but Pattakos announced that the government was "speeding up legal formalities" in this case. Most observers believe that even if Andreas is convicted, he will not serve a sentence but will instead be deported.

The constitutional revision committee met last week and was urged to complete its work by 15 December. No timetable for the promised referendum has yet been announced, however.

25X1
25X1



Various regime officials have expressed surprise at what they regard as a cool US response to the new government. They state that the US apparently misunderstood the necessity for the military take-over and have hinted that the continuance of such a stance by the US could result in anti-US reprisals.

25X1
25X1

SECRET

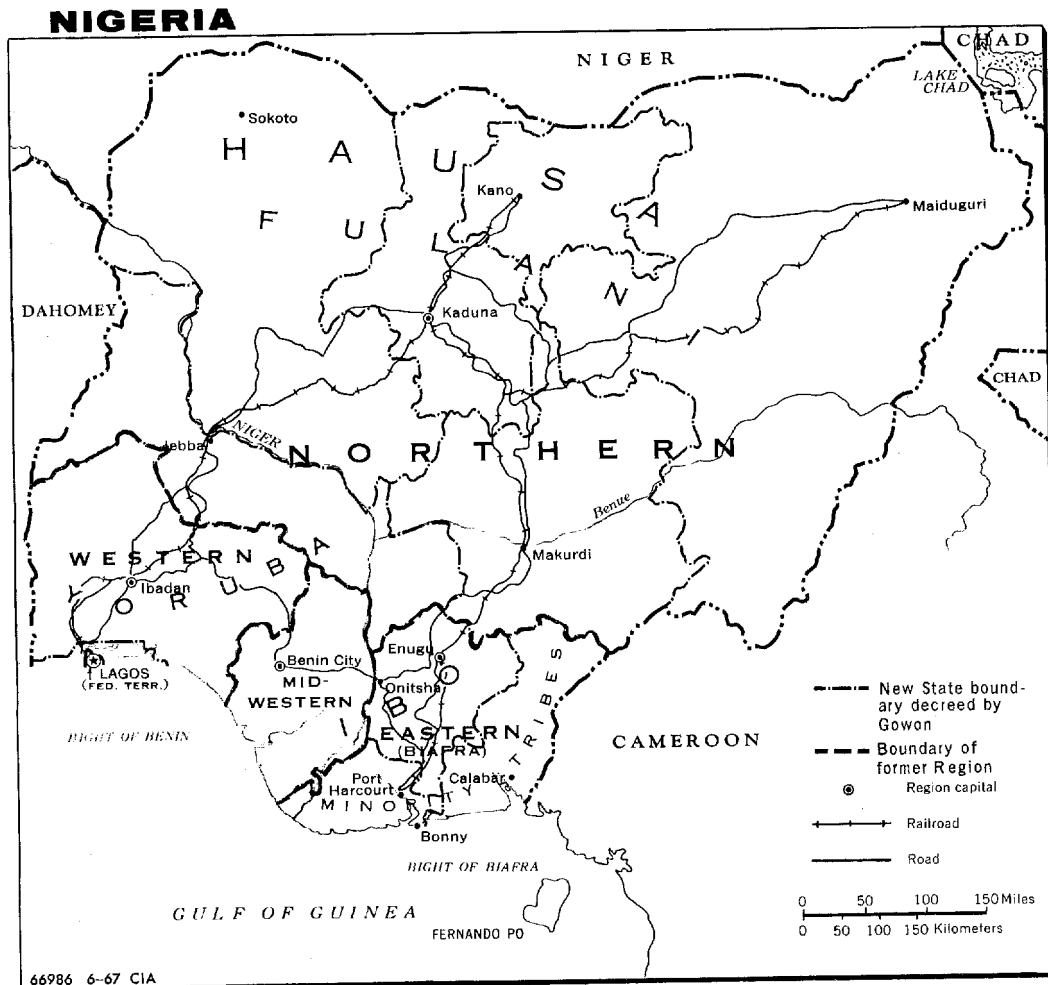
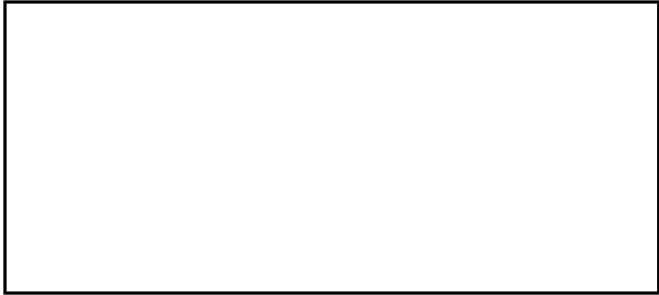
SECRET

SHOWDOWN DELAYED IN NIGERIA

The three-week-old "Republic of Biafra"--formerly the Eastern Region of Nigeria--is still awaiting both a military attack by federal government forces and international recognition. Under increasing federal pressures, Eastern officials, including military personnel, are reportedly becoming restless over the inaction and uncertainty. Some are even talking of initiating military action against the North

themselves, although military governor Ojukwu is probably opposed.

25X1



SECRET

25X1



Federal forces now deployed near the Biafran border are estimated at 4,000 men. Ojukwu has some 2,000 regular troops in the area, many equipped with modern small arms. They are in a good defensive posture. Eastern saboteurs recently succeeded in blowing up a number of small bridges across the border despite the federal build-up there.

Ojukwu, meanwhile, launched his move to get control of the increasingly sizable revenues heretofore paid to the federal government by the foreign oil companies. With the next tax and royalty payments due next month, a decree issued by Ojukwu on 21 June formally calls for the payment to Biafra of all such revenues derived from operations there. Under threat of fine, all companies operating in Biafra are required to file by 28 June full particulars of the revenues involved and their source, although the timing of actual payment may still be negotiable.

The oil companies, among which Shell-BP is by far the largest producer, will now have to choose between abiding by their existing contractual obligations to the federal government or dealing with Ojukwu's regime.

Shell-BP's position is a difficult one. Payment to Biafra at this stage would be certain to provoke an extension of the proclaimed federal blockade of the East to oil tankers, which now are allowed to proceed to Eastern ports after first being checked out at Lagos. On the other hand, payment to Lagos may result in action by Ojukwu to shut down oil operations in Biafra in an effort to force the companies to come to terms with him. At present Shell-BP seems likely to make its July payment to Lagos, thus at least preserving its considerable interests elsewhere in Nigeria. Gowon is clearly most anxious that Ojukwu not get the oil revenues, which he feels would be an important step toward recognition.

Both Gowon and Ojukwu have recently sent delegations to key African and world capitals to press their respective positions. Gowon has warned that recognition of Biafra would be regarded as an unfriendly act and has generally discouraged would-be mediators. Ojukwu and his emissaries are pushing the line that recognition should be granted immediately to forestall bloodshed. So far, Gowon has had much the better of this diplomatic skirmish as no country is yet willing to be first to recognize Ojukwu's Biafra. Its only foreign neighbor, Cameroon, is cooperating with Lagos' efforts to seal off the seceded region. Many other African countries have now closed their airports to Ojukwu's aircraft.

25X1

SECRET

SECRET

WESTERN HEMISPHERE

A variety of international meetings, with the UN discussions of the Middle East crisis foremost among them, absorbed the attention of many Latin American governments last week.

General preoccupation with the Arab-Israeli conflict and its repercussions in the UN General Assembly continues throughout the hemisphere. As matters now stand, it seems likely that the Latin American group in the UN would abstain in a vote on a resolution condemning Israeli aggression, whereas a significant number of hemisphere governments probably would see themselves forced to support a simple call for Israeli withdrawal from conquered territories. Despite their basic sympathy with the Israelis, some Latin American regimes probably would feel that they could not politically afford to condone any territorial gains made by force.

Other important international meetings during the week included the preliminary sessions of an OAS Meeting of Foreign Ministers in Washington to act on Venezuela's complaint of Cuban aggression, and the fifth annual meeting of the Inter-American Economic and Social Council in Vina del Mar, Chile. After agreeing unanimously that Venezuela's complaint should be fully examined, the OAS had difficulty in finding five governments willing to serve on the investigatory commission that was named on 21 June. The main themes in Vina del Mar have been Latin America's persistent quest for US preferential treatment of its exports, and the strong differences of opinion that continue to crop up when trade questions and future Latin American economic integration are discussed.

Domestically, most Western Hemisphere countries remain quiet, although rumors of a cabinet shake-up and still vaguer rumblings of a general political upheaval continue to circulate in Bolivia. Also, rumors persist of coup plotting in Haiti, as do reports that more executions of suspected conspirators are about to occur or have just taken place.

SECRET

TROUBLED BOLIVIA FACES NEW PROBLEMS

The Bolivian Government, engaged for three months in an unsuccessful effort to rout guerrillas in the southeast, now is faced with additional problems of unrest in the tin mines and growing cooperation among opposition political groups.

The trouble in the tin mines stems primarily from economic and administrative grievances. Agitators have exploited the situation, inciting the miners to violence and encouraging them to defy government authority. Extremists have maneuvered the miners into endorsing the guerrillas and demonstrating in support of them.

Miners at the important Huani and Catavi complexes have declared their regions "free territory" in an apparent attempt to force the government to meet their demands and to lift the state of siege imposed on 8 June. Technical and administrative personnel fear for their safety under such conditions of anarchy and have refused to return to the mines. The government is reluctant to move troops into the area as this probably would only aggravate the situation.

During the past two weeks there has also been a flurry of political activity unknown in Bolivia for some time. Leaders of the Nationalist Revolutionary Movement (MNR), the rightist Bolivian Socialist Falange (FSB), and the National Leftist Revolutionary Party (PRIN)--Bolivia's

major political parties--have held a series of meetings aimed at unifying opposition to the Barrientos government. Some progress has been made, but unity is still an illusion at this point.

In an apparent attempt to forestall such a development and to split the power-hungry FSB, President Barrientos offered that party a chance to participate in his government, using as bait the promise of one or two cabinet posts. The plan eventually was vetoed by Barrientos' supporters, but it had the desired effect of disrupting the unity movement. The FSB is now in trouble with the MNR and PRIN for its duplicity in seeking favor with the government while at the same time negotiating with the opposition parties, but the unity efforts continue.

The mine situation and the unity movement among the opposition political parties are both troublesome for the government, but the guerrilla problem is still the main concern. Additional guerrilla sites are being set up in different areas of the country, [redacted]

[redacted] If even one of these new groups starts shooting, the government would be incapable of coping with the problem. The resulting decline of public confidence would not only undermine the government's authority but could well shorten Barrientos' tenure. [redacted]

25X1
25X1

25X1

25X1

SECRET

SECRET

POLITICAL UNREST IN HAITI

The situation in Haiti has deteriorated since the execution of 19 military officers for "high treason" on 8 June. Rumors of coup plotting are again prevalent as is the expectation of further punitive action by Duvalier. As many as 72 people have taken asylum in various embassies in Port-au-Prince.

Some of the officers who were executed had been close to Duvalier for years, and the action against them, combined with numerous changes in military commands which followed, has eroded Duvalier's already narrow power base. The creation of an unarmed police force on 1 June coincides with an apparent move on the part of Duvalier to downgrade the national militia as a security force. No segment of Haitian officialdom has remained unscathed by the purge, and businessmen are beginning to wonder if they are to be next. One current rumor has it that Duvalier has admitted to the recent execution of 22 additional prisoners.

The internal situation has caused trouble with both the Brazilian and Bahamian governments. A dispute over the asylum question resulted on 8 June in the expulsion of Brazil's chargé, who had

been on duty for only a week. Relations are also strained with the government of the Bahamas, which has demanded that Haiti stop the flow of emigrés. A thousand or more Haitians have reached the Bahamas in recent weeks, but most of them were seeking economic improvement rather than political asylum. They are being sent back to Haiti.

The feud within the Duvalier family may be eased for the time being by the departure of son-in-law Colonel Max Dominique and his wife, the former Marie Denise Duvalier, who are leaving on 23 June for Europe. Dominique has been appointed ambassador to Spain, possibly to get him out of the way. Many of the purged officers had been close to Dominique, who resigned as military commander of the Western Department in late May as a protest against their arrest.

25X1



* * *

SECRET

SECRET

NEW DISORDERS POSSIBLE IN NORTHERN MEXICO

The Mexican Government may face more trouble in the northwestern border state of Sonora in connection with the elections scheduled there for 2 July. General order is likely to be maintained, as it has been for the past month, only by the presence of federal troops who were sent in to quell a violent public protest against the gubernatorial candidate "imposed" by the ruling Institutional Revolutionary Party (PRI).

The refusal of the PRI to bow to overwhelming popular opposition to the nomination--and therefore almost certain election of Faustino Felix Serna has increased the potential for renewed violence, however. Government-influenced newspaper and radio comment has added to the initial resentment by treating all opposition to Felix Serna as inspired by Communist subversives.

Further exacerbating the situation are the continuing reprisals against those who oppose Felix Serna's candidacy. An estimated 300 student leaders of the protest movement have sought

refuge across the border in Arizona, many teachers have been fired, and respectable and prominent citizens have been arrested and harassed. Rumors that vast amounts of public money were used to "purchase" Felix's candidacy and to buy off the press point up popular belief that corruption is rampant.

If voters do not boycott the election, there will probably be a strong protest vote in favor of the National Action (PAN) candidate, Gilberto Suarez. Suarez, not a PAN member, is an attractive personality with funds to wage a good campaign.

25X1

* * *

SECRET

25X1

Approved For Release 2007/03/09 : CIA-RDP79-00927A005900010001-8

Approved For Release 2007/03/09 : CIA-RDP79-00927A005900010001-8

Secret