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DIRECTORATE OF  
INTELLIGENCE

# *WEEKLY SUMMARY*

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(Information as of noon EDT, 18 September 1969)

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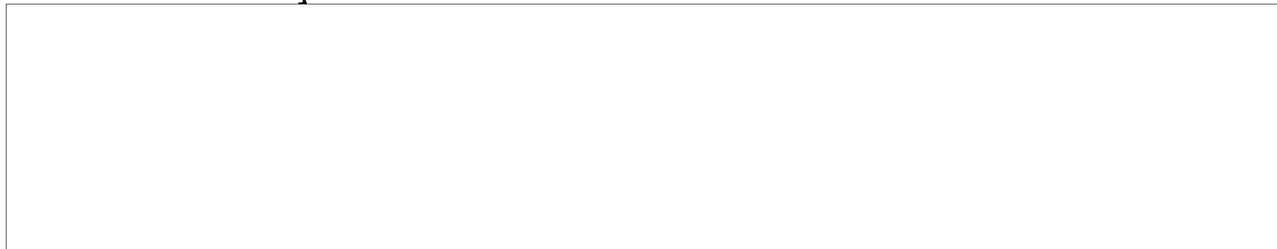


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**FAR EAST**

Communist military operations in South Vietnam continue to follow patterns established before the death of Ho Chi Minh. These include shellings, small unit actions, and occasional highpoints involving larger forces. It is unlikely that there will be any sudden shift in the Communists' approach to the war or to the talks in Paris while Ho's heirs work out their relationships with one another. This appears to have priority in Hanoi.

Cambodia's Sihanouk and the North Vietnamese leaders appear to have made some progress on at least a few outstanding issues during renewed talks in Hanoi last week. The importance of Cambodia to the Communists' war effort and the fact that Sihanouk has not agreed to permit a resumption of the flow through Cambodia of arms and ammunition to Communist forces in South Vietnam may make Hanoi somewhat more responsive to Sihanouk's desires than in the past. Materiel shipments will probably be a major topic when the head of the Provisional Revolutionary Government visits Phnom Penh in the near future.

Increasing enemy resistance has checked Lao government efforts to gain new ground in the Plaine des Jarres. The Communists may now have sufficiently consolidated their badly disorganized forces to take the offensive. If so, government troops may be hard pressed to retain control over recently occupied territory. Neutralist General Vang Pao's strategy will be to try to establish strongpoints in the mountains surrounding the Plaine in order to deny it to the enemy.



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## VIETNAM

Hanoi's leadership has withdrawn from the public spotlight since the conclusion of the ceremonies honoring Ho Chi Minh. Ho's heirs are probably trying to forge the party unity they have repeatedly called for, and central committee meetings may well be under way. What has been done or said publicly so far, however, has provided few clues to the shape of future policy or the real distribution of power.

The party daily is using Ho's testament to set out policy guidelines on specific issues but, taken together, these editorials provide something for everyone. On 12 September, the lead editorial was a hard-hitting commentary for the war hawks that called for continued sacrifice until final victory is achieved. The next day the main theme was the importance of "building socialism" in the North, and support for the war took a definite back seat. On 14 September, the issue was intraparty unity and the next day it was unity in the Communist world.

Apprehension over Sino-Soviet strains and commitment to Vietnamese neutrality vis-a-vis the two Communist powers may well be the only issues on which there is genuine unity in Hanoi. Ho's will and Party First Secretary Le Duan's funeral oration gave

these issues high priority. It is quite doubtful that the party can muster much unanimity on other issues that have been vigorously debated in the past and contain the seeds of future divisiveness.

Indications of Le Duan's personal commitment to continuing Vietnamese neutrality in the Sino-Soviet dispute came through clearly in the party daily editorial of 15 September, which was liberally sprinkled with quotes from Le Duan's earlier writings along with those of Ho Chi Minh. This coupling of Le Duan's views with those of Ho also tends to buttress the party first secretary's leading position in the politburo.

Except for the editorial commentary immediately following Ho's death, not much attention has been given to the idea of collective leadership. The one reference to the idea this week was a backhanded one in which President Ho was credited with developing a group of "close comrades in arms who were both loyal and outstanding." Every public appearance or sign of party ranking to date has Le Duan exercising the prerogatives of the post he held as Ho's second in command. This pattern will probably persist for some time.

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Military Developments

Communist forces loosed a brief flurry of shellings and ground attacks on 11-12 September immediately following the cease-fire honoring Ho Chi Minh, but enemy initiatives since then have been at a generally low level. The most significant actions have been in the northern provinces, where the enemy conducted damaging raids against several villages and refugee centers, and in Chau Doc Province in the Mekong Delta.

It is becoming increasingly clear that the Communists are stepping up their military commitment in the populous delta, which is now defended almost exclusively by South Vietnamese soldiers. Prisoners and ralliers report that some 1,000 North Vietnamese replacement troops have been sent to Viet Cong battalions in the northern delta provinces since July. Earlier this summer the enemy reinforced the delta with North Vietnamese regulars for the first time in the war by shifting two regiments from III Corps to the western and southern delta provinces.

[redacted] the Communists intend to pursue the war during the remainder of the fall and this winter with much the same "high-point" tactics that have characterized their operations since last spring. [redacted]

[redacted]

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[redacted] the fall-winter campaign will consist of several phases, each marked by a brief but intense surge of attacks.

[redacted] enemy forces, in their ground assaults, will try to inflict maximum damages and casualties, but in order to conserve manpower they will not attempt actually to seize and hold objectives.

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[redacted]

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[redacted]

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[redacted] future Communist military activity will not differ markedly from that of recent months and will feature stand-off shellings, sapper raids, and guerrilla activities in rural areas.

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Political Developments in  
South Vietnam

The new cabinet is still feeling its way, with only broad policy guidelines so far laid down by Prime Minister Khiem. Meanwhile, progovernment legislators in the National Assembly are still encountering some obstacles in trying to create majority blocs in each house under a common, unified assembly leadership.

Several opposition groups are considering the formation of a joint political committee, but

it appears unlikely that they will come up with an effective coalition. Militant Buddhist leader Thich Tri Quang, although not actively associating with such efforts, has added his voice to those expressing concern over the increased influence in the government of members of the old Diemist Can Lao Party. He claims this influence will be used to promote anti-Buddhist policies and has indicated that the Buddhists may create a secret political group to counter the Can Lao.

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## CAMBODIA RENEWS NEGOTIATIONS WITH VIETNAMESE COMMUNISTS

Chief of State Sihanouk indicated on his return from Hanoi last week that he had opened a new round of substantive talks with North Vietnamese leaders.

The talks touched on major issues that have been an increasing source of tension between the two sides over the past year, including the presence of Communist troops in Cambodia. Some progress appears to have been made on at least a few of the outstanding issues. Sihanouk claimed that North Vietnamese Premier Pham Van Dong had made many promises, but warned that he considered such promises as having only limited value.

Sihanouk has been trying to get North Vietnam to sign a border agreement for almost five years.

Huynh Than Phat, head of the Viet Cong's Provisional Revolutionary Government, signed an agreement during his trip to Phnom Penh last July that recognized Cambodia's version of its borders and pledged that Communist troops would vacate Cambodian territory once the war was over. Sihanouk presumably wants a similar but, from his point of view, more binding accord from Hanoi.

Sihanouk clearly believes that the Communists will ultimately prevail in South Vietnam and that, as the war there tapers off, they will increase their military and political pressures on Cambodia. Despite Communist

assurances, the presence of North Vietnamese and Viet Cong troops in Cambodia--Phnom Penh has estimated that there are as many as 60,000--remains a major problem. Although Phnom Penh knows full well it cannot drive the Communists out, in the past year it has ordered its security forces to increase military pressures on intruding Communist units and has often looked the other way when allied forces have engaged the Communists along the border.

An announcement from Phnom Penh that Sihanouk had concluded a "commercial treaty" with the Provisional Revolutionary Government suggests that Sihanouk made some progress with the Communists; the Communists have pressed for a formal trade agreement to cover the purchase of nonmilitary supplies ever since Sihanouk placed an embargo on all supply shipments last May. Sihanouk may also have viewed the trade agreement as a conciliatory gesture to compensate for his not honoring his earlier promises to permit the resumption of the arms and ammunition flow to the Communists in South Vietnam.

The importance of Cambodia to the Communists' war effort and the fact that Sihanouk apparently has not agreed to permit the resumed flow of arms and ammunition may make Hanoi somewhat more responsive to Sihanouk's desires. This presumably will be the major topic Pham Van Dong will discuss in his forthcoming trip to Phnom Penh.

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# LAOS: Current Situation



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## LAO GOVERNMENT OFFENSIVE SLOWS

Communist forces have begun to put up a more spirited defense during the past week and the government offensive in north Laos appears to be running out of steam. Aside from the unopposed capture of Xieng Khouangville, government troops have been checked in their efforts to gain new ground. Despite this turn of events, the government still hopes to secure the high ground north of the Plaine des Jarres and retake Muong Soui before the rainy season ends late next month.

Increasing enemy resistance to repeated government attempts to advance north of the Plaine and a strong attack against a government guerrilla unit south of Khang Khay on 15 September suggest that the Communists may have consolidated their badly disorganized forces. They may be preparing to take more offensive actions in and around the Plaine. If so, government forces are likely to be hard pressed to advance farther and their ability to retain control over recently occupied territory will be severely tested.

Meo leader Vang Pao has reinforced the northern Plaine with additional guerrilla elements to

try to push forward in that sector. This move is in line with his recently declared strategy of denying the Communists access to the Plaine in the future by establishing government strongpoints in the mountains surrounding it. Moreover, he has opened a new phase of the offensive by dispatching irregular units to try to retake Muong Soui, which he believes has been isolated and weakened by his operations in the Plaine area.

Pathet Lao and Hanoi radios have both come down hard on Vang Pao's offensive and have threatened to "mete out unprecedented heavy blows" to the government. The Pathet Lao broadcast may also have signaled the Communists' intent to retaliate when it emphasized that the offensive was launched from Vang Pao's bases at Sam Thong and Long Tieng, and from Vang Vieng, a headquarters base for government neutralist troops.

In south Laos, government forces have been consolidating their control in the immediate area around the recently captured town of Muong Phine and have destroyed large quantities of enemy supplies.

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## SOUTH KOREAN REGIME CLEARS WAY FOR THIRD TERM

25X1 The Pak regime will use its full [redacted] powers to ensure a favorable outcome in next month's national referendum to amend the constitutional ban on a third term for President Pak. The National Assembly formally approved the amendment last weekend and the government party plans to open a nationwide campaign on 20 September to promote support for the final step in the amendment process.

The regime's program has probably been complicated, however, by its high-handed tactics in ramming the amendment through the National Assembly. Government legislators, justifying their actions as necessary to overcome opposition party obstructionist tactics, passed the measure on 14 September in a secret assembly session held at 3:00 a.m. in an annex of the main assembly building. The government party's flouting of parliamentary procedure has provoked a torrent of public criticism. This was heightened by a singular display of insensitivity on the part of police when they broke up an anti-amendment demonstration in downtown Seoul by a small group of wounded Vietnam veterans.

Opposition elements have been encouraged by the public outcry to strengthen their anti-amendment drive. A leading minor party politician and a number of independent legislators have indicated they will support the opposition party's anti-amendment campaign. The press also appears more willing to brave government retaliation and speak out against the amendment. Such efforts at this point at least, are no match for the regime's overwhelming financial and political resources. Opposition leaders probably realize this and may be playing for the outside chance that the regime will overreach itself in suppressing its detractors, and thereby provoke a wave of public revulsion.

The area where such a development appears most likely is in police handling of student demonstrators. The police anticipate an increase in student violence; all but two small universities in the capital have been shut down and some high-school classes have been suspended. Riot-control forces, which have been strengthened, are probably capable of holding the students in check. Excessive police force could still be applied, however. [redacted]

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## APATHY GREET'S PEKING'S "WAR PREPARATIONS" DRIVE

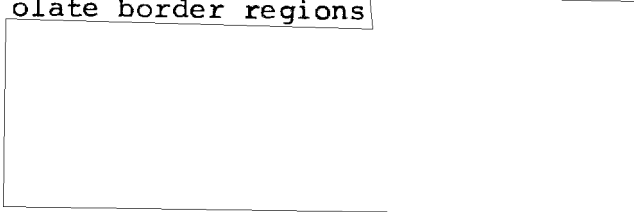
Peking has stepped up its "war preparations" propaganda in recent weeks. In part this has been done to push faltering domestic programs, but it also reflects concern in the wake of this year's border clashes with

the Soviet Union. The regime's past exploitation of the war preparations theme to promote unpopular internal programs, as well as to foster national unity, has resulted, however, in widespread public apathy and some resistance to the new drive.

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Peking has been using the theme to justify the highly unpopular program of sending large numbers of city residents to the countryside. Many urban youths, however, are unwilling to go to desolate border regions

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The regime has also used the theme to put increased demands on the peasants. A Kirin radiobroadcast of 29 August warned peasants not to become lulled by feelings of peace and to store more grain in case the war with the Soviet Union lasts for several years.

Broadcasts from several provincial radio stations indicate that some local army elements also are not responding to the call for increased vigilance. These broadcasts criticized erroneous attitudes and a lack of understanding of the Soviet threat. According to Kiangsi radio on 30 August, one local army unit expressed its skepticism of the drive by questioning why, amidst all the talk about strengthening preparations for war,

it was still tied down with domestic political tasks assumed during the Cultural Revolution and was not allowed instead to carry out more military training.

The domestic aims of the war preparations drive probably remain paramount, but Peking's recent use of the theme does suggest a growing concern among the Chinese leadership over the possibility of further hostilities with the Soviet Union.

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The evidence now available is still too thin, however, to suggest that Peking is doing more than taking some preliminary steps to firm up its contingency plans in case of some new conflict. It is also clear that Peking, for the time being at least, has no intention of freeing local army units from their political role for purely military duties.

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**SECRET****EUROPE**

The 24th UN General Assembly convened on 16 September. Soviet Foreign Minister Gromyko is expected to speak on the strategic arms limitation talks and may announce a Soviet initiative concerning controls on the production of chemical and biological warfare weaponry. [REDACTED]

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Neither Moscow nor Peking has given out any details of Kosygin's trip to China on 11 September, which ended with only the briefest of statements. The Soviets, who seem to have initiated the visit, probably intend it to be read as an earnest of their peaceful intentions and have concurrently halted their anti-Chinese propaganda. China's cold reaction and its continuing press and radio attacks on the USSR, however, suggest that no real improvement in relations has resulted.

On another front, Moscow responded positively on 12 September to last month's Allied note on Berlin. The Soviet reply avoided specific commitments, however, and was only a token of the USSR's willingness to continue talking. On the same day, Moscow also replied in much the same manner to a longstanding West German proposal for an exchange of declarations that would renounce the use of force.

The Czechoslovak regime is virtually paralyzed at the top by political infighting. East Germany suddenly arrived at a minor but advantageous transportation accord with West Germany and is discussing other potentially lucrative agreements. Hungary's economic czar returned from a week in Moscow where he had been coping with trade problems caused by his economic reform.

The EC Council of Ministers agreed that the Six will hold a summit conference in the Hague on 17-18 November. Although the conference will apparently have no set agenda, topics such as the completion and the enlargement of the Communities will no doubt be discussed.

Extensive strikes marked the opening of the fall political season in both France and Italy. The French Government, fearful of jeopardizing its austerity program, hopes to persuade workers to settle for relatively small increases when wage negotiations begin. In Italy, management is prepared to concede sizable wage increases but may be unwilling to meet demands for greater union prerogatives. Organized labor in both countries is particularly militant this year for fear of being outflanked on the left by spontaneous "worker power" groupings. [REDACTED]

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## NO RESULT APPARENT FROM KOSYGIN - CHOU EN-LAI MEETING

There is no indication that the meeting in Peking between Soviet Premier Kosygin and Chinese Premier Chou En-lai on 11 September resulted in any significant improvement in Sino-Soviet relations. Chinese behavior suggests the contrary. It seems almost certain that the hastily arranged meeting occurred at Soviet initiative, perhaps with the North Vietnamese acting as intermediary.

Kosygin probably used the occasion to emphasize the seriousness with which Moscow views the present border confrontation and to underscore Soviet determination to react forcefully to any Chinese provocations. At the same time he probably reiterated Soviet willingness to hold talks on the border problem and may have attempted to keep China under pressure on this issue by indicating that the situation was getting out of control.

Such a presentation would have served several Soviet purposes. It would have dramatized to the Chinese at an authoritative and personal level the grave view Moscow takes of what it regards as provocations against the USSR. The Soviets probably believe that Peking is willing to accept a continuation of the present level of border conflict unless it can be convinced that Moscow is prepared to take harsh measures. At the same time, the Soviets are clearly unhappy about the tendency of much of the Communist movement and the

rest of the world to apportion blame equally in the dispute.

The Soviets see themselves at a disadvantage because many of their enemies and allies believe they can take advantage of Moscow's preoccupation with the Chinese. Moscow probably hopes that Kosygin's dramatic visit will serve to show that it is seeking to settle differences peacefully. The Soviets have refrained from polemics against Peking since the meeting, probably to underscore their stance as the party willing to moderate the dispute, and perhaps also to emphasize to China their willingness to take some of the heat out of the situation.

Kosygin's cold reception in Peking and the terse Chinese communiqué on the meeting were clearly designed to avoid the impression of formal Sino-Soviet discussions. The Chinese were probably reluctant to talk directly with Kosygin, but may have been unwilling to bear the onus for refusing to meet, particularly in light of Ho Chi Minh's last testament appealing for unity between the two parties. In addition, the Chinese are undoubtedly concerned over the possibility of a serious escalation of the conflict and may have seen some advantage in sounding out Soviet intentions.

It is too early to tell whether Peking will respond in a positive fashion to the Soviet initiative. On the propaganda

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front, however, Peking is maintaining an air of implacable hostility. On 16 September China made a forceful attempt to portray the USSR as the aggressive party in the dispute by calling attention to the possibility of an atomic attack by "social imperialism"--a clear allusion to recent public speculation concerning a possible Soviet pre-emptive strike against China. The statement is part of a slogan for this year's National Day celebrations on 1 October and

is likely to aggravate tensions between Moscow and Peking further.

The Soviet stand-down in polemics is unlikely to last much longer in the face of the continuing stream of invective from Peking. China's behavior could allow the Soviets to re-enter the propaganda battle with the renewed claim that Moscow had sought to temper the dispute but is compelled to defend itself against Peking's "aggressive" intentions.

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### NEGOTIATIONS RESUME ON SEABEDS TREATY

Negotiations on the treaty limiting the use of the seabeds for military purposes have resumed at the 25-nation Geneva Conference of the Committee on Disarmament. The US has submitted a counterdraft to the recent Soviet proposal, and has received a qualified "green light" from its NATO allies to try to reach an agreement with Moscow on a single text.

Various aspects of both drafts have come under fire. Some states, desirous of guaranteeing the inviolability of their continental shelves, want the proposed 12-mile zone to which the treaty prohibitions would not apply extended to include a buffer zone in which they would enjoy complete freedom of action. Other states fear a negotiating impasse over a US for-

mulation that would not permit the Soviets to claim certain marginal seas as internal waters.

Most of the participants in the Geneva talks appear willing to give the US and the Soviet Union a few more weeks to negotiate an agreed text on a bilateral basis. They are anxious, however, to show some measure of progress at Geneva and do not wish to leave undecided those aspects of the treaty most likely to arouse controversy at the General Assembly session, which could tackle the subject as early as mid-October. At the same time, these nations would resist any attempt to portray the treaty as a Geneva recommendation if they did not have the opportunity to consider the final draft before it is submitted to the Assembly.

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## CZECHS REMAIN DIVIDED OVER REFORMERS

25X1 A long-awaited meeting of the Czechoslovak party central committee apparently was again postponed this week

[redacted] party leaders are divided over the issue of how to deal with former party leader Dubcek and other reformers.

Party chief Husak, a victim himself of a purge and political trial in the 1950s, and President Svoboda apparently are opposing demands by ultraconservatives that Dubcek and others be removed now from all their official positions. They almost certainly oppose the demands that some reformers be tried for their political activities. At issue, however, is not the fate of Dubcek and the others--eventually they will become political "nonpersons"--but rather whether Husak will be able to retain freedom of action as head of the party and preserve whatever popular prestige he still enjoys.

Husak may be attempting to stall the untraconservatives while he seeks support for his views from his allies. On 12 September the

party presidium decided that the Czechoslovaks would inform other parties of their political intentions. Husak's position vis-a-vis the extremists probably was strengthened three days later when Polish leader Gomulka traveled to Ostrava for a private meeting with Husak.

[redacted]

Premier Cernik met for a short time with Brezhnev and Kosygin on 16 September, and two party secretaries met on the 15th with Soviet party secretaries Demichev and Katu-shev. On both occasions the two sides presumably discussed the forthcoming changes in the Czechoslovak party and government. Cernik's traveling to Moscow suggests that he will survive the ultraconservatives' recent attacks on him.

[redacted]

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## CZECHOSLOVAK ECONOMY MUDDLES ALONG

One year after the Soviet invasion of Czechoslovakia, the country faces the prospect of an apparently extended period of tight economic control. The Husak leadership, like the Dubcek government preceding it, has thus far been reluctant to take the unpopular steps

necessary to solve the nation's long-standing economic problems. The central committee plenum on economic problems, which probably will not be held until late in the fall, may provide the forum for announcing new economic guidelines.

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After Czechoslovakia recovered from the slight physical damage and short disruption in industrial production that accompanied the Soviet invasion in August 1968, additional strains were imposed on an economy already suffering from a lack of direction, inefficient production, and spiraling inflation. The invasion stimulated a consumer buying panic and the regime was forced to import additional consumer goods at the same time that production and delivery of exports were declining. The losses caused by transportation tie-ups were not made up and contribute to the current shortages of coal and other goods. Earnings from foreign tourism, which had been up substantially in the first half of 1968, have dropped sharply.

The few economic accomplishments of the Dubcek regime proved short lived, principally because of the insufficient groundwork behind their implementation rather than the turn in political developments. The workweek, reduced to five days last year, may be lengthened to boost sagging production rates; the gradual transformation toward a system of market-determined wholesale prices has been aborted; and the brief resurgence in light industry--largely consumer oriented production--which last year grew faster than heavy industry for the first time since the mid-1950s, has subsided.

The Husak regime has tried to restore discipline and stabilize the economy by instituting only a minimum of controls. Substantial retail price increases were announced almost immediately after it came to power last April and emergency steps were taken to increase domestic supplies of food and coal, and to deal

with rail tie-ups. Husak also imposed a ban on new construction starts, except in housing, in order to reduce the backlog of unfinished projects.

Husak's efforts to reinstitute party and government control of the economy have failed to halt a deterioration in growth rates that has been under way since the early days of the Dubcek regime. Retail sales have risen, domestic shortages have been intensified, and prices and money wages have increased. Czechoslovakia's worsening balance of payments with other Communist countries, which was evident in 1968, continues.

The deterioration of the economy lends support to the conservatives' position that government control must be increased. Now that the invasion anniversary has passed, the government may take stronger measures against the once-powerful trade unions and further restrict

**CZECHOSLOVAKIA: ECONOMIC INDICATORS**  
1967-69\*

	Percent increase over the corresponding period of the previous year		
	1967	1968	1st Half 1969
Industrial production	7.1	5.2	3.7
light industry	6.4	5.7	3.2
heavy industry	7.5	4.9	3.9
Investment	2.6	8.6	7.1
Housing construction	5.0	7.2	21.3
Gross agricultural production	5.5	3.6	n.a.
Retail trade turnover	6.5	13.3	15.9
Foreign trade turnover	1.2	9.7	1.5
Money wages	5.5	8.4	9.0
National income	6.9	6.8	n.a.

\*Official data. Although official statistics exaggerate the growth of output, changes in growth rates are significant.

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the responsibilities of the workers' councils. Trade union spokesman Polacek has been forced by the government to speak out against strikes, factory slowdowns, and early dismissals.

Eventually, pressure from the country's conservatives may even

force a formal reorganization of economic activity along East German lines, with a strong chain of command down to the enterprise level. Czechoslovakia's prospects for a Hungarian-style reform, with thoroughly and carefully prepared proposals, have apparently been dissipated.

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### NORWEGIAN GOVERNMENT RETURNED TO OFFICE

The center-right government coalition was returned to office in the recent parliamentary elections by only a narrow margin. Its previous ten-vote majority was reduced to two.

Within the coalition Prime Minister Per Borten scored a personal victory when his Center Party picked up two additional seats in Parliament, and his hold on the leadership of the coalition is thereby strengthened. Both the Center and Christian Peoples parties benefited from the practice of running joint lists in marginal districts and from the eleventh-hour support of older Liberal voters disaffected by their party's pandering to the radical youth.

Chafing at the constraints imposed by participation in the

government, some of the more radical Liberals have called for their party's withdrawal from the coalition. To this, both Borten and the Liberal leadership have replied that the present arrangement will continue, and with even stricter party discipline.

The opposition Labor Party, bitter at its defeat, has announced that it will exploit to the fullest any differences within the coalition. The only satisfaction Labor obtained from the election was the elimination of the left radical Socialist Peoples Party from Parliament. This exclusion resulted not only from a determined effort by Labor to rally the left under its banner, but also from the failure of the far left to overcome divisions created

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in the wake of the invasion of Czechoslovakia.

No major changes are expected in the distribution of cabinet portfolios, which is to be completed by the opening of Parliament in early October. The government, furthermore, because of its thin majority, can be expected to try to avoid controversy.

## STRENGTH OF NORWEGIAN PARTIES

	1965		1969	
	%	Seats	%	Seats
*Conservatives	21.0	31	19.0	29
*Christian Peoples	8.2	13	9.4	14
*Center	9.9	18	10.8	20
*Liberals	10.4	18	9.4	13
Labor	43.1	68	46.9	74
Socialist Peoples	6.0	2	3.5	--
Communist	1.4	--	1.0	--

\*Parties in the government.

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**SECRET****MIDDLE EAST - AFRICA**

As the Israelis continue to use their aerial superiority to strike at the Arabs across the cease-fire lines, King Hassan of Morocco is forging ahead with preparations for an Islamic summit to consider means of protecting the Muslims' holy sites in Jerusalem. Hassan, not averse to enhancing his own prestige, has invited 35 Arab, African, and Asian heads of state to meet in Rabat for three days beginning 22 September. Egypt's Nasir has been pressing hard for a postponement, however, and his attendance seems doubtful in view of recent reports that he is ill.

Although the Biafrans mounted another air attack this week against an oil installation in Nigeria's Midwest State, the over-all military situation remains stalemated. Meanwhile, with no end to the war in sight, the possibility of a coup against federal leader Gowon cannot be discounted.

South African Prime Minister Vorster announced this week that national elections will be held early in 1970, a year ahead of schedule. Vorster's move is aimed at a small but vocal group of traditionalists within the ruling National Party who have persistently decried his policy of cultivating relations with Black Africa. If unable to rally support within the party, the dissident Afrikaners are likely to try to form a party of their own.

In Burundi, a coup attempt planned for 18 September was neutralized by arrests the day before. Although tensions between the two major tribes have heated up considerably in recent weeks, President Micombero remains in firm control.

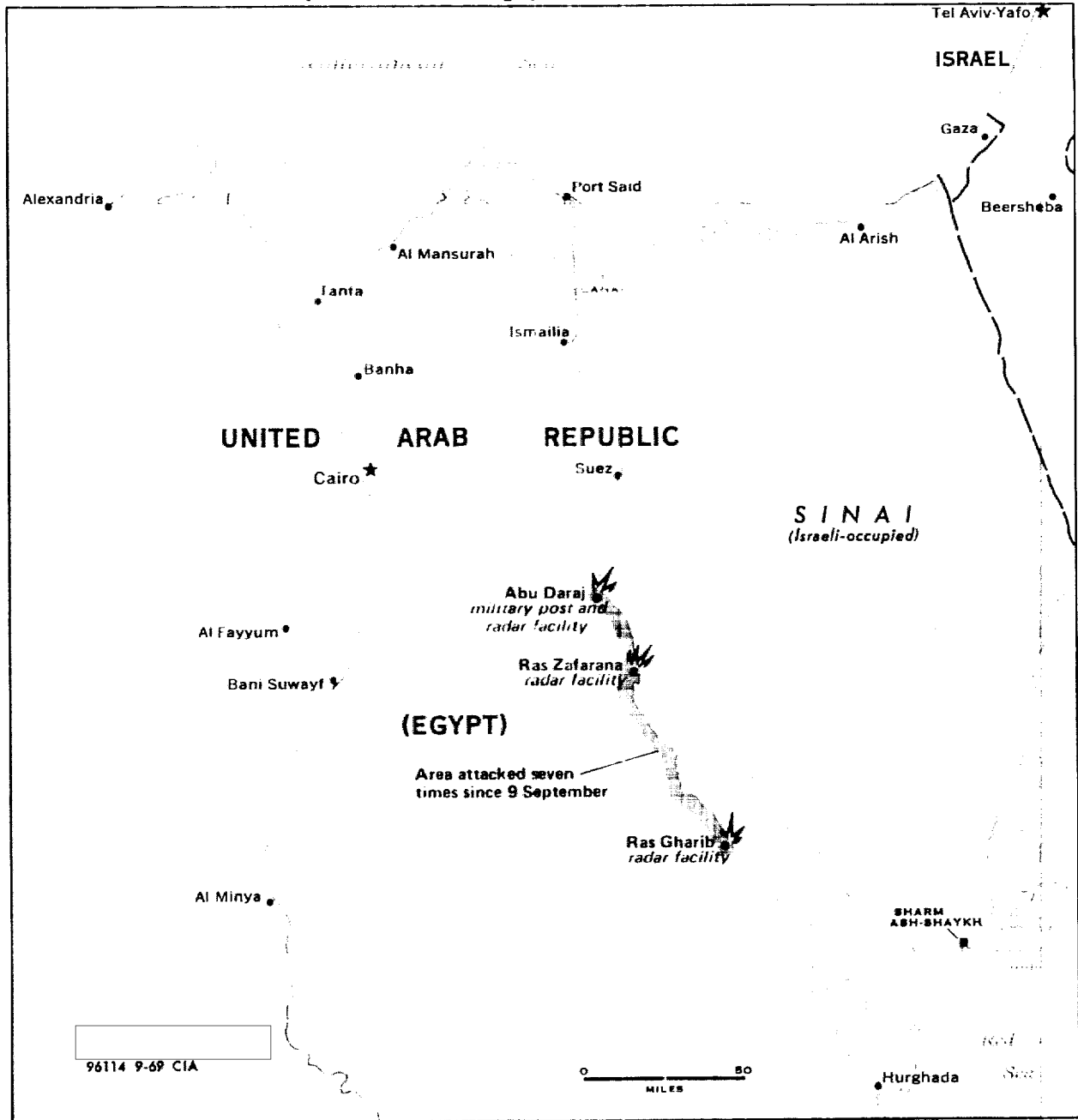
The Government of Ceylon responded to a sudden strike on 13 September by imposing a state of emergency and declaring the involved industries "essential." Faced with possible suspension, many of the strikers promptly reported back to work while the army filled in for those who remained out, bringing the situation almost back to normal. Unlike many strikes in Ceylon, this one was not politically motivated, but the leftist opposition coalition may attempt to profit from labor agitation as the 1970 general elections draw closer.

Early returns from Afghanistan's month-long national parliamentary elections indicate that extremists from both ends of the political spectrum are running well in urban areas. Many of the educated class have boycotted the elections, apparently because of dissatisfaction with the candidates or disdain for a process involving the obvious manipulation of large blocs of unsophisticated voters. Reactionaries may attempt to portray the low turnout as a negative public response to King Zahir's continuing "experiment in democracy."

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# Israel Continues Military Pressure on Egypt



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## ISRAEL INCREASES MILITARY PRESSURE ON EGYPT

Following up their recent ten-hour armored force raid into Egypt, Israeli aircraft have struck repeatedly--seven times since 9 September--at the same area of Abu Daraj, Ras Zafarana, and Ras Gharib. The Israelis' military motives in continuing to pound this largely empty area are not entirely clear. Perhaps they are hoping to force an Egyptian military reaction, in particular to get Nasir's aircraft into the air; or they may be "softening up" the area for future--possibly larger scale--ground and air thrusts northward toward the Egyptian side of the Suez Canal.

Aside from an initial air reaction, in which 11 Egyptian aircraft were reportedly lost, Nasir has refrained from committing his fighters to the fray. He will almost certainly keep up the pressure on the Israelis, however, by continuing to shell their positions along the canal. He is determined that Tel Aviv pay for its occupation of Arab territory and wants to prevent the Israelis from becoming too firmly entrenched along the cease-fire lines. Nasir is probably also under pressure from "hawks" in the military who are eager to answer the Israeli raids.

It is against this background of militancy that Prime Minister Golda Meir comes to the US next week. In her talks with US officials, the 71-year-old matriarch can be expected to exhibit a similar toughness. A long-term Zionist veteran who is almost certain to remain prime minister after the elections on 28 October, Mrs. Meir can be expected to reaffirm vigorously her country's insistence on no peace without direct negotiations, and no return to the pre-June 1967 borders.

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## STUDENT-GOVERNMENT CLASH AVERTED IN PAKISTAN

Government authorities appear to have successfully averted the first potential showdown with students since martial law was declared in March.

The threat of a clash came in East Pakistan, where rising discontent among both workers and students had recently begun to take on strident antiregime overtones. The occasion was the proclamation of 17 September as "Education Day" by Dacca University students in remembrance of students killed during antigovernment protests in September 1962. In a belligerent mood, student leaders asked their supporters to observe the anniversary with a province-wide strike and urged the government to declare an official holiday.

As the day approached, rumors circulated that students were planning public speeches, meetings, and possibly even demonstrations--all in defiance of martial law regulations. It even appeared that a call might be made for worker participation. Clearly apprehensive about the potential for violence, government authori-

ties issued a tough statement, warning that violations of regulations would not be tolerated.

On the afternoon of 16 September, however, four student spokesmen met with East Pakistan's Governor Ahsan and negotiated a facesaving compromise that allowed students to hold a meeting at Dacca University on 17 September but forbade other meetings or processions.

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On "Education Day," classes were suspended at the university and local colleges while students held their authorized meeting, but Dacca remained calm with a "business as usual" atmosphere. Although the government avoided a crisis, it did so at the sacrifice of some credibility, in view of its initial uncompromising stance. It remains to be seen if this hint of vulnerability will encourage malcontents to instigate further confrontations.

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## ERITREAN LIBERATION FRONT SCORES PUBLICITY GAINS

The hijacking of an Ethiopian Airlines' plane to Aden on 13 September by Eritrean Liberation Front (ELF) terrorists is the latest effort of the front to dramatize its eight-year fight for Eritrean independence.

Following a lull that extended roughly from the Arab-Israeli war in 1967 until early this year, the ELF embarked on a new campaign to call world attention to its cause and to inflict financial losses on the

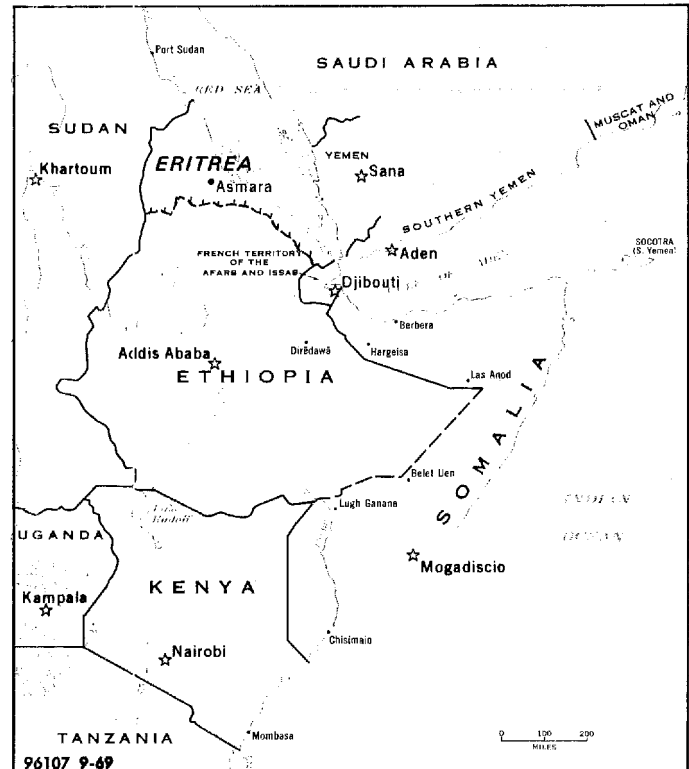
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Ethiopian Government. The principal target has been Ethiopia's profitable national airline, the victim of three attacks since March. Earlier, an Ethiopian jet was damaged on the ground in Frankfurt and another in Karachi. Last Saturday's hijacking followed a threat in late July to attack planes in the air, a move that has forced the Ethiopians to adopt costly security procedures.

The attacks on the airline have been accompanied by stepped-up propaganda broadcasts from Damascus, the front's principal benefactor. These messages are no longer directed primarily toward the Arab states, but are now clearly aimed at winning support for the ELF among audiences outside the Middle East. Moreover, articles concerning the insurgency and interviews with ELF leaders have begun appearing more frequently in the US and European press. In addition, written appeals have reportedly been addressed to the UN and the OAU.

Within Eritrea, the ELF has also achieved some modest successes, although in less spectacular fashion. The front, shifting from its previous ineffectual hit-and-run tactics against military and police units, has initiated a number of well-planned raids against economic targets. Fuel trucks, buses, and railroad equipment have been destroyed. Damage has been inflicted on water and power facilities in Asmara and even on Ethiopian-owned rail



installations across the border in Djibouti.

Despite this, the security situation in Eritrea has not changed markedly. Ethiopian military operations have kept the ELF guerrilla bands scattered and off balance. Nevertheless, the ELF's new effort--bolstered by a continuing return of trainees from Syria--has gained it much wider international publicity, and has added significantly to the government's already heavy financial and security burdens. Moreover, the front has provided ample evidence that it now has the capability to strike at economic targets at home and abroad, and more attempts at headline-making incidents are likely.

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## SOUTH AFRICA'S COLOREDS GO TO THE POLLS

South Africa's Colored population--mulattos of mixed black-white parentage--goes to the polls on 24 September to elect the members of a new Colored Persons Representative Council. The council, when eventually established, is intended to handle the political and administrative affairs of the Coloreds. Although the move is looked upon as the first step toward establishing a Colored "nation," the imposition of full territorial apartheid appears to be impossible because the Coloreds--unlike the blacks--have no separate geographic homeland.

The vast majority of South Africa's two million Colored people, who constitute about ten percent of the total population, live in Cape Province, and they form the largest ethnic group in Cape Town. The Coloreds once had close ties with the Afrikaners; most still speak Afrikaans, and nearly all are Christian with a strong preference for the Dutch Reformed Church. Nevertheless, they now exist in a world somewhere between the black and white societies, where, for example, they earn more than black workers but less than whites. Since 1948, when the Afrikaner National Party came to power with its ideology of strict racial separation, the Coloreds' place in national politics has been gradually eroded. Their voting rights have been curtailed, and they have had no

parliamentary representation since 1967.

The lack of any territorial homeland for the Coloreds, such as the areas already set aside for the blacks, poses a major obstacle to the government's policy of racial separation. It would not consider giving them the choice lands of Cape Province, which they now occupy jointly with the whites. The beginnings of a Colored "nation" within South Africa will therefore be on paper only--a "borderless bantustan." Recently, even Prime Minister Vorster admitted, "[this] is South Africa's dilemma. Our children will have to solve it."

An eventual solution advanced by some leaders in the white power structure is that one day the whites and Coloreds will join together--presumably against their supposed common enemy, the blacks. Even they, however, assert vaguely that the Coloreds will have to reach parity with the whites by "proving themselves."

Like the black bantustan legislative councils, the new 60-member council will be headed by a "prime minister" and a "Cabinet." The council, however, will have only such power as the whites choose to give it, and they will be cautious about giving too much.

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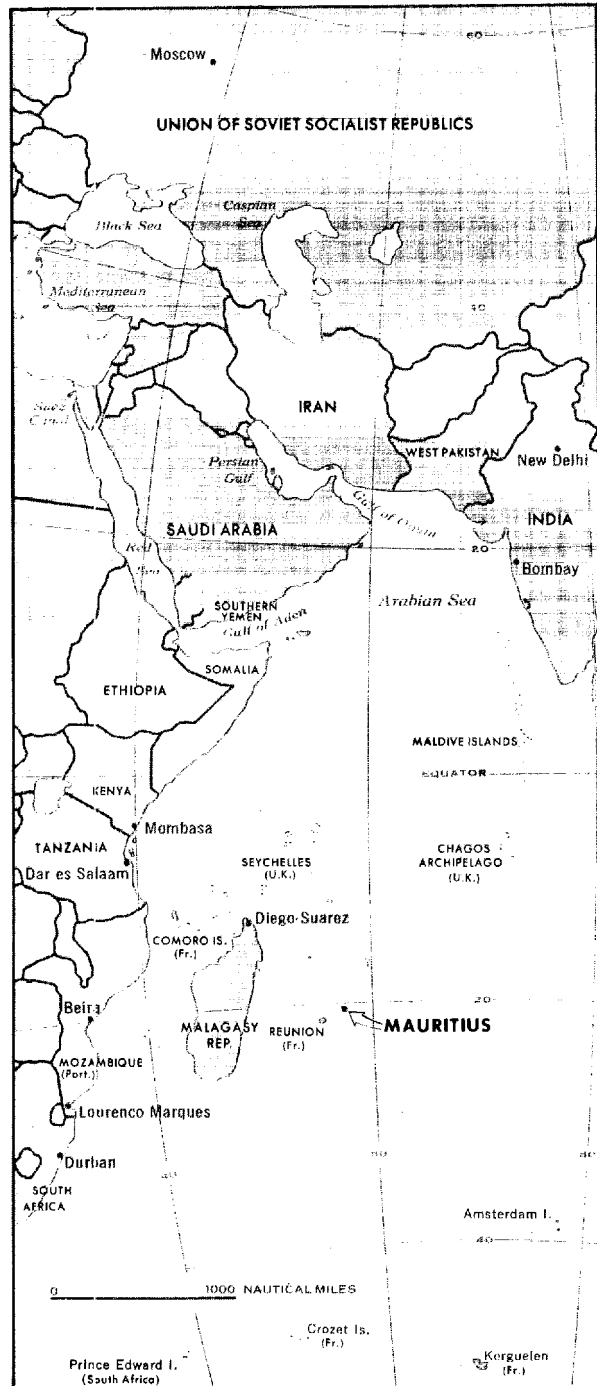
## MINISTATE MAURITIUS ATTRACTS SOVIET ATTENTION

Mauritius, although one of the world's smallest states, continues to receive a surprising amount of Soviet attention. The signing of a cultural accord between the two countries on 17 September closely follows Moscow's recent agreement to help develop the local fishing industry in exchange for the servicing of Soviet ships at Port Louis.

Even before Mauritius gained independence in March 1968, the Soviets maintained some contact with the island

Soviet merchant vessels and space-associated naval auxiliaries frequently visited Port Louis.

Since the USSR opened its embassy in Mauritius in January of this year, contacts and initiatives have increased notably. The embassy now has a resident ambassador and a staff second only to the UK's in size. Soviet warships paid their first visit in April. The Mauritian Government subsequently made it known that it had received requests for cosmonaut rescue and recovery facilities. These would include landing rights for Soviet space-support aircraft and permission for Soviet ships to navigate in Mauritian waters. Other Soviet assistance projects are reportedly under consideration.



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The exact nature of Soviet intentions remains unclear, but Mauritius is strategically located in the western Indian Ocean. Moscow probably hopes that by establishing a presence and creating a favorable atmosphere through economic assistance, it will obtain the use of port facilities in support of its expanding naval presence in the area. Rescue and recovery facilities, while not absolutely essential, would be an added convenience.

Prime Minister Ramgoolam has been receptive to the Soviet overtures despite the advice of many of his advisers and local businessmen, as well as of British representatives worried about the effect on their strategic

communications facility in Mauritius. Nevertheless, Ramgoolam quickly signed the fishing agreement and agreed "in principle" to the recovery facilities.

Ideologically, Ramgoolam leans to socialism but he has not moved strongly against the monopoly sugar interests that control Mauritius' one-crop economy. He frequently insists he is pro-West. It is likely that Ramgoolam values Soviet assistance for its domestic political impact in showing that he can attract international aid for the shaky Mauritian economy. He probably also hopes to stimulate more economic assistance from the West by raising the specter of a Communist presence in the Indian Ocean.

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**WESTERN HEMISPHERE**

In Brazil, a series of meetings of top military commanders failed to produce a successor to ailing President Costa e Silva, and at mid-week a decision was made to postpone the selection. The delay is probably in part a reflection of their inability to agree on a single officer to succeed the President.

Colombian Government officials have expressed concern that the kidnaping of US Ambassador Elbrick in Rio de Janeiro on 4 September and the release of prisoners to effect his return will inspire others to attempt to abduct US officials—particularly in Latin America. A wave of kidnapings has recently taken place in Colombia, and concerned officials have instituted stern measures in an attempt to discourage such acts.

Martial law has been declared in Argentina's second largest city, Rosario, following serious unrest growing out of a labor dispute. Two days of rioting in the city have cost at least two lives, and several persons have been wounded. Troops are patrolling the city to prevent further violence. A similar strike was held in Cordoba, the third largest city, but this apparently was free of serious violence.

An announcement last week by Colombia and Panama that they will study the feasibility of a new interoceanic canal route through both countries may have been designed to show that they do not intend to be played off against one another in any Washington efforts to negotiate a new sea-level canal pact. Colombia may be pressing the binational canal concept partly for domestic political and economic reasons inasmuch as President Lleras has shown a particular interest in developing the northwestern Choco region.

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Latin American countries—notably Chile and Argentina—have recently become interested in purchasing military equipment from European countries.

25X1 A Soviet economic mission led by the vice minister of economics will visit Peru the second week of October to make a feasibility study of a major irrigation project in the northern part of the country.  
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BRAZILIAN LEADERSHIP CRISIS STILL UNRESOLVED

Top military officers have not yet been able to resolve the leadership crisis that arose from the present inability of President Costa e Silva to carry out his duties.

The triumvirate that has been governing in his name since his stroke on 30 August is widely recognized as ineffective, and the military leaders apparently agree that a single chief executive must take over. They have not been able to reach a consensus on an individual, nor do they appear to agree on the way in which the transition should be implemented. This lack of agreement has temporarily prolonged the tenuous life of the triumvirate.

High officers of the three services began meeting separately on 15 September in an attempt to choose a man for the nation's top post.

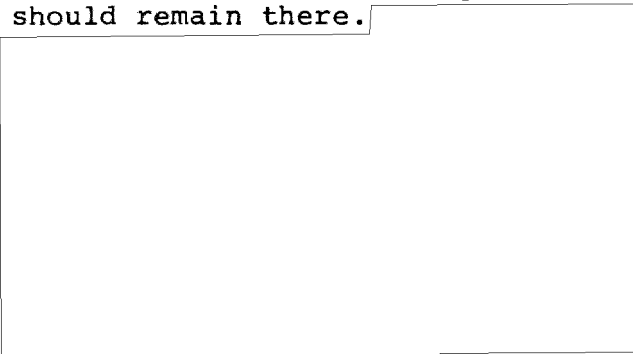
There is considerable maneuvering among several potential candidates, and this apparently has led to a postponement until the President can participate in the discussions himself. There is no indication as yet how long the decision will be deferred.



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In addition to the problem of selecting the new chief executive, the commanders must reach a decision on a method of putting him in office and how long he should remain there.

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The military men must also reach agreement on whether to reopen Congress for the purpose of ratifying their choice for president, and possibly for vice president.

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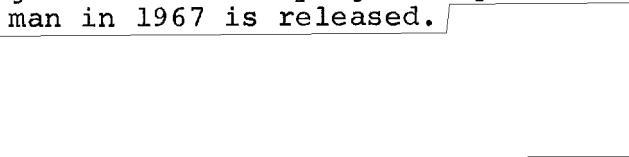
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## TERRORIST ACTS CAUSE MILITARY UNREST IN ECUADOR

The Ecuadorean military and the extreme left appear headed for a showdown that could undercut the gains President Velasco has made by adroit political maneuvering during his first year in office.

What appears to be a concerted terrorist campaign began on 6 September with the skyjacking to Cuba of two planes owned by the airline run by the Ecuadorean Air Force, and the killing of one of the co-pilots. The terrorists threw down the gauntlet to the outraged military by stating that the skyjacking will continue unless the embargo on trade and travel to Cuba is lifted. The threat was followed up by the robbery of an armored car. On 11 September the homes of two senior military officers were stoned, and extremists have threatened to kidnap US officials and children of high ranking Ecuadorean military officers unless a radical student awaiting a court verdict as to his guilt in the slaying of a policeman in 1967 is released.

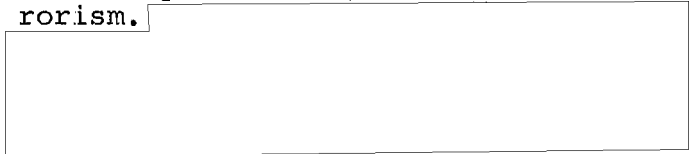


A sharp upsurge in student disturbances also appears likely when the schools in the central part of the country open in early October. The main universities, which are already overcrowded, will open for the first time without the requirement of entrance

examinations. Student groups, heavily influenced by President Velasco's political foes including radical Communist groups, will undoubtedly try to use the issues of educational reform and the death of six students last May in Guayaquil to create disturbances.

The terrorism during the last two weeks has aroused a good deal of latent resentment among senior military officers who believe the government has not enforced the law sufficiently. The military is demanding that strong measures be taken against terrorists and their apologists, and if nothing is done, at least some high-ranking officers are prepared to take the initiative.

Velasco's reliance on the army during his first year in office to enforce order has increased his dependence on the military but has decreased their hesitancy to intervene in governmental affairs. On 9 September the Minister of Defense placed an article in a leading newspaper stating that the ministry was preparing a bill providing further punishments for acts of terrorism.



Although the President appears to be stronger now than he was a year ago, leftists apparently are determined to put his ability to maintain law and order and his constitutional prerogatives to the test.

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## DOMESTIC PRESSURES IMPEDE SALVADOR-HONDURAS SETTLEMENT

Both El Salvador and Honduras apparently recognize the dangers inherent in the present situation, but domestic political considerations continue to impede the normalization of relations.

Salvadoran policy has been characterized by negotiation, agreement, and then noncompliance. This seems to be due to the lack of strong presidential leadership in the face of a difference within the administration over the relative merits of a policy of firmness versus a policy of conciliation. A prime example was Salvador's failure to honor an agreement to withdraw troops a prudent distance from the frontier. President Sanchez delayed the withdrawal after becoming frightened by the outcry of Salvadorans living along the border that they would be left defenseless against Honduran attack and by public reaction to sensationalist press allegations that Salvadorans were being expelled from Honduras. Moreover, El Salvador has failed to follow through on a commitment to restore direct telecommunication links with Honduras.

Although the Honduran government has tended to follow a more conciliatory line, it has also refused to go against the tide of public opinion. It has failed to come to grips with the fundamental issues of protecting Salvadoran residents, restoring commercial relations with El Sal-

vador, and limiting the arms race. The government has already released most of the Salvadorans detained during the fighting, but it has done little to combat the prevailing anti-Salvadoran mood that has led to economic discrimination against Salvadorans and has prompted their continued exodus from Honduras.

Stung by public criticism that it was and still is unprepared to cope with a Salvadoran attack, the Honduran Government is continuing to purchase additional arms. Since the beginning of September, Honduras has received two arms shipments from Belgium. The government has already spent \$2.5 million

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[redacted] The government was embarrassed at being "tricked" into unilaterally withdrawing its troops from the border and is likely to display extreme caution and skepticism in negotiating and implementing future agreements--particularly those of a military nature.

The other Central American Common Market countries--Nicaragua, Costa Rica, and Guatemala--are laying plans to press the two feuding states to effect a reconciliation during the current UN General Assembly meeting. The Colombian foreign minister plans to call a formal meeting of the Organ of Consultation at the Foreign Minister level in New York to discuss the situation. [redacted]

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