

Secret

25X1



DIRECTORATE OF
INTELLIGENCE

WEEKLY SUMMARY

State Dept. review
completed

Secret

43

1 May 1970
No. 0368/70

Page Denied

C O N T E N T S

(Information as of noon EDT, 30 April 1970)

Far East

	<u>Page</u>
THE WEEK IN PERSPECTIVE	1
PHNOM PENH BANKING ON MILITARY AID The Communists are continuing attacks against govern- ment positions.	2
CAMBODIAN CONFERENCE IS NOW CERTAIN The Asian conference on Cambodia scheduled to be held in Djakarta in mid-May should give the Lon Nol government a measure of political and psychological support.	4
VIETNAM WAR TAKES ON INDOCHINESE CONTEXT Last week's Communist-sponsored Indochinese "summit conference" apparently skirted some tough decisions while high-level consultations have continued in Moscow and Peking. This suggests that Hanoi and its various allies are not yet fully agreed on what to do in Indochina. Communist forces in South Vietnam are preparing for another pick-up in activity as the Thieu government wrestles with increasing political problems.	5
CRIME AND PUNISHMENT IN COMMUNIST CHINA The latest crackdown on crime and factionalism is showing no signs of abating.	8
LAOTIAN COMMUNISTS ACTIVE IN THE SOUTH The Communists have staged their first significant attacks of the current dry season in the panhandle.	9

25X6

SECRET

SECRET

Europe

THE WEEK IN PERSPECTIVE 11

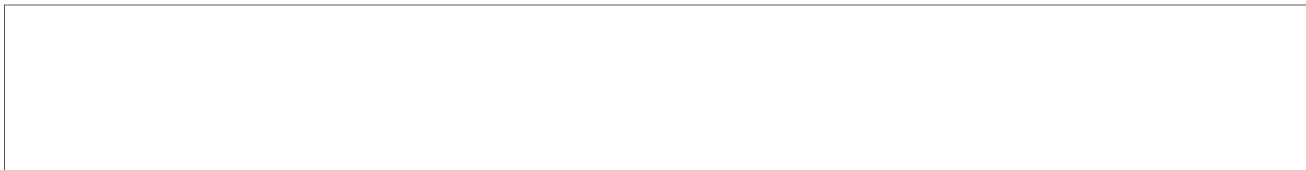
25X6



MINORITY GOVERNMENT IN AUSTRIA FACES DIFFICULT FUTURE 13
The minority government's first real test will come after the summer recess when parliament considers the 1971 budget.

GOVERNMENT MOVES TOWARD "NEW SOCIETY" IN FRANCE 14
Through a variety of innovative approaches to labor relations, the French Government has thus far averted the cycle of major strikes that usually unsettles French society each spring.

SOVIET INDUSTRIAL PRODUCTION RECOVERS MOMENTUM 15
Civilian industrial production was eight percent greater in the first quarter of 1970 than in the sluggish first quarter of 1969.



25X1

HUNGARIAN REGIME PREPARES NEW YOUTH POLICY 17
The Hungarian regime, worried over recurrent failures in shaping its youth's outlook, is conducting a whole-sale review of the youth situation that may end in some new approaches to the problem.

EUROPEAN COMMUNITIES PONDER POLITICAL PROBLEMS 18
The outlook for any early movement toward closer political ties in the European Communities continues to look dim.

SECRET

SECRET

Middle East - Africa

- THE WEEK IN PERSPECTIVE 19
- THE ISRAELI-EGYPTIAN FRONT IS HEATING UP 20
Nasir's forces have displayed unusual boldness and perseverance in striking at Israeli targets in Sinai, a development that may force Tel Aviv to strike back, even at the risk of encounters with the Soviets in Egypt.
- NASIR SHUFFLES HIS CABINET 21
The cabinet shuffle announced on 26 April signals no significant changes in Egyptian foreign policies but involves a number of persons long associated with Nasir.
- NATIONAL PARTY'S MAJORITY CUT IN SOUTH AFRICAN ELECTION 22
The ruling National Party achieved its primary objective by crushing the ultraconservative party in last week's parliamentary election. In doing so, however, it lost nine seats to the United Party, giving that group an important psychological boost.
- CREEPING COLLABORATION AMONG EGYPT, LIBYA, AND SUDAN 23
Since late last year, these three African Arab States have instituted a number of measures designed to achieve a closer degree of cooperation, but political union is not yet in the offing.

Western Hemisphere

- THE WEEK IN PERSPECTIVE 25
- CLOSE COLOMBIAN ELECTION TIES NEW PRESIDENT'S HANDS 26
The closeness of National Front candidate Misael Pastrana's victory over former dictator General Rojas Pinilla in the elections of 19 April probably will greatly handicap the new government.
- CASTRO OUTLINES CUBA'S FOREIGN POLICY 27
Castro's long speech on 22 April--the centennial of Lenin's birth--was mainly a reiteration of previous policy statements, but was notable for the warm expressions of Cuban-Soviet friendship.

SECRET

SECRET

TRINIDAD REVOLT STILL SIMMERING	29
The government has yet to bring the rebel regiment under control.	
HAITIAN REBELLION QUICKLY SNUFFED	30
The failure of last week's short-lived revolt is likely to deter further plotting.	

SECRET

SECRET

FAR EAST

Governmental power across Indochina is being subjected to increasingly sharp pressures, pointing up its essential weakness. In South Vietnam, the Thieu government is continuing to come under harsh attack, and even some supporters of the regime are beginning to speak in gloomy terms. Thieu's military commanders, despite a facade of optimism among some over their capability to go it alone, are deeply concerned over the ramifications of additional US troop withdrawals, especially since most North Vietnamese main force units have been staying out of action for quite some time.

Communist military and political moves bode ill for the future of the Lon Nol government, especially if allied raids from South Vietnam into eastern Cambodia cause the Communists to take more drastic action to ensure a favorable regime in Phnom Penh. The Communists may already be embarked on this course through the medium of a Cambodian "liberation movement" headed by Sihanouk. Nevertheless, the Cambodian Government remains optimistic about getting enough outside aid to enable it to stay in power.

In Laos, the Communists in a sudden and unexpected move took the southern provincial capital of Attopeu. They have not mounted a major offensive in southern Laos since early 1968, and though their motivation for this latest action is unclear at this time, it is a fresh reminder of the extreme fragility of the government's position in all of southern Laos. It also demonstrates the relative ease with which North Vietnamese troops can move west out of the infiltration corridor to strike at a time and place of their own choosing.

The North Vietnamese, by contrast, appear to be pressing their advantage. Le Duan has just completed what must be accounted a successful trip to Peking, Moscow, and back, and the Communists have managed to hold an "Indochina" conference of their own well in advance of the more comprehensive meeting called by Indonesia's Foreign Minister for mid-May. The Communists' conference was attended by the ousted Prince Sihanouk of Cambodia, the Pathet Lao's Prince Souphanouvong, and the Viet Cong's Nguyen Huu Tho, as well as a North Vietnamese delegation and China's Chou En-lai. Although no formal all-Indochina "peoples' front" emerged, as had been widely rumored, the meeting may serve as a take-off point for a concerted effort to extend North Vietnamese influence more widely across the Indochinese peninsula.

The Asian conference on Cambodia now seems certain to draw cabinet-level representation from most non-Communist Asian nations. Although Indonesia invited Communist China, North Vietnam, and North Korea, the three are not likely to attend. The conference will have little practical effect on the Cambodian situation. Most participants view the meeting as an exercise in Asian initiative, itself worthy of support.

Elsewhere in the Far East, lawlessness and political factionalism continue to worry Communist China's leaders. The latest crackdown on troublemakers is entering its fourth month with no end in sight.

25X6

SECRET

SECRET

PHNOM PENH BANKING ON MILITARY AID

The Communists are continuing attacks against government positions and key lines of communication in widely separated areas of eastern Cambodia. The heaviest fighting during the week was at the town of Angtassom in Takeo Province, 45 miles south of Phnom Penh, where the Communists are blocking the main route from the capital to the Gulf of Siam.

The Communists have also attacked government positions in the provincial capital of Kampot. At last report, fighting there was continuing. Communist elements are also holding a number of provincial towns farther east in Kampot and Takeo provinces.

The situation has taken a turn for the worse in the north-east. The government military post at Mimot in Kompong Cham Province reportedly was captured on 27 April, and Viet Cong and dissident ethnic Cambodian groups appear to have almost free run in much of the countryside. The Communists now emplaced along the Mekong River in the Chhlong area threaten to cut water routes to the large town of Kratie. Fresh Communist harassments have been reported in Stung Treng, Ratanakiri and Mondolkiri provinces, and the morale of government forces in those areas may be waning.

Despite recent government military reverses, senior army officers still believe the army can hold areas east of the Mekong River for up to three months without substantial military aid. Current Cambodian strategy apparently

calls for the army to protect Phnom Penh, to keep open main roads in the southern and eastern border provinces, and to deny the Viet Cong access to the seacoast and areas west of the Mekong.

Government spokesmen have made it clear that the army's main problem is a shortage of essential military supplies. The army general staff is worried about its budget, which has no funds for arming and equipping numerous recruits. Morale in the armed forces reportedly is good, but one ranking Cambodian official claims there is dissatisfaction among some aggressive junior officers and among the rank and file, where some pro-Sihanouk sentiment still lingers.

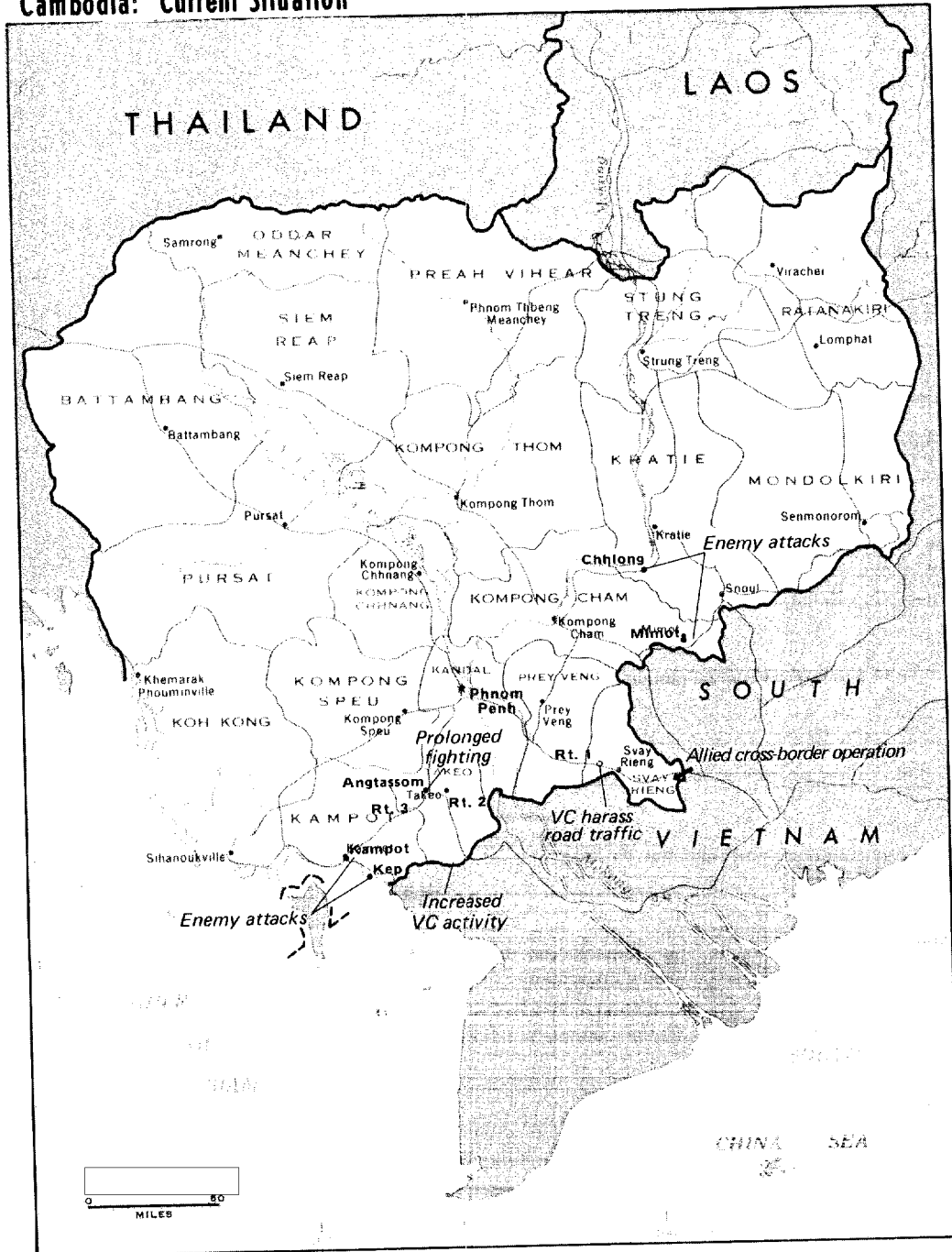
Also, Phnom Penh is taking an increasingly tough line with the Communists. One top official told a newsman that the government has decided it must rely on military means to get the Communists off Cambodian territory, and he made it clear that it is counting on substantial US material assistance for this undertaking. The official also commented for the first time that Cambodia would welcome military advisers. His remarks reflect both the confidence held by some Cambodian officials that the government can cope with the Communists' current military actions and the determination to press the struggle even if this results in military disaster.

The Communists evidently are prepared to devote considerable attention to forming a "Cambodian

SECRET

SECRET

Cambodia: Current Situation



25X1

98370 4-70 CIA

SECRET

SECRET

25X1

liberation movement." [redacted]

25X1

[redacted] officials from the party headquarters for South Vietnam (COSVN) are pushing orders from Hanoi to expand "liberated areas" in Cambodia. Recent evidence indicates the Viet Cong are already arming and training local villagers in

some areas near the border, and in other areas are trying to pass their own troops off as members of Sihanouk's "army." There are few indications, however, that large numbers of Cambodian peasants are flocking to join such a force. [redacted]

25X1

CAMBODIAN CONFERENCE IS NOW CERTAIN

The Asian conference on Cambodia is to be held in Djakarta in mid-May. Indonesia issued invitations on 28 April to 19 governments--including Communist China, both Vietnams, and both Koreas--to attend a meeting of foreign ministers on 11 and 12 May, but this date may be subject to change. The Cambodians were not included in the official listing, but are expected to attend in a "different" capacity.

As proposed by Indonesian Foreign Minister Adam Malik, the conference will concentrate on the immediate problem of Cambodia, although undoubtedly other Indochina matters will intrude. It will call for the guarantee of Cambodian neutrality, the prevention of external interference in its affairs, and reactivation of the International Control Commission. Malik believes the meeting should avoid condemnations that would only exacerbate the existing situation.

The three invited Communist countries are not likely to attend. North Vietnam and Communist China have already stated their opposition to the conference, and North Korea probably will make a simi-

larly negative announcement. The Soviet Union, which, along with the US, was not invited, has also weighed in against the meeting.

25X1

Most of the non-Communist countries invited, despite reservations, are likely to attend. There is some feeling that a purely nonaligned conference might be more likely to have an impact on the situation and that there has been insufficient focus on the goals of the conference. There has also been pique in several capitals over Malik's penchant for discussing the conference with the press before broaching the subject with potential participants.

The conference probably will have little practical effect on Communist activities or strategy in Cambodia, but it should give a degree of international political support to the Phnom Penh government that up to now has been lacking. Most of those invited, including Indonesia itself, see the conference primarily as an exercise in Asian initiative and follow-through, which in itself is worthy of support. [redacted]

25X1

SECRET

SECRET

VIETNAM WAR TAKES ON INDOCHINESE CONTEXT

Hanoi's Indochina Summit Meeting

Indochina's prominent "outs," along with North Vietnamese Premier Pham Van Dong, gathered together on 24-25 April at an undisclosed site in south China for the first "summit conference of the Indochinese people." The conference, with delegations led by Sihanouk of Cambodia, the Pathet Lao's Prince Souphanouvong, and the Viet Cong's Nguyen Huu Tho in attendance in addition to the North Vietnamese, reasserted the standard Communist position on each country. The themes were solidarity and cooperation among all Indochinese peoples in the face of US "aggression," but the centerpiece of the occasion was Cambodia. Sihanouk ostensibly called the meeting and gave the opening address, and the final communiqué noted the conferees' "special concern" for Cambodia. It also made much of each country's "national united front"--an apparent effort to build up Sihanouk's new entry in this field. Also, the conference condemned international efforts to "legitimize" the new Cambodian Government, including Lon Nol's appeal to the UN and the Indonesian proposal for an Asian conference. Sihanouk, by inference, denounced the French proposal on Indochina as well.

The conferees held more difficult organizational and political problems in abeyance, perhaps because they, as well as

their Soviet and Chinese patrons, have serious differences on what to do about the Indochina situation. Chou En-Lai and Kosygin did confer their blessings on the meeting, however; Chou, during a personal appearance and Kosygin, through a laudatory message. No formal all-Indochina front emerged from the meeting despite a spate of rumors and some propaganda indications that it would, but the participants did call for more summit-level meetings.

Diplomatic Maneuvers

There have been cross currents of accord and disagreement among the Communist powers on diplomatic strategy. Hanoi, Moscow, and Peking swiftly agreed that the Indonesian call for an Asian conference on Cambodia was a bad idea and "categorically" rejected it. This rapid reaction made Hanoi's and Moscow's cautious and ambiguous responses to the earlier French proposal stand out in sharp relief. Seemingly recognizing this, Peking then blasted Moscow for UN Ambassador Malik's statement, which the Chinese saw as encouraging Geneva-type consultations on Indochina.

The North Vietnamese, for their part, may be trying to iron out any differences that have cropped up and to coordinate their future moves. Chief Paris negotiator Le Duc Tho rather abruptly returned to Hanoi from Moscow on the 25th, but left Le

SECRET

SECRET

Duan behind to continue talks with Soviet leaders. It is also possible that Pham Van Dong visited Peking, perhaps with Sihanouk, for more talks with Chinese leaders.

In Paris, the chief Viet Cong delegate, Madame Binh, added to earlier indications that she may be going home. She told reporters on 28 April that she has duties not only in Paris but also others awaiting her back home. The Viet Cong press spokesman had commented similarly last week, and the North Vietnamese have been hinting that Xuan Thuy, Madame Binh's counterpart in Hanoi's delegation, may be leaving as well.

Madame Binh placed heavy emphasis during her press conference and on the "mutual solidarity" of the three countries. This strongly suggests that the Communists think considerable advantage can be gained now by casting their military and political pressure in an Indochinese context. At the moment they may think this approach will have more impact, both in the US and in Southeast Asia, than would an initiative in Paris or any other international forum.

More Problems for Thieu

Charges of corruption against two senior military officers could develop into a serious political problem for President

Thieu and heighten the traditional animosity between civilian and military leaders. An independent senator, with no apparent axe to grind, accused III Corps Commander Tri and presidential intelligence adviser Quang of using their military positions for illicit personal gain. Corruption is considered a prerogative of position in South Vietnam, particularly within the military, and official efforts to curb it have been long on rhetoric but short on substance. Civilian resentment over the military leadership's disinclination to take any effective steps to control or reduce corruption within the military establishment may have played a part in the airing of the charges. If Thieu's political opposition can control the proposed legislative investigation of the charges, the wide publicity that would probably follow could at least embarrass the President and would probably hurt the government's campaign in this summer's Upper House elections.

After receiving permission from Phnom Penh, the Saigon government moved quickly in dispatching an official delegation to help Cambodian authorities protect the lives and property of ethnic Vietnamese residents in Cambodia and to expedite the repatriation of those seeking to leave. Saigon had been pressing the Lon Nol government for such representation after reports of atrocities committed against Vietnamese living in Cambodia had

SECRET

SECRET

precipitated anti-Cambodian demonstrations by students and disabled veterans in Saigon. The Thieu government has been attempting to avoid any provocation of the new Cambodian leaders while making the proper noises to mollify domestic outrage and to prevent any local retaliation against South Vietnam's ethnic Cambodian minority. Although still blaming the Communists for the killings of Vietnamese in Cambodia, the government has responded to the domestic pressure by publicly demanding that Phnom Penh see to it that the killings stop and that Cambodia assume responsibility for the welfare of the Vietnamese pending repatriation.

New Communist Attacks Expected
Soon in South

Communist forces in many sectors of South Vietnam appear about to launch another series of limited attacks. The next

round is likely to be comparable in scope and magnitude to the initial phase of the current spring campaign which got under way on 31 March. This time, however, more enemy units appear to be getting ready to attack in the northernmost provinces, and there may be less country-wide coordination.

The South Vietnamese commander of I Corps, Lt. General Lam, because of increased strength of North Vietnamese units in the northern provinces, expects the next phase of attacks to be more intense in I Corps than recent ones have been. He is confident, however, that the South Vietnamese and allied forces can contain the expected drive and inflict heavy casualties. Enemy attacks planned in other sectors of the country, however, may be less intense than in the first phase.

25X1

* * *

SECRET

SECRET

CRIME AND PUNISHMENT IN COMMUNIST CHINA

Communist China's latest crack-down on lawless elements and former Cultural Revolution activists is moving into its fourth month and shows no signs of abating. Kicked off by a series of mass trials held in Peking during late January, the campaign has focused on a wide range of social and economic offenses as part of a determined effort to restore civil discipline and control badly undermined by the Cultural Revolution. Renewed attacks against once-powerful Red Guard groups in Peking and elsewhere suggest that the drive also has important political overtones. Peking apparently intends the psychological shock effects of this campaign to be long lasting and it has authorized the extensive use of public show trials and executions for their coercive impact on the populace at large.

This year's campaign is similar to the police action last fall that accompanied the regime's war preparations drive, but it seems more intensive and broader in scope. Since late February,

[redacted]

[redacted] at least 650 persons have been executed for a variety of social and economic "crimes." There have also been at least 36 executions in Peking and another 50 in Shanghai. The totals can be expected to be higher, however, as

[redacted]

[redacted] the trials and executions are being handled in a series of separate groups that may be spread out over several months.

25X1

The harshest sentences, often including the death penalty, are being given to common criminals.

Murder, arson, and sex crimes have been cited, along with robbery and pickpocketing. The high incidence of such crimes is unusual in Communist China and illustrates the considerable extent to which breakdowns in local control during the Cultural Revolution have engendered popular disrespect for the system. The trials are also part of a stepped-up effort by Peking to punish former Red Guard remnants for their past political behavior and to curb persistent factional activity. During the January trials in Peking, for example, official slogans were displayed denouncing several long-disbanded radical Red Guard organizations--including the notorious "May 16 Corps" that had sought to topple Chou En-lai and other top government officials during the early months of the Cultural Revolution. Elsewhere in China, it appears that large numbers of factionalists are being framed on criminal charges, in many instances by newly reinstated veteran officials bent on reprisals for their past humiliations by the Red Guards.

25X1

Besides its real concern about crime, Peking also is trying to eliminate persistent factionalism within local administrations across the country and thus facilitate the concurrent campaign to rebuild the local Communist Party apparatus in the wake of the Cultural Revolution. Even if the crackdown is enjoying some success, however, its impact on the party-building process is likely to take long to unfold and will probably delay even further the long-awaited National People's Congress, the civilian counterpart to the Communist Party Congress held a year ago.

25X1

SECRET

SECRET

LAOTIAN COMMUNISTS ACTIVE IN THE SOUTH

The first significant military activity in southern Laos in more than a year occurred this week when government troops abandoned the provincial capital of Attapeu in the face of an attack by Communist forces. Incomplete reports indicate that government losses of personnel and weapons were substantial. Bad weather hampered air strikes in support of the Attapeu defenders.

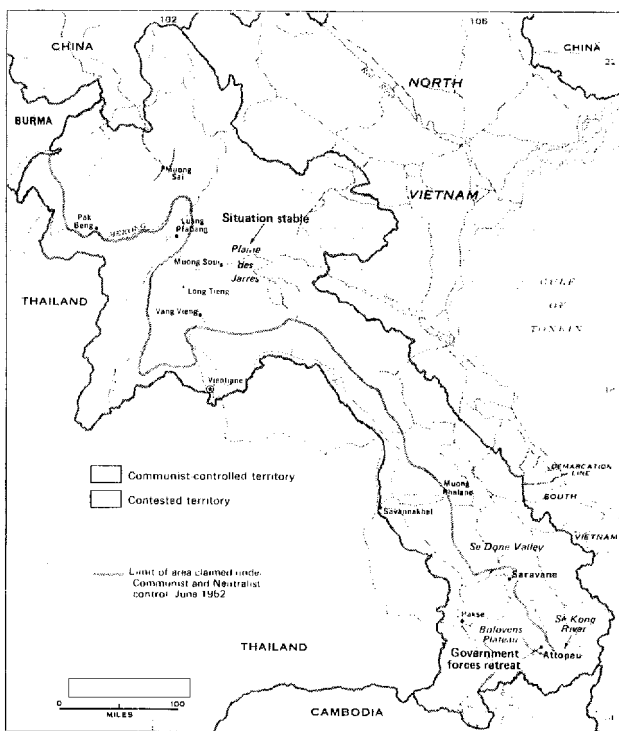
The Communists had not mounted a major offensive in this area of Laos since early 1968, when North Vietnamese forces recaptured the Se Done Valley and virtually surrounded Attapeu and Saravane. Reports have been circulating in southern Laos for

the past month, however, that the Communists intended to break the lull in military activity in the panhandle.

Although the military importance of Attapeu is minimal, its loss will be a severe political and psychological setback to the government. Along with the city of Saravane, Attapeu has long figured prominently in the war of nerves in southern Laos. It has been attacked before, but the Communists had never made a substantial effort to capture it.

It is too early to determine whether the attack on Attapeu is the harbinger of an important shift in enemy strategy in Laos or represents only the kind of sporadic flareup that has occurred in the south in past years. The Communists may hope to push government forces away from the Se Kong River so that it can be used as a supply route into Cambodia. At a minimum, it points up the extreme fragility of the government's position in southern Laos and the relative ease with which the North Vietnamese can move out of the infiltration corridor to strike at a time and place of their own choosing.

The military situation in the north has remained essentially stable during the past week. The Attapeu attack may cause some southern commanders to agitate for the return of troops already sent to support Vang Pao's forces.



SECRET

Page Denied

SECRET

EUROPE

Low-level Soviet commentary on the Defense Department's announcement of 29 April regarding Cambodia takes the line that the US has "committed another monstrous crime."

Earlier in the week, there were two Soviet pronouncements, more authoritative, on Indochina developments, but both were far more specific about what the USSR is against than what it is for. One, a TASS statement on Cambodia, was pegged to the massacre of Vietnamese by Cambodians and implicitly warned the US against interfering in Cambodia. The other, a message from Kosygin to the participants of the Indochinese summit, explicitly castigated the US and expressed confidence that the "anti-imperialist forces" would play an "important role" in frustrating the "aggressive imperialist plans."

Soviet and Chinese officials privately confirm that no progress has been made in the Peking talks, and that the Soviets have not made unilateral troop withdrawals from the border. Although the talks apparently remain in recess while Soviet chief negotiator Kuznetsov is in Moscow, both sides indicate that they intend to continue the discussions. The Chinese have said they have not given agreement to the Soviet ambassador-designate and have no present plans for naming an ambassador to the USSR.

Brezhnev and other high-ranking Soviet officials are expected in Prague on 5 May to sign a friendship treaty, but this is not confirmed.

The East Germans reminded the four powers, who are meeting in Berlin, that they have a stake in the talks. Long-planned increases in tolls on water, rail, and road transport between the city and the West were announced on 28 April, coinciding with the meeting. West Germany reimburses cargo haulers for such fees, which will add more than two million dollars to East German coffers this year.

The Warsaw Pact's new military council met in Budapest on 27-28 April. It was chaired by pact commander Yakubovsky, and may have dealt with forthcoming maneuvers.

The Geneva disarmament talks recessed yesterday after ten weeks of sessions marked by a frustrating lack of progress on the key issues—CBW and the draft treaty limiting the use of the seabeds for military purposes. The conferees return on 16 June and hope to complete their work before the fall session of the UN General Assembly. Failure to show substantial progress in at least one of the arms control areas could lead to calls by the nations not represented at the talks for a convening of the unwieldy UN Disarmament Commission, which is certain to serve as a focal point for grievances against the superpowers on arms issues.

Belgium and Italy are the leading proponents of a possible initiative at the UN to control the delivery of arms to areas of conflict or tension. They have in mind using the Security Council or a special subsidiary organ to regulate or at least monitor the flow of weapons to such areas. Preliminary soundings indicate that this plan will meet formidable political difficulties.

25X1

SECRET

Page Denied

SECRET

MINORITY GOVERNMENT IN AUSTRIA FACES DIFFICULT FUTURE

Austria's first Socialist government, sworn in on 21 April, faces a questionable future because the party lacks a majority in parliament by two seats as a result of elections held 1 March. The minority government's first real test will come after the summer recess when parliament considers the 1971 budget.

Chancellor Kreisky's Socialists negotiated in vain for several weeks to construct a coalition with the People's Party, with which they had been minority partners in coalitions from 1945 to 1966. The efforts, however, foundered on the allocation of cabinet posts, representation on key parliamentary committees, and several policy issues including housing and tax and educational reform.

The People's Party charged, with some justification, that the Socialists were demanding more than their two-seat edge in parliament warranted. Kreisky's adamancy stemmed in part from hard-line, orthodox sentiment in his own party as well as from a belief that the People's Party--in opposition--would not dare to precipitate another national election in the next few months.

Having refused to compromise his program as the price for a coalition, Kreisky cannot now hope to push his most contentious plans

through parliament. Both opposition parties, the People's Party and the tiny Liberals, are closer to each other than to the Socialists on most issues. Nor can Kreisky risk alienating business confidence and the party's new found middle class support by pursuing too "Red" a program.

The new minority government will have to pick up support in parliament from individual People's Party deputies or from the Liberals, who are often accused of neo-Nazism. The Socialists have long ruled out a coalition with the Liberals, and even an informal alliance with them over a long period might reduce the Socialists' electoral support. Tacit Liberal support on some programs, however, can be expected if the Socialists indicate that they will promote an electoral reform beneficial to the Liberals.

Despite Kreisky's professed optimism over the prospects for his minority government, neither he nor the People's Party leadership has ruled out a resumption of coalition talks at a later date. Both major parties evidently expect that the parliamentary give-and-take before this fall's budget debate will make the other more amenable to compromise.

25X1

SECRET

SECRET

GOVERNMENT MOVES TOWARD "NEW SOCIETY" IN FRANCE

The first anniversary of General de Gaulle's departure from power passed this week in a social climate unusually peaceful for France in the spring. That this was so is due in large measure to the Pompidou government's introduction of a variety of innovations in the field of labor relations, ranging from a new deal for blue-collar workers to new tactics in negotiations. These changes are for the most part the work of Prime Minister Chaban-Delmas, and taken together they are designed to implement his vision of a "new society" in France.

The aim of the blue-collar worker program--which is perhaps the government's most far-reaching innovation--is to transfer France's blue-collar workers from hourly to monthly pay status, and also gradually to grant this substantial sector of the French labor force (approximately 7 million workers) the fringe benefits of white-collar workers. These include salary for sick, maternity, military, and holiday leaves, as well as seniority and retirement benefits. To date, this program has been well received by both labor and management and has succeeded in improving substantially the government's public image.

Another government innovation--the "social contract"--has met with a mixed reaction from labor. Heralded by Chaban-Delmas as "revolutionary," the new two-year contracts are designed to provide periods of "social peace" uninterrupted by

strikes. Under the contracts, the unions pledge to give 90-days notice before striking, during which period the government hopes agreements can be reached. In return, the unions receive a guarantee that wages will be automatically adjusted upward according to a complex formula involving increases in the GNP, worker productivity, and the rate of inflation.

Reluctant to give up the right to strike, and also aware that the "social contract" would probably over time reduce the influence and power of the unions, the Communist-led General Confederation of Labor (CGT) has steadfastly opposed the concept of the "social contract." Other smaller unions, however, have been much more positive, and the rank and file of the CGT has not been nearly as negative as its leadership.

The government's tactic in each round of labor negotiations has been to offer enough concessions to gain the acceptance of the non-Communist unions and thus leave the CGT isolated. So far this tactic--coupled with other recent innovations--has succeeded in averting major strikes in key nationalized sectors, as well as in the civil service, where a settlement was reached last week. These successes are not likely to prevent the CGT from getting a big turnout for the traditional May Day labor parade, but they have taken a lot of steam out of the CGT-backed "week of action" that precedes Friday's march.

[REDACTED]

25X1

SECRET

SECRET

SOVIET INDUSTRIAL PRODUCTION RECOVERS MOMENTUM

Civilian industrial production in the USSR was eight percent greater during January-March of this year than during the first quarter of 1969. This increase is the best posted in any quarter since 1967. In large measure, however, it represents recovery from a poor opening quarter in 1969 rather than outstanding performance this year.

The industrial materials sector registered the greatest recovery from last year's slump, achieving its highest year-to-year gain since the fourth quarter of 1966. Within this sector, construction materials scored the best improvement. Output was nearly 12 percent greater than last year, although only ten percent greater than in 1968.

The consumer nondurable goods sector also made a good recovery, with processed foods leading the way. First quarter meat production was up an impressive nine percent from last year, but remained two percent less than in the first quarter of 1968. Production of processed fish, another important source of animal protein, increased 45 percent.

Unlike the industrial materials and consumer nondurables sectors, the civilian machinery sector failed to match its growth rate of a year ago. Nevertheless, civilian machinery output continues to increase more rapidly than output of either of the other two sectors.

The official Soviet index of total machinery output, which includes defense-related production as well as civilian durables, showed the same relatively high rate of growth in the first quarters of 1969 and 1970. Growth of the civilian component is known to have slowed, however, implying an acceleration in the production of military and space machinery.

Industries producing goods for use in the agricultural sector registered a mixed performance. The growth of mineral fertilizer output accelerated, but production of tractors and other agricultural machinery increased no faster than a year ago.

The unusually high increase of industrial production from the first quarter of 1969 to the first quarter of 1970 probably will prove to be transitory. Production in a number of industrial sectors was held down by bad weather during the opening quarter of 1969. Moreover, special efforts may have been made to boost production this year in connection with the Lenin centenary. Production of processed meat, for example, may have been raised by an unsustained spurt in slaughtering. Production of processed fish probably rose in response to a belated effort to compensate for the shortage of meat that prevailed throughout 1969 and January of this year.

Soviet leaders will attribute the generally favorable results to their program to tighten discipline and evoke more intensive effort all down the line. It is unlikely, however, that this campaign actually has had a great impact.

25X1

SECRET

Page Denied

SECRET

HUNGARIAN REGIME PREPARES NEW YOUTH POLICY

The Budapest regime, worried over recurrent failures in shaping the outlook of young Hungarians, is conducting a wholesale review of the youth situation that may bring some new approaches to the problem.

The March issue of Party Life carries portions of resolutions from the central committee's plenum on youth policies held on 18 February. According to the article, the plenum called for country-wide preparation of a "uniform youth law" in which the entire party and state apparatus must participate. Committees at the level of the Council of Ministers and the party central committee have been set up to draft reports based on this input.

Although no specific long-range plans were outlined, it seems clear from the resolutions that the party leadership has all but given up on the Young Communist League (KISz), at least in its present form, as the sole representative and manager of youth affairs. The article was full of criticism of the KISz's failure in educating even its own members as Communists. Moreover, the article suggested that independent (non-KISz) youth activities be granted official support.

Another indication of the failing political health of the KISz bureaucracy was the publication earlier this year of a highly critical article in its own jour-

nal. The author, Mikaly Sukosd, is a long-time advocate of democratic forums for young people, and, until the article was published, was something of a pariah to the bureaucrats in the KISz leadership. Sukosd's article blamed the widespread indifference of young people on KISz failures to relate to the needs of youth. He also painted a dreary picture of Hungarian youth's lack of national purpose or Communist idealism.

In terms of meeting the spirit of the resolutions, the KISz leadership's response to these political pressures was typically inflexible. A series of carefully controlled "national youth parliaments" was held in early April and the KISz leadership generally tried to deflect responsibility for its failures onto other organizations. These tactics failed, however, and on 29 April the regime announced the sacking of the KISz first secretary. His transfer will probably be followed by others.

The party appears to be resolute in charting a new course in its youth policies. Implementation will not be easy, however. The regime has always tended to be timid when it deals with young people, and it will take sustained efforts to overcome the cautious inertia which caused the KISz to atrophy in the first place.

25X1

SECRET

SECRET

EUROPEAN COMMUNITIES PONDER POLITICAL PROBLEMS

Despite the encouraging progress that the European Communities (EC) have been making in other respects, the outlook for any early movement toward closer political ties continues to be dim.

Last December the foreign ministers of the Six were instructed to study the best way of achieving progress toward political unification within the context of enlargement, and to report their findings by July 1970. Talks held so far have dealt with three topics: a definition of political unification, the procedures and machinery required, and the participation in this process of candidates for EC membership.

There are indications, however, that the measures the foreign ministers will eventually propose are unlikely to go much beyond institutionally weak arrangements for foreign policy consultation and coordination. In practice, such arrangements could prove relatively meaningless, or even a threat to the integrity and further development of the institutions created by the Communities.

These institutions--particularly the Commission, the EC's executive body--already have their problems. Under the terms of a 1967 agreement that created a single Commission for the European Economic Community, the Eu-

ropean Coal and Steel Community, and the European Atomic Energy Community, the 14-member Commission was to be reduced to nine within three years.

While this deadline is up this July, the present consensus seems to be that the membership will remain at 14, even though the Commission itself believes that the enlarged Communities will require a strengthened executive and that a smaller Commission would be more efficient. The main obstacle to such a retreat from the 1967 commitment are the legal problems involved. The agreement might have to be amended, and the amendments might have to be ratified by the parliaments of the member states. Legal experts are pondering these questions, and the Council will meet on them on 11 May.

Meanwhile, hopes that the Commission will be reinvigorated with some much-needed new blood are rapidly waning. Candidates so far suggested for a new Commission have been undistinguished or politically impossible. One prospective German nominee, Ernst Achenbach, has apparently been withdrawn in the face of public protests over his record as German ambassador during the Nazi occupation of Paris. The Italians, whose turn it is to propose a president for the Commission, have yet to persuade an acceptable candidate to consider the job.

25X1

SECRET

SECRET

MIDDLE EAST - AFRICA

Military activity along the Egyptian-Israeli cease-fire line was at a high level during the week. At least four Egyptian aircraft, including two light bombers, were downed during repeated raids against Israeli positions in the Sinai. Egypt also mounted several commando raids across the Suez Canal but apparently inflicted few casualties on the Israelis. Tel Aviv made a number of bombing attacks on Egyptian positions along the canal and the Gulf of Suez.

Recent statements by Israeli officials may presage a renewal of deep-penetration raids into Egypt. The Israeli cabinet announced that for the first time Soviet pilots were flying "operational" missions in Egypt, a charge that Egypt denied. Prime Minister Golda Meir stated that the Israelis do not want to hurt Soviet airmen, but that "we have no choice." Israeli Chief of Staff Bar-Lev attributed the increased Egyptian activity across the Suez Canal to active Soviet support. He said that Israel will not allow an undermining of its position along the Canal.

In Jordan, government officials and fedayeen leaders are meeting again after a hiatus of over two months, during which the fedayeen largely ignored the "agreement" regulating commando activity. Little was accomplished at the first meeting, but it was agreed that each side would appoint a negotiating team to continue the discussions, tentatively slated to begin on 2 May.

South Africa's ruling National Party (NP) received a comfortable, but slightly reduced, majority in last week's parliamentary election. The party farther to the right of the NP, the Herstigte Nasionale Party, was effectively crushed, but probably will continue to be a minor irritant to the government.

Dahomey's civilian leaders—Maga, Apithy, and Ahomadegbe—apparently have agreed on a compromise solution to the four-month-old political crisis; each will take a turn as head of government, with Maga the first to have the honor. It remains to be seen, however, whether the agreement will withstand the competing ambitions of these three rivals.

The military regime in Somalia has requested that five members of the US Mission in Mogadiscio leave the country, allegedly for involvement in the recent plotting against the government. The request follows a week-long propaganda campaign claiming that the Somali conspirators, led by the vice president of the Supreme Revolutionary Council, General Korshel, were in league with certain "imperialist" powers.

In Afghanistan, conservative religious leaders have mounted antigovernment protests. Triggered by the elders' opposition to Afghan-Soviet cooperation on the Lenin centenary celebration, the protests have broadened to include attacks on social and political changes resulting from King Zahir's cautious modernization program. The protests have thus far remained orderly, but a confrontation between conservatives and leftists could develop on Friday—the Muslim holy day and, coincidentally, May Day.

25X1

SECRET

SECRET

THE ISRAELI-EGYPTIAN FRONT IS HEATING UP

Egyptian forces have displayed unusual boldness and perseverance in striking at Israeli targets in Sinai. Nasir's air defense system, buttressed by Soviet-manned SA-3s and improved anti-aircraft artillery, appears to have given him a feeling of immunity from retaliation. Israel may now believe it is compelled to disabuse him of this idea, even at the risk of encounters with the Soviets.

The introduction of the SA-3 missile system has given the Israelis some pause and has aroused considerable uncertainty in Tel Aviv as to just how far the Soviets intend to go in assisting their Egyptian client. In an effort to reduce the chances of direct Soviet involvement, Israeli leaders have publicly reiterated that "they do not want to fight the Soviets" and do not intend to hit targets of special Soviet interest at Cairo, Alexandria, or the Aswan Dam. Minister of Defense Dayan has also stressed his hope that the Soviets would keep out of the Suez Canal area. Israel, he insisted, must have air superiority over the canal so that it can readily spike any Egyptian attempts to make a crossing in force. The Israelis have stated flatly that they would bomb any SA-3 sites established along the canal even though they were manned by Soviet personnel.

Now, however, Nasir has apparently been emboldened by the Soviet "protection." He has resumed the very kind of military harassment that first impelled the Israelis to undertake their heavy bombing campaign, which progressed from strikes along the canal in July to the deep-penetration raids around the Egyptian capital last January. Over the past week, Egypt has launched a number of air strikes into Sinai, has mounted commando raids across the canal, and has resumed heavy cross-canal artillery barrages. Nasir, of course, feels compelled by domestic and other pressures to continue making at least gestures toward liberating the occupied Arab lands. The situation will quickly become dangerous, however, if Israeli casualties begin to rise to the levels of last spring and summer.

25X6

25X6

SECRET

SECRET

25X6

NASIR SHUFFLES HIS CABINET

The Egyptian cabinet shuffle announced on 26 April formalizes the influence of two of Nasir's close associates while downgrading another, but will not result in any significant policy changes.

In a surprise move, Nasir appointed Egypt's leading newspaper editorialist, Muhammad Haykal, to the post of minister of national guidance. Haykal has long been a confidant of Nasir and his articles are often thought to reflect Nasir's thinking. Haykal apparently was brought into the government to assist in improving Egypt's propaganda effort. In past editorials, he has criticized the downplaying of Israeli military successes against Egypt.

Another long-time Nasir associate, Sami Sharaf, was named minister of state. Sharaf has worked in the President's office since the late 1950s and has been head of presidential intelligence for a number of years. Still an-

other Nasir colleague, Amin Huwaydi, was replaced as chief of general intelligence. The former national guidance minister, Muhammad Faiq, was appointed to the post of minister of state for foreign affairs, where Nasir will probably use his extensive knowledge of Afro-Asian affairs. Mahmud Riad remains as Egypt's foreign minister.

Ali Sabri, whose political fortunes have ebbed and flowed for a number of years, was appointed to a new position in Egypt's only legal political organization, the Arab Socialist Union (ASU). Sabri, who has been a member of the ASU Supreme Executive Committee for some months, is now secretary of the newly created ASU Foreign Affairs Committee. Over the years, Nasir has made use of Sabri's good working relations with the Soviets to help maintain harmonious relations between the ASU and the Soviet Communist Party. 25X1

SECRET

SECRET

NATIONAL PARTY'S MAJORITY CUT IN SOUTH AFRICAN ELECTION

South Africa's political parties are busy analyzing the results of last week's election, which returned the National Party to power with a comfortable but slightly reduced majority.

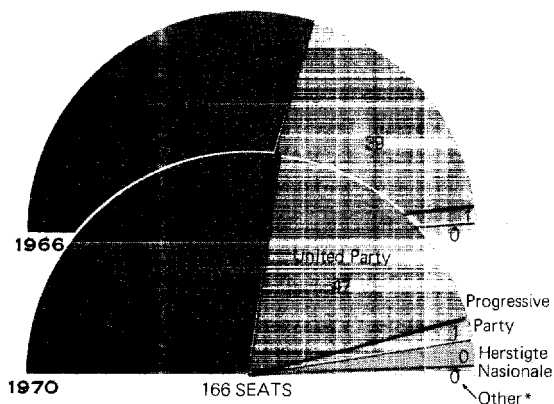
The final tally gave 117 seats to the National Party, 47 to the United Party, and one to the Progressive Party. This represents a gain of nine seats for the United Party, composed mainly of English-speaking whites, and is a definite psychological boost for it. The National Party received 54.4 percent of the votes cast, four percent less than in the 1966 election. Much of this loss can be attributed to votes siphoned off to the ultraconservative Herstigte Nasionale Party, formed by Afrikaners who bolted the National Party last fall. This party received 3.6 percent of the total (54,000 votes) but failed to capture a single seat. Both the United Party and the Progressives held about the same percentage as in 1966.

The National Party achieved its primary campaign objective in crushing the Herstigte Nasionale Party. However, the Nationalists' concentration on the Herstigties, together with inept government statements in the last month of the campaign, enabled the United Party to gain strength. In their attempt to counter the ultraconservative threat, a few cabinet ministers made excessively rightist statements that frightened both English-speaking and Afrikaner moderates who might otherwise have voted for the Nationalists.

Prime Minister Vorster has reviewed the returns with his cabinet, and has discussed organizational de-

SOUTH AFRICA

ELECTION RESULTS & SEATS, APRIL 1970



*1 Seat to be settled later

(FAN SEGMENTS SHOW PROPORTION OF TOTAL VOTE; FIGURES SHOW SEATS WON)
98363 4/70

iciencies within the party. The most important topic, however, is what to do about those cabinet ministers who may have cost the party seats. Rumors of a cabinet shuffle are circulating again, and such a maneuver is probable within the next several months. Vorster, however, does not seem anxious for an immediate change.

The Nationalists will now push hard to get their house in order before the provincial elections this fall. The Herstigte leaders have not yet decided whether they will enter that election, but, even if they do, they will present little threat. The United Party is the one to beat this time, and National Party faithful will be working harder to fend off a second loss.

25X1

SECRET

SECRET

CREEPING COLLABORATION AMONG EGYPT, LIBYA, AND SUDAN

Relations among the three African Arab countries have become closer in recent months, and some trilateral economic accords have been signed, but a political union is not yet in the offing.

Beginning late last year, probably at the initiative of Libya and the Sudan, contacts among the three countries became more frequent. Since then, there have been at least three heads-of-state meetings, and frequent other bilateral and trilateral contacts at various levels. Following a trilateral summit in Libya in December, a communiqué announced that the three leaders will meet every four months to work toward the common goals of their peoples. It was also announced that joint committees would be set up "in all fields to establish foundations to guarantee tripartite cooperation and integration."

Some of these committees have apparently been established and have already discussed ways of achieving greater cooperation in agriculture, industry, education, communications, and transportation. Little has actually been accomplished so far, however.

Other evidence of greater cooperation includes the numerous Egyptian "experts" in various fields who have been sent to Libya and the Sudan. Moreover, the

Egyptian military academy has been moved to the Sudan.

Each of the countries derives some benefit. The show of unity allows Nasir to rejuvenate his image as the leading Arab chief of state and aids in consolidating his position in inter-Arab affairs. He also gains access to military facilities in the territory of his two neighbors. The new regimes in Libya and the Sudan probably believe that association with Nasir, the foremost Arab revolutionary, reinforces their own revolutionary and pan-Arab credentials. The leaders of the two junior partners probably also hope that the tripartite front will shore up their domestic position, particularly against potential rivals within the regimes.

Political union, however, does not yet appear to be a viable prospect. Nasir probably retains bitter memories of the abortive union with Syria, and realizes the somewhat shaky nature of the regimes in both Libya and the Sudan. Additionally, there are strong elements in both the Sudan and Libya who oppose closer ties with Egypt. For the present, therefore, it appears that the tripartite alliance will concentrate on attempting to strengthen economic and military bonds, with political ties being restricted to cooperation rather than union.

25X1

SECRET

SECRET

* * *

SECRET

SECRET

WESTERN HEMISPHERE

Planning for the traditional May Day celebrations in Latin America aroused little attention this week, with three notable exceptions.

In Costa Rica, students plan to celebrate by protesting government approval of a new mining concession to the Aluminum Company of America. Costa Rican Communists are apparently spurring the students to a repeat of the demonstrations that caused serious damage in San Jose last week.

The Bolivian Government plans to support and even participate in an "anti-imperialist" march in La Paz. Members of the cabinet may join the marchers, and the Ovando regime seems to believe that its support for labor may limit antigovernment statements and possible violence.

In Panama, rumors have been flying that some dramatic announcement will be made by the government during May Day celebrations. These rumors run from increased government control of imports to one "as far out" as the establishment of a "socialist republic" by General Torrijos, Panama's strong man.

Ecuador is expecting some kind of change in its government after the congress adjourns on Monday, 4 May. Some sources say that President Velasco will assume dictatorial powers, while others say that the elderly Velasco might resign in favor of his nephew, the defense minister. Whichever way Velasco turns, many Ecuadoreans see a regime either dominated or directed by the military in the not-too-distant future.

Farther south, the Ongania government in Argentina has weathered a major challenge to its economic stabilization program. A general strike last week by the recently reorganized General Confederation of Labor was generally peaceful, and it appeared that labor had rejected demands by extremists for more militant action. Now Ongania can move ahead with plans to develop a popular base for his government, and give labor a greater voice in the governmental process.

In the Caribbean, Cuban armed forces easily wrapped up the last of the 13-member Alpha-66 exile group that infiltrated the island on 17 April. Fidel Castro has paid considerable attention to the incident, including remarks in his Lenin-day speech, and may soon hold a public trial for the nine captured exiles. The situation in Trinidad and Tobago continued tense. (See article in Western Hemisphere section.)

The pre-election atmosphere in the Dominican Republic remains confused. Opposition groups are still talking about combining forces for the presidential election, on 16 May, although at least two candidates seem likely to run against President Balaguer, who is favored to win re-election. Regardless of the outcome, the period between the election and inauguration in August could be critical for Dominican stability.

25X1

SECRET

SECRET

CLOSE COLOMBIAN ELECTION TIES NEW PRESIDENT'S HANDS

The closeness of National Front candidate Misael Pastrana's victory over former dictator General Rojas Pinilla in the elections of 19 April probably will greatly handicap the new government. The official results, when announced, will confirm that his margin was less than two percent of the popular vote, by far the worst performance in the Front's four presidential campaigns.

The major problem for the new administration will be the legislature, which is seriously factionalized. Many Liberal and Conservative congressional slates linked to Pastrana's name were defeated by General Rojas' oppositionist National Popular Alliance (ANAPO). Moreover, there will be groups representing the other two defeated presidential contenders, Belisario Betancur and Evaristo Sourdis.

Senate President Julio Cesar Turbay, a strong Pastrana supporter, recently stated privately that he did not believe that the new Liberal and Conservative congressmen loyal to the National Front could muster a majority in either House. Pastrana, therefore, will find it necessary to devise a means of gaining sufficient cooperation from the various groups if he hopes to obtain support for

his governmental programs. In order to gain ANAPO's collaboration, Pastrana may be forced to appoint Anapistas to his cabinet. His only alternative will be to enlist sufficient support from Betancur and Sourdis legislators, who have already demonstrated their distaste for Pastrana and the Front. Unless Pastrana finds that he can come up with a workable arrangement, the President could be forced to rule by decree under a state of siege and bypass congress completely.

Both the Liberal and Conservative parties, which comprise the National Front, suffered serious setbacks in the election. The directorates of both parties probably will be revamped in order to represent more accurately the desires of the various factions of each party. Moreover, both parties probably will have to make policy changes to win mass support if they hope to regain their pre-eminent positions with the Colombian electorate in the 1974 elections.

In the meantime, the public order situation remains generally calm throughout the nation. The state of siege, imposed soon after the election, probably will be retained until the inauguration on 7 August. Rojas and his daughter remain under virtual house arrest in Bogota.

25X1

SECRET

CASTRO OUTLINES CUBA'S FOREIGN POLICY

Fidel Castro's lengthy speech on 22 April was his first major address on foreign policy since his endorsement of the Soviet invasion of Czechoslovakia in August 1968. Speaking in Havana at ceremonies honoring the 100th anniversary of the birth of Lenin, Castro devoted roughly half of his remarks to rather effusive praise of the Communist leader and to unusually warm expressions of Cuban-Soviet friendship. Although he touched on a variety of topics in the latter half of the speech, he gave no indications of any significant changes in Cuban foreign policy.

Castro bluntly addressed the two key points of contention between his country and the US: support of revolutionary movements and Soviet military ties. He stated flatly that Cuba would never deny aid to a revolutionary movement. His statements suggested, however, that Cuba would be selective in supporting revolutionaries. He intimated that he had withdrawn support from some "who had the opportunity to start and to conduct a revolutionary war and they fumbled it"--presumably a reference to guerrilla groups in Venezuela and Colombia.

As for the Soviet Union, Castro said that Cuba would never sever its political and military relations with the USSR. "On the contrary," he said, "we shall al-

ways be ready to have closer military ties with the Soviet Union." This assertion came at a time when Armed Forces Minister Raul Castro was visiting the USSR, ostensibly repaying Defense Minister Grechko's Cuban visit of last November, but more likely negotiating for additional Soviet military aid. 25X1

Castro also devoted attention to the military government in Peru. The actions of the military in nationalization and agrarian reform have impressed Castro deeply, and he apparently views the situation in that country as ripe for exploitation. His cautious but decidedly friendly remarks closely followed the ten-day visit to Lima in early April of a delegation from Cuba's national fishing institute. In an obvious reference to the Peruvian military leaders Castro said that a revolutionary did not have to be a Marxist-Leninist, even though ignoring Marxism-Leninism would place the revolutionary at a disadvantage. 25X1

Castro's subtle attempt to woo the Peruvian leadership was repeated in his remarks about

SECRET

SECRET

Chile and Trinidad and Tobago. He said that he sincerely appreciated both Prime Minister Eric Williams' "courageous" condemnation of the economic blockade of Cuba and the Chilean Government's action in authorizing the sale of food products to Cuba. He opened the door to formal relations with Chile by saying that the Chilean Foreign Ministry had "stated its position against the blockade in a manner which was not unbecoming to our country." He emphatically ruled out, however, Cuba's return to the OAS and reiterated his long-standing prerequisites for any country desiring to re-establish bilateral diplomatic relations with Cuba: reject the OAS sanctions against Cuba, refuse to participate in the economic blockade and other aggressions against Cuba, impose no preconditions for relations, and cast off "US domination" by acting with independence and sovereignty.

In discussing the clandestine landing carried out in eastern Cuba on 17 April by 13 armed exiles, Castro evaluated the incident as an insignificant pinprick. He complained, however, that during an earlier aborted infiltration attempt, the same exiles had received assistance from the US naval base at Guantanamo Bay--"one more rude violation of the statutes of that arbitrary base." Although he probably realizes that the US was not involved in the landing, his comment is interesting in that he

has never recognized the validity of the agreements establishing the right of the US to occupy the base and thus denies the legality of its statutes. He seemed more alarmed by press reports of the open recruiting of an "army" of exiles in various cities of the US and may have genuine doubts about US participation, or at least acquiescence, in this activity.

The persistent problem of hijacking aroused no sympathy at all in Castro. He repeated his contention that the "imperialists" had originally created the problem. He reminded his listeners that to solve the problem Cuba had enacted an anti-hijacking law and that if other countries "want to resolve the matter of the planes, they must abide by the letter of the law, article by article, without removing a single comma from our law." This law would require full reciprocity, including the return of refugees who steal boats to escape to the US.

The speech ends Castro's self-imposed silence on matters of foreign policy. Foreign affairs have received only minor attention in his public statements for some time now primarily because of his total preoccupation with the sugar harvest. With the 1970 harvest rapidly drawing to a close, he may feel more inclined to direct his attention to international matters.

25X1

SECRET

SECRET

TRINIDAD REVOLT STILL SIMMERING

The government has been able to halt the public disorders that broke out when a portion of the army regiment mutinied on 21 April, but it has yet to bring the rebellious soldiers under firm control.

The government established a tenuous hold over the rebels' stronghold by appointing a new regimental commander acceptable to the leaders of the revolt. The base, about 12 miles from the capital, has remained surrounded by loyal troops. The rebels, however, still have most of their weapons and remain in control of the military arsenal. The new commander, Colonel Serrette, convinced the rebels to release all their hostages and to give up a small portion of their arms, but they apparently feared that if they surrendered all of their weapons, the government troops would attack them.

A government committee of inquiry investigating rebel complaints about conditions in the regiment was due to report this week. Its recommendations could lead to a negotiated settlement. The administration, meanwhile, is continuing its efforts get more armament for the loyal forces and improve its position. The government's lack of confidence in its ability to resolve the issue, however, must be apparent to the dissidents, and as long as they retain their arms the potential for further difficulty exists. The

government is concerned that some of the mutineers will leave the base and join black power agitators in the cities.

The events in Trinidad have stirred concern and intense interest throughout the Caribbean, but they did not spark any related violence.

Despite Prime Minister Williams' early calls for assistance, other Caribbean nations refused to offer help for fear of identifying themselves with an unpopular cause and possibly stirring protests at home. Both Guyana and Jamaica received specific requests for aid but have thus far refused.

25X1

In public, Venezuelan officials were careful stress that all actions would be dictated by the country's "traditional policy of nonintervention."

25X1

Although the majority of Caribbean leaders were reluctant to intervene in the disorders, their concern over the anarchical threat posed by black power has undoubtedly increased. Several government leaders have expressed reluctance to give in to extremists, but it is becoming increasingly obvious that some administrations may feel compelled to accommodate radical demands.

25X1

SECRET

HAITIAN REBELLION QUICKLY SNUFFED

The short-lived mutiny by the coast guard on 24-25 April failed to attract the army support necessary for success. President Duvalier has utilized the rebellion as a propaganda forum to emphasize his strong position and is continuing to arrest those suspected of disloyalty.

Coast Guard commandant Colonel Octave Cayard, with approximately a third of his 325-man force, mutinied last Friday and used the unit's three cutters to shell the national palace. The two-day, sporadic bombardment apparently did little damage, however, as the shells had limited explosive power. The government claimed two were killed and 30 wounded during the attacks.

None of the critical ground units in Port-au-Prince joined the insurrection. Those units, of some 2,000 men, comprise the only effective fighting force in the country. Their loyalty, or lethargy, condemned Cayard's attempt to futility, despite the inability of the air force's lone P-51 to drive off the hostile ships or silence their fire.

Apparently as a precautionary measure, Duvalier had troops in the capital reinforced by truckloads of civil militia from the countryside. Although Duvalier initially reacted to the rebellion with frantic calls for US assistance, the capital itself remained calm. Cayard, realizing

the hopelessness of his position, fled to the US base at Guantanamo, Cuba, on 25 April and requested political asylum. His three ships were being conducted to the US naval station at Roosevelt Roads, Puerto Rico.

Duvalier's henchmen had been rounding up alleged coup plotters since early April and Colonel Cayard undoubtedly believed he was under suspicion and might be arrested soon. Arrests on 20 and 21 April probably prompted him to move; his lack of any ground support whatsoever tends to confirm that it was his desperation, rather than any well-defined plot, that led to the mutiny.

Since the shelling, there have been reports of further arrests and executions. An official decree this week announced that seven legislators had "forfeited" their offices. In view of the armed forces' loyalty, wholesale military arrests seem unlikely, although Duvalier may use the coup attempt as an excuse for a further purge of his civilian entourage.

The recent abortive rebellion makes it unlikely that any of the present military leaders would be willing to move against the regime.

25X6

25X1

SECRET

Page Denied

Secret

Secret

Page Denied

Next 17 Page(s) In Document Denied