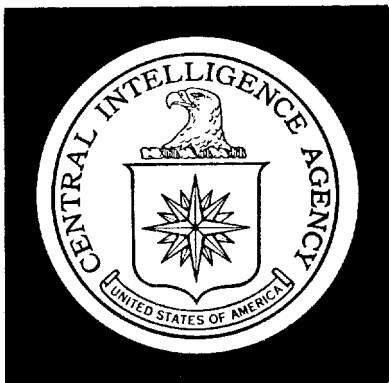


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DIRECTORATE OF
INTELLIGENCE

WEEKLY SUMMARY

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FAR EAST

Cambodia: *Back on the Attack*

The two months' lull in fighting ended on 9 November when the Communists began a series of coordinated attacks on important government positions in Kompong Cham Province. Enemy pressure eased after several days, however, and Cambodian units once again gave a good account of themselves.

Some of the heaviest fighting occurred just northwest of Kompong Cham city, where the Communists briefly occupied the town of Troeung at the junction of Routes 7 and 21. A few miles farther north the enemy inflicted fairly heavy casualties on two government battalions defending a small village.

Kompong Cham city was hit by sporadic enemy mortar fire. The Communists also made a strong attack on the city's airfield, but three Khmer Krom battalions defending government positions at the airfield held their own with the aid of air strikes. On the east side of the Mekong, the town of Tonle Bet and two nearby villages were subjected to enemy ground probes. West of the city, enemy attacks along Route 7 extended as far as the town of Skoun, the rear security base for the government column operating along Route 6. Cambodian Army troops at Skoun repulsed probing attacks there. South of Skoun, the Communists destroyed a key bridge, blocking the movement of reinforcements to Kompong Cham.

The last major Communist attacks in the Kompong Cham area were in late May. Since then, government defenses in Kompong Cham city have been strengthened considerably. The continuing presence of four Communist main force regiments near the city indicates the Communists may intend to maintain pressure in this sector.

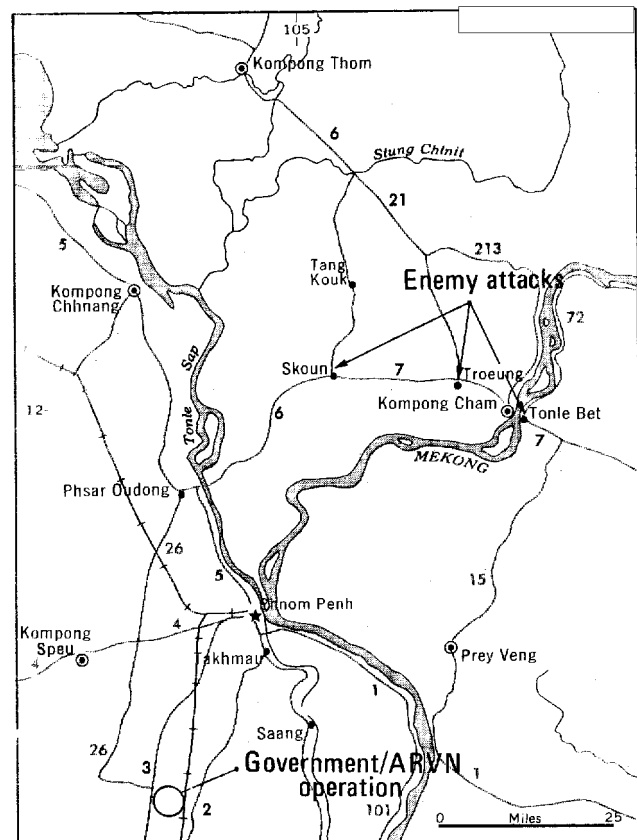
The attacks may be designed in part to forestall further Cambodian advances north and east of Route 6. Cambodian commanders scrapped

plans to divert any troops from the column on Route 6, however, and reportedly hope to use forces in Skoun and along Route 7 to reopen that artery eastward to Kompong Cham.

The military initiative was not left entirely to the Communists during the week. A combined force of Cambodian and South Vietnamese Army troops began a major offensive operation to clear Communist elements between Routes 2 and 3, some 20 miles south of Phnom Penh. As was the case with an earlier Cambodian operation in the same area, however, only token contact with the enemy was reported.

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Vietnam: Where Has All the Main Force Gone?

In shifting from a "general offensive" strategy in South Vietnam in 1968 to a less ambitious one in much of Indochina in 1970, the Communists have made some drastic changes in their military organization and deployments. By mid-1968 they had committed nearly 60 main force (regular) infantry regiments to the fighting in South Vietnam. Now, there are only a few more than 20 in the country, and many of these are in fairly remote base areas.

[redacted] the Communists near Saigon have also disbanded the 101st Regiment, a first-line North Vietnamese Army unit that infiltrated into the South several years ago.

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What has happened to the other large units? A few have been disbanded—possibly as many as ten regiments—and the forces formerly subordinate to them have been reorganized to operate as separate battalions or as reinforcements for Viet Cong local forces and guerrillas.

[redacted]

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[redacted] These shifts underscore the enemy's changing short-term priorities. Laos and Cambodia now come before Da Nang and Saigon, at least as far as main force commitments are concerned. They also point up the fact that a large part of the enemy's main force is still intact, even though much of it has been directed away from objectives in South Vietnam. This is part of the over-all transformation of Communist tactics in South Vietnam, toward greater emphasis on guerrilla forces, terrorism, and political action.

The Communists have also sharply cut large units in northern South Vietnam, although there are still more main force regiments there (about 12) than in any other region. This compares with nearly 30 enemy regiments in or near Military Region 1 at the peak of the 1968 fighting. Since then the Communists have disbanded only two regiments here, both in the Da Nang sector. The main reduction has been caused by a shift of major elements of several North Vietnamese divisions back into North Vietnam and the Laos panhandle.

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The Communists have made some of the most drastic cutbacks in Military Region 3, surrounding Saigon. It was here that they formed a number of new regiments in late 1967 and early 1968 in order to bring heavy pressure on the capital. Soon after the Communists abandoned this objective in 1969, they began to break up and disperse at least three main force regiments—

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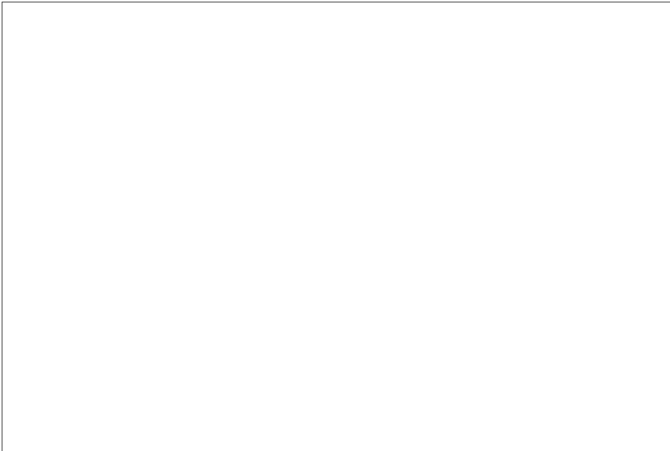
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active and considers even those inadvertently involved as accomplices.

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The private property decree also covers abuses by officials as well as petty crimes. There have been reports for years that government officials in the countryside have been pressuring cooperative members for bribes and for produce from private plots.



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Carrying a Bigger Stick

The regime in Hanoi, seemingly dissatisfied with the discipline in the North, has taken stern new corrective measures. Two new decrees were announced in late October that hit hard at criminal abuses of both state-owned and private property.

Hanoi has moved in other ways to bring the country under tighter rein. The authorities have ordered the various inspection mechanisms, through all echelons of government, to watch more closely over domestic affairs and to exact stricter compliance with central government instructions. This is buttressed by a rather heavy propaganda campaign that almost daily has warned against breakdowns in law and order and against what the regime clearly considers to be unsatisfactory levels of performance by cadres and workers.

The state property law is aimed at cracking down on a wide variety of offenses, ranging from petty thievery and wastefulness to organized criminal activity, embezzlement and misappropriation by officials. The little information that has seeped out of North Vietnam regarding corruption suggests that it continues to be fairly widespread, and is adversely affecting popular morale. The regime may be serious this time in doing something about it. The new law levies serious penalties, even for misdemeanors, is retro-

This kind of crackdown is a distinct change from the regime's relatively tolerant attitude of the past two years. Up to a short time ago, Hanoi either looked the other way or relied on finger shaking to correct the country's ills. Although propaganda of this kind often is overdrawn, it now appears that the regime is attacking the problem because it believes it is undercutting to some extent Communist performance in the war and the restoration of North Vietnam's economy.

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LAOS: Souk Vongsak, the special envoy of Lao Communist leader Prince Souphanouvong, returned to Vientiane from Hanoi via the recently instituted Soviet air service on 7 November. On his arrival, Souk said he had come to resume discussions with Prime Minister Souvanna Phouma on preparing for peace talks at Khang Khay. The Communist envoy hewed to the familiar Communist line, insisting that any talks would be between representatives of the "two princes," Souphanouvong and Souvanna, a position that avoids recognition of Souvanna as head of the

Lao Government. It is not yet clear how this issue of representation will be resolved, but Souk may have brought a response to the government's telegram of 27 October which, in effect, offered the Communists a chance to compromise. Military activity, meanwhile, was at a relatively low level this week as government forces withdrew six battalions that had been harassing enemy lines in the panhandle and prepared defensive positions for anticipated North Vietnamese attacks west of the Plaine des Jarres.

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South Korea: *Opposition Rocks the Boat*

Kim Tae-chung of the New Democratic Party (NDP) has started the 1971 presidential campaign early, stumping the major provincial cities where he draws large and enthusiastic crowds. A forceful orator, he is challenging President Pak by name and has not hesitated to speak out on potentially explosive issues such as national defense and the administration's continued

failure to implement a constitutional requirement for local self-government. He has also attacked favoritism within the national militia—an institution that affects virtually every South Korean family. In addition, Kim has raised a variety of less sensitive but nonetheless compelling issues, including women's rights and tax reform.



Kim Tae-chung

Caught off balance by Kim's vigorous chal-

lenge, harried administration leaders have responded with public denunciations of Kim's proposals and even veiled threats of outright suppression. In some instances the local authorities have resorted to clumsy and generally unsuccessful tactics, such as offering free admission to local movie houses on the day Kim is to speak, and flooding his rally site. Somewhat more subtly, they have sought to curtail media coverage of his campaign and to cut off his sources of campaign funds.

Kim is still a long way from being a threat to Pak's re-election. In comparison to Pak's Democratic-Republican party, the conservative NDP is poorly organized and short of money. Moreover, the whole weight of the government bureaucracy, down to the lowest village level functionary, can be brought to bear in support of Pak. Overreaction by the administration, however, could endanger the political stability that Pak has built up over the years. Pak has been reported to be incensed by Kim's criticism and has demanded that something be done about him. This raises the possibility that if not Pak himself, a subordinate, in the hope of currying presidential favor, might take some drastic action that would stir greater support for the opposition.

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Communist China: *The Shrinking Elite*

The continued absence of Chen Po-ta, a member of the elite politburo standing committee and Mao Tse-tung's longtime confidant and personal secretary, raises suspicions that he has become a victim of another round of factional quarreling at the top levels of the regime. He has not appeared in public for over three months and the regime has offered no explanation for Chen's failure to be with other ranking leaders on occasions when his presence would seem obligatory. His prolonged absence from public view is being treated in a manner strikingly similar to that employed in the recent ouster of another politburo member, Peking political boss Hsieh Fu-chih. The disappearance of these top leaders, together with the unpublicized removal of some key provincial officials, attests to considerable behind-the-scenes maneuvering within China's post-Cultural Revolution elite.

Chen is 65 [redacted] Press commentary on last month's National Day turnout in Peking [redacted] did not follow the past practice of noting that some leaders were absent due to illness. Instead, the coverage of the event employed the unprecedented device of alphabetically listing Chen's standing committee colleagues, Chou En-lai and Kang Sheng, together with the remainder of the politburo, suggesting a clumsily contrived effort to downplay Chen's absence.

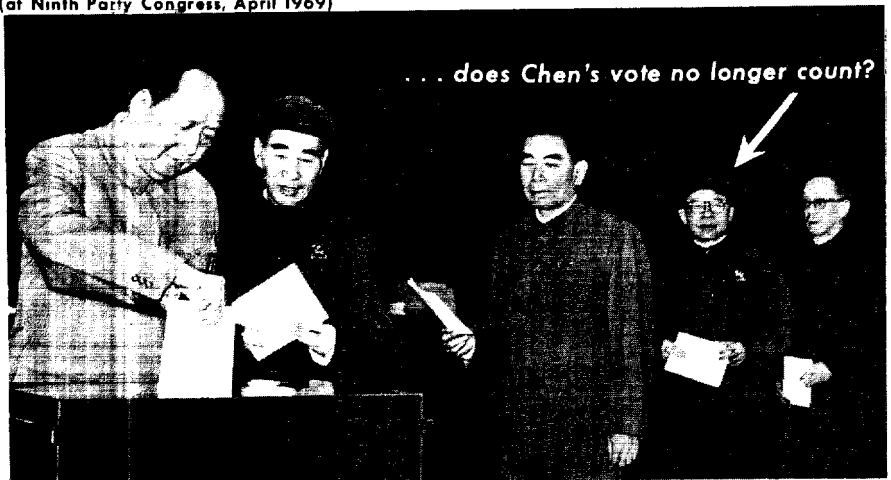
Western diplomats in Peking recently reported a rumor that at the major party plenum held from late August to early September Chen was criticized for undisclosed sins. An attack on Chen, taken together with the fall of Hsieh Fu-chih, should be fol-

lowed by serious repercussions, but there are as yet only tenuous signs of disunity among the remaining leaders. Most, including Mao himself, have been appearing with unusual regularity since late summer, suggesting that Peking has taken pains to maintain a "business as usual" facade at the top.

Moreover, analysis of regional and provincial leadership turnouts over the past six months or so indicates that some first- and second-echelon leaders have probably been removed from their posts. The officials apparently in disfavor include several provincial government heads newly appointed during the Cultural Revolution, and possibly the commander of the important Peking Garrison command. The regime's continued refusal since the Ninth Party Congress in April 1969 to provide an authoritative and comprehensive "pecking order" for the new politburo is yet another indicator that Peking is still struggling to resolve the power relationships among competing interest groups that comprise the present elite.

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Chinese Communist Party Politburo Standing Committee
(at Ninth Party Congress, April 1969)



Mao Tse-tung Lin Piao Chou En-lai Chen Po-ta Kang Sheng

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EUROPE

UN: *A Melange of Disarmament Issues*

The current session of the UN General Assembly, like those of recent years, is being used by the less developed countries to press the big powers to move faster on disarmament. The general satisfaction with the strategic arms limitation talks (SALT) and with the US-USSR draft treaty limiting military use of the seabeds has served, however, to blunt much of the sharpness which characterized previous Assembly debates on arms control issues.

The draft seabeds treaty, endorsed earlier this year by all of the 25 nations attending the Geneva disarmament conference, with the exception of Mexico, apparently will be approved by the Assembly members with little or no opposition and will be opened for signature early in 1971. A resolution commending the treaty was introduced in committee this week with the impressive total of 34 cosponsors. Mexico has now been mollified by superpower assurances that the treaty does not affect either territorial waters claims or the Latin American nuclear-free zone established by the Treaty of Tlatelolco.

Earlier in the current session it appeared that the East Europeans would be willing to allow the question of controls on chemical and biological weapons (CBW)—an abrasive issue last year—to be referred back to the Geneva conferees in a way that would favor neither the Soviet CBW draft convention nor the British draft treaty on BW agents alone. Lately, however, they seem to be more inclined to push for Assembly adoption of a resolution favoring the Soviet text. Complicating the problems posed for the US by the CBW issue is the possibility that Yugoslavia may seek to have the Assembly again approve the contentious 1969 statement that the Geneva Protocol of 1925 bans the use of tear gas and herbicides in war.

In the Assembly's general debate, several delegations referred favorably to the SALT talks;

only Albania expressed a negative view. In view of this favorable climate of opinion, it appears unlikely that the Assembly will be asked to consider again the 1969 resolution which, addressed directly to the Helsinki conferees, called for a moratorium on the further testing and deployment of new offensive and defensive strategic weapons systems "as an urgent preliminary measure." Sweden is preparing a resolution that simply calls for a cessation of tests of nuclear weapons and missile systems, and Japan may attempt to counter even this mild resolution with one that merely "welcomes" the talks.

Among the nonnuclear-weapon states the subject of general and complete disarmament (GCD) has attracted a surprising amount of attention again this year. Italy and Sweden, for example, may propose a resolution that would give some specific guidelines on GCD to the Geneva disarmament conference. Swedish UN delegate Edelstam has expressed concern that, lacking such guidelines, the superpower cochairmen of the Geneva talks will opt for only a miniprogram that would not be responsive to the disarmament aspirations of the nonaligned.

Complementing the interest in GCD are Romanian and Philippine initiatives on the economic and social consequences of the arms race. The Philippine draft resolution is especially troublesome for the US—and presumably for the USSR—because it charges the UN Secretary General with the task of developing a disarmament program and proposing specific measures, a course of action that would constitute a derogation from the prerogatives of the Geneva talks. The Romanian text is less contentious; it merely calls for a UN study on the subject.

The status of the Nonproliferation Treaty (NPT) has not caused as much Assembly debate

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as it did last year. Many delegations have referred with approval to the NPT's entry into force last March and have pointedly refrained from comments on the safeguards agreements required by the treaty to prevent the diversion of fissionable material from peaceful uses. A special committee

of the International Atomic Energy Agency, which must negotiate and subsequently police adherence to the agreements, is making substantial progress in formulating the agency's position for the negotiations.

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Czechoslovakia: *Husak Strengthens His Position*

During the past three weeks Czechoslovak party boss Gustav Husak has moved vigorously against hard-line critics of his moderate-conservative policies. Husak apparently is anxious to go into the forthcoming central committee plenum with a firmer control over the party mechanism.

The foundation for the recent moves was laid down at the June central committee plenum when the party chief warned that continued extremist agitation to expand the purge of liberals would harm his attempts to normalize the situation. On 10 September Husak called for reconciliation with the disaffected intelligentsia as a necessary move to ensure effective management of Czechoslovakia's complex economy.

During all this time, however, sniping at his conciliatory line continued, especially in the provincial press and in some radio commentaries. On 8 September, hard-liner Bohuslav Chnoupek was removed as chief of the broadcasting system and later departed Prague to become ambassador to Moscow. The radio and other mass media have since moved toward more consistent support of Husak's policy. The ultraconservatives' voice has not been stilled, however, as a new publication, *Leva Fronta*, is providing the ultras with a vehicle for criticism of Husak's moderates.

Since mid-October Husak has moved faster to consolidate his position. Two leading hard

liners have been removed from office—Josef Groesser, the Czech state interior minister, and General Otakar Rytir, the liaison officer to the Soviet forces in Czechoslovakia. Czech state Justice Minister Jan Nemecek and Minister of Education Jaromir Hrbek are also rumored to be due for dismissal.

Husak apparently had a severe struggle before he was able to prevent the start of political trials. The recent indefinite postponement of the trial of the liberal "Pachman group" indicates he has won on this point. A further blow to the hard liners was the failure of East German party boss Ulbricht to provide any sign of encouragement for them during his recent state visit. In fact, Ulbricht gave his blessing to Husak's policies. Moscow's blessing is also implied, as Husak would not be moving so boldly without assurance of support from the Kremlin.

Husak thus goes into the central committee plenum with a relatively strong hand. The unity of the top leadership remains, with even such conservative presidium members as Alois Indra, Antonin Kapek, and Vasil Bilak lining up behind the current moderate line. It begins to appear that the power of the hard liners is on the wane, barring unforeseen developments. The plenum is not likely to be a showdown, but it will provide an indication of how far and how fast Husak intends to go toward "reconciliation."

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Suslov Hits Bonn Revanchists in Anniversary Speech

Some statements of Politburo member Suslov in his October anniversary speech on 6 November, together with other recent Soviet pronouncements, point to possible differing opinions among Moscow's leaders on the proper approach to relations with West Germany. Suslov's remarks—which were probably cleared with his colleagues beforehand—suggest that the existing consensus may favor a relatively guarded attitude toward Bonn, in contrast to the enthusiasm expressed earlier by party chief Brezhnev over the Soviet - West German treaty.

Suslov praised the Soviet - West German treaty, calling it a "foundation for a turn to the better" in bilateral relations, but balanced this praise with a reminder that the treaty could "only play its role in full measure when it enters into force." Beyond this, he revived a vigilance theme that has been virtually absent in recent weeks. He asserted that "influential reactionary forces" in West Germany have come out against the treaty, and warned it would be "unforgiveable" to underestimate the "forces of aggressive militarism and revanchism" that continue their "insane plans for rearchiving the map of Europe." Suslov's remarks about "revanchist" forces in West Germany reversed the pattern of the anniversary slogans, which for the first time in several years dropped such language in reference to West Germany.

Suslov's cautionary remarks may, of course, have partly reflected Moscow's concern over the durability of the Brandt coalition, whose stability at the time appeared threatened by state elections in Hesse. They may also indicate, however, that the existing consensus within the collective prefers a cautious approach toward Bonn, despite the ringing endorsement the treaty has received from other quarters, notably from party chief Brezhnev.

Brezhnev, for instance, publicly endorsed the treaty on two recent occasions, in Alma Ata

on 28 August, and in Baku on 2 October. In the latter speech, he presented by far the most positive appraisal of the treaty to come from any authoritative Soviet source. He acknowledged—in line with Suslov—that the treaty would "only" have its full impact after ratification, but asserted that "even now" it is having "a favorable effect on the situation in Europe."

While staking out a position as a staunch advocate of diplomatic approaches to West Germany, Brezhnev has also hinted of domestic opposition to this policy. In Baku, he referred disparagingly to "differences of opinion which one encounters here and there as to which side has gained more from the treaty," and argued that all sides had gained equally.

Suslov, speaking of the economy, assured his audience that "the mighty Soviet industry is now capable" of solving all technical problems, guaranteeing rapid economic growth and increasing its defense capacity. He boasted of the largest grain crop in history and the fulfillment of major five-year plan goals. Behind this rosy facade, however, were admissions of a multitude of unsolved economic problems.

Suslov complained that agricultural production, especially meat output, currently was inadequate to meet the future demands of the populace. In the industrial sector, he acknowledged that capital construction was lagging, new technology was being too slowly introduced, product quality was low, materials were wasted, and labor discipline was weak. His projected 1970 growth rates for industrial production and labor productivity forecast another year of only moderate growth. Moreover, the absence of specific comments on the exact status of the next five-year plan (1971-75) suggests that problems over resource allocations persist.

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Finland: *Communist Party Split*

The split within the Communist Party has jeopardized the prospects for continued economic stabilization in Finland and may lead to the party's withdrawal from the government coalition.

The minority conservative faction in the party has consistently opposed the tripartite agreement, painfully worked out after the 1967 devaluation between labor, management and government, imposing strict controls on price and wage increases. Charging the majority liberals with selling out the interests of the workers, the conservatives threatened to form their own party following their defeat at the 1969 party congress. Only under Soviet pressure did the two groups agree to submerge their differences early this year and conduct a unified campaign for the parliamentary election held in March.

Disenchantment with the establishment role played by the liberals in the government was reflected in the lowest voter support received by the party since 1945. The conservatives, laying sole responsibility for this setback on the liberals and eager to discredit them still further, resumed

their campaign against the economic stabilization agreement, using even harsher and more vitriolic language.

The liberals were stunned when the conservatives went so far as to break party discipline in a government confidence vote on a bill clearing the way for extension of the agreement. They quickly denounced this action and have threatened to force the minority out of the party if it does not cease its violations of party law. The Soviets, determined to prevent such a development, have printed several articles in *Trud* and *Pravda* supporting the positions held by the conservatives.

So far, the liberals seem determined to retain control of the party and to pursue their role as a responsible coalition partner. They have been encouraged by the defection of some of the more prominent party members from the conservative group as the latter has hardened its stand. The Soviets, however, seem at present to be intent on bolstering the conservatives, even though this may lead to an eventual Communist withdrawal from the government. [redacted]

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POLAND - WEST GERMANY: After a week of tough bargaining in Warsaw, West German Foreign Minister Scheel returned to Bonn on 9 November carrying an invitation from Polish Premier Cyrankiewicz for Chancellor Brandt to visit Poland to sign the treaty. Differences in the wording of the treaty text had yet to be resolved earlier this week, but Bonn admitted they were reconcil-

able. The major difficulty appeared not to involve the treaty itself, but the content of a proposed exchange of notes between the Federal Republic and the Allies reaffirming Allied rights and responsibilities in Germany pending a peace treaty. Nevertheless, the interest of both parties in an early conclusion of the bilateral accord suggests that this issue also will yield to a satisfactory compromise. [redacted]

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Jordan: *Cease-fire Faces Hardest Test*

Jordan entered the most hazardous phase of the cease-fire period when the restrictions of the 13 October agreement and protocol went into effect after 9 November. Most Jordanians are apprehensive that extremists on either side might provoke a renewal of the conflict. Fedayeen leaders and the government appear to be actively trying to reduce tensions, but recent incidents have demonstrated the ease with which trouble can erupt.

The prime condition of the restrictions is that both the fedayeen and the army will end

military operations in Jordanian towns and cities. Other provisions call for the issuance of ID cards, passes, and license plates as well as assigning locations for arms caches and fedayeen bases. Unified fedayeen offices in Amman would be limited in number and personnel.

The fedayeen failed to get a general delay of the deadline, although the Arab observers commission reported that an extension of "two or three days" had been granted for two towns near Amman.

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[redacted] In some northern towns, minor incidents are occurring, as usual.

The observer commission is fairly satisfied with fedayeen implementation of the agreements so far and is reasonably optimistic that local incidents will not spread. The observer teams, assisted by joint army-fedayeen patrols, have proved effective in coping with violations and limiting their spread.

Premier Tal has sought to ameliorate relations with Egypt and Iraq, two of his chief critics that might influence fedayeen attitudes. During a press conference, he supported the Egyptian renewal of the Suez cease-fire, and denied that Jordan had sought the withdrawal of Iraqi troops. He vowed to uphold the October agreement, pointing out that it would benefit both the fedayeen and the government, and went on to reiterate that Jordan's policy is to recover the West Bank from Israel, even by war if other means fail.

The fedayeen have been equivocal; while generally expressing satisfaction with the agreements, Arafat and other leaders have predicted ultimately another round of fighting. The observer commission has lately begun to echo fedayeen expressions of apprehension about the army's intentions.

The Bedouin troops' distrust of the Palestinians has been hardened by the reassertion of Major General Zaid bin Shakir's tough attitude toward the fedayeen. They also believe that they gained the whip hand during the fighting and intend to maintain it. At present, the army is probably in a stronger tactical position than the fedayeen, and it will be tempted to exploit this advantage. Premier Wasfi Tal's most difficult test may prove to be whether he can—with the aid of the Arab observer teams—not merely maintain the peace but do so while holding the army's extremist elements in check without running afoul of the influence that the troops can exert on the King. [redacted]

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Egypt-Libya-Sudan: *The State of the Union*

Plans for the political, military, and economic integration of Egypt, Libya, and the Sudan were announced in Cairo this week, but they are likely to be implemented on a protracted schedule.

The communiqué referred to steps to expedite the union, but the leaders of the three countries are fully aware that popular opposition in Libya and the Sudan to Egyptian hegemony compels them to move cautiously. The new tripartite command—made up of heads of state Sadat of Egypt, Numayri of the Sudan, and Qaddafi of Libya—and the various subordinate planning committees will probably work with great deliberation in drawing up specific recommendations for implementing the Cairo Declara-

tion. Judging from the modest steps toward integration that have been taken in such areas as education and air transport since the three arranged an alliance last December, tristate unity is apt to have more form than content for the foreseeable future.

It is not yet clear what type of union is contemplated. The failure of the unitary state established between Syria and Egypt in 1958 is well remembered in Cairo, and any formal political entity is likely to be a much looser structure. If the agreement to form a political union is carried out ultimately, it will probably be only a nominal federation such as was set up between Egypt and Yemen in 1958.

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The contemplated coordination in the key area of foreign policy would formalize an arrangement in use since the young Sudanese and Libyan revolutionaries came to power last year. The leaders of the three governments already maintain regular and close contact, particularly in their handling of various aspects of the confrontation with Israel.

In committing his prestige to tristate federation, Egyptian President Sadat is pursuing the elusive goal of Arab unity that Nasir so long advocated. Sadat may hope that by so doing he will increase his stature both at home and abroad. Both he and Numayri probably believe that closer

cooperation with Libya will provide easier access to Tripoli's oil-rich coffers.

Numayri and Qaddafi, who revered Nasir, appear to be sincere in their advocacy of more substantive Arab unity. The two Arab leaders may also hope that closer identification with Egypt will strengthen their somewhat shaky domestic positions. This strategy may backfire, however, by further antagonizing those Libyans and Sudanese, including members of the ruling juntas, who would chafe at excessive Egyptian meddling in their affairs. To some Arabs, in fact, the Egyptians seem like locusts, coming to strip their lands of whatever they can find. [REDACTED]

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Tunisia: *A New Government*

The new government installed last Friday is notable for its technical competence and for its loyalty to President Habib Bourguiba. Prime Minister Hedi Nouira, who heads the new cabinet, has long been influential in financial policy. Bourguiba presumably regards Nouira's colorless personality as no threat to his own charismatic appeal.

Nouira, a long-time militant of the ruling Destourian Socialist Party (PSD), has been a close adviser to the President for many years. He has few known enemies in either the party or the government, and during the past year avoided the factional infighting among potential presidential successors. A self-styled "progressive conservative," Nouira won the respect of international financial circles while governor of the Central Bank of Tunisia. His honesty and incorruptibility have earned the confidence of Tunisian business and labor circles, but he has little following among the youth.

Nouira replaces Bahi Ladgham, who had been Tunisia's second-ranking official since in-

dependence in 1956. Ladgham incurred Bourguiba's displeasure last spring for his failure to inject more dynamism into the flagging economy. Ladgham was also under a cloud for his reluctance to prosecute former planning chief Ahmed ben Salah, whose socialist policies had proved highly unpopular with farmers and the middle class but had aroused the admiration of many young Tunisians, particularly students. When Ladgham completes his task as chairman of the Arab peacekeeping mission in Jordan, where he has gained considerable personal acclaim, he will concentrate on his duties as secretary general of the PSD, preparing for the repeatedly postponed party congress now scheduled for next October.

Most members of the new government are holdovers from the previous Ladgham cabinet, formed last June. The group includes two prominent officials—Foreign Minister Mohamed Masmoudi and Interior Minister Ahmed Mestiri—who, like Ladgham, are considered potential successors to Bourguiba. One of the two ministers dropped is Habib Bourguiba, Jr., the President's son. [REDACTED]

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Africa: New Call for Black-White Talks

Ivorian President Houphouet-Boigny is trying to promote a dialogue between white-ruled southern Africa and the rest of the continent. By embarking on such a course, Houphouet is likely to deepen the split between militant and pragmatic African governments on the southern Africa issue.

Houphouet has long believed that unbending hostility toward South Africa is futile and that Pretoria's policies cannot be changed by force. Houphouet's fear of Communist influence in central and east Africa is probably also a factor in motivating him to make a move that will be unpopular among many Africans, including many of his fellow countrymen.

The Ivory Coast President has called for an African summit conference to consider a peaceful approach to the problems of Portuguese colonialism, white-rule in Rhodesia, and apartheid in South Africa. Prior to this conference, his government would contact all heads of state to push a policy of negotiation toward the "white redoubt" states.

Any genuine dialogue between white and black Africa, however, is still a long way off at best. Militant African governments, as well as some moderate ones, have been quick to voice strong opposition to the move while many other countries will simply dissociate themselves or remain silent. The militants, notably Tanzania and Zambia, have been the chief supporters of the southern liberation movements and have sponsored increasingly extreme resolutions in international forums. At this time, it seems certain that a majority of the 41 members of the Organization of African Unity will not be willing to join Houphouet's "crusade."

Response from a few of the moderate French-speaking states has been favorable. Malagasy President Tsiranana immediately hailed

Houphouet's initiative, while the Malagasy Government announced that the South African foreign minister will visit Tananarive later this month to conclude economic agreements. Presidents Bongo of Gabon and Maga of Dahomey have expressed guarded approval. Endorsements by other former French dependencies may follow should Paris, which has long favored improved contacts with South Africa, push actively for the new approach. Paris may be hesitant at this time, however, because it has just succeeded in placating some of the more militant African countries by tightening its arms embargo against South Africa.

Among English-speaking leaders, President Banda of Malawi, who has long cast himself as a "bridge builder" between white and black Africa, has welcomed Houphouet's move as a vindication of his policy. Malawi, which is economically dependent on its white-ruled neighbors, is the only black African state that has formal diplomatic relations with Pretoria. Botswana, Swaziland, and Lesotho, which by geographical necessity must also deal with South Africa, are likely to give at least qualified support to Houphouet's initiative. Ghana's prime minister is already on record as favoring such a policy, although other Ghanaian leaders are clearly less enthusiastic.

In South Africa, the development has been roundly acclaimed. Both the Afrikaner and English press have reacted euphorically to Houphouet's statements, which have given a timely boost to Prime Minister Vorster's "outward looking" policy of cultivating relations with black states. Political circles in Pretoria are already interpreting the Ivorian President's move as a "first step" toward diplomatic recognition of South Africa—a development that Houphouet has explicitly ruled out for Ivory Coast, at least for now.

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Angola: No End of Insurgency in Sight

The two principal insurgent organizations in Angola are showing new tactics and strengths. The Portuguese are conducting successful operations of their own, however, and the nine-year-old insurgency seems likely to drag on indefinitely.

The most noticeable changes in the fighting have occurred in eastern Angola, where the pro-Soviet Popular Movement for the Liberation of Angola (MPLA) is the primary guerrilla threat. In recent months, the MPLA, which has 3,000-4,000 armed guerrillas inside Angola, has concentrated on breaking out of the sparsely populated east, where there are few strategic Portuguese targets, toward the heavily populated center.

The second major insurgent organization is Holden Roberto's Angolan Revolutionary Government in Exile (GRAE). Its 3,000-4,000-man force inside Angola operates out of bases in the Congo (Kinshasa) and has long been the predominant group in northwestern Angola. Out of favor with the African and Communist states that provide most of the assistance to the insurgent movements, however, GRAE usually fielded poorly trained and inadequately armed guerrillas.

guerrilla units in these areas were disorganized and kept on the move.

Although the guerrilla groups can point to some successes, they have serious obstacles to overcome. GRAE guerrillas are still hamstrung by shortages of modern small arms and by restrictions placed on their activities by the Congo (Kinshasa) Government, which fears Portuguese reprisals for giving sanctuary to the guerrillas. The MPLA has adequate arms supplies, but it still faces immense logistics problems as eastern units move westward and become increasingly isolated from reinforcements and supplies in Zambia. Moreover, recent Portuguese operations have compounded these difficulties by disrupting supply lines near the border. Several years ago, a strong MPLA force reached the northwest from Congo (Brazzaville), but has withered because no reinforcements can get through.

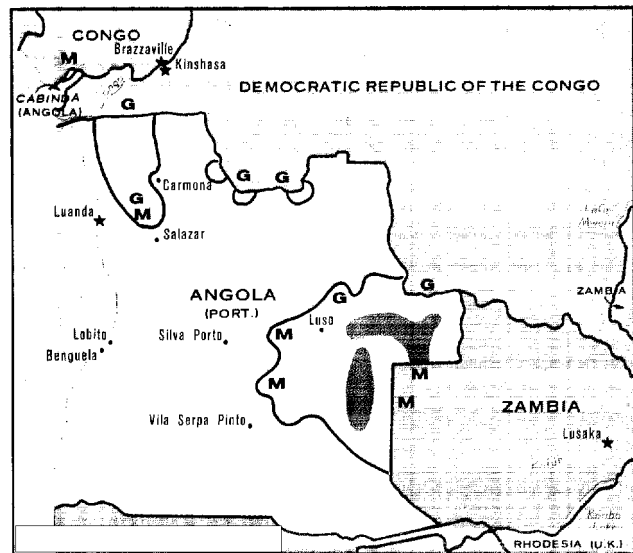
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Early this year, GRAE began receiving sizable quantities of modern arms [redacted]

UNC [redacted] and started its most substantial offensive in several years. Although Portuguese forces soon put it on the defensive again in the northwest, GRAE guerrilla units in eastern Angola carried out a few rather spectacular attacks. In fact, GRAE is at least temporarily challenging the MPLA as the strongest insurgent force along the northern edge of the guerrilla-affected area in the east.

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The Portuguese, for their part, followed up their success in the northwest with effective search-and-destroy operations last August in heavily infested MPLA areas of the east. More troops and new helicopters enabled the Portuguese to initiate airborne assaults against the MPLA camps. Sizable quantities of supplies were destroyed and



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- Approximate limit of insurgent activity
- Heavily infested MPLA area
- M/G Recent insurgent activity inside Angola (M-MPLA; G-GRAE)
- M/G Base area in neighboring country (M-MPLA; G-GRAE)

MPLA: Popular Movement for the Liberation of Angola
GRAE: Angolan Revolutionary Government in Exile

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WESTERN HEMISPHERE

Chile: *New Government Tests the Water*

During its first full week in office, the Allende government prepared cautiously to introduce many of the promised new foreign and domestic policies.

Foreign Minister Clodomiro Almeyda toned down his outspokenly extremist views in his first official press performances. Well known for his sympathy toward Havana and Peking, Almeyda said among other things that although he and Allende both still sympathize with revolutionaries, their attitude as government officials would necessarily be different from past statements. Almeyda refused to express his characteristic dislike of the US, and the embassy in Santiago believes that his performance is part of an extensive effort by the new administration to create a "responsible" image on the international scene.

Almeyda told the US ambassador during a courtesy call that the recognition of Cuba, announced on 12 November, would be implemented as a result of his talks with Cuban cabinet minister Carlos Rafael Rodriguez, head of the most numerous and impressive of the many unofficial delegations to Allende's inauguration. The delegation was part of a current show of closer ties with Cuba, including the unveiling of a larger-than-life statue of Che Guevara, the visit of a Cuban freighter, and television and commercial displays.

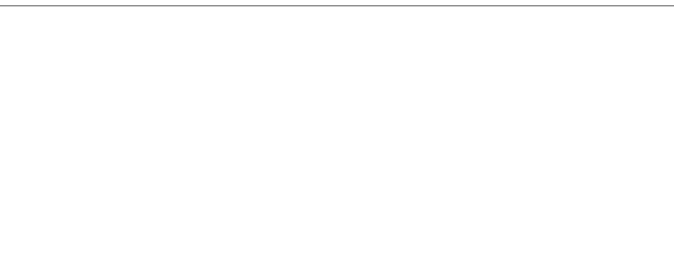
The public report of Allende's first cabinet meeting on 9 November leaned heavily on fulfillment of such popular promises as emergency housing measures, free milk for all children by 1 December, improving distribution of the social security benefits that most Chileans receive, and a crackdown on price increases. Although it was announced that an extensive analysis of the economy was presented, no specific economic plans emerged from the meeting. Allende complained that the "harsh legacy of capitalism" that he had inherited, including a 34.1-percent cost-of-living increase in the first ten months of 1970, pre-

sented major problems. He promised that the traditional year-end wage adjustments would favor the lowest income groups.

Also present at the cabinet meeting was the Popular Unity (UP) Political Committee, composed of the leaders of the six parties in the coalition. This was in line with Allende's promise to maintain "political pluralism" in his government but, in effect, was more attendance than participation. With Communists and Socialists installed in positions of control throughout the administration, some non-Marxist collaborators are beginning to complain publicly about their lack of influence.

The UP is finding other key Chileans to speak in its favor. Cardinal Silva told Cuban interviewers on 9 November that the Chilean Church supported the fundamental reforms proposed by the UP. On the same day the Chilean delegate to a banking congress in Mexico City said that private banking organizations were cooperating extensively with the new government. This may indicate that the government is trying to reassure bankers that accommodation will pay. It may be using the same line toward the mining industry, its other immediate major nationalization target.

Other Allende opponents are finding it convenient to accommodate to his government. The editorial line of the prestigious daily *El Mercurio* is beginning to reflect the shift in control to a pro-Allende member of the Edwards family from its former owner, who has left Chile.



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Bolivia: *Urban Terrorism May Increase*

The National Liberation Army (ELN) may give greater emphasis to urban warfare as a result of its serious losses in rural guerrilla warfare since July.

A concentration on urban warfare probably would be a temporary shift in tactics rather than a rejection of rural activities. Within the past few months, ELN propaganda has been giving more notice to the urban struggle. Published statements now warn that the ELN will "fight to final victory in the mountains and the cities." Earlier statements did not refer to urban activities.

To date, the ELN has demonstrated a limited capability in urban operations. It robbed a payroll truck in La Paz in December 1969, but lost several of its trained guerrilla personnel. The group has carried out well-publicized murders of several of its political opponents in the past 18 months. In one case the alleged murderers have been apprehended. The ELN is probably responsible also for some of the bombings that occasionally occur in La Paz.

The training by the Tupamaros is another indication of foreign participation in ELN activities. In July the ELN published a list of its foreign members, including Chileans, Brazilians, Peruvians, and at least one Argentine. Several of those named were later killed or captured in army clashes with the guerrillas. Three Chileans were among the six ELN members who surrendered to a Bolivian peace commission and were granted asylum in Chile. The ELN is known to have solicited support from several revolutionary groups in South America. A Chilean committee to support the ELN has been in existence for nearly a year.

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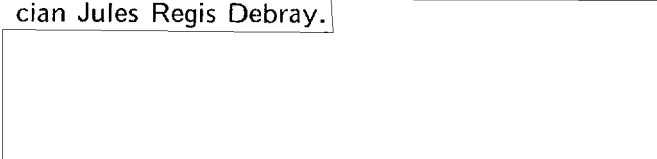
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25X1 BOLIVIA: The government is under increasing pressure to release imprisoned Marxist theoretician Jules Regis Debray.



general political amnesty. The government may decide to release Debray to placate the left, which is becoming increasingly dissatisfied with President Torres' policies. There is no confirmation of press speculation that the Tupamaros in Uruguay would release Claude Fly and the Brazilian diplomat kidnaped three months ago in exchange for Debray.



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Simultaneously, leftist groups in Bolivia are continuing a campaign to include Debray in a

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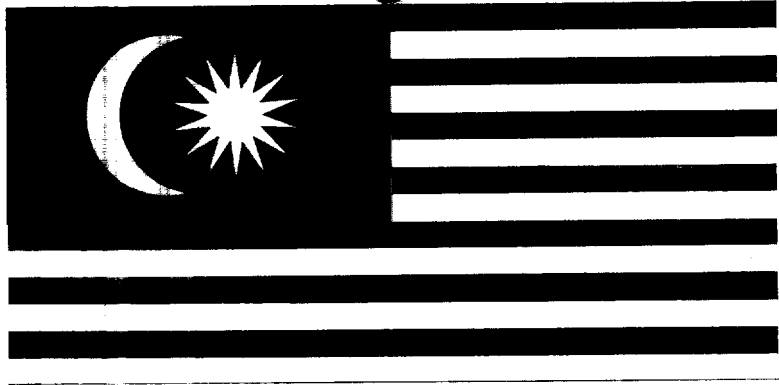
*Communal Politics In Malaysia:
The Search For A New Beginning*

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*Communal Politics
In Malaysia:*

The Search For A New Beginning

With the resignation last month of Prime Minister Tunku Abdul Rahman and the installation of a new cabinet headed by the Tunku's long-time deputy and heir apparent, Tun Abdul Razak, Malaysia is approaching the end of the emergency rule imposed after the racial conflagration of May 1969. These political ceremonies predictably were accompanied by public expressions of confidence and national reconciliation. Despite the brave words, however, everyone in Kuala Lumpur is painfully aware of the bitter legacy of 1969, and no one is under the illusion that the political life of the nation can simply be picked up where it left off some 18 months ago. On the contrary, the ruling Alliance Party, its previous policies discredited and its new leadership a question mark, is venturing into political no-man's land without enthusiastic support from any significant quarter.

The government's uncomfortable position is a direct result of the national elections of May 1969 and the days of anti-Chinese violence that followed. The basic contradiction between the concept of Malay political supremacy and the government's liberal, democratic posture finally surfaced; the Chinese and Malay communities backed away from each other and any meaningful dialogue. Since then, the alienation of the two communities from each other and from their government has grown. The ruling Alliance Party, with its communal policy of moderation, compromise, and, at times, hesitation, has been left high and dry. Under these difficult circumstances, it is somewhat surprising, but hopeful, that the government has opted for a gradual return to the pitfalls and uncertainties of open political life. Malays backed the imposition of emergency rule and would undoubtedly favor its continuation if they were convinced that the government was ready to adopt strong pro-Malay policies. The moderate Malay leadership, however, has chosen a different and far more hazardous road. The government must recapture its disaffected Malay constituency and at the same time find a way to halt the mounting alienation of the Chinese community. Given the political and social vise in which the government finds itself, the rebuilding of some form of multiracial political system will be difficult. Whether the new government can muster the wisdom, skill, and strength to keep its balance remains very much an open question. The good intentions of Tun Razak and his lieutenants will not by themselves be enough. There is a seeming willingness on the part of all parties, however, to let the new Razak government have a fair chance to succeed.

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The Underlying Reality of Malay Nationalism

Widespread Malay disenchantment with the United Malay National Organization (UMNO), the principal component of the ruling Alliance Party, is at present the single most important reality of Malaysian political life. UMNO leadership, complain the Malays, has not done enough to strengthen their "special position" in their native land. They argue that the time has come to reconcile the Chinese community to the fact that ultimate political power in Malaysia is a Malay prerogative and that this power will be used to obtain for the Malay a proper share of the nation's wealth. If this can be done at no significant expense to Chinese interests, all the better. But if not, they contend, the Chinese will simply have to pay the price required to remain in a Malay land. Any assessment of the political situation in Malaysia must take into account this new Malay assertiveness and its implications for the future direction of events.

Since Malayan independence in 1957, political power has been held by a handful of Malay elite, molded by English education and tradition, and dominated by Tunku Abdul Rahman. Although the Tunku and his colleagues expected non-Malays to accept voluntarily the dominant political position of the Malay, they preferred to down-play this touchy subject and to emphasize the concept of a multiracial democracy in which the political, economic, and cultural rights of all citizens are protected. Under this style of leadership Malaysia became known as a model of communal and political stability; but, in retrospect, one suspects that the unifying effect of two successive security threats—the Communist emergency of the 1950s, and the Indonesian confrontation of 1962-65—was in large part responsible for Malaysia's enviable record. At any rate, Malay discontent with the government's even-handed communal policy was always near the surface. As they became more and more embittered and frustrated over their inability to overcome the legacy of centuries of feudalism, poverty, and ignorance, growing numbers of Malays

came to see the Tunku's highly publicized British sense of fair play as evidence of treachery and betrayal of their interests.

Obscured by the nation's over-all economic growth and prosperity and the Tunku's tendency to dismiss signs of unrest as the work of a few "ultras" or extremists, the depth of Malay disaffection went unnoticed until the parliamentary elections of May 1969 and the ensuing anti-Chinese violence. Although much has been made of the unexpected success of Chinese opposition parties in the 1969 election, gains by the Pan-Malayan Islamic Party (PMIP), a small right-wing party harshly critical of the government's "soft" approach toward the Chinese, were actually more significant. The PMIP captured three UMNO seats, but far more importantly, it captured over 40 percent of the total Malay vote. The UMNO managed to retain a comfortable majority of Malay seats, but it had come close to electoral disaster. In the past eighteen months the UMNO's foundations within the Malay community have continued to erode, and today few observers would care to place much money on the party in a head-on test of strength with the PMIP. Presently, the government is refusing to schedule two overdue parliamentary by-elections in Selangor and Malacca because its own private survey indicates that both seats, now held by UMNO, would fall to the PMIP.

What all of this means is that the top echelon of UMNO is no longer in a position to dismiss Malay criticism of its communal policies as the reaction of a few "ultras." Indeed the term "ultra" has probably lost much of what meaning it ever enjoyed in the Malaysian political lexicon. Although nationalist Malay opinion may be judged "ultra" or extremist by an absolute standard, it is by no means limited to the PMIP. It presently runs the breadth and depth of the Malay community, including UMNO itself.

In the past UMNO has been run in an extremely authoritarian manner; the views of the top echelon were simply imposed on the rank and

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file. Many senior officials of UMNO, although perhaps not sharing the PMIP's desire for a rigid Islamic state, have sympathized with the PMIP's blunt pro-Malay posture. At the Kampong level it would probably be quite difficult to distinguish the politics of the local UMNO organizer from those of his PMIP counterpart. In the future there is likely to be much more give-and-take between Razak and these secondary echelons of UMNO, long ignored by the Tunku. The top leadership is bound under the existing political circumstances, to become more receptive and vulnerable to pressure from below.

Identifying the specific sources of such pressure is not easy, because Malay nationalists within and outside UMNO have always been short of forceful and articulate spokesmen. Perhaps the single most important figure to watch in the coming days is Dato Harun bin Idris, a senior UMNO official and chief minister of Selangor. Although apparently loyal to Razak, Harun has been an outspoken critic of UMNO's communal policies and has lines out to Young Turks in UMNO and the military. In May 1969, Harun delivered a fire-eating speech to a large assembly of young Malays in Kuala Lumpur—one of the developments that led directly to the anti-Chinese rioting.

Another Malay nationalist who may assume a position of influence is Musa bin Hitam, a former assistant minister to Razak. Following the May 1969 riots, Musa openly advocated the retirement or dismissal of the Tunku and was as a result relieved of his assistant ministership. Subsequently, Musa went to London to study, but when the Tunku announced in August that he intended to retire, Musa quickly reappeared in Kuala Lumpur. There is an air of vindication in Musa's sudden return,

Another Malay frequently identified as an "ultra" leader is Dr. Mahathir bin Mohamed, a 45-year-old physician from Kedah. Mahathir was known in mid-1969 for his opposition to the Tunku, and for this was

dismissed from the central executive committee of UMNO and later from UMNO itself. In addition to practicing medicine, Dr. Mahathir is a journalist and has frequently contributed articles on Malays and politics to various Malaysian publications under the pseudonym of C. H. E. Det. Mahathir is also the author of "The Malay Dilemma" published in Singapore in 1970 and banned in Malaysia. In this book Mahathir points out the essential differences in background, culture, political systems, and acquisitiveness between the Chinese and Malays. Because of these factors, he questions whether the Malays could ever compete with the Chinese on an equal basis and suggests that the only way to close the economic gap is for the government to weigh the scales heavily in favor of the Malays. Mahathir has been generally politically inactive since his expulsion from UMNO, but he remains a potential leader of those favoring Malay supremacy.

Another influential channel of Malay nationalism is "Utusan Melayu," the UMNO's unofficial press organ. The Jawi script edition of "Utusan Melayu" enjoys by far the largest circulation of any newspaper in Malaysia and is widely read at the Kampong level. For years, "Utusan Melayu" has been notorious for its chauvinistic Malay tone—a fact that kept its UMNO editors perpetually in the Tunku's doghouse. Last spring, for instance, "Utusan Melayu" raised the Tunku's ire by implying that the Malay military establishment might take over the government and do a better job of protecting Malay interests than the previous administration. In the months ahead the restraint or excess of "Utusan Melayu" polemics may shed some light on the degree of nationalist sentiment and influence within UMNO and the new government.

Another barometer of nationalist pressure is the Malay university student. One of the most dramatic indicators of the change in political climate in Malaysia has been the radicalization of the Malay student movement and its turn toward political activism. In the past, student politics were dominated by the University of Malaya

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The Races Mix at the University

Student Union, a left-of-center, multiracial organization with little real strength or appeal. Following the events of May 1969 it was quickly pushed into the background by the Malay Language Society, which soon gained a degree of national political importance as the spearhead of the effort to force the Tunku's resignation. Student agitation against the prime minister, ignored by the Tunku himself, was a source of serious embarrassment for the government, even though demonstrations were usually confined to the campus premises.

Now that the students' prime objectives have been achieved, it is uncertain what impetus their

movement will retain. The vision of some of the movement's more ambitious leaders that Malay students will assume the same influential role played by Indonesian youth during and following the overthrow of Sukarno seems highly unrealistic. Malay students do offer an enticing vehicle for opportunistic Malay politicians,

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Perhaps the most significant Malay interest group is the military. The Malaysian military establishment, through its participation in the emergency government, has for the past year and a half been involved in political affairs to an unprecedented degree. How and to what degree the military has sought to influence political decisions up to now is unclear. There is little question, however, that the military establishment reflects parochial Malay interests. Regardless of the political role the military chooses or is forced by circumstances to assume, it is likely to remain an instrument of Malay nationalism.

The top command structure of the armed forces is dominated by Malays as are the 12 royal Malay regiments, the backbone of the Malaysian Army. Aware of the Maoist adage that political power grows out of the barrel of a gun, the government has carefully preserved the exclusive Malay make-up of the regiments as a symbol of Malay political supremacy.

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The rank and file of the regiments are recruited from Malay peasant stock and are narrowly racist in outlook. Depending on which accounts are believed, the regiments at best did little to curtail the anti-Chinese violence of May 1969 and, at worst, actively participated in it.

Presently the top command structure of the military is dominated by the "Johore clique," a close-knit and influential association of senior and junior officers connected by marriage and place

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of birth. The Armed Forces Chief of Staff, General Ibrahim, is the number-one member of the group. For the past year and a half Ibrahim has also been an influential member of the National Operations Council (NOC), the executive organ of the emergency government. Although he is not politically ambitious, he possibly could be persuaded at some crisis point that military intervention might be needed to "save the nation." Of the 63 top positions in the armed forces—from general down through colonel, including navy and air force equivalent ranks—the "Johore clique" holds approximately 20 percent. The individual and collective influence of this group of like-minded, closely associated officers even though it has no formal organization is unrivaled within the military. Another key figure associated with the "Johore clique" is the army commander, General Nazaruddin, who comes from Pohang. Nazaruddin is known to hold and to have openly expressed strong Malay nationalist views. None of this means that the military establishment is disloyal to Razak. On the contrary, the new prime minister is generally regarded as the civilian politician most favorable to the military's desires and aspirations.

The Chinese Dilemma

There is a deadly symmetry at work today in Malaysian politics. If the government faces a hardening of Malay communal feeling and diminished support within the Malay community, its problems and prospects on the Chinese front are at least as grim. Essentially the government is confronted with Chinese rejection of the time-honored Malaysian recipe for political and social stability. This traditional formula tacitly provided for Malay political domination and special privileges in such areas as government jobs, education, and land ownership in return for which the Chinese would be awarded citizenship. The political vehicle for this arrangement between the Malay and Chinese establishments was an "Alliance" in which UMNO shared political power on a token basis with its client party, the Malaysian Chinese Association (MCA). Chinese voting strength was

restricted by the assignment of disproportionately heavy representation to rural Malay districts and by the MCA's willingness to contest only a mutually agreed-upon number of "Chinese" parliamentary seats.

The Alliance arrangement, in other words, was based on a racial myth—that Chinese don't mind who owns the cow as long as they can milk it. This myth has achieved considerable currency in Southeast Asia because of the remarkable ability of the outnumbered Chinese to make necessity a virtue. In Malaysia, however, where Chinese are roughly equal to Malays in number, it has been wearing thin for a long time. No longer willing to limit voluntarily their political leverage for the sake of communal harmony, the younger generations of Chinese have become increasingly dissatisfied with the leadership of the MCA. Moreover, the Chinese, seemingly more aware of growing Malay nationalist sentiment than the government itself, have come to view the full exercise of their political rights as the best means to protect themselves and their hard-earned economic position from eventual Malay encroachment and suppression. The expulsion of Singapore from Malaysia in 1965—the result of Lee Kuan Yew's attempt to extend his political organization to Malaysia and offer an alternative to MCA representation—served as a catalyst for this growing Chinese political restiveness. The full force of Chinese discontent was dramatically reflected in the strong showing of two relatively new and underorganized Chinese opposition parties in the elections of May 1969. The Democratic Action Party (DAP) and Gerakan captured between them nearly a fifth of parliament's seats, winning in the process 14 of the 27 seats formerly held by the MCA.

At present, the DAP and Gerakan are taking a cautious approach to the resumption of political activity, concentrating on repairing the damage done to their organizations by the last year and a half of inactivity. Eventually, however, both parties intend to get on with the job of building a base of support throughout West Malaysia. In this

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effort, the DAP, which ran ahead of Gerakan in the elections, will probably make the greatest gains.

The DAP, spiritual descendent of the People's Action Party (PAP) of Singapore, was formed after Singapore's expulsion from the Federation. Although the DAP ostensibly opposes racial politics, a very definite tone of Chinese chauvinism creeps into its noncommunalism. The party calls for democracy "with no preconditions" and multilingualism in education and government. It views Malay royalty as a feudal drag on the nation and condemns the system of special Malay privileges incorporated into the constitution as an example of the paternalism that has kept the Malay in a backward economic condition. The DAP does not participate in the National Consultative Council (NCC), an appendage of the emergency government set up to consider the problem of national reconciliation, because the government refused to accredit the DAP candidate, who was then in jail. The party's press releases during emergency rule, the only form of political activity allowed, remained strident, however, and there is no indication that the DAP is now prepared to back away significantly from its strong opposition to the government.

The DAP's platform is without doubt an accurate reflection of popular Chinese opinion. Yet it could be a tragedy of the first order if the party continues to grow in appeal and becomes the clear-cut choice of the Chinese electorate. To the government, the DAP is anathema. It strongly suspects that the party's strings are pulled from Singapore, although there is no foundation to this as far as is known. Further, the government considers, with a certain degree of justification, that the DAP is an unreconcilable agent of communal divisiveness. At the moment it is impossible to imagine any cooperation between the DAP and the Razak government or any other future Malay government.

The Gerakan Party shares the democratic socialist precepts of the DAP and many of its

communal views, but it has adopted a far different tactical approach to political survival in a Malay-dominated state. Although it remains essentially a Chinese party, it has made a genuine effort to assume a multiracial character and has been moderately successful in attracting non-Chinese recruits. Unlike the DAP, Gerakan has adopted a cooperative posture and has gone out of its way to avoid antagonizing the government. The party participated in the proceedings of the NCC and last summer was seriously considering a government invitation to move into the Alliance and take part in the new cabinet.

Gerakan discovered, however, that its policy of cooperation was weakening its support within the Chinese community, one more indication of the polarization of communal feeling in Malaysia. This, plus the realization that the new Razak government will be emphasizing Malay benefits rather than concessions to the Chinese community, forced Gerakan to the conclusion that collaboration with the government would amount to political suicide. In late August the party withdrew from its discussion with the government; Gerakan participation in the Alliance now seems a dead letter. As political activity gets under way again, Gerakan is likely to move a little closer to the DAP position and to the center of Chinese opinion.

This leaves the government holding an empty bag. Although the MCA still functions as the Chinese component of the Alliance, it is politically bankrupt.

The MCA's leader, Finance Minister Tan Siew-Sin, has publicly admitted that he can no longer speak for the Chinese masses, a candid statement that has caused the government considerable embarrassment. Although talk is still heard of pumping new blood into the MCA, there seems small chance that it will be resuscitated to any significant degree.

The government's abortive attempt to bring Gerakan into the Alliance clearly indicates the

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moderate Malay leadership's awareness of the need to provide for more meaningful Chinese participation and representation in the government. Given the present degree of communal polarization, however, there is no readily apparent solution to this problem. As a result, Razak reportedly is said to be considering scrapping the Alliance in favor of a single integrated party open to all races. Although such a move could be a first step toward repudiation of communal politics in Malaysia, it is not likely to solve the government's immediate racial problems. The evolution of a truly multiracial and democratic party will be a slow process at best. For the time being any new government party would be dominated by the former UMNO leadership; the problem of attracting meaningful Chinese participation would not be significantly lessened.

Perhaps one limited move in the right direction would be to seek an improvement in relations with the Singapore government of Lee Kuan Yew. Lee remains a popular figure among Malaysian Chinese, and even his indirect endorsement of the new Razak government might help reduce Chinese alienation and apprehension. It will be difficult for the government to move in this direction, however. Last August, Lee canceled his first trip to Malaysia since Singapore left the Federation after Kuala Lumpur had reacted bitterly to a trivial incident between Singapore police and a group of visiting Malaysian hippies—a good example of the role paranoia and suspicion still play in Malaysian-Singapore relations. Cosying up to Lee would also be likely to exacerbate tensions between moderate and radical Malay elements, and, in fact, there has been no visible extension of an olive branch in Lee's direction.

The New Government Team

The caliber and stability of the government caught within this communal vise is difficult to judge. The greatest unknown is Tun Razak himself. Although groomed for years as the heir apparent, Razak never developed any of the

Tunku's charisma or shared any of the respect enjoyed by the Tunku within the non-Malay population. Following the May 1969 riots, when the Tunku went into a period of semi-retirement, Razak disappointed nearly everyone with his indecisive leadership. Now, out from under both the inhibiting influence and the protection of the former prime minister, Razak will have to prove himself equal to the difficult tasks ahead. Fortunately he will have the able assistance of the Deputy Premier and Home Affairs Minister Tun Dr. Ismail. Ismail is without question the most effective and widely respected politician in the government.

The most interesting aspect of the new cabinet is the central role to be played by Ghazali bin Shafie, formerly the permanent secretary of the Ministry of Foreign Affairs. Ghazali was appointed to the senate last month in order to make him eligible for a cabinet position. As minister "with special functions" he has been given the crucial task of coordinating and implementing the government's efforts to restore national unity and to expand Malay participation in the nation's economic life. Ghazali's performance in this crucially delicate role is presently a matter of great conjecture in Kuala Lumpur. An opportunist with long-standing political ambitions, Ghazali in the past has oscillated between the camps of Malay moderates and chauvinists.

Although a long-standing member of UMNO, his entry into the cabinet via the back door has already raised the hackles of a number of UMNO politicians.

After Razak, Ismail, and Ghazali, there is little to be said about the new cabinet members.

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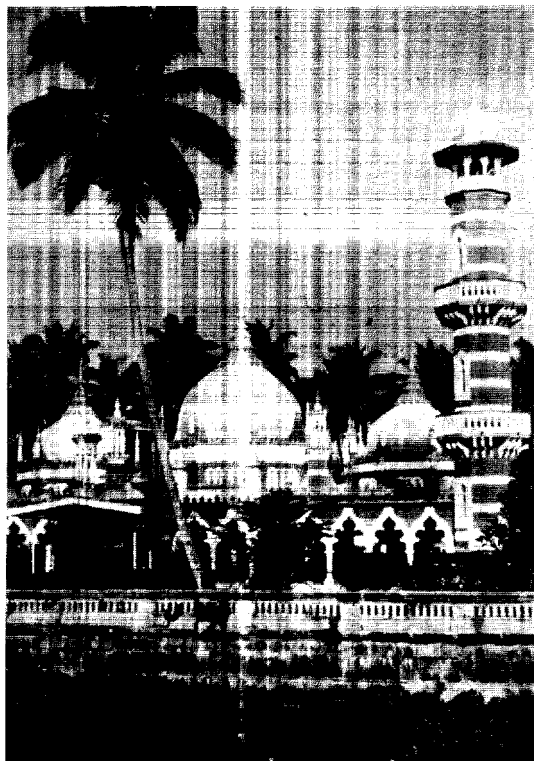
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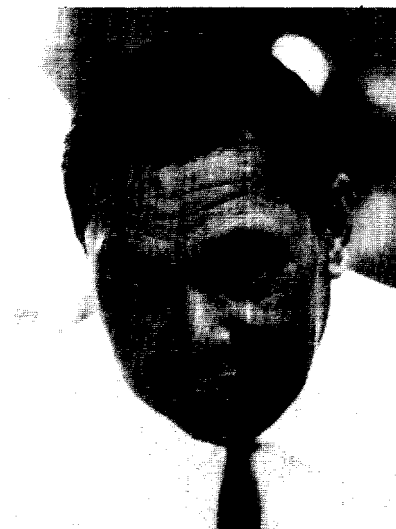
The New Leaders



Deputy Prime Minister Ismail



Prime Minister Tun Razak



**Minister with Special Functions
Tan Sri Ghazali**

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A lack of leadership depth is a real problem for the Razak government just as it was for its predecessor. Largely because of the authoritarian manner in which UMNO has been run in the past, adequate second-level leadership simply has not developed. Ghazali bin Shafie, for example, has for years been considered the only young "up and comer" in UMNO worth mentioning.

Razak has brought two other Malays into his cabinet. Education Minister Hussein bin Onn is distinguished mainly by his loyalty to Razak, but he is regarded as a racial moderate and brings into the cabinet the magic of the Onn name—his father was the founder of UMNO. The other Malay is Mohamed Khir bin Johari, the minister of commerce and industry. Although Khir has somewhat blotted his copybook as former minister of education and as UMNO manager of the 1969 elections, he nonetheless has the ear of the UMNO Executive Committee. If Tun Dr. Ismail [redacted] should become unable to continue to serve as deputy prime minister, Khir could lay strong claim to that position, probably with the support of the party hierarchy. Razak and Khir are not particularly close, however, [redacted]

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Only one member of the previous cabinet was dropped from the new one, an MCA minister whose notorious corruption had become an intolerable burden for the government. The cabinet thus remains loaded with ministers closely associated with the Tunku. Most of them will eventually go as Razak seeks to give his new government a more dynamic character. The timing of their departure, however, may depend at least in part on how much influence the Tunku can still exert or intends to exert from his retirement residence in Kuala Lumpur. Most observers believe that there will be no further cabinet changes until after parliament convenes in February.

*Future Policy Directions:
Political Restrictions and Malay Benefits*

Although the caliber of the new leadership remains a question mark, its modus operandi is

slowly emerging. First of all, the government is intent on preventing another round of racial violence. There are still clear signs of underlying communal tension in Kuala Lumpur and large numbers of police still patrol the streets, but in most aspects life has long since returned to normal, and the government has been remarkably successful in preventing inevitable minor racial incidents from turning into serious trouble.

Aside from effective police work, the government has attributed its success in maintaining order to the absence of communal polemics during the past year and a half of emergency rule. Accordingly, it is in no hurry to give up all of its emergency powers. Razak has pledged that parliament will once more be the supreme political authority when it reconvenes next February. The National Operations Council will be abolished and a new "National Security Council" established. This group will be concerned with both internal and external security matters, and, as planned, would be an advisory group only, with neither executive nor legislative authority. The government, in conjunction with the return to open political life, has, however, placed extensive restrictions on future political debate. In essence the restrictions forbid public discussion of the provisions of the constitution relating to citizenship, national language, Malay rights and benefits, and the sovereignty of Malay rulers. The government is empowered to proscribe entire political organizations that habitually violate these restrictions. Going one step further, when parliament reconvenes in February, it will be greeted by a government-sponsored constitutional amendment removing the members' parliamentary immunity from punishment for infractions of the new restrictions on political debate.

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The essence of the government's position seems to be that Malays cannot be pacified if non-Malays are allowed to question the political status quo; the curbing of political debate is necessary to prevent a recurrence of the May 1969 disturbances. Nevertheless, it is hard to escape the conclusion that the restrictions are also designed to handcuff or possibly destroy the government's Chinese opposition. If the new

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restrictions are given a broad interpretation, the public platform of the DAP will for all practical purposes be swept away. Needless to say, this has given a somewhat hollow ring to the resumption of open political activity and the convening of parliament. Public reaction thus far has been restrained, but resentment is bound to grow and could reach a dangerous level if the government is tempted to use the restrictions as an outright weapon of political suppression. Whether in the long run the restrictions will help achieve their stated objective of racial peace remains very much an open question.

As the curbs on political debate suggest, future domestic policy will have a pro-Malay cast. This, of course, has been a foregone conclusion. Razak and his colleagues are, after all, Malay politicians, and their Malay constituency must be recaptured, soothed, and reassured if the present government is to survive. Unanswered are the questions, can the government achieve this end and maintain its balance in the process, and how far will it be willing to go in satisfying Malay aspirations at the expense of Chinese interests?

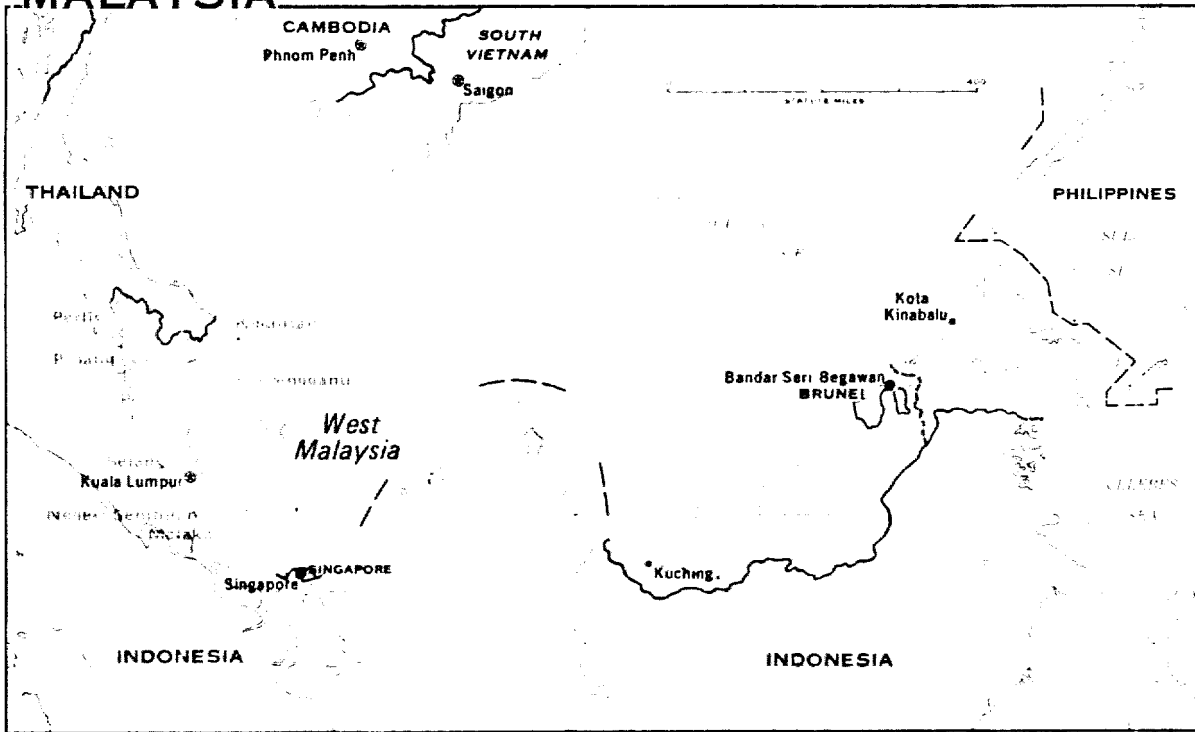
In the sensitive area of language policy the government has already made its move. Beginning this year English-track schools in the Malaysian educational system will start to convert to Malay, on a stair-step basis. In 1986, English instruction at the fourth-year university level will end, thus completing the process. This action has not fully satisfied Malay opinion but hopefully will be accepted as a step in the right direction. Many Malays are unhappy that similar action was not taken in regard to Chinese-track schools. The Chinese are more unhappy. They have been the primary user of the English-track system, but, more important, they view the government's actions as being the prelude to Malayization of the Chinese school system. The government's action has been tempered, however, by a recent official statement that implied that scientific and technical subjects will still be taught in the appropriate language—generally interpreted as English.

The compromise decision to scale down instruction in English has allowed the government to maintain a degree of communal balance in its educational policy and still satisfy nationalistic Malay interests. In doing so, however, the government ironically has undermined more important long-term Malay interests. An obvious way to remedy the existing economic imbalance between Chinese and Malay is to produce more Malay graduates who can compete with the Chinese in the English language - oriented world of business. The fact that the nation's language policy is now headed in the opposite direction is a perfect example of the problem the Razak government faces in reconciling emotional Malay nationalism and Malaysian national interests.





The same phenomenon also can be seen at work in the current effort to Malayize the government bureaucracy. Although most senior positions in the civil service are staffed by Malays, the rest have been filled primarily by non-Malays who think out and implement government policy. This has long been a sore point for Malays, and the government is now attempting to correct the situation by accelerated promotion and hiring of Malays. What this can do to the morale of better qualified non-Malay civil servants who remain essential for the effective functioning of the bureaucracy goes without saying.

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MALAYSIA



SELECTED ETHNIC GROUPS

-  Malay
-  Chinese
-  Indian (predominantly Tamil)
-  Other

West Malaysia

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Another area in which the government could easily lose its balance is that of economic policy. Chronic Malay resentment and dissatisfaction is based in large part on the economic disparity between the Malay and Chinese communities. Malays, for example, account for only 9.1 percent of managerial and professional personnel and only 13.8 percent of the technical and supervisory workers in the labor force, and Chinese income per capita exceeds Malay income by 75 percent. The Razak government has publicly committed itself to reducing this imbalance, and its survival could depend on the results it obtains.

Last March the National Operations Council announced general guidelines for a "new economic policy"—the first major step in the government's attempt to convince Malays that it is ready to embark on a vigorous program to better their economic lot. In August, the economic committee of the National Consultative Council incorporated these guidelines in its recommendations to the government. The proposals chart out a number of general areas of effort. First, government reform and participation in the rural marketing and credit facilities are called for. The flow of rural Malays into the urban sector is to be encouraged and facilitated by government information, welfare assistance, and massive "job corps" programs. Industrial firms are required to hire a certain percentage of Malay staff at all personnel levels under mandatory employment quotas. And direct government participation in the private sector—through joint government-Malay ventures, the blanket reservation of certain pioneer industries for Malay capital, and government loans or capital-holding for Malay ventures—is suggested as a possible way to guarantee Malay opportunity.

Everyone on the Malaysian political scene, including the Chinese opposition, agrees that high priority should be attached to attacking economic imbalance. There is little agreement, however, on exactly how this should be done; and, not surprisingly, the government's future economic policy has become a matter of considerable controversy. Critics of the government guidelines, including most of the non-Malay economists and planners within the bureaucracy, complain that such blatantly preferential treatment will be deeply resented by the Chinese and only worsen the nation's racial problem. More specifically, they fear that rigid employment quotas and government intrusion into the private sector will slow down the rate of economic growth and inevitably lead to a sharp hike in urban Chinese unemployment—something that could result in a dangerous rise in communal tension.

Recently various government spokesmen, including the man on the spot, Ghazali bin Shafie, have attempted to defuse such criticism by pledging the government's determination to work on the behalf of all economically deprived citizens regardless of race, a program that would on the face of it affect poor Chinese also. Exactly what Ghazali's rhetoric means, however, is unclear. Most economically deprived citizens are Malay. As a matter of political expediency, if nothing else, the government must come up with a program that primarily benefits the Malay. The damage done to Chinese interests will depend on the specific legislation introduced in parliament next February and the manner in which the legislation is implemented. In the meantime, government economic planning will remain the source of considerable Chinese apprehension.

The Test Ahead

In the months ahead, the effort to restore Malaysian political and social stability will rightfully absorb most of the government's attention and energy. But there are other problem areas. Kuala Lumpur faces a potentially explosive situation in the East Malaysian State of Sarawak, where local political forces are continuing to

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resist strong federal control. On the international front, the reduction of British military presence is forcing the government to reassess its position in world and regional affairs. There are already clear signs that the Razak government intends to follow a more obviously nonaligned policy, although it will probably remain in most respects oriented toward the West. In addition, the government is still confronted with a persistent and growing Communist insurgency, not only along the frontier with Thailand but in the jungles of East Malaysia as well. It is difficult to exaggerate the potential Communist threat to Malaysia. Present Communist capabilities and resources are limited, however, and, barring a breakdown of Malaysian political and social order, the insurgent threat can probably continue to be contained as it has been for years. But the government is far more concerned with the political communal tasks that lie ahead than with Communist activity or other peripheral problems, and it has got its priorities straight.

Given the many political unknowns and variables within the present situation, an assessment of the government's ability to hold a moderate and rational course is difficult. Under the best of circumstances, the Chinese community will probably have little to smile about in the coming months, and Chinese disaffection is bound to remain a leading feature of the political landscape. The Chinese are not likely, however, to take the lead in a renewal of communal violence in which they would be the inevitable losers. Similarly, the specter of a mass Chinese turn to Communist struggle remains only that—a specter. The Malayan Communist Party did not pick up much Chinese support as a result of the riots of May 1969, and at present there appears to be little sentiment within the Chinese community for such a desperate alternative. Furthermore, the Communists believe that their strong Chinese image is both an ideological and practical drawback, and they have been attempting to put their movement on a class rather than racial basis. Consequently—at least so far—they have avoided the temptation of using Chinese chauvinist appeal in their recruiting efforts.

The greatest danger to stability will come from within the Malay community. If the government proves unwilling or unable to satisfy Malay demands and rebuild Malay confidence in UMNO leadership, communal tension will rise while governmental authority declines. In such unstable circumstances the military might well move in to control the situation. But an army coup d'etat against the moderate Malay leadership seems most unlikely. Any military intervention would be without the backing of the air, naval, and support services of the armed forces, all heavily staffed by non-Malays, and would almost certainly cause instant chaos. A distinct possibility, however, is the forceful assertion of Malay military influence behind the facade of civilian government. Shortly after the May 1969 riots, Razak, in his capacity as chief of the NOC, offered to turn the government over to the military. In similar circumstances he could flinch again. With either a military-dominated government or the emergence of a more openly nationalistic civilian regime, the possibility of an extreme Chinese reaction would escalate. The outcome could range from a sharp deterioration in the functioning of the government and economy, both heavily dependent on Chinese participation, to destructive racial civil war open to Communist exploitation.

Fortunately, such pessimistic speculation is still premature. Despite the multitude of pitfalls ahead, there are a few bright spots. The absence of serious racial incidents during the past year and a half is a hopeful sign. Another plus is Malaysia's continuing economic boom. The government has an economic development cushion that should allow it, with a little balance and finesse, to improve the Malay economic position at minimum expense to the Chinese. The greatest favorable factor, however, is simply the lack of appealing alternatives to the present leadership. The Razak government may now be the only thing standing between the present uneasy situation and national breakdown—a situation that all parties on the political spectrum probably realize, at least in their more candid moments. At any rate, the real testing period for the new government lies ahead. Its right to survive will be judged

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on the basis of how it handles its parliamentary opposition next February, the specific legislative programs it comes up with, and the manner in which it implements its new policies, especially in the economic area. Although the general outlines of government policy have emerged, it is still far too early for anyone to pronounce judgment. The question of whether a moderate Malay government can survive in Malaysia is not likely to be answered within the next six months.

Regardless of the eventual answer to this central question, there seems little chance that Malaysia can return to democracy along pre-1969 lines. The political tight-rope Razak is walking leads directly to the parliamentary elections due three and a half years hence—a date far in the future but nevertheless in the back of everyone's

mind. During this period communalism is almost certain to remain the driving force of Malaysian politics. It is difficult to imagine a reversal of the trend toward greater Chinese political assertiveness; the Chinese opposition parties are likely to compound their 1969 electoral gains in future elections. A glance at the population chart shows that the non-Malays will hold the political balance of power in a truly democratic system. No Malay government, including the present one, is likely to consider letting this happen. There is, of course, plenty of ground between outright Malay political suppression and total democracy. Hopefully, what can be obtained is a gradual transition from executive control to some form of limited representative government—a process that will allow a new beginning for long-term development of racial reconciliation and a noncommunal political system. [REDACTED]

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