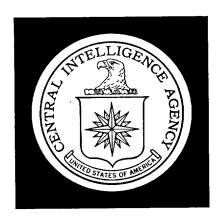
# Secret

25X1



DIRECTORATE OF INTELLIGENCE

# WEEKLY SUMMARY

State Dept. review completed

DIA review(s) completed.

NAVY review completed.

**Secret** 

9 April 1971 No. 0365/71

Copy

Νā

54

Approved For Release 2008/04/14 : CIA-RDP79-00927A008700020001-6



# CONTENTS

(Information as of noon EST, 8 April 1971)

		Page
FAR EAST		
Indochina: Still on the Offensive New Action on an Old Cambodian Front Laos: Ban Na Falls Thailand: The Territorial Imperative in the North Party Building in China: The More Things Change Japan May be Forced to Tackle Persistent Payments Surplus	· · ·	2 5 5
EUROPE		
USSR: Party Congress Winds Down Bulgaria Prepares for its Tenth Party Congress	• •	9
MIDDLE EAST - AFRICA		
Israel-Egypt: Jockeying for Position Jordan: Clashes Continue New Cabinet in Syria Ceylon: Insurgency Pakistan: Resistance Continues		. 15 · 16 17
WESTERN HEMISPHERE		
Haiti: What Happens After Duvalier?  Organization of American States General Assembly to Meet Chile: A Voice of Confidence for Allende Peru: Government Refuses a Confrontation With Labor Bolivia: A New Anti-US Campaign Is Under Way		. 20 . 21 . 22 . 23
NOTES: South Korea; Portugal-US; UN - Eastern Europe; Arms Contro Portugal; Sierra Leone; Ecuador; Colombia	ol; Za	mbia-

# **SECRET**

25**X**1

#### **FAR EAST**

Indochina: Still on the Offensive

More Communist attacks occurred in South Vietnam this week as part of the enemy's "spring" campaign and Hanoi's drive to maintain a crisis atmosphere in the aftermath of the allied operation into Laos. The levels of enemy-initiated activity, however, have tapered off from those which marked the beginning of this year's seasonal military effort during the last few days of March.

Some of the heaviest sustained fighting took place in the western highlands where elements of two North Vietnamese infantry regiments were brought to bear against South Vietnamese forces, including many irregulars, defending a remote hilltop artillery base in western Kontum Province. The position—Fire Support Base Six—was at first evacuated because of intense enemy pressure but was retaken several days later amidst more heavy fighting. Casualties on both sides have been high.

No American combat units are in Kontum Province, and the North Vietnamese may calculate that the time is ripe for testing the ability of the South Vietnamese to defend their border bases by themselves. At the same time, the Communists clearly are hoping for new battlefield successes as a follow-up to their insistent claims of victory against the South Vietnamese in Laos.

Communist pressure against allied forces gradually pulling out of the Khe Sanh area has been sporadic and limited. Scattered shellings and occasional ground harassments have been conducted by enemy artillery and infantry regiments deployed just south of the DMZ for some time.

More on Resolution 10

Communist defectors in Quang Nam Province have provided more fragmentary evidence of a new enemy policy statement for South Viet-

nam, known as COSVN Resolution 10. The general thrust of their accounts, like other similar evidence, suggests the new statement contains few surprises, unless one is struck by the way the Vietnamese Communists have held doggedly to the same fundamental precepts of warfare for such a long time. According to the defectors, Resolution 10 emphasizes that US forces will be withdrawing steadily from Vietnam in 1971 and that this will create opportunities for the Communists to exploit. In order to be ready, enemy forces are enjoined to abide by all the familiar rules of a "people's war": regain contact with the population; rebuild guerrilla forces and then upgrade them to become mobile units; encircle the cities; be self-reliant; and establish a secret underground in government-controlled areas.

If and when a text or more complete account of Resolution 10 is captured, it may turn out to contain additional enemy policy guidelines. For the moment, the hard line on protracted warfare that has filtered down to the lower ranks in some parts of South Vietnam seems to be the central message of COSVN Resolution 10.

Maritime Infiltration

The North Vietnamese evidently managed to send a fairly large shipment of supplies by sea to Communist forces in the southern Mekong Delta sometime late last year. US Navy units recently discovered an enemy SL-6 infiltration trawler, estimated to have a cargo capacity of some 100 tons, in a narrow waterway near the southern tip of the delta. The vessel was empty and its condition indicated it had been there since around the beginning of the year.

A delivery of as much as 100 tons of arms and ammunition would help considerably in

meeting Viet Cong requirements in the lower delta for the guerrilla warfare presently being waged there. The commander of Communist forces in the lower delta had asked COSVN last October for 200 tons of munitions which, according to a captured document containing his estimate, would last for an entire year.

The task of supplying Communist forces in the southern part of South Vietnam has been much more difficult since the upheaval in Cambodia last year. To compensate, the North Vietnamese have increased sea infiltration attempts. About 16 trawlers suspected of carrying Communist supplies have been detected since the spring of 1970, but until the recent discovery of the SL-6, only one of these vessels was believed to have reached South Vietnam. It too probably was a 100-ton capacity vessel which apparently arrived in the delta in August; another trawler was sunk off the coast of Kien Hoa Province in November. The remainder turned back, apparently abandoning their missions.

The recent discovery of the large trawler, in conjunction with some captured documents, suggests that other undetected sea infiltration attempts may have been successful. The documents indicate that as of late last year Communist forces in the lower delta were sending supplies northward to the upper delta, presumably to units that were short on supplies because of the disruption to the supply system through Cambodia.

Meeting in Moscow

Hanoi's chief delegate to the Paris talks, Xuan Thuy, flew to Moscow last weekend to confer with party First Secretary Le Duan, who is attending the Soviet party congress. These probably are routine consultations in the wake of the allied operation in Laos and in anticipation of President Nixon's statement on the war this week. In addition to fashioning a response to the US statement, Duan and Thuy might also have con-

sidered ways to capitalize in the talks on the post - Lam Son 719 ferment in South Vietnam and the US. New twists on old bargaining positions—American prisoners and troop withdrawal deadlines readily come to mind—are possibilities on this score. There is no reason to believe, however, that Hanoi has any major new departures in mind for the talks.

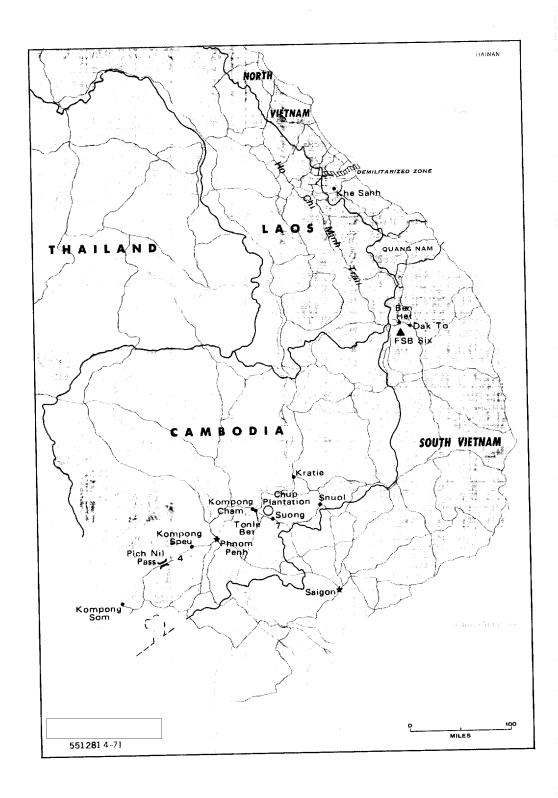
To the Polls in the North

On 11 April North Vietnam will hold its first national assembly elections in seven years. The constitution calls for elections every four years, but the previous legislature extended its own mandate indefinitely during the US bombing of the North.

The elections are of little intrinsic moment: the assembly has no real power, its members in nearly every case have been picked in advance, and significant spinoffs—noteworthy changes in Hanoi's top leadership, for instance—are highly unlikely. The timing of the event is interesting, however. Hanoi doubtless has been spurred to spruce up its own representative bodies by the fact that this is an election year in South Vietnam. Beyond that, the North Vietnamese obviously have an interest in freshening the mandate of the legislature; many members probably are out of the country, totally out of touch with their nominal constituencies, or dead.

New Action on an old Cambodian Front

The Communists turned their military attention away from South Vietnamese targets in Kompong Cham this week and, for the first time in several months, went on the offensive against Cambodian forces in that province. At the same time, they continued to resist South Vietnamese clearing operations elsewhere in eastern Cambodia.



# **SECRET**

25X1

During the early morning hours of 5 April the enemy staged a flurry of coordinated mortar and ground attacks on four Cambodian positions on the east bank of the Mekong River, opposite Kompong Cham city. Although bad weather hampered the Cambodians' efforts to lend artillery and air support to the positions, only one of them was occupied by the Communists. Over half of the government battalion defending that outpost was able to retreat to Kompong Cham safely, but the fate of the remainder of that unit has not been determined. Fresh enemy attacks were reported in the vicinity of the town of Tonle Bet the next night, but Khmer Krom troops held their ground and repelled the Communists, killing 35 of them.

It is likely that the attacking Communist troops were drawn from elements of the substantial number of enemy main force units clustered in and around the nearby Chup plantation. Although the purpose of these attacks was not clear, it is possible that they were designed to cover the movement of Communist forces across the Mekong. In the view of the regional Cambodian Army commander, the attacks were facilitated by the recent departure of South Vietnamese troops from the area west and southwest of Suong, on Route 7.

For their part, the South Vietnamese engaged in some sharp fighting with the Communists farther to the east, near the border. ARVN units clashed on three successive days with enemy troops from the Communists' 5th Division just southwest of Snuol, in southern Kratie Province. The South Vietnamese claim to have killed 248 Communists in one of the encounters, while their own losses totaled 18 killed, 97 wounded, and 43 missing. Although ARVN forces recently have adopted more conservative military tactics in their operations in eastern Cambodia, they apparently intend to continue to keep trading blows there with the Communists throughout the remainder of the present dry season.

#### Once More into the Pass

In the southwest, the government has launched another operation to reopen Route 4, east of the Pich Nil pass, after an initial push failed because a number of Cambodian Army officers leading that drive were wounded. At mid-week, eight government battalions, including five paratroop battalions from Phnom Penh, left Kompong Speu city bound for Pich Nil. The Communists lost little time in attacking this group, and hit it hard from the rear some nine miles east of the pass. Heavy enemy mortar fire mixed with ground attacks resulted in 20 Cambodians killed and 100 wounded. If the task force attempts to press on—once it gets reassembled—it is likely to encounter more sharp opposition.

#### IMF Recommendations

The US Embassy reports that the recent International Monetary Fund (IMF) mission to Phnom Penh was pessimistic about Cambodia's prospective financial position. Because of the likelihood of a shortfall in budget receipts resulting from delays in deliveries of US AID imports, the mission estimates that the government's 1971 fiscal deficit may be well over the projected six billion riels (\$US 108 million). The IMF team fears that because of the exclusion of certain items from US aid financing, the government may face dangerously large drawdowns of its own foreign exchange and hyperinflation. The threat of financial deterioration would also increase if the security situation continues to limit imports into Phnom Penh. The IMF team made no detailed budget analysis, however, and did not allow for possible cuts in GKR expenditures, for which there appears to be ample leeway.

To counteract the expansionary effect of budget deficits, the IMF mission recommended, among other things, a flexible exchange rate and the establishment of an Exchange Support Account (ESA), apparently similar to the Foreign

### SECRET

Exchange Operations Fund (FEOF) in Laos. Under that arrangement, importers could freely buy foreign exchange from the fund with local currency. In addition to a \$6-million subscription from the IMF, the ESA would hold Cambodia's present foreign exchange reserves. For the remainder of its initial capital and for future increments, it would depend on cash contributions from friendly countries.

Laos: Ban Na Falls

The North Vietnamese have forced irregular troops to abandon the artillery site at Ban Na, after nearly two months of constant harassment. The site, which provided fire support for the Long Tieng complex, has been the object of heavy enemy shelling attacks which had made resupply and medical evacuation difficult and had worn down the morale of the defenders.

How the fall of Ban Na will affect the defense of the Long Tieng complex is not yet clear. The irregulars apparently withdrew without excessive casualties and are still an effective combat unit. Moreover, recognizing the gradual deterioration of the situation at Ban Na, the government last week moved a task force of irregulars into an area about three miles northwest of the site to establish a new fire support base at Hill 1663.

A second, force of irregulars, operating south of Tha Tam Bleung, occupied a hilltop enemy mortar position on 5 April, but not before losing 10 killed and 110 wounded. The third force is operating northeast of Long Tieng trying to push Communist units from high ground overlooking

anawood ato

the key enemy supply routes from the Plaine des Jarres. Although this force has made some progress, the principal high point in the area is still in enemy hands.

The Tempo Slows Around Luang Prabang

Military action has been generally light around the royal capital during the past week. The government has reorganized its forces-now totaling about 3,600 men-into six tactical groups and two reserve companies in the hope of creating a more effective fighting force than has so far existed in the area. These forces, spearheaded by irregular units, have made some progress in pushing out the defensive perimeter. The front line is now some six miles northeast of the town, but the airfield is still within range of Communist mortars and recoilless rifles. It remains open, however. The government is building an alternate airstrip-capable of handling C-123 aircraft—about two miles west of town.

Plotters Strike Out

Political calm remains unruffled in Vientiane in the wake of an alleged plot to overthrow the Souvanna government. The "plot" was uncovered by General Kouprasith, commander of the Vientiane area, who has since apprehended several of the alleged conspirators. No important Laotian figures appear to have been involved, but the full story is not yet in. Kouprasith, who has been the object of at least one serious conspiracy in recent years, may have exaggerated the importance of the alleged conspirators, none of whom appears to have been in a position to mount a serious effort to overthrow the government.

Thailand: The Territorial Imperative in the North

into affor the past year or so Thai security forces have been making a new effort to establish a presence in the mountainous areas of Chiang Rai and Nan provinces adjacent to the Laos border. A

number of cross-border operations have been carried out in conjunction with the Lao, Chinese irregulars have been moved into Communist-held areas, and new roads are slowly being opened into

SECRET

**WEEKLY SUMMARY** 

9 Apr 71

Page 5

Approved For Release 2008/04/14: CIA-RDP79-00927A008700020001-6

25X1



the isolated land east of the major valleys. Although these actions have not been notably successful in forestalling the continuing growth of the insurgent movement in the north, at least they have taken some of the initiative from the Communists.

25X1

With their base areas threatened, the insurgents have been forced to strike back. Late last month, they ambushed a small Thai army unit providing security for a road construction crew in Nan Province near the Lao border. Employing for

the first time either a rocket or grenade launcher, the Communists killed ten government troops and two highway workers and wounded 13. The action occurred in the same general area where the insurgents reportedly used a 60-mm. mortar to turn back an army operation earlier in the month, killing eight government troops and wounding six.

A force of some 750 Chinese Nationalist irregulars operating under Bangkok's direction against insurgent border lairs in adjacent Chiang Rai Province has also found the going increasingly difficult. After some successes at the outset of operations last December, the irregulars—partly because of a lack of support from Bangkok—have been sitting in isolated base camps under continual harassment from the insurgents.

The tough resistance to government probes in these areas indicates the high value the Communists place on maintaining a foothold in their border redoubts, some of which they have declared to be "liberated" areas. It is also further evidence that the northern insurgents are better armed now than at any other time since their movement began in early 1967.

Although insurgent gains in the north over the past year—particularly the limited inroads they have made among the lowland ethnic Thai population in a few areas—seem to have given Bangkok a better appreciation of the dimensions of the Communist threat, the government's counterinsurgency program continues to suffer from a lack of imagination, consistency, and perseverance. The Thais are still a long way from effectively utilizing the more than 5,000-man security force available for operations against the northern insurgents.

25X1

# Party Building in China: The More Things Change...

Peking's apparent decision not to tamper with leadership alignments hammered out during the Cultural Revolution has broken the logjam in its protracted campaign to rebuild the Chinese Communist party apparatus at the provincial level. In rapid succession over the past few months more than half of China's 29 provinces and special municipalities have formed party committees—the most important party organs to be established since the party's central committee was reconstituted at the Ninth Party Congress in April 1969.

The top leadership in the majority of the 17 provincial party committees that Peking has certified since last December nearly duplicates that of the provinces' corresponding "revolutionary committees"—the new governing bodies set up during the Cultural Revolution. Many of the certified leaders were at odds in the politically turbulent 1967-68 period, and their appointments then to the revolutionary committees—which frequently followed months of agonizing debate—were often the product of seemingly fragile compromise solutions worked out in Peking. By simply confirming these officials as the new local party chiefs, Peking apparently is seeking to avoid rekindling the personal and factional rivalries that marked the formation of the revolutionary committees, although its move toward restoration of the party does not mean these rivalries have disappeared. Thus the leadership in these provinces remains heavily weighted in favor of conservative-oriented military men and veteran civilian officials, reinforcing the impression that leftist elements on the politburo have suffered a setback in their efforts to form additional bases of power in the reconstructed party. Indeed, the decision to form the provincial and municipal committees seems in retrospect to have been made over the objections of militant ideologues on the politburo-such as Chen Po-ta and Kang Sheng, both of whom were politically sidelined shortly before the first provincial party committee was formed last December.

Rigid adherence to the provincial pecking order established during the Cultural Revolution has produced some anomalies; a number of officials who have acquired leading posts at the national level since 1968 are still holding authoritative positions at the local level. This almost certainly reflects a desire on the part of these officials to maintain their regional bases of power. It also attests, however, to the regime's inability or unwillingness to come to grips with the problem of finding successors to them at the local level.

In northwest China, for example, Liu Hsienchuan was recently named first secretary of the Tsinghai provincial party committee, despite the fact that he moved up to an important post in Peking in the spring of 1968 and has not appeared publicly in his old bailiwick for nearly three years. Similarly, the new director of the general political department, Li Te-sheng, was appointed first party secretary in Anhwei in east China this January even though he spends nearly all of his time in Peking in his role as the army's top commissar. In another instance an alternate politburo member was recently given a provincial party post below several ordinary central committee members in the local hierarchy. His failure to move up to the top party post in the province is a clear departure from long-standing party practice and, so far as is known, has no parallel in China or any other Communist country.

Despite Peking's efforts to avoid any fundamental shift in the present mix of local military and civilian leadership, the end of the regime's difficult consolidation process is not yet in sight. The leadership situation in at least five provinces which still lack party committees is clearly in disarray, and even some of the "solutions" achieved to date may be more apparent than real. In Peking city, for example, new party chief Hsieh Fu-chih's continued failure to appear in public suggests that he may not be completely out of the political woods.

25X1

# Japan May be Forced to Tackle Persistent Payments Surplus

Japan's foreign exchange reserves rose a record \$590 million last month to reach nearly \$5.5 billion, \$1.5 billion higher than in September 1970. This rapid build-up probably will bring greater international pressure for revaluation of the yen and Japanese trade liberalization. Although the government, with the full support of business, had voiced its determination not to revalue, some businessmen recently have begun to take the view that the solution to the rapid accumulation of reserves, friction over trade matters with the US, and the need to halt "imported" inflation might lie in the adoption of a flexible exchange rate system—in effect a revaluation of the yen.

Foreign purchases of Japanese securities and bonds, increased foreign borrowing by Japanese traders, and Japan's extremely strong trade performance in the first quarter of 1971 all contributed to the rise in foreign exchange reserves. Based on first quarter trade figures Japan's surplus this year could reach \$6 billion. The recent slowdown in Japanese economic growth has retarded the growth of imports, which are largely composed of raw materials and capital goods for industry, while Japanese producers, facing slackened domestic demand, have maintained a rapid growth of exports.

The decline in US interest rates has contributed to Japan's balance-of-payments surplus by making it cheaper for Japanese traders to obtain their financing abroad. In the last quarter of 1970 about \$200 million of this short-term capital entered Japan; the relative movements of Japanese and US interest rates since then have resulted in an increased inflow.

Japan's efforts to deal with its surplus position have amounted to little more than stopgap measures designed to disguise the symptoms. The increase in Japanese loans to international institutions is unlikely to stem the growth of foreign exchange reserves, while the relaxation of restrictions on the outflow of private Japanese capital will have little effect as long as the return on capital in Japan remains higher than in other industrial nations.

Significant liberalization of import restrictions by Japan would get at the root of the problem, but probably will not take place rapidly enough to have an effect on the surplus. Therefore, Western pressure to reduce the surplus is likely to force Tokyo to choose between restrictions to stem the capital inflow or revaluation of the yen.

25X1

SOUTH KOREA: Student unrest in Seoul is increasing, but the authorities appear anxious to avoid action that could make martyrs of demonstrators during President Pak Chong-hui's campaign for the election on 27 April. The students are protesting the government's newly expanded military training program for undergraduates, which is largely intended to place further restraints on student political activity. The govern-

ment is attempting to confine the demonstrators to their campuses and is restricting media coverage of the disturbances which so far have been confined to a few major universities in the capital. Early reports indicate that the demonstrations have resulted in only a few minor student injuries, although the police have resorted to tear gas for the first time this spring.

25X1

#### SECRET

Page 8 WEEKLY SUMMARY 9 Apr 71

#### **EUROPE**

PORTUGAL-US: Disappointment in Lisbon with US aid offers has brought renewed pressure to renegotiate the expired agreement on the Azores bases. Prime Minister Caetano stated in a press interview last week that the present situation cannot continue. Last November the Portuguese foreign minister agreed—in return for US economic aid—to maintain the status quo and to let

the US remain at the bases without negotiating a new agreement. In recent talks with the US, a ranking Foreign Ministry official warned that unless the US agreed to increase the level of aid, the Portuguese military would take over the talks, and Portugal would adopt an even tougher stance on the entire issue of the bases.

25X1

## USSR: Party Congress Winds Down

General Secretary Brezhnev has dominated the congress proceedings at the expense of his politburo colleagues, and the personal praise lavished on him by congress delegates has added significantly to the emerging Brezhnev personality cult.

Both of his appearances before the congress, as well as the standing ovations for him that followed, were telecast live. In contrast, Premier Kosygin's report on the five-year plan was not carried live, although excerpts were given on radio and television. No other members of the politburo have played a significant role in the proceedings.

Still unclear, however, is to what extent Brezhnev can translate his "popular" mandate from the congress into further concrete political gains. The key question for him is the degree to which he can tilt the delicate balance in the top leadership in his own favor. This will become

apparent at the end of the congress when the new central committee "elects" the politburo.

In contrast to the lavish praise heaped on him personally, support from congress speakers for Brezhnev's proposed exchange of party cards has been notably thin. Brezhnev may view such an exchange as a way to make the party smaller and more worker-oriented, and thereby a more reliable instrument for leverage against specialists in the state apparatus as well as against intellectuals in general. He implied a comparison to 1953 which was, in fact, the last time the party actually decreased in size—the result of a purge conducted after Stalin's death and Beria's downfall.

Brezhnev's failure to give any breakdown on party membership by age groups, combined with his remarks on the need to strengthen party control over the Komsomol (youth organization), suggest some concern about the malleability of

#### SECRET

Page 9 WEEKLY SUMMARY 9 Apr 71

the rising generation. The attention given to the nationality question by speakers from the non-Russian areas suggests that this is also a serious issue calling for the leadership's attention.

#### Kosygin on Economics

Premier Kosygin's speech followed the well-established themes of the five-year plan directives and Brezhnev's remarks on the economy last week—raising consumer welfare, boosting scientific-technical progress and increasing labor productivity and the general efficiency of the Soviet economy. Although the speech contained nothing innovative, it served to flesh out the plan proposals and to point out shortcomings still awaiting attention.

Kosygin noted that "never before" have such vast resources been directed to the agricultural sector and consumer goods industries, but he tempered this with the statement that "heavy industry was and still is the foundation of the country's economic might, the further growth of the people's well-being...and also...the defense potential of the Soviet state." Actually, the data given for major indicators of consumer welfare, such as money income and output of consumer durables, indicate that most will grow at an annual rate no higher than in the 1966-70 plan period.

He claimed that the modest economic reforms of 1965 had yielded "positive results," but hinted that they had failed to speed the introduction of new technology, to increase labor productivity, or to improve product quality. Perhaps to allay further criticism of the reforms, he cautioned that "the economic reform is not something that happens all at once."

Reform measures now will be concentrated on streamlining the management and adminis-

trative structure of the economy. Kosygin claimed that production associations—combinations of enterprises that use similar production technology or manufacture similar products—will be "an important element" in this effort. By strongly reaffirming the "guiding role" of central planning and completely rejecting any use of the market mechanism, he implied that any radical experimentation with the economy is not under consideration.

Kosygin failed to elaborate on the sparse investment data given in the plan directives, as he did in 1966. Those available, however, indicate that there will be no major shifts in investment allocations toward the consumer-oriented sector compared with the last five-year plan. The lack of investment data for heavy industry possibly suggests that squabbles among the leadership over resource allocations are continuing. There is time for some final maneuvering because the plan still must be ratified by the Supreme Soviet and a party plenum. Kosygin set a deadline of 1 August for its completion.

#### Gromyko on Foreign Policy

Foreign Minister Gromyko, the only speaker since Brezhnev to treat foreign policy in any detail, followed the general lines laid down by him. Like Brezhnev, he portrayed the Soviet Union as a prime mover on the international stage and proclaimed that not "a single question" could be settled without Soviet participation. Again echoing Brezhnev, he went to considerable lengths to stress Moscow's interest in seeking negotiated solutions to the major international problems, including Berlin, the Middle East, the strategic arms race, and Moscow's quarrel with Peking.

Gromyko's strong espousal of an active Soviet diplomacy at times adopted a curiously

defensive tone, especially when he made oblique references to unnamed critics who cast doubt on the value of Soviet agreements with capitalist states. Although Gromyko may have had foreign critics like Peking in mind, it is also possible that his remarks were addressed to a domestic audience. Moscow's detente-oriented Western policy is profoundly unsettling to traditional-minded Soviets, inclined as they are to give more weight to the long range risks inherent in greater exposure to the West than to the short-range political gains made possible by these policies. By stressing the role which the governing bodies of both party and state played in the formulation of existing policies, Gromyko served notice that the rules of "democratic centralism" preclude any criticism in this area.

Eastern Europe Weighs In

Eastern Europe's basic instability, so recently manifested in Poland, and the strained nature of its alliance with the Soviet Union, were both reflected in the speeches of East European party chiefs at the congress. Poland's Edward Gierek, the Communist world's newest party leader, was honored by being the second foreign delegate, after the North Vietnamese, to address the congress. He earned this star billing by

judiciously crediting the solution of Poland's problems to Soviet financial aid, the internal strength of the Polish party, and the support of the working classes.

Kadar's speech was surprisingly defensive and clearly reflected a concern that Polish events might lead to reverses in the Hungarian reform program. Ceausescu avoided any mention of Romania's association with the Warsaw Pact, and rejected the Brezhnev doctrine once again. East Germany's Ulbricht conspicuously avoided any criticism of Peking, an omission which was perhaps a reflection of his pique at the improvement in Moscow's relations with West Germany.

Czechoslovakia's Husak embraced the Brezhnev doctrine in a speech in which he used the Russian language, perhaps suggesting the dissociation of the Czechoslovak people from the thesis. He nonetheless endorsed for the first time the theory that the Soviet Army had been invited into Czechoslovakia in 1968, thus undoubtedly debasing himself further in the eyes of his people. Even so, Husak's statement was a stale victory for Moscow, coming as it did some 30 months after the fact.

UN - EASTERN EUROPE: The question of who should occupy the traditional East European seat on the Security Council during the coming years is causing some conflict within that group. Yugoslavia appears likely to gain this nonpermanent seat for the 1972-73 period, but the Soviets insist that no final decision has yet been made. Moscow

has been pushing the Belorussian SSR for the seat, opposing both Belgrade's candidacy and that of independent-minded Romania for the 1974-75 term. Regional group endorsements have invariably been accepted by the General Assembly, which elects the ten nonpermanent members of the Council.

25X1

25X1

# Bulgaria Prepares for its Tenth Party Congress

Preparations are in the last stages for Bulgaria's party congress that opens in Sofia on 20 April, awaiting only the conclusion of the Soviet party assembly in case any last minute adjustments need to be made.

The congress has all the makings of a personal tour-de-force for party boss Todor Zhivkov, whose position appears secure for the first time since he took office. The factionalism that has long plagued the Bulgarian party seems under control at this time, and Zhivkov has sent many of his rivals to foreign diplomatic posts. Preparations for the congress have reflected Zhivkov's power. Preparatory meetings of local party organizations went smoothly and were summarized in the press, although this public disclosure is unusual for Bulgaria. The most significant precongress personnel change—the restaffing of the powerful Sofia city organization—was presided over by Zhivkov personally.

Major changes in the party politburo and secretariat are not expected at the congress, even though some of the dedicated "old guard" Communists could be gracefully retired. There is no evidence of this, but four of the 11 politburo members are over 70 years of age, and their

retirement could pave the way for younger, more technically oriented men.

Discussions at the congress will center on the drafts of a new party program, a new state constitution, and the next five-year plan. The party program is the first long-range ideological guide that the Bulgarian party has ever produced. Its content is unexceptional, but it contains seemingly anachronistic and shrill references to the United States, portraying "US imperialism" as the "enemy of all mankind."

The discussion of the new constitution may provide clues about the long-standing rumor that Zhivkov will resign as the head of government to become chairman of a new Council of State (head of state). If Zhivkov were to do this, under the proposed constitution he would take most of his present government powers with him to the State Council. Timing seems to preclude a formal announcement of Zhivkov's intentions at the party congress, however, because the draft constitution is subject first to a national referendum and then to ratification procedures.

Discussion of the five-year plan directives is expected to produce new expressions of support for increasing the supply of consumer goods, just as happened at the Soviet party congress. But like the Soviets, the Bulgarian plan figures do not sustain the rhetoric. Zhivkov's year-old plan to establish huge "agricultural-industrial complexes" may come in for praise and further amplification. In essence, the program seems to be aimed at introducing a large-scale, "industrialized" agricultural sector.

25X1

25X1

25X1



ARMS CONTROL: Prospects for international agreement this year on a convention to curb biological weapons (BW) remain good, despite a chilly reception from the nonaligned group to the new text presented last week by the USSR. These countries, comprising 12 of the 25 conferees at the Geneva disarmament talks, continue to favoraction on chemical weapons (CW) as well. Led by Sweden and Yugoslavia, they are annoyed that

the superpowers again appear to be moving toward agreement on a partial disarmament measure. They recall that the Limited Test Ban of 1963, for example, has not been followed up by more comprehensive limits on nuclear testing. Nevertheless, the nonaligned can probably be persuaded to accept a BW-only convention, provided there is a clear commitment to study CW verification problems.

25X1

### 

# MIDDLE EAST - AFRICA

Israel-Egypt: Jockeving for Position

Cairo's diplomatic offensive continues. Foreign Minister Riad was in Tehran this week and will be in Moscow next week. He has been explaining Egypt's position on the confrontation with Israel and has been attempting to enlist additional international support to press Israel to withdraw from the occupied Arab territory.

As part of the diplomatic maneuvering, President Sadat on 1 April reiterated, but in a slightly modified form, his proposal for reopening the Suez Canal. He announced that if Israel undertook a partial withdrawal from the canal as a first step toward eventual total withdrawal, Egypt would agree to extend the cease-fire and begin clearing the canal for navigation. In a stipulation not included in his earlier offer, Sadat said that after the Israeli withdrawal, Egyptian forces would cross the canal and take up positions along the east bank of the waterway.

Israeli spokesmen this week again stressed the government's hard line on withdrawal and warned of the possibility of renewed fighting. In a frequently polemical speech to the Labor Party convention on 4 April, Prime Minister Golda Meir said that although the border between Israel and Jordan would be a subject for negotiation, Israel regards the Jordan River as a "defense boundary," i.e., as a line that foreign military forces

would not be allowed to cross. The Golan Heights, Gaza, and Sharm ash-Shaykh, according to Mrs. Meir, must remain under Israeli control with the Sharm ash-Shaykh region connected to Israel. On 5 April Defense Minister Moshe Dayan told the convention that Israel would prefer war to withdrawal on the conditions set by the Arabs. In the convention's final resolution, the delegates endorsed the government's refusal to agree to total withdrawal and demanded "substantial changes" in Israel's pre-1967 borders.

Several times during her speech, the prime minister mentioned the possibility of renewed fighting within months, weeks, or even days. Naturally, Israel does not want it, Mrs. Meir said, but will be ready if it comes. A similar warning was issued on 31 March by Israeli Chief of Staff Bar Lev who predicted that fighting would be renewed within weeks, or at the latest within a few months.

Mrs. Meir also rejected Sadat's proposal for opening the Suez Canal as "totally unacceptable." Mrs. Meir said that Israel would be willing to see the canal open to shipping by all nations, including Israel, but that nobody should be surprised if Israel refused to agree to the opening of the canal as a first step toward total Israeli withdrawal from Sinai and Gaza.

25X1

Jordan: Clashes Continue

As fighting between the fedayeen and government extended into a second week, King Husayn publicly warned the guerrillas they must withdraw their weapons from Amman or suffer the consequences.

Fighting this past week was concentrated in northern Jordan. On 4 April, army troops in the area of Jarash battled with a unit of the Popular Front for the Liberation of Palestine, estimated to number about 200.

The same day Palestine Liberation Organization (PLO) officials in Amman issued a public statement in which they agreed to remove surplus fedayeen weapons and personnel from the city and to discharge the remaining obligations of previous pacts with the government.

PLO chief Yasir Arafat, however, quickly denied that such an agreement had been reached and called upon the fedayeen—who he said had no other choice—to continue fighting against the government. Fedayeen leaders in Damascus also quickly disavowed the reported arrangement and declared that resistance forces would make no more agreements with the Jordanian authorities "regardless of the consequences."

Clashes erupted again on 7 April after a fedayeen rocket attack on the Jordanian Air

Force base at Mafraq damaged two jets. The commandos later claimed they had attacked the air base in order to prevent the government from using the aircraft against their strongholds in northern Jordan. There was another clash in the same area of Jarash, which was the scene of the fighting on Sunday.

On 6 April, speaking to a gathering of representatives of Jordanian professional groups, King Husayn gave the fedayeen an ultimatum to get their weapons and personnel out of the capital or "the result will be cruel." According to the US defense attaché, the army has made contingency plans to occupy the eastern half of Amman. The units involved have been alerted, and the army is waiting for the King's order to move. The army also intends to reinforce units that would block fedayeen forces in northern Jordan and in the areas on the Syrian side of the border from moving into Amman. The army reportedly anticipates five days of fighting in the capital. An escape hatch to the desert area east of the city will be open to the fedayeen.

The Cairo-arranged conference of ambassadors from nine Arab states has still not met. Wednesday, Amman declined an invitation, saying it believed that an Arab summit conference must be convened to resolve Jordanian-fedayeen differences once and for all.

25X1

25X1

ZAMBIA-PORTUGAL: Lusaka and Lisbon have made no progress in resolving their current dispute over the abduction and apparent killing of five Portuguese civilians from Mozambique by a Zambia-based guerrilla organization. The Portuguese have, however, become more optimistic that an agreement can be reached.

Meanwhile, Portugal has maintained its suspension of vital Zambian maize imports over Portuguese African railroads. Portuguese Government officials, however, assert that no punitive military raids into Zambia are under consideration.

25X1

25**X**1

# SECRET

Page 15 WEEKLY SUMMARY 9 Apr 71

#### New Cabinet in Syria

Syrian President Asad appears to have his governmental hierarchy set up to his satisfaction. Since assuming power last November, Asad has installed his supporters in the provisional regional command of the Baath party, has created a "popular" assembly--the People's Council, has stood unopposed in a referendum whereby he was confirmed as president by 99 percent of those voting, and has appointed a multiparty cabinet. The important members of the cabinet are Baathists, but it also includes Arab Socialists, Communists, pro-Egyptian Socialist Unionists, and independents. Prime Minister Khulayfawi and Interior Minister Ali Zaza, both military men, are believed to be firm supporters of the president.

Asad still has to consolidate the permanent structure of the Baath party, which has had interim leadership since he ousted his civilian rivals from the key party posts during the government shake-up. Party elections reportedly will take place this month, and a regional party congress is scheduled for May. Just how much Asad intends to rely on the party for support is not yet certain. His installation of a council of ministers, including representatives of all political stripes, lends some credibility to those sources who have been predicting that the party now will

have little to say in Syria. At any rate, the president will lean heavily on the army, the real power base. The expected influence of the People's Council is perhaps best revealed by its lack of activity so far; it was established on 17 February, had a brief initial meeting on 27 March, and was then adjourned until 15 May.

It is still too early to characterize fully the Syrian strongman's brand of governing. Since he has been in power, however, Damascus' policies have taken on a moderateness not evident in Syria for some time. This is especially true in the conduct of foreign affairs, particularly with other Arab countries. Relations with Jordan, which had been improving, were jeopardized this past week, however, by the surge of fedayeen activity—some initiated from Syria—near the border in northern Jordan.

Asad appears content to allow Egypt to have the major burden of dealing with the main Arab foreign policy problem, the struggle with Israel. By doing this he can reserve any final Syrian judgment until the chances for a settlement either become clearer or disappear.

25X1

SIERRA LEONE: Prime Minister Stevens, urged on by extremist advisers, continues his search for a foreign scapegoat on whom to blame his current troubles. Appearing in uniform at a party rally on 4 April, Stevens asked for vigilance against "mercenary attacks" he claimed were now being planned by "local and foreign elements." Stevens later charged that "large numbers" of his opponents were gathering in Liberia, and he urged

Liberian President Tubman to take "early" but unspecified action. At the same time, the government-owned paper has continued to link the US with the abortive coup attempt last month. With his domestic foes cowed by the presence of some 200 Guinean troops, Stevens may soon unilaterally declare Sierra Leone a republic and assume greater powers for himself as president.

25X1

Ceylon: Insurgency

Despite government announcements that the situation is under control, the insurgency which erupted on 5 April has developed into a serious threat.

According to the latest reports, there were 13 simultaneous attacks on police stations around the city of Chilaw the night of 6 April, plus attacks on a police patrol in the Amparai District, and on a police station in the Polonnaruwa District. Although the government claimed on 7 April that "the armored corps" had cleared the Colombo-Kandy road, insurgents may still control the Warakapola police station as well as a considerable area along the road between Kegalla and Kandy.

The insurgency began early on 5 April with attacks on outlying police stations. The government imposed evening curfews on five central and eastern districts, but more attacks followed throughout the island and the curfew was extended to Colombo that evening. Early on 6 April Prime Minister Bandaranaike claimed that attacks on 25 police stations, patrols, and power and telephone installations had been repulsed with heavy losses for the insurgents. She extended the night curfew throughout the island, closed all schools and universities, and proscribed the Peoples Liberation Front (PLF), which she accused of perpetrating the incidents. The curfew was later moved up three hours, and military reserves were called up. At least three railroad stations were put out of operation by the initial assaults, and unofficial reports indicate that over 100 police and military and several hundred insurgents have already been killed. Action generally has been concentrated in the interior, but there have been attacks as far north as Jaffna and as far south as Galle.

Ceylon had already been under a partial and then a full state of emergency since early March, when revolutionaries attacked the US Embassy. Late last month Mrs. Bandaranaike told Parliament that left-wing extremists were planning a violent overthrow of the government.

The PLF is only one of several revolutionary groups that comprise an amorphous "Che Guevarist" movement. Although the exact strength of the insurgents is not known, they apparently number in the thousands, are generally young, highly dedicated, and apparently motivated by the government's failure to provide needed eco-

nomic reforms. They seem to be well organized

and to enjoy widespread support among the youth and in rural areas.

The security forces—which with police, military forces, and all reserves would total only about 32,000—are ill equipped to handle islandwide insurgency. The interruption of telecommunications plus a lack of transportation and reliable intelligence make it difficult for the military to deploy forces. The "armored corps" consists of about 30 armored cars and scout cars. The air force's capability for tactical air support consists primarily of three armed T-51 jet Provost trainers and three Bell helicopters. Mrs. Bandaranaike has sought arms assistance from the UK, which will provide submachine guns and ammunition.

25X1

Despite their lack of experience and equipment, however, the security forces seem to be putting up a fair performance at present, considering the unexpected capability of the insurgents. Many government officials, on the other hand, seem to have been frightened or surprised into inactivity. Even if the present effort of the insurgents fails, they will probably remain a serious threat to the stability of the government.

25X1

#### SECRET

ļ...

25X1

25X1

# Pakistan: Resistance Continues

Two weeks after the sudden military crack-down on the autonomy movement in East Pakistan, army units find themselves increasingly isolated from one another and from Dacca. The troops control many of the urban centers, or at least the cantonments, but the countryside and often parts of the cities themselves are in the hands of the Bengali secessionists. Land and water transportation within East Pakistan has been disrupted, and the army units have been forced to rely on helicopters and fixed-wing aircraft for supplies and reinforcements.

The government must now accept the possibility that East Pakistan will not be pacified before the monsoons begin in May or June. The armed forces would then be virtually unable to move until autumn and by that time the Bengalis could have greatly enhanced their capabilities More arms, ammunition, and medical supplies apparently are coming across the Indian border.

The government continues to airlift troops from West Pakistan into the east wing; since 25 March, over 8,000 troops may have been sent via air to Dacca.

Dacca itself is under army control, but life is far from normal despite claims by the government-controlled radio. Possibly 30 percent of the city's population has fled to the countryside, vehicular traffic is greatly reduced, and virtually all stores close and people are off the streets by mid-afternoon.

On the political front, the martial law administrator, Lt. Gen. Tikka Khan, has been meeting with leaders of small Bengali political parties. He has received some pledges of cooperation toward re-establishing "complete normalcy" in the province. This move may be a first step toward eventual creation of a puppet regime. Mujibur Rahman, leader of the largest political party in the East wing, is apparently being held in a fort in West Pakistan.

The Indian Government remains under considerable public pressure to help the East Pakistanis. Foreign Minister Swaran Singh has denounced the Pakistanis for "unleashing the forces of repression against the unarmed and defenseless people of East Pakistan." Direct intervention by India in the conflict, however, appears most unlikely. The government can be expected at least to permit personnel and supplies to cross the border easily into East Pakistan.

The USSR, which had previously refrained from comment, this week issued an appeal from President Podgorny to President Yahya. Podgorny called for "the most urgent measures to stop the bloodshed and repressions" against the people of East Pakistan. He asserted that the crisis must be solved politically, without the use of force. Podgorny expressed concern over the "arrests and persecution" of Mujibur Rahman and other leaders and gratuitously reminded Yahya that they had received the support of the "overwhelming majority of the population of East Pakistan."

In making this appeal, the Soviets seem to have been motivated in part by a desire to appear responsive to Indian requests that Moscow speak out.

25X1

probably fears that prolonged instability will only reinforce extreme, radical groups in East Pakistan, and perhaps redound to Peking's benefit over the

Moscow

longer run.

The Indian press has applauded the message from Podgorny, but the West Pakistani press has been castigating the Soviet Union for its "meddling" in Pakistani affairs. Presumably, it will be pleased by a recent protest delivered by the Chinese Communists in New Delhi that, among other charges, accused the Indians of "flagrantly interfering in the internal affairs of Pakistan."

25X1

#### SECRET

Page 18 WEEKLY SUMMARY 9 Apr 71

#### WESTERN HEMISPHERE

ECUADOR: Another military revolt on Tuesday culminated in the resignation of President Velasco's nephew, the controversial minister of defense, Jorge Acosta Velasco. President Velasco on Monday had fired the subsecretary of defense and the commander of the army in an effort to stem growing unrest within the military. Velasco and Acosta were detained by the military on Tuesday until all the officers who had been imprisoned following last week's abortive rebellion were released and returned to duty. Velasco also agreed to Acosta's ouster.

Late Tuesday evening, however, President Velasco precipitated another crisis when he threatened to resign unless General Luis Jacome, who led the previous revolt, were brought to trial for insurrection. Jacome has agreed to a military judicial inquiry. On Wednesday, Velasco went to Guijaquil in an effort to build popular support. In a speech there he again attacked General Jacome in strong terms. Military reaction to the attack on the popular Jacome and the armed forces itself, will determine whether Velasco will retain the presidency.

25X1

25X1

# Haiti: What Happens After Duvalier?

President Duvalier's precarious state of health continues to be the subject of widespread speculation. Although he has emerged from previous illnesses stronger than ever politically, his collapse on 13 March is the third in five months.

When Duvalier dies, widespread violence is always possible, but it is more likely to consist mainly of scattered acts of personal vengeance. General chaos and violence caused by a protracted struggle for power is another possibility. If a power struggle develops, however, it would be confined initially to a few members of the Duvalier family, the government, and the military. The contest could remain relatively bloodless if it is resolved quickly within the confines of this small circle

The President has placed a stumbling block in the path of potential presidential aspirants by

providing a <u>constitutional</u> <u>successor—his son,</u> Jean-Claude.

Marie-Denise Dominique, Duvalier's daughter and private secretary, and her husband, Max, who is Haiti's ambassador to France, are ambitious for power.

The real strength of the Dominiques cannot be accurately estimated, but they are not believed to have enough power at this time to rule through Jean-Claude, push him aside, or challenge 25X1

25X1

#### SECRET

25X1

claims from other members of the establishment. Keeping Jean-Claude in the presidency for a time might serve their ambitions as well because it would give them the opportunity to plan.

If the military shows sufficient unity to ignore Jean-Claude and take control of the government, a period of political confusion and a struggle for power may ensue, but widespread turmoil	25X1
s not likely.	

# Organization of American States General Assembly to Meet

The first regular General Assembly of the Organization of American States will be held from 14 to 24 April in San Jose, Costa Rica. Most delegations will be headed by foreign ministers; Secretary of State Rogers will attend for the US. Colombia's arms limitation proposal is expected to dominate the proceedings, but such emotional and troublesome issues as fishing rights, relations with Cuba, or Brazil's push for a broader OAS convention on terrorism could provide some fireworks.

Colombia's proposal for the creation of a special committee to study arms limitation in Latin America, which will be proposed as an "important matter," should encounter no difficulty in being placed on the agenda. Few states publicly oppose the concept of arms control, so prospects seem good that the Colombian proposal will be adopted. Many government leaders are skeptical, however, that the matter will progress beyond the study stage.

Another topic expected to receive considerable attention is the Brazilian proposal that the OAS take up the problem of foreign trade. Because of the sensitivities of Latin American countries on this issue and their displeasure at what they regard as rising protectionism in the US, this

item could develop into a polemical debate. The Brazilians have given their assurances that their treatment will be low key, however.

The Brazilian delegation will be one of the few not headed by a foreign minister. This is a purposeful gesture of displeasure at the OAS, growing out of a continued pique because the OAS failed to adopt Brazil's hard-line position on terrorism at an earlier conference. Brazil may use this OAS meeting to push informally for an agreement to treat all acts of terrorism as common crimes rather than political acts, but there is no indication that the matter will be submitted for formal consideration.

The issues of territorial waters and relations with Cuba have not been put on the formal agenda, but both issues have raised intense interest in the hemisphere recently, and fervent advocates of each are likely to make them topics of many informal discussions during the ten-day session.

Demonstrations coinciding with the OAS	
meeting are a possibility, but the Costa Rican	25X1
Civil Guard is tightening security in San Jose in an	
effort to head off any attempt to disrupt the	
convocation.	7

# Chile: A Voice of Confidence for Allende

Salvador Allende has received an important vote of confidence to carry out his program to transform Chile into a socialist state. The improved showing of his Popular Unity (UP) coalition in Sunday's municipal elections strengthens his mandate, and the emergence of his Socialist Party (PS) as the principal element in the UP reinforces his authority within the government.

The parties of the UP—and a tiny collaborator-won a bare majority of the valid votes in the elections, thus erasing the coalition's minority image. The large gains of the nationalistic, extremist PS give it pre-eminence in the UP over its chief rival, the Communist Party (PCCh), which ran only slightly better than it did in the congressional elections in 1969 despite a strong financial and organizational effort. The Socialists captured the second highest vote among the nine parties running candidates. This lends an air of validity to Allende's claim that his is a uniquely Chilean experiment in Marxism, and it may also help anesthetize opposition forces whose primary concern is the possibility of a PCCh take-over. The PS also elected its candidate to the senate seat vacated by the President.

TRENDS IN CH	HILEAN PAR	TY VOTING STRI	ENGTHS	
PARTIES		ELECTIONS		
	1967 (municipal)	1969 (congressional)	1971 (municipal)	
Parties of Popular Unity (UP) coalition formed to back Allende in 1970				
Socialist (PS)	13.9%	12.3%	22.39%	
Communist (PCCh)	14.7%	15.9%	16.97%	
Radical (PR)	16.1%	12.9%	8.00%	
Social Democrat (PSD)		0.9%	1.35%	
Social Delilocia (11 SD)		UP T	otal 48,71%	
Popular Socialist Party (PSP) (Not UP member but votes were for U	IP)	2.2%	1.03%	
(Pre-UP Aggregate)	44.7%	44.2%		UP + PSP 49.74
Other non-UP Parties				
Christian Democratic (PDC)	35.6%	29.7%	25.62%	
National (PN)	14.3%	20.0%	18,12%	
Democratic Radical (PRD)			3.83%	
National Democratic (PADENA)	2.4%	1,9%	0.48%	
Independents	0.8%	0.1%	0.85%	
(Non-UP Aggregate)	53,1%	51.7%		48.90
Blank and Void Votes	2.2%	4,2%		1.36 100.00
Abstentions	23.7%	25.8%	25.50%	100,00

The very poor showing of the Radical Party (PR) will further discredit this only significant non-Marxist member of the UP. Allende, however, needs the PR's votes as well as the window dressing of political plurality it provides the UP, and he will retain some Radicals in high official posts. The PR's already minor influence in the administration is likely to dwindle more, but leftist party leaders probably prefer that role to the alternative of joining an unfriendly opposition.

By polling nearly 26 percent of the vote the Christian Democratic Party (PDC) has protected its position as the largest single party. This may strengthen the efforts of former President Frei to keep the left wing of the PDC from moving closer to outright collaboration with Allende. The effect of Frei's late entry into the campaign after many months of silence helped to restore party spirit; his daughter received the largest single vote total in the country in her election to a municipal office in Santiago. The combined vote of the other two opposition parties—the conservative National and small Democratic Radical-did not match that of the PS, and was in fact substantially lower than that pulled by their presidential candidate last September. If there is to be any significant opposition force to the Allende government, it will have to coalesce around the PDC, a group many conservative Chilean politicians dislike more than the UP.

The good showing of the UP parties—particularly the relative gains made by the Socialists—will accelerate the execution of Allende's programs. Following the election, Allende told reporters that it is clear that the Chilean people favor the revolutionary changes the UP government proposes. He added that if Congress becomes an obstacle to structural changes he will use constitutional mechanisms to create a new constitution or submit the matters rejected by the legislature to a plebiscite. One result of such

action could be a new unicameral legislature. An important instrument for popularizing such moves will be the government's increasing manipulation of the news media, including further restriction on opposition spokesmen's access to television. The PS has some of Chile's best journalists, and the party's heavy and skillful use of radio and television in the campaign, plus its identification with Allende, contributed significantly to its victory.

Cuba's reaction to the UP's strong showing
has been favorable. At the CPSU congress in Mos-
cow last week, Cuban President Dorticos made a
speech in which he praised the victory of the UP,
adding that "the whole of Latin America rejoices
at the victory." This reflects the continuing trend
toward warmer relations between the two coun-
tries.

25X1

Peru: Government Refuses a Confrontation with Labor

The Velasco government has bypassed an opportunity to take strong action against the Communist-dominated labor confederation, apparently because government officials still value the group's usefulness.

On 31 March police arrested at least ten Communist-oriented labor leaders, including mine union officials and the top legal adviser of the pro-Soviet General Confederation of Peruvian Workers (CGTP). Government statements identified those arrested as "agitators" involved in "antipatriotic actions," and reported that mine strikes since 1 January have resulted in revenue losses totaling almost \$18.5 million. The CGTP retaliated by calling the arrests "arbitrary and illegal," and claimed that the government had opened an "abyss" between the revolution and the working class. CGTP-controlled mine unions were ordered to stay on strike until the arrested leaders were released. Two days later the labor leaders were released after they were given a stern "final warning" by four cabinet ministers, who told them that the government has no intention of permitting Communists or anyone else to sabotage the revolution.

Since the military government gained power in October 1968 it has acquiesced in the CGTP's activities in order to undercut the strength of the rival Confederation of Peruvian Workers (CTP), which is controlled by the country's largest political party, the Popular American Revolutionary Alliance. The government has occasionally overlooked illegal or unjustified strikes by the CGTP because the subsequent gains fit in with the general policy of undermining the CTP. The lengthy, expensive, and frequently illegal series of strikes since January would have provided the government with an excellent reason for curbing the CGTP, but the government's failure to clamp down this time indicates that it still considers the CGTP a useful ally in labor and political causes and that the administration is willing to put up with some problems to retain CGTP support. The CGTP, however, probably looks on the relatively swift release of its leaders as an indication of government weakness and may be encouraged to increase its demands in the labor field. This will increase the possibility of a future major clash between the government and the CGTP.

25X1

# Bolivia: A New Anti-US Campaign is Under Way

The newest challenge to President Torres' fragile regime is a leftist demand that he expel the US ambassador and military attachés.

The basis for the demand was a statement by the interior minister on 3 April that the government had discovered still another coup plot by disgruntled military officers, members of the moderate leftist Nationalist Revolutionary Movement (MNR), and the moderate Bolivian Socialist Falange. The minister added that the cars of unidentified US military personnel had been parked in front of the home of an MNR member while plotting was under way inside. Later the same day, armed government agents searched the apartments of two members of the US Embassy who live in a building owned by an MNR leader being sought by police.

The local press has highlighted the alleged US involvement in the plot; several newspapers slanted their reporting of the ambassador's denial. A leftist student and labor pressure group has demanded that the ambassador be expelled, and a leftist newspaper insists the ambassador and the military attachés be expelled.

These charges against the US enjoy a more receptive audience than usual because of the recent disclosure of US plans to resume sales from its tin stockpile. An emotional reaction to this proposal, in fact, could be behind the government's anti-US allegations. The leftist press had already identified the proposed tin sales as "US economic aggression" and an attempt by the US "to destroy" the Torres government. The government's coup charges simply reinforce this myth.

The left has made half-hearted demands for the removal of US personnel in the past, but the government has always been able to side-step the issue. This time it will be harder for the Torres regime to do so, because the extremists' demand is based on the government's own allegations. Whatever action Torres takes, it will probably result in a further weakening of his regime.

In an unrelated move, the government took control of the building that formerly housed the Bolivian-American binational center. The embassy has been promised compensation for the building, which has been under leftist occupation since October.

COLOMBIA: President Pastrana's inability to come to grips with a number of thorny problems presents a pessimistic picture for Colombia's near future. The Liberal Party, which helped Pastrana win the presidency last August, has become badly factionalized. Even former president Carlos Lleras and his ex-foreign minister, Alfonso Lopez, are moving into active opposition. Pastrana's forces in congress have held only a narrow plurality since he took office, and now that his Liberal support has diminished, the President can count on backing only from the traditional wing of that party, from former president Mariano Ospina's Unionista Conservatives, and from remnants of the

small, so-called Sourdista group. With his strength in congress reduced by the new lineup in the Liberal Party, Pastrana's ability to secure passage of needed legislation will be seriously impaired.

In order to govern effectively Pastrana will have to solidify his remaining power base and placate the peasants, labor, students, and the teachers. He can probably buy some time with cabinet shifts, which are now rumored to be coming after the Holy Week holidays, but this will only be a temporary expedient.

25X1

25X1



# **Secret**

# **Secret**