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WEEKLY SUMMARY

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FAR EAST

Indochina

South Vietnam: Election Sounds and Fury

With the approach of the presidential election on 3 October, radical and opposition elements have been trying to step up their protests ostensibly designed to persuade the government to postpone and reorganize the contest. Although scattered disorders by small groups of students and veterans have taken place in Saigon and several other major cities, the demonstrations have fallen far short of what the radicals had hoped to accomplish. The government had ample warning. Police were able to prevent large groups from assembling and to break up some of the demonstrations before they got started. The protests were contained quickly with a minimum of violence.

Vice President Ky has played a prominent role in encouraging the demonstrations. He may try to

prolong the agitation after the election as he attempts to unite all opposition elements behind his leadership. He cannot draw much encouragement from his efforts thus far. Some of the student and veterans' groups Ky was counting on to mount protests showed a distinct lack of enthusiasm for the effort and soon became discouraged in the face of strong police countermeasures.

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Ky did succeed in getting a group of radicals and opposition politicians, including some former government supporters, to agree in principle to a broad opposition front. It is questionable, however, whether the front will ever get off the ground or whether it will bring in any new support for an antigovernment campaign. Both Big Minh and most of the leaders of the politically potent An Quang



Antigovernment Demonstration in Saigon

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Buddhists remain aloof from Ky's effort. An Quang leaders apparently are still discouraging Buddhist participation in violent demonstrations, although they have yielded to pressure from some of their more militant members to take a firmer stand against the Thieu government, and have begun to support nonviolent protests.

Moderate groups also are continuing to express opposition to President Thieu's election policy. Various Catholic organizations, formerly staunch supporters of the President, have put some distance between themselves and the government, though most of them are unlikely to oppose him actively. Even Prime Minister Khiem has been sharply critical of Thieu in private. The ambitious prime minister probably hopes to avoid being dragged down in the event Thieu's position becomes untenable.

President Thieu remains outwardly unmoved by opposition to the election and is campaigning hard for support. Last week, he went on television to appeal to the population not to join protest demonstrations. Although he has reduced the frequency of his travels in the countryside in recent weeks, he is counting on strong support from rural areas, which have been largely unaffected by the recent political tensions in Saigon and other major cities.

Despite the fairly widespread unhappiness over the election, Thieu seems almost certain to receive what he can interpret as a strong vote of confidence on 3 October. No organized groups have been urging their followers to vote against the President, and many voters will not understand how to cast a negative ballot. Nevertheless, the call of the An Quang Buddhists and some other groups for a boycott of the vote may keep the turnout below what Thieu would like.

Thieu may thus be able to weather the furor over the election with little immediate damage to his

over-all political position. The protests thus far have demonstrated that the opposition remains weak and divided. Thieu should be able to make some gestures to win back disgruntled moderate elements in the postelection period. He is already making overtures to several prominent politicians, implying they can play an important role in the government in the future if they will support him.

Chinese Delegation Visits Hanoi

A Chinese delegation led by politburo member Li Hsien-nien arrived unexpectedly in Hanoi on 24 September to sign the annual aid protocol with North Vietnam. In public at least, Li talked more about Chinese support for North Vietnam's negotiating position than about economic assistance. In an unusually comprehensive endorsement of the Vietnamese seven-point proposal, Li specifically approved Hanoi's call for US troop withdrawal and for an end to American support for President Thieu. Chinese inattention to the latter point in recent months had apparently caused concern in Hanoi that Peking's stand on the war had drifted away from that of the North Vietnamese.

The Chinese gesture of sending Li to Hanoi instead of requiring the Vietnamese to pay court in Peking is the latest effort to assuage Vietnamese anxieties about President Nixon's visit to China. The Vietnamese were upset by the announcement and resorted to unprecedented polemical lecturing of the Chinese. Demonstrating sensitivity to the criticism, Peking increased its propaganda support for Hanoi, and Chou En-lai took the time to confer personally with virtually every Vietnamese VIP who transited Peking.

By late August, Hanoi's attacks stopped, and Li's visit is probably intended to bury the hatchet. At the same time, Peking clearly hopes that the visit will safeguard Chinese interests as Hanoi prepares to receive Soviet President Podgorny. He can probably be expected to put the Soviets on record as completely supporting Hanoi war aims.

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*Communists Return to the Cambodia-Vietnam
Border*

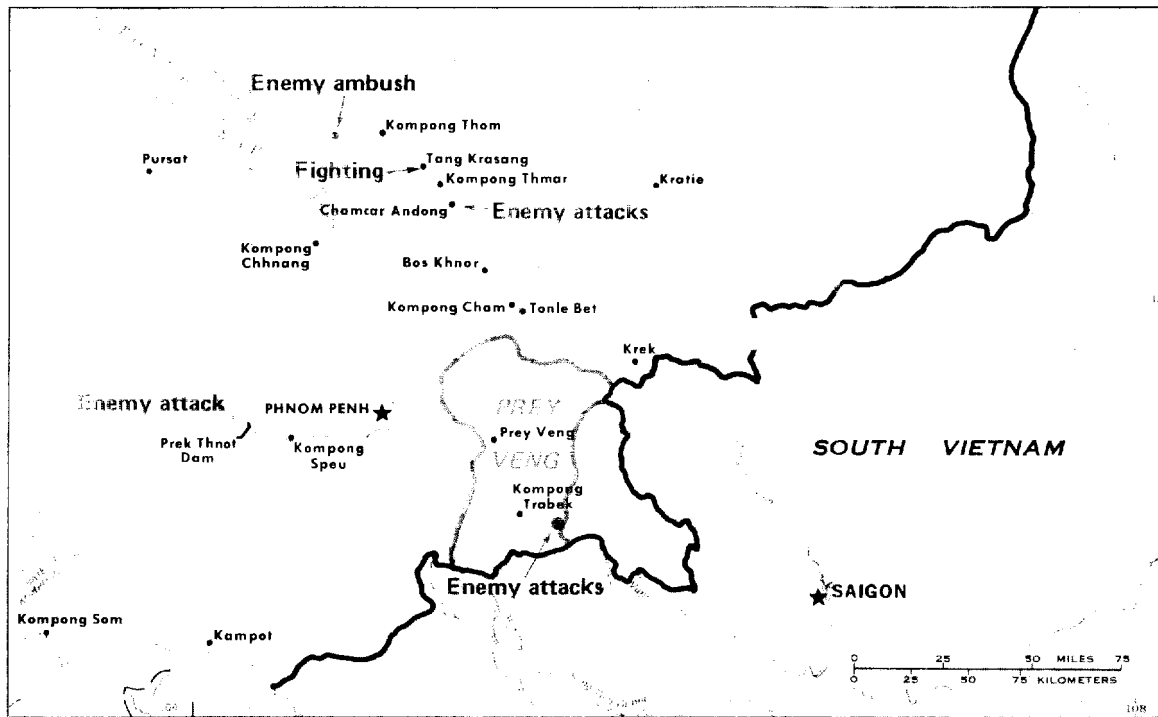
The Communists have begun a new round of action in the South Vietnam - Cambodia border region. Heavy shellings followed on occasion by ground assaults were launched last weekend against South Vietnamese positions near Krek in eastern Cambodia and against allied positions in western and northern Tay Ninh Province. No allied positions were overrun, but casualties were relatively high on both sides.

Large-scale mortar and rocket bombardments are often employed by the Communists to

mask the movement of men and materiel to forward battle zones or staging areas. Some enemy units have already blocked sections of Route 22, the major north-south link between Tay Ninh city and Krek, thus cutting off South Vietnamese troops operating near Krek. General Minh, the South Vietnamese commander in the area, has sent parts of his 18th Division and some of the Airborne Brigade to reopen the road.

There have been a number of reports that the enemy will step up military action in Tay Ninh and other parts of South Vietnam prior to the election. Most of these reports suggest small actions by local force and guerrilla units.

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Cambodia: A Dry Season Dry Run?

The Communists seized the military initiative last week in a series of sharp attacks against government units and installations in the countryside. Although it is too early to call this the beginning of a dry season offensive, it does suggest that, once better weather arrives, the Communists will attempt to reverse the government's modest gains during the rainy season.

Two government battalions engaged in pacification work near Kompong Trabek lost 48 killed and 130 wounded when they were hit by mortar and ground attacks. To the west, an enemy force raided the Prek Thnot Dam site, killing eight and wounding 39 defenders. The Communists also destroyed a large number of construction vehicles as well as all fuel stocks.

In the Kompong Thom area, the Communists forced a river supply convoy to turn back 15 miles from Kompong Thom town. In the past, river convoys had reached the isolated town with little difficulty. Efforts to relieve the town overland have been stymied by Communist pressure against a government task force near Tang Krasang.

Enemy harassing attacks were reported against government patrols operating along Route 21 in the vicinity of the enemy-infested Chamcar Andong rubber plantation. At the same time, the Communists forced other government units situated farther south on Route 21 to pull back from their recently won positions at Bos Khnor.

In Goes Out

Lon Nol's firing of First Deputy Prime Minister In Tam dominated the political scene during the week. Although the prime minister charged that the able and energetic In Tam had not fulfilled his duties effectively, it was clear that Lon Nol's mistrust of In Tam's political ambitions was the real reason. Both Lon Nol and Sirik Matak apparently were convinced that In Tam's frequent trips to the countryside to promote pacification projects were actually designed to build his own political base among the peasantry. In Tam's backing of National Assembly President Yem Sambaur, one of the government's strongest critics, doubtless contributed to the decision to sack In Tam.

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The absence of any signs of sympathy within the cabinet for In Tam seems to justify Lon Nol's apparent confidence that his action would not provoke a political crisis.

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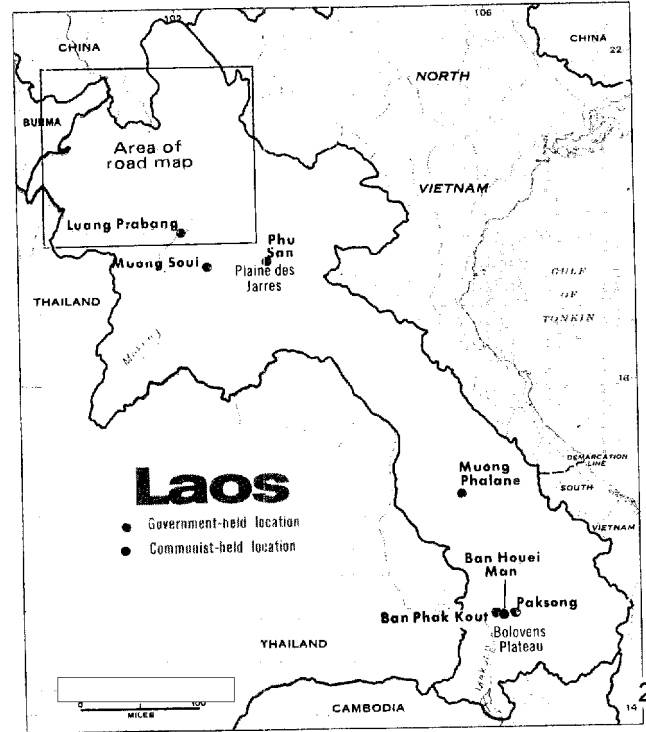


Small Gains, No Losses

Government forces are consolidating recent gains in both the north and south. Some 400 Lao Army soldiers are holding the town of Muong Soui, west of the Plaine des Jarres, which was occupied by irregular assault forces on 24 September. The town can be used as a base to support Vang Pao's irregular units on the Plaine. Just north of the Plaine, the irregulars so far have been unsuccessful in their attempts to reoccupy high ground positions near Phou San.

The government has launched a drive to clear enemy units from high-ground positions northeast of Luang Prabang. During the last dry season, the North Vietnamese used the area as a base for launching attacks on the royal capital. The government wishes to deny it to the enemy during the coming dry season.

Determined North Vietnamese resistance has continued to thwart government efforts to take



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Muong Phalane in the central panhandle and to clear Route 23 between Paksong and Ban Phak Kout. On 28 September, an irregular unit moving eastward toward Paksong occupied one of the enemy strong points blocking the road, but a unit moving from Paksong westward is still held up near the village of Ban Houei Man.

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Japan: *Rough Sailing for Sato*

The next three months promise to be the most politically turbulent since the Security Treaty reversion crisis in 1960 forced Prime Minister Kishi from office. Chances are increasing that Prime Minister Sato, confronted with a wide range of legislative problems in the Diet session

beginning next month, may leave office before the new year. In the 60-day session, Sato will be faced with a deep split within the ruling Liberal Democratic Party on the China issue, difficulties in securing the rapid passage of the numerous measures related to Okinawan reversion, and

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criticism of his cabinet's response to President Nixon's economic policies.

These problems may well be exacerbated by large-scale street demonstrations and an increased use of violence by radical students and terrorists. In past years, the opposition parties have evoked considerable public sympathy with claims that the Liberal Democratic Party has rammed controversial legislation through the Diet. Should Sato be tempted to employ heavy-handed parliamentary maneuvers to meet deadlines in the passage of the Okinawan reversion measures, the demonstrators would have a clear target for protest.

Rival faction leaders within the party are jockeying for position in the post-Sato era, thus further weakening Sato's control over legislative

action. The front runners in the race to succeed him have been sharply critical of his China policy in attempts to disassociate themselves from the government's support of the Republic of China and to exploit the growing mood for rapprochement with the Peoples' Republic of China. Much will ride on how the contest for China's seat in the UN comes out.

The atmosphere in which Sato's departure takes place is critical, for most of the serious problems confronting his cabinet are intimately concerned with Japanese-American relations. If the Japanese attribute their government's difficulties to a policy of cooperating too closely with the US, Sato's successor would be forced to re-examine the basic premises of that relationship.

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Japanese Trade Liberalization Falters

Tokyo's much publicized eight-point liberalization program has bogged down in recent weeks. Although the Japanese indicated that major steps would be taken at the cabinet-level meetings held last month in Washington, Tokyo failed to produce any great departures from past policies. Only minor concessions were made, including a few reductions in import quotas and a partial elimination of their restrictive import licensing system.

The prospect that Japan might take significant steps has receded, for both economic and political reasons. The contenders to succeed Prime Minister Sato are not willing to take a strong stand in favor of liberalization for fear of alienating support among business and agricultural interests, especially those hurt by the US surcharge. Moreover, some Japanese believe that implementation of further liberalization measures would make recovery from the current economic slowdown more difficult. Finally, Tokyo is less willing to take significant measures now that the

yen has been allowed to float upward and pressure for an early revaluation has mounted. One of the goals of the eight-point program was to avoid a yen revaluation, at least during the current recession.

Since Japan launched its trade and capital liberalization program three months ago, it has offered little that is radically new. Much of the program was a reworking of earlier schemes, while other aspects that appeared new have been deferred for further study. The Organization for Economic Cooperation and Development recently pointed out that the Japanese have done little in their seven years of membership to ease restrictions on direct foreign investment in their country. Some additional liberalization steps probably will be taken in the months ahead, but the consensus for a full-scale overhaul of Japan's foreign economic policy has not yet developed. Without it, Tokyo will continue to do only as much as external pressures dictate.

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China's Leadership Puzzle

The low-key National Day celebrations today are unlikely to shed much light on the leadership troubles that prompted Peking's decision two weeks ago to curtail the festivities. Although most of the active members of the ruling politburo have appeared in public since the unpublicized leadership meeting on 12-15 September, Peking's decision appears deliberately designed to avoid the full top-level turnout required for the holiday. This probably was necessary to conceal dramatic changes that have recently occurred in the central power structure. Eyewitnesses report that outward calm continues to prevail in the capital but behind-the-scenes tension in Peking remains high.

During the past week, various Chinese spokesmen have been denying that Mao is ill.

[Redacted]

There have been increasing indications [Redacted] that uncertainty over Lin's future political role may be a crucial factor in the current crisis. Most Chinese spokesmen have shown a marked reluctance to comment on Lin's status.

[Redacted]

Whether or not the status of Mao or Lin is the central issue, the events of the past two weeks strongly suggest that the prolonged power struggle

between moderate and radical forces in the politburo has entered a new and more serious phase. This impression has been reinforced by the comments this week by Jack Chen, a regime publicist in Hong Kong. Chen urges Western journalists to focus on the possibility of leadership changes as the cause for the unusual developments in China rather than speculate on the death of Mao.

[Redacted]

Because the jockeying for position between these forces has produced several civilian victims in the politburo over the past two years without causing the curtailment of holiday celebrations, it seems likely that the present phase of the struggle centers on the political futures of China's top-ranking military leaders. Chief of Staff Huang Yung-sheng, Air Force Commander Wu Fa-hsien, and Navy Commissar Li Tso-peng have all been out of sight since 10 September and are almost certainly heavily involved—as is Defense Minister Lin Piao, if he is not ill. There have been recent indications of political squabbling among the central military leaders over the issue of major personnel assignments in the pivotal Peking Military Region.

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EUROPE

Tito Converses With Brezhnev

The talks last week in Belgrade may have eased tensions but they failed to resolve fundamental differences. Some Yugoslav officials already take a critical view of the outcome.

The downward trend in Yugoslav-Soviet relations, evident since the 1968 invasion of Czechoslovakia, accelerated sharply this summer. By late August, because of negative effects on its European "peace offensive," Moscow seemed to curtail its pressure. Tito, sensing an advantage and probably encouraged by the prospect of winding down recriminations before they reached dangerous proportions, agreed to a discussion of joint problems.



Brezhnev With Tito

Despite his stake in an amicable meeting, Brezhnev commenced the visit by snubbing Tito. Similar incidents occurred throughout the four-day tour. Differences arose over the agenda and the final communiqué, but the two leaders managed to maintain public decorum.

The joint statement was pro forma. It mentioned the 1955 and 1956 declarations guaranteeing Yugoslav party and state independence. It called for the usual increase in party-government liaison and in economic cooperation. Tito received a conciliatory nod toward his nonaligned foreign policy, as well as his stand on a nuclear-free zone in the Balkans and on reciprocity in information exchanges. The Soviets, in turn, received general statements of support for disarmament and European security talks, and a promise by Tito that he would try to curtail Yugoslav press attacks on the USSR.



Brezhnev With Kadar

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The statement avoided major contentious issues, such as party equality, noninterference in internal affairs, and Yugoslavia's relations with China and the US. Moreover, Brezhnev's public statements were ambiguous on the key issues of Yugoslav sovereignty and the validity of the Brezhnev doctrine. There are already reports that Yugoslav officials doubt the durability of its provisions. Brezhnev probably intended the document to be provisional, governing relations during the last years of the Tito era or until the Soviets have succeeded in convening a European Security Conference. It may not avert conflict even that long.

The Soviet leader's apparent hedging on the "Brezhnev doctrine" may well backfire elsewhere in Eastern Europe. Press commentary from Hungary, Romania, Poland, and even Czechoslovakia has seized on his partial disavowal of the Brezhnev doctrine and on his recognition of the importance of national differences in building socialism.

En route home, Brezhnev stopped off in Hungary and Bulgaria to brief his allies—again deliberately skipping over Romania. Hungary's Kadar will be relieved by any easing of relations with Belgrade and may now be thinking about renewing his once friendly relationship with Tito. There is also a strong likelihood of Yugoslav-Romanian consultations—perhaps between Tito and Ceausescu—in the near future.

SOVIET DIPLOMATIC ACTIVITY

Soviet leaders have added to their already crowded fall travel itineraries, and further surprises may yet be in store. At home, moreover, Soviet leaders will host a variety of foreign dignitaries. Although each undertaking has a rationale of its own, taken together they seem to be part of an over-all effort both to foster an attitude of European detente and to counter China's recent diplomatic gains. Britain's action this past week in expelling 105 Soviet diplomats for espionage activity came as a rude and unpleasant shock, and Moscow already is voicing concern that the expulsion may have a detrimental effect on Soviet efforts to convene a European security conference.

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Visitors to Moscow

14-17 Sept		Afghanistan King Zahir
16-18 Sept		West German Chancellor Brandt
27-29 Sept		Indian Prime Minister Gandhi
1- Oct		Yemen (Aden) Prime Minister Ali Nasir Muhammad
10-15 Oct		Egyptian President Sadat

Soviet Visits Abroad

22-25 Sept	Brezhnev	Yugoslavia
25-26 Sept	"	Hungary
26-27 Sept	"	Bulgaria
25-30 Oct	"	France
1 Oct	Podgorny	India
2 Oct	"	Burma
-10 Oct	"	North Vietnam
mid-Oct	"	Iran
8-12 Oct	Kosygin	Algeria
mid-Oct	"	Morocco
17-27 Oct	"	Canada
28 Nov -	"	
5 Dec	"	Norway
Dec	"	Denmark

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Mindszenty: *Sighs of Relief in Three Capitals*

Cardinal Mindszenty's departure from Hungary ended a long-standing embarrassment for the Vatican, Hungary, and the US. The cardinal's fifteen-year isolation in the US Embassy left the Vatican's highest authority in Hungary useless in all but title. It was a chronic irritant in US-Hungarian bilateral relations and faced the Hungarian regime with a ubiquitous symbol of its past brutality. With his departure and the removal of this thorn, the Holy See is free to nominate, and the regime to approve, a more flexible successor. The US is honorably acquitted of an awkward housekeeping obligation.

The 79-year-old cardinal's dramatic departure also provides the Hungarians with an opening, if

they wish to use it, to try and improve bilateral relations with the US. Party boss Kadar earlier this year expressed a desire to do so. Budapest's Foreign Minister Peter is scheduled to meet with Secretary Rogers at the UN next month and could well use the removal of the cardinal to sound out the US on beginning a dialogue on other issues.

Though the Vatican has urged Mindszenty not to engage in political activity, he has not pledged to remain mute. The fifteenth anniversary of the 1956 revolt falls on 23 October, and the tenacious cardinal could seize that opportunity to speak out.

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East - West Germany: *Talks Resuming?*

The inter-German talks, begun in a flush of official optimism following the initialing of the quadripartite treaty on Berlin early last month, may be about to enter the stage of substantive negotiations. The atmosphere of mutual recrimination following last week's suspension of the Bahr-Kohl meetings was sharpened by West German protests over shooting incidents along the East - West German border and the Berlin Wall, and by East German attacks on official West German meetings in West Berlin. Each side accused the other of undermining progress toward detente in the heart of Europe.

At issue is the unofficial German text of the quadripartite agreement. After agreeing to common verbiage on 3 September in order to clear the way for US initialing of the agreement, Pan-

kow then pulled back to a version based on the Russian text, which construes West Berlin's ties to West Germany more loosely than does the West German—and English—wording.

The West Germans have attempted to get the East Germans to admit that a common wording was achieved, admitting the existence of close ties between the Federal Republic and West Berlin, but the best the East Germans have offered in return is continued use of two German texts, with neither side engaging in attacks on the correctness of the other's version. West German efforts to achieve a compromise solution within the context of negotiations on a postal agreement between the two states may lead to a removal of the barriers to negotiations in the Bahr-Kohl channel. [REDACTED] 25X1

East Germany Seeks International Status

Pankow's bid to achieve parity with Bonn in international affairs has perhaps accelerated in the wake of the Four-Power agreement on Berlin. Present areas of interest are the current safeguards negotiations with the International Atomic Energy Agency and the question of participation in the UN Conference on the Human Environment to be held in Stockholm in 1972.

To the distress of the Western powers, Director General Eklund of the International Atomic Energy Agency has told East German Foreign Minister Winzer that the agency is prepared to negotiate a safeguards agreement. Accession to such an agreement would be a breakthrough for the East Germans. Since Eklund's remark, there has been a concerted Western effort to dissuade the agency's secretariat from accepting language tantamount to recognition of East Germany. The so-called Vienna formula that generally governs treaty accession rights also applies to entry into

UN-related agencies. Pankow clearly hopes to exploit it as a back door to international acceptance.

The key preparatory meeting for the Stockholm conference concluded this past week, with the issue of East German participation left to the UN General Assembly this fall. The Soviets want to see Pankow participate fully; the Western powers counter that the East Germans should be given no more than observer status.

Bonn seeks to prevent a "premature" enhancement of Pankow's status as a result of the Berlin agreement. The West Germans, who participate in UN-related agencies and sign international conventions on the basis of the Vienna formula, maintain that upgrading East Germany at this time could jeopardize future inter-German talks. [REDACTED]

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Austria: *Election Campaign Nears Conclusion*

With little more than a week before the polls open, interest centers on the personality of Chancellor Kreisky and his Socialist Party's drive to attain a parliamentary majority. The campaign has been leisurely. Except for the domestic economy, few issues separate the competing parties. Disagreement over foreign policy is all but non-existent; dissatisfaction stirred by Kreisky's reform of the armed services appears confined to the officer corps.

Personal income tax levels and a predicted inflationary rate of 5 percent annually are the primary electoral concerns. Kreisky and Finance Minister Androsch have been under heavy pressure, especially from the Socialist-dominated Austrian Trade Union Federation, to reduce personal income tax rates in order to increase real wages. Grasping a chance to cut into Socialist voting strength, the People's Party has proposed income tax reductions. In response, the Socialists have sought to tempt the traditionally conservative farm vote from the People's Party by emphasizing the cabinet's recent approval of a 25-percent increase in funds allocated to agriculture.

The Socialists are confident that they can better the 48.5 percent of the vote they scored in 1970. An electoral reform law passed last fall, however, increases the prospects for small party representation. The Freedom Party (liberal)

expects to double its six-man parliamentary delegation and the Communists—campaigning on a platform of antimilitarism and socioeconomic reform—may return to parliament for the first time in twelve years with a seat from Vienna.

Kreisky has preserved the option of a mini-coalition with the liberals if he fails to gain an absolute majority. The Freedom Party, a postwar party of quasi-Nazi origins, may not be the pliable and forward-looking ally that Kreisky expects, however. Party chairman Friedrich Peter has rejected the idea of a binding coalition pact. Moreover, party spokesmen recently reiterated the party's controversial pan-German sentiments. Although the statements were framed in cultural terms, such political adventurism will fuel opposition within the Socialist Party to any future alliance with the Freedom Party.

The People's Party is trying to forestall defeat by nominating "independent" candidates—among them a former Freedom Party official. Early this summer, provincial People's Party leaders challenged the legality of the elections based on outdated census figures. Although the court will not rule on the appeals until four days after the balloting on 10 October, there is a slim chance that the results might be invalidated.

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INTERNATIONAL MONETARY DEVELOPMENTS: The annual meeting of the International Monetary Fund opened this week on a note of cautious optimism that the monetary confrontation between the US and other major financial countries could be put on the road to resolution by the end of the year. The Europeans, believing the US is willing to compromise on its surtax and the price of gold, see a possibility of meaningful negotiations. The fund's managing director reflected the position of most non-US financial

powers in his keynote address when he urged the removal of the surtax and devaluation of the dollar so the way would be cleared for agreement on exchange rate reform. A proposed resolution of the fund's Board of Governors calls for prompt action in establishing a new structure of exchange rates. Additionally, several countries, including France, lined up behind the proposal by Britain's chancellor of the exchequer that the international financial system be based on special drawing rights.

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MIDDLE EAST - AFRICA

Egypt: *More Talk**Sadat to Visit Moscow*

President Sadat will go to Moscow to consult with Soviet leaders in the next two weeks. A Soviet Ministry of Foreign Affairs official has stated that Sadat will arrive on 10 or 11 October for a stay of three or four days. Among the topics he will wish to discuss are the coordination of Soviet-Egyptian strategy on the Middle East question, lingering strains in relations between Cairo and Moscow in the wake of the pro-Communist coup last July in the Sudan, the role and policies of the newly formed Federation of Arab Republics, and continuing Soviet defense assistance to Egypt. Sadat may plead for additional military hardware such as sophisticated electronic equipment that would be needed to strengthen or extend Egypt's air defense system.



Both sides are trying to dispel the impression that there is any urgency about the talks. The Soviet press has described Sadat's visit—his second to the Soviet Union since becoming president a year ago—as a natural development in keeping with the Treaty of Friendship and Cooperation. The treaty, signed last May, calls for regular consul-

tations on "all important questions affecting the interests of both states."

Nasir Memorial

On 28 September, Egyptians marked the first anniversary of Nasir's death. Although the day was not an official holiday, tens of thousands of persons visited Nasir's tomb. Appropriate messages of tribute were received from the Soviet Union, Arab states, and other countries. In a long commemorative speech, President Sadat eulogized Nasir's leadership in organizing the revolution and building the Egyptian state. On the other hand, Sadat used the occasion to place considerable stress on his own role as one of Nasir's chief lieutenants from the early days of the revolution. In addition, he put the major powers on notice once again that 1971 is a decisive year for a settlement with the Israelis "either through peace or fighting."

Federation Summit Meeting

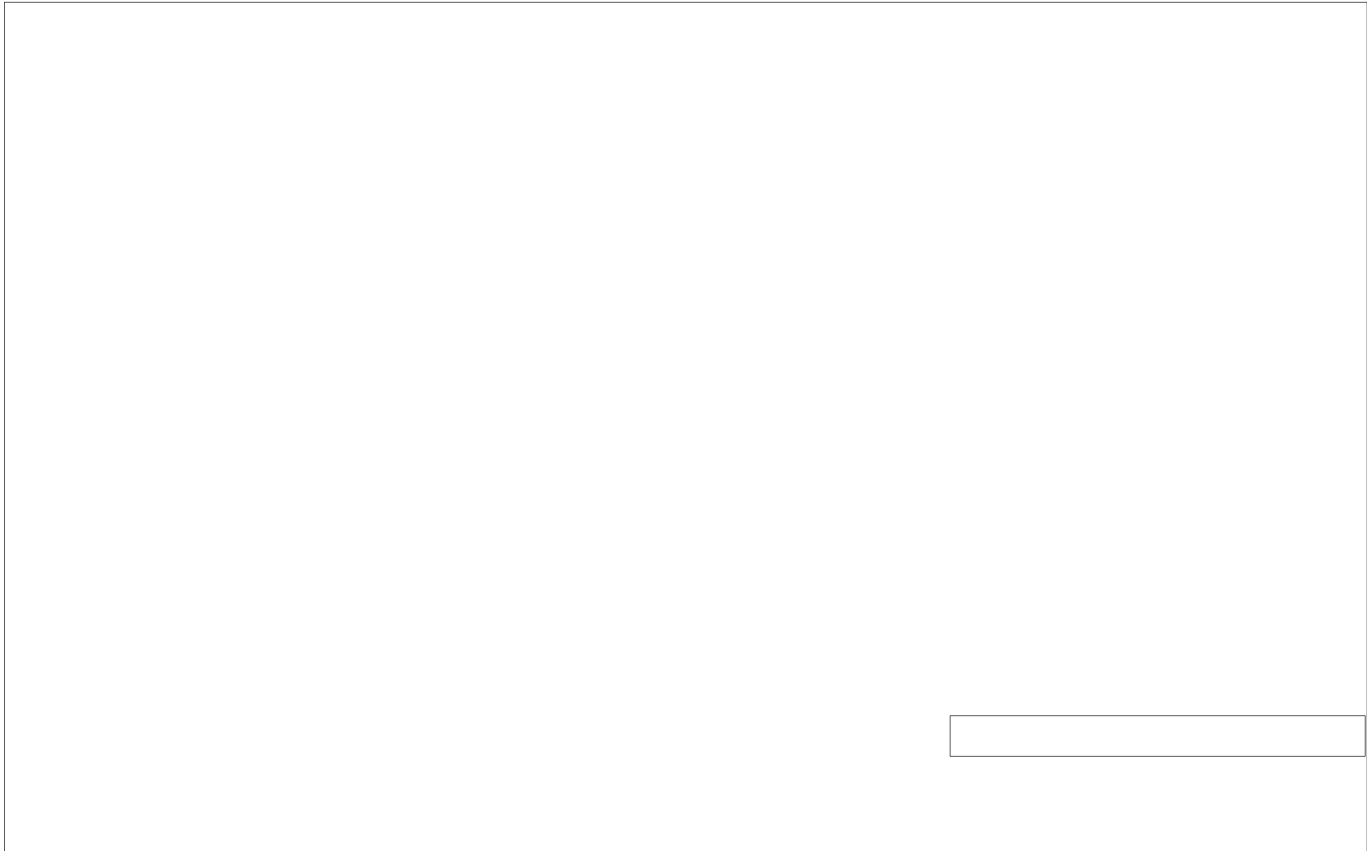
Next week, the Egyptian, Libyan, and Syrian heads of state—Sadat, Qadhafi, and Asad—are to attend the Federation of Arab Republics' presidential council in Cairo, the federal capital. The meeting is the first since the federation's constitution was approved by popular referendum in the three member states on 1 September. One of the first items of business presumably will be the election of a council chairman who will serve for a two-year renewable term.

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TURKEY: The aura of harmony surrounding the military-backed government of Prime Minister Erim appears to be fading. Two cabinet ministers resigned this week, public criticism of the Erim government is increasing, relations between the cabinet and parliament are strained, and the Justice Party under former Prime Minister Demirel is becoming restless. The recent debate on the martial law issue, unlike other debates

since Erim assumed the premiership last March, was heated and the government was sharply criticized on a variety of unrelated issues. This week top military commanders tried to whip the politicians into line behind the government's broad reform program, which most members of Parliament are reluctant to authorize by executive decree.

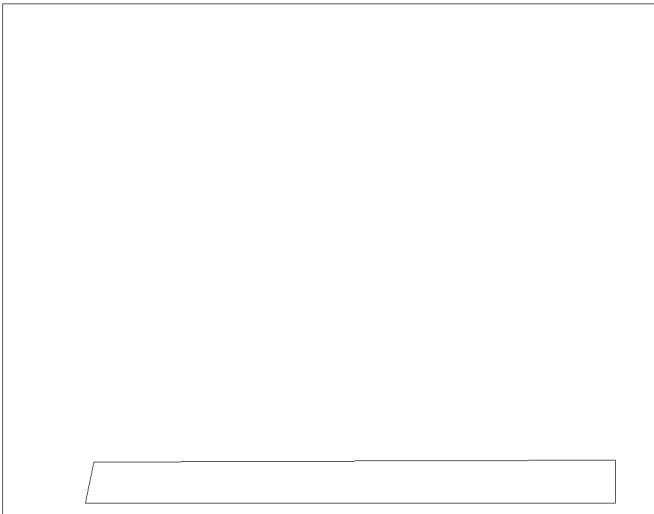
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Jordan-UN

The Security Council last week deplored Israeli activity in Jerusalem. Its resolution was substantially the text worked out between the US and Jordan, although the paragraph calling on Israel to rescind measures taken to change the status of the city was a Syrian amendment. The resolution calls on the secretary general to report back to the council within 60 days on whether Israel has complied. U Thant is free to use any means he chooses to determine the facts, including sending a mission or a special representative. After intensive lobbying among the Egyptian and Syrian delegations, Jordan succeeded in obtaining the blessing of the entire Arab group. Syria complicated the debate by introducing several amendments, but eventually withdrew all except one; it abstained on the resolution as a whole, which passed 14 to 0.

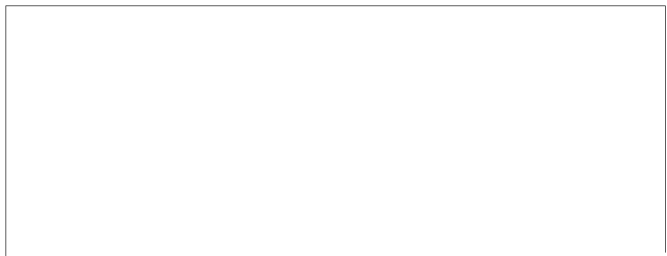


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Jordan-Fedayeen

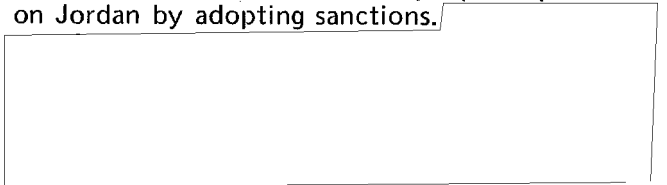
Both sides came to the "conciliation conference" in Jidda expecting to accomplish nothing. They were not wrong. Jordan sent its delegation primarily in response to Saudi pressure. Amman expected that the fedayeen would insist on unacceptable concessions based on the Amman agreement forced on King Husayn by Arab public opinion last October.

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By remaining in Jidda after the departure of the Jordanian delegation, the fedayeen hoped to convey the impression that the Jordanians withdrew unilaterally from the talks. This is the line being taken in Egypt's influential daily *Al Ahram*. The fedayeen are likely to be content with this "victory." Indeed, they are so divided they might be hard put to produce delegates for another round of talks. They will doubtless urge both Egypt and Saudi Arabia to step up the pressure on Jordan by adopting sanctions.



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India-Pakistan: *Politics and Refugees*

According to Indian data, refugees from East Pakistan passed the nine-million mark last week. Indian officials and foreign observers agree that the current rate of immigration is about 30,000 a day and shows no signs of abating. Indian officials expect an increased refugee flow next month when traditional crossing points, blocked for weeks by flood waters, can again be used. The flow would be further accelerated if food conditions worsen in East Pakistan.

Although Indian figures are subject to error, they are the best available. The official Pakistani estimate is two million, but a UN representative in East Pakistan has stated he was "privately

informed" that this figure represented a reduction from a government assessment showing 5.3 million refugees in India in early September. Other UN officials speculate that the official Pakistani figure may reflect the number of refugees, largely non-Hindu, that Islamabad would be willing to take back.



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Aid pledged for the refugees now amounts to slightly over \$200 million, some \$114 million of which has been extended through the UN. US aid accounts for almost 40 percent of the total. Included so far are some 300,000 tons of rice, 40,000 tons of wheat, 57,000 tons of edible oil, 1,848 vehicles, and shelter for 3 million people. Still, India is being forced to dip deeply into its own pocket. Costs of \$300 million have been incurred so far, half again as much as has been pledged from abroad. The World Bank reportedly estimates that \$400 million will be needed in the next six months even if the refugee influx stops.

The Relief Effort in East Pakistan

Contributions to the UN relief program in East Pakistan—a program separate from that in India—amount to about \$150 million, 90 percent

of which has been pledged by the US. Food accounts for the great part of the US aid.

The head of UN relief operations in East Pakistan reports that the UN task is more complicated than he had imagined. He recited the familiar litany of a thoroughly disorganized and inefficient government apparatus in East Pakistan, the nearly complete disruption of inland communications and transport, the attitude of passive resistance and noncooperation from the civilian population, and the expected growth of violence and sabotage by the guerrillas. Five ships, including two Pakistani food carriers, were damaged last week. The guerrillas have reportedly agreed not to disrupt UN food distribution within the province, but their adherence to this policy is still uncertain. Attacks on carriers bringing food into the province would hinder the relief program.

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Octoberfest in Panama

For the past two months, the junta government has been moving ahead with plans for a mammoth celebration to mark the third anniversary of the coup that raised General Torrijos to pre-eminence. The high point of a weekend of festivities is to be a massive public rally on 11 October in Panama City, only a couple of blocks from the Canal Zone. Anxious to avoid a confrontation with the US at this time, the government has apparently decided not to play upon anti-US themes. There is concern, nevertheless, that some in the crowd may not get the message and that incidents—perhaps even incursions into the zone—will occur.

The government's primary objective in holding the rally is to create the image, both at home and abroad, of a regime that enjoys wide popular support. Torrijos has made it clear to government officials that he wants a turnout of at least 100,000, and substantial government funds have been made available to ensure a large crowd. Government workers are being pressed to come and to bring their friends, and campesinos will be trucked in from around the country.

From the standpoint of domestic politics, a large turnout will help the government to wash out the bitter taste of the Gallego case—the disappearance in June of a young Roman Catholic priest. Although the government steadfastly denies any responsibility, it has been under pressure ever since to “clarify its role” in the disappearance. The Catholic Church has been able to mobilize crowds of 12,000 persons on the Gallego case. One of the government objectives, therefore, is to impress the church and other domestic

critics that its own support far outweighs that of its opponents.

Torrijos' interest in a highly visible demonstration of public confidence is keyed also to the US-Panamanian treaty talks, which have been under way since 29 June. Such a demonstration would presumably quiet any allegations that the US is dealing with an unrepresentative government. In addition, he would hope to impress on the US that, whatever internal political differences may exist, Panamanians of all persuasions are united in support of the government's negotiating position. Fulfilling these latter objectives would require skill and perhaps luck, for any positive manifestation of Panamanian nationalism could easily turn along essentially negative, violent, and xenophobic lines.

When plans for the October celebrations were first being formulated, the government was not yet clear as to what public posture it would adopt on the treaty issue. In an effort to keep all of its options open, one theme that was emphasized was the Panamanian need to gain sovereignty over the zone. Of late, the government has been more sanguine about the negotiations and is unwilling to do anything that might jeopardize their success. Nevertheless, opponents of the regime, some of whom support deposed President Arias and others who blame the government for the disappearance of Father Gallego, may seek to embarrass Torrijos by turning the anniversary celebration into an anti-US demonstration. Anarchistic student elements and some peasants who have been influenced by earlier government propaganda may be receptive.

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Chile: *Overkill*

President Allende's very hard stand on expropriated Kennecott and Anaconda operations in Chile indicates that he is prepared to risk a showdown with the US Government over compensation. Allende's charge on 28 September that the two companies owe Chile \$774 million in "excessive profits" realized since 1955 ensures a substantial negative indemnification balance since it is greater than the assumed total book value of their expropriated interests. The Chilean controller general, a nominally autonomous official, must accept Allende's figure. Moreover, in determining the companies' net worth by 15 October, he must also consider exaggerated claims of about \$1 billion already made against the companies for alleged equipment deficiencies and mine damage.

Allende did not keep his promise that compensation for the two companies' remaining 49 percent interest would be negotiated after they were taken over in July. The negative balance will more than cancel debts still due Kennecott and Anaconda for the 51-percent interest bought by Chile during the Frei administration. Such a balance could be used by Allende to justify renegeing on his promise that Chile would honor \$350-400 million in foreign debts incurred by the companies in extensive copper production expansion programs only recently completed. In an attempt to retain some respectability in international financial circles, Chile may be more generous in repaying the approximately \$100-million portion of those debts owed to Japanese and European financiers than the larger amount due the US Export-Import Bank. The Chilean Government's action will trigger claims for several hundred million dollars of insurance that the two companies hold with the US Overseas Private Investment Corporation.

The Cerro Corporation probably will receive compensation for its mine that started producing

only a few months ago. The \$56 million involved—already negotiated but not signed—would be a small price for Chile to pay for Cerro's recent agreement to serve as purchasing agent for equipment necessary to maintain all the expropriated US copper installations. Such a gesture, as well as other recent settlements with smaller US and other foreign investors, would be used to reassure potential creditors and investors that the Allende government is reasonable and selective in its policies. This is important because, with few exceptions, Allende's otherwise successful nurturing of substantial international cordiality toward his "worthy socialist experiment" has not brought Chile the credits so desperately needed to bail it out of its deepening economic difficulties. His partisans refer to the announcement on 28 September as the "Allende Doctrine," the position that developing nations have the sovereign and natural right not only to control their basic resources but also to seek "reparation" for past exploitation by development countries. The selection of Anaconda and Kennecott, and the argument that their Chilean profits far exceeded those from their other operations as well as internationally acceptable profit norms, looks like a clever move by some of Allende's astute advisers.

One of those advisers, Eduardo Novoa, was the legal architect of Allende's copper policies. He also heads the National Security Council that has successfully withstood challenges to government intervention of the telephone company, 70-percent owned by a US firm, on the grounds that its insufficiencies are a threat to Chilean national security.

The Allende government's increasing exploitation of nationalistic issues may be one way of trying to strengthen his domestic political position so he can launch an overdue austerity program and other measures to solve the economic difficulties that he considers his first priority.

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Uruguay: *Holding Operation*

With elections set for 28 November, President Pacheco is pursuing a political strategy that is aimed at preserving his image as a man tough on subversion while at the same time avoiding the abrasive tactics that have repeatedly cost him political support. Near-term political priorities are becoming paramount in the economic field as well, and government actions increasingly reflect a search for stop-gap measures that may boost the government's support at the polls.

Pacheco responded to the Tupamaros' mass jailbreak last month in typical fashion, by turning over responsibility for the counterterrorist effort to the military. Although the armed forces are making plans for several changes, including a special army-run prison for Tupamaros, there has been no new initiative against the guerrillas.

Indications of a somewhat more cautious trend—in the administration's actions, if not its rhetoric—have been evident in other areas as well. In response to student agitation, the President presented the legislature with the draft of a new law establishing greater government control over education, rather than closing the schools as he did last year. The strict provisions were very much in keeping with Pacheco's no-nonsense reputation, but he significantly chose not to designate his legislative proposal an urgent matter. This means that the General Assembly will almost surely recess in mid-October before considering the bill, and thus not aggravate the poor relations between the executive and the legislature. It will also spare Pacheco another conflict with the student sector.

Despite a constitutional prohibition against civil service wage increases during the year preceding national elections, the administration has decreed a modest monthly "loan," payment of which began in August and will continue through February, to employees of the government and state corporations. The method of repayment was conveniently left to be established at a later date, and it is understood that the repayment will be forgotten. Between now and the elections, the government is expected to grant a 25-percent wage increase to all private sector employees. It is hoped that these efforts will help offset previous austerity measures, including wage freezes, which have been especially unpopular in the capital.

The government has adopted similar short-term policies on foreign fiscal matters. A multiple exchange rate system, which provides for different rates for some types of transactions and thereby eases pressure on the "official" rate, is being used to stave off outright devaluation. This would be politically disadvantageous just prior to the elections. Furthermore, the government is attempting to renegotiate its foreign debt repayment schedule in order to ease pressure on its balance of payments and so avoid more stringent exchange controls.

Despite the economic sweeteners, the President is determined to make the elections a referendum on the single issue of law and order. A campaign advertisement features his picture alongside a poster of the Frente Amplio party, a leftist coalition that includes the Communists, with the legend "I will never permit it." If the President begins to feel that forceful measures against the left are necessary, he will not hesitate to act. For the moment, he has adopted somewhat more subtle tactics.

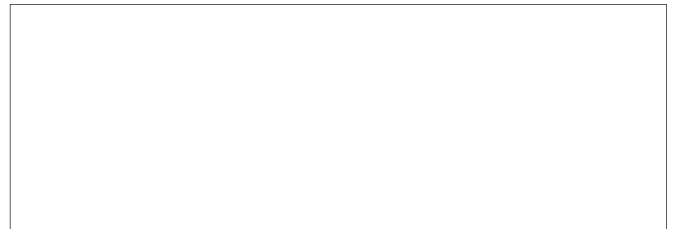
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Brazil: *Hostile Reaction to Church Criticism*

President Medici has removed the controversial commander of the Superior War College for defying the chief executive's instructions to cancel a lecture at the school by a prominent Catholic prelate. The prelate, Archbishop Avelar Brandao, in an address at the school on 23 September, criticized the government for being obsessed with "national security" to the point that it had created a climate of fear in which citizens were afraid to defend their legitimate rights. He told the audience that unless the government could learn to distinguish between valid criticism and subversion, serious injustices would occur. He urged more understanding and tolerance in dealings with the nation's youth and nonconformists. The archbishop attempted to balance his criticisms, which received extensive press coverage, by praising the government's economic development programs and noting that the government's opponents shared the blame for the lack of dialogue.

President Medici reacted to the disobedience of his personal instructions by relieving General Jordao Ramos of command of the prestigious school. The general's outspokenness on political as well as military topics and his abrasive personality have earned him many enemies within the army high command, and the reaction of his adherents among younger officers is unlikely to go beyond criticism of his ouster. The incident demonstrates anew the administration's hostility to criticism on issues concerning national security, particularly when it comes from the church.



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CUBA: Fidel Castro's speech on 28 September, commemorating the eleventh anniversary of the creation of the Committees for the Defense of the Revolution—a nationwide network of local administrative organs first created as neighborhood security units—focused primarily on familiar themes concerning domestic problems. There was the standard Castro promise for a better life for the Cuban people because Cuba's problems will be resolved by "following an order of priorities." He asked the people to "demand of themselves more than they demand of others." Castro lauded the defense committees for their efforts to alleviate worker shortages during the past year and asked that increased efforts be made in the fields of construction, street repairs, education, and housing.

The only significant reference to external issues came in an aside, when he accused the US of seeking to make "cheap propaganda" about the imminent conclusion of the Cuban refugee airlift to the US. He strongly implied that Cuba would encourage the hijacking of US aircraft to Cuba if the US were to attempt to stimulate the illegal departure of refugees from Cuba after the airlift ends. The threat was probably more a rhetorical gesture than a carefully considered statement of policy. Havana's discomfiture with some hijackers now in Cuba would presumably make him think twice about encouraging others.

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MEXICO: The unprecedented kidnaping of a Mexican official has added to the unease over the security situation, and a strenuous crackdown on the left is likely. Mexico's civil air chief, Julio Hirschfeld, was captured early this week by a self-styled revolutionary group of the type that has been proliferating over the past six months. Other groups that have come to light have engaged principally in robbery and guerrilla training but, even so, their antigovernment zeal and admiration for active terrorist movements in other

countries have concerned security officials. Police have made dozens of arrests of young people connected with these fledgling subversive organizations. Despite the consequent availability of "political prisoners," the kidnapers demanded funds for Hirschfeld.

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BOLIVIA: The government continues to charge that foreigners have been among the estimated two dozen guerrillas killed in recent clashes and now has added the claim that the nation has been invaded. There is no conclusive evidence that Cubans, Chileans, or other foreigners are now operating with Bolivian guerrilla groups.

Nevertheless, the bloodshed of the revolution and the Banzer government's severe crackdown on the extreme left have alienated and further radicalized many, especially among the student population. Whether or not these dissidents choose to serve under the banner of the National Liberation Army, they are potential perpetrators of violent acts of opposition which the regime could use to justify its repressive actions. The National Liberation Army will be anxious to demonstrate that it is viable, and isolated but dramatic terrorist acts, which require only limited resources, would serve this purpose. These efforts may be directed against resident Americans as well as the government and could be timed to coincide with the 9 October anniversary of the death four years ago of the group's founder, Ernesto "Che" Guevara.

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Its ability to implement plans for a full-scale campaign of urban terrorism is doubtful. Since 1967, the group has operated only sporadically and has remained small and generally ineffective.

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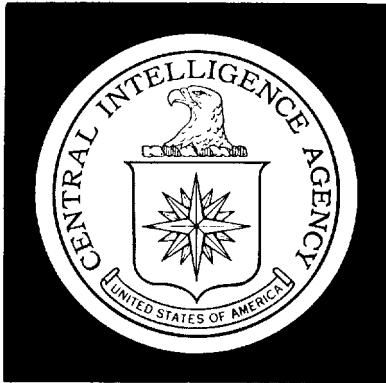
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DIRECTORATE OF
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WEEKLY SUMMARY
Special Report

Nigeria Under General Gowon

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No. 41

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Nigeria Under General Gowon

The Nigerian civil war, which ended in January 1970, settled the question of whether Africa's most populous country would be broken up by secession. The federal victory did not, however, resolve a number of more fundamental problems that lay dormant during the civil war but are now surfacing again. Tribalism, regionalism, and other sources of friction undermine Nigeria's hard-won unity. Nigeria's economy has benefited from an oil boom that has made the country the ninth-ranking producer in the world. The government has made important gains in its drive to increase both its take from oil and its control over production. In foreign affairs, the government is clearly more assertive than its predecessors in its efforts to carve out a leading role for Nigeria on the African continent.

General Gowon's government is popular, but criticism of inaction in domestic affairs has increased. Little has been done to reshape Nigeria's institutions or to prepare the country for a return to civilian rule, now scheduled for 1976. There has been slow adjustment on the local level to the new 12-state structure, which has diluted the power of the major tribes. In the background is the usual plethora of scheming politicians who have so far avoided a confrontation with the military government.

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General Gowon and his constituents

Gowon and His Leadership

The 36-year-old head of the federal military government has gathered experience and confidence since taking over the government in 1966. Gowon's major strength lies in his neutral and conciliatory image. As a minority tribesman and a Christian, he is not identified with any of the three major tribes: the Yorubas in the west, the Muslim Hausa-Fulanis in the north, or the Ibos in the east. Since taking over, Gowon has developed an important constituency among the minority tribesmen, who hold real power in the federal government through their control of senior positions in the army. Gowon appears to have widened this constituency in the past year. Something of a hero at the end of the war, he has garnered additional popular acceptance through speeches and widely publicized trips throughout Nigeria. Among Gowon's main advisers are a number of key civil servants, who are particularly important in economic matters.

Gowon is probably unsure about the best way to achieve his objectives. He sees himself as a mediator who operates by consensus, and he has on occasion been shouted down by his associates. A modest man who lives simply and reads the Bible daily, Gowon has the reputation of being relatively free from the corruption endemic in the Nigerian political system.

The most recurring domestic criticism of Gowon's leadership is that he is not making the hard and unpopular decisions that are necessary but is seeking to divert attention from pressing problems. Certainly, there has been drift in government leadership. Gowon designates no deputy while he is out of the country and all decisions have to await his return. This situation, added to the normally cumbersome workings of the Nigerian bureaucracy, means that things move slowly, when they move at all.

The Army

The 280,000-man army has been called Nigeria's thirteenth state. Any challenge to Gowon would have to come from within it, or from politicians who have links with army officers. There are rumors of coup plotting at irregular intervals, but the division commanders are personally loyal to Gowon; in addition, the large size of the army and its dispersal throughout the country would make it difficult to mount a successful coup.

There are no immediate plans for demobilization of the large force (it was 12,000 before the war) which costs the government more than \$1 million a day. The army is very much underemployed, but there have been only a few clashes with civilians. Most of these appear to have been spontaneous incidents.

Some of the army's most senior officers have been implicated in corruption. This is a touchy issue for Gowon, who has pledged to eradicate corruption. He risks losing the support of his senior officers if he brings charges against them;

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yet, if he continues to avoid prosecuting them he alienates junior officers.

Reconciliation Policy

At the war's end, Lagos announced a conciliatory policy toward the Biafran secessionists, including the absorption of "misguided" army and police personnel and the reinstatement of civil servants. This policy has led to an impressive degree of reintegration and a near return to normalcy in the Ibo East-Central State. Several thousand former Biafran policemen have been reabsorbed, as have Ibo enlisted men and non-commissioned officers who wished to return to the army. A federal military tribunal that was set up to screen officers completed its work months ago, but thus far no army officers have been reabsorbed. Secessionist officers from Mid-West State—not originally a part of Biafra—are regarded as "traitors" and are still in prison, while Ibos from the East, officially considered "mised," have been allowed to return to civilian life. The highest ranking secessionist officer still in the country, Col. Effiong, has been allowed to return to his farm. Secessionist leader Ojukwu remains in Ivory Coast, where he has been prohibited from engaging in any overt political activity.

Over 3,000 civil servants of East-Central State origin have been reintegrated into the government. Some 50,000 Ibos have returned to northern Nigeria, where more than 350,000 lived before the war. For the most part, they have returned as wage earners rather than as entrepreneurs. The Ibos have been warmly welcomed back to the north, where they are very slowly regaining their property. The northerners apparently prefer them to the assertive Yorubas, who in many cases took the Ibos' place after the exodus. The Ibos have not been so fortunate in Rivers and Southeastern states where minority tribesmen, freed from Ibo domination by the outcome of the war, are determined to keep the Ibos out. In Rivers State, the Ibos have been unable to regain their valuable property in Port Harcourt, a predominantly Ibo city before the war.

On the whole, things are moving along well in Iboland. The state has one of the better functioning governments. Food shortages have ended, agricultural recovery is encouraging, and key businesses are being reactivated. The federal government has been generous in its aid to the East-Central State, allocating \$35 million for rehabilitation, in addition to direct payments of \$90 million to the state treasury. There are, however, still large numbers of unemployed and a shortage of capital.

There has been little political activity in Iboland. Ibo tribesmen have been preoccupied with rehabilitation, and little dissatisfaction—or even interest—in the state administration is evident. The most popular figure among the Ibos is the commissioner for economic development and reconstruction, Sam Ikoku, a well-known leftist.



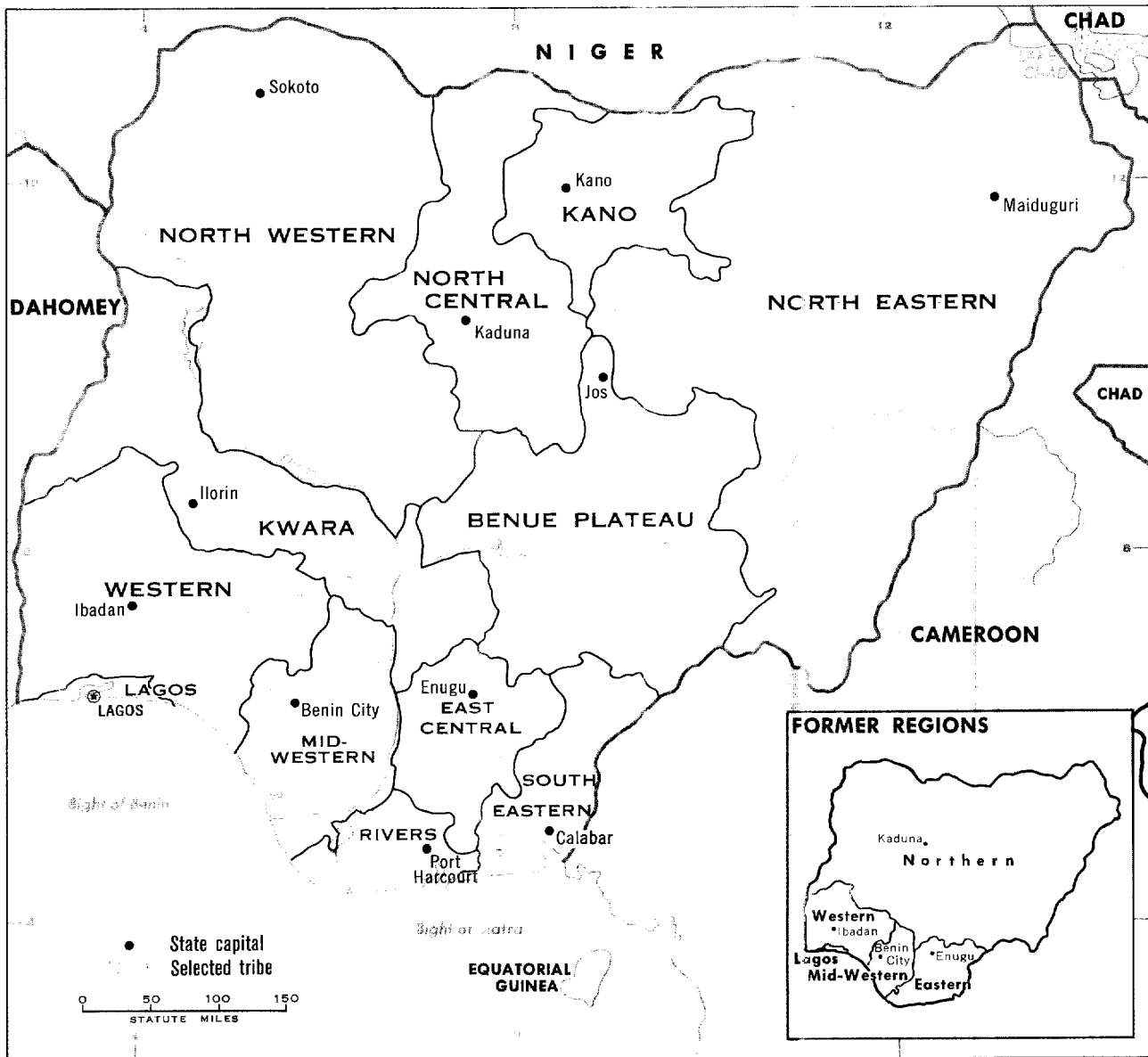
An embrace for Sir Louis Mbanefo former Chief Justice of Eastern Nigeria immediately after the collapse of secession, January 1970. Center is Lt.Col. Philip Effiong who formally renounced secession.

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States and Tribal Groups of Nigeria



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who spent the last years of the prewar civilian regime in Nkrumah's Ghana. Ikoku is adept at the game of tribal politics and, as the principal spokesman for Ibo interests, appears to be readying himself to go after a wider political constituency.

The North

The carving up of the old Northern Region into six states, which occurred in 1968, has broken the power of the Hausa-Fulani aristocracy over the minor tribes. It has also set in motion a chain of events that will ultimately shift most power from these traditional leaders to the state governments. The emirs and chiefs retain enormous influence, but they have been stripped of all important powers except local taxation and control over primary school education. They are allowed to keep 80 percent of the taxes they collect. In addition, federal funds for development are being channeled into new organs of government, which are taking over many of the aristocracy's old functions.

The momentum with which these changes are taking place varies greatly from state to state, but is slow everywhere. Some powerful emirs in the far north have been able to circumvent reforms, and there has not been much real change so far in local government personnel. A struggle appears to be developing between young, educated civil servants and those clustered around the traditional rulers. Because many of the reformers are themselves part of the feudal social structure, there is always the possibility of backsliding.

Although the pace of change is uncertain, the old solid north is gone. Each of the state capitals now faces toward Lagos, rather than Kaduna, the old regional capital. The few common services the states share will probably be terminated in a year. Nevertheless, a psychological consciousness of "north" as opposed to "south" probably still exists and will tend to haunt Nigeria for some time to come. Northerners recognize the fact that they are far behind south-

erners in education and economic development, and they are quick to complain if they think they are being discriminated against. A group of northerners, in fact, has bitterly criticized the four-year plan for being "socialist," "southern," and not sufficiently cognizant of "northern sensitivities."

The Economic Picture

Nigeria's economic prospects are good, but the country faces a number of problems typical to Africa: inflation, unemployment, endemic corruption, and a serious shortage of managerial skills. Price inflation—severe since the end of the war—appears to be subsiding somewhat as a result of an increased supply of goods from liberalized imports and the current harvest. Another inflationary spiral may occur, however, if cost-of-living salary and wage increases now being considered by the government are granted. The foreign exchange situation is improving.

Booming oil production continues to be the brightest spot: production is running at 1.5 million barrels per day. The government has made important gains in its drive to increase both its take from oil and its control over production. New financial terms, negotiated with the oil companies last spring, combined with anticipated output of about 1.7 million barrels per day by the end of the year, could push government revenues as high as \$900 million this year compared with \$300 million last year. If military expenditure—now accounting for over a third of federal spending—does not increase too much, there should be a small surplus for development needs.

The military government has announced an ambitious four-year economic development program that includes planned investments of almost \$4.5 billion. It has set up a national oil company that will play a major role in future exploration, production, and marketing. Nigeria recently joined the Organization of Petroleum Exporting Countries and can be expected to exact price increases similar to those granted to other member countries; it has also demanded majority

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participation in all new oil ventures. In a further nationalistic thrust, the government has reserved certain businesses exclusively for Nigerians.

The military government had some trouble at the beginning of the year with labor unrest and student protests. For a while it looked as if the students and unions might make common cause, a prospect that rattled the government. The situation is now calm, although there could be further strikes and demonstrations later this year by groups disgruntled with proposed wage and salary increases.

The Return to Civilian Rule

Last year on the tenth anniversary of Nigerian independence, Gowon announced a nine-point program for a return to civilian rule in 1976. The program extended the ban on politics and called for several time-consuming procedures, including a new constitution and a census. The thorny issue of adding new states to the present 12-state structure—which some tribes want and others oppose—was put off until 1974.

One year after Gowon's announcement, virtually no progress has been made in carrying out the program. The prospect of five more years of military rule has generated little open opposition. There has been press criticism and some grumbling from former politicians, most of whom have been skulking on the safer stage of state rather than national politics. Although political parties are banned, several ex-politicians have been quietly building their local bases. For the most part, they have been using the informal organizations or network of contacts that existed before the war.

Behind-the-scenes political activity is highest in Western State, home of the Yorubas, who are inveterate political maneuverers. The most public

politicking surfaces in the newspapers of the state's former political parties; when the Action Group's daily takes a position, it is assumed that Chief Awolowo, leader of the Yoruba, is speaking. Awolowo, who was the highest ranking civilian in the government until his resignation last June, has been quiet over the past few months but no one believes he has given up his political ambitions. The 62-year-old Awolowo, however, has so many enemies that his chances of winning the leadership of an eventual civilian government seem remote. His Action Group, based largely on the personal followings of various leaders among Yoruba subgroups, is probably the best organized of the former political parties and has managed to establish some influence within the civil service.

In northern Nigeria, a number of old-line politicians have been meeting to discuss matters of common interest. Small, informal groups have also coalesced around minority interest groups like the various tribal separatist movements. On the whole, however, the politicians are biding their time and avoiding a frontal attack on military rule.

Foreign Affairs

General Gowon has been carving out a more activist role for Nigeria in African affairs. In a series of successful state visits to African countries, he has pressed for regional economic ties and for the reconciliation of differences. Nigeria has resumed relations with two of the African countries that supported Biafra during the war—Tanzania and Zambia—and re-established contacts with the other Biafran supporters—Gabon and Ivory Coast. Nigeria's influence has also been felt within the councils of the Organization of African Unity (OAU), where the country clearly intends to play a leading role.

At the same time, Nigeria has adopted a more militant African nationalist line, drawing

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General Gowon with President Hamani Diori of Niger

closer to those African countries considered in the "progressive" camp. Gowon is one of the leading opponents of Black African dialogue with white-ruled South Africa. At an OAU summit meeting last June, he went a step further and

called for the "liberation of at least one colonial territory within three years." Gowon's rhetoric, probably designed to increase Nigeria's stature as a leader in the struggle against Africa's white redoubt, fits well with the idea that Nigeria, as Africa's most populous country, must be "a banner of hope and an instrument of achieving self-respect for the black man"—a recurrent theme in propaganda out of Lagos.

Nigeria has so far not given much backing to 25X1 the African liberation movements, but it can be expected to step up its material and propaganda support.

The Soviet Union, which improved its image during the war through its support of the federal government, has not been able to consolidate its 25X1 position. Nigerian military leaders have never been enthusiastic about expanding ties with the Communists

The USSR has extended a \$6.7-million credit for 25X1 geological prospecting, and an extensive Soviet geological survey has begun in the north.

In keeping with its policy of balancing East and West, Nigeria this year recognized Peking, but the federal leaders' natural affinities remain with the West.

There is a residual sensitivity in Nigerian-US relations resulting from the belief that the US gave moral, if not material, support to the Biafran secessionists, but Gowon wants good relations with the US. US companies have some \$500 million invested in Nigeria and larger commitments are planned. Expatriate and foreign

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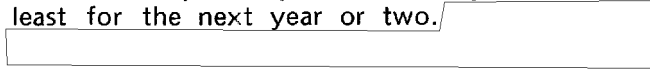


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business interests must expect, however, to encounter some prickliness from Nigerians because of a growing feeling on their part that a certain number of businesses should be reserved for Nigerians and that the number of expatriates should be reduced.

Nigeria's pursuit of an assertive and nationalistic foreign policy will of course depend in large

part on a relatively quiet domestic front. It is highly unlikely that the present military government can resolve Nigeria's peacetime problems within the timetable it has set for itself. Nigerian tolerance is high, however, and the military government will probably be able to stay in power at least for the next year or two.



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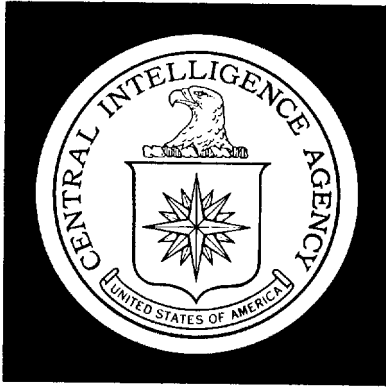
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DIRECTORATE OF
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WEEKLY SUMMARY

Special Report

A NATO Mission to Moscow

Secret

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A NATO MISSION TO MOSCOW



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On 5-6 October, NATO will hold a high-level session of the North Atlantic Council to decide on the next allied move toward East-West negotiations on mutual and balanced force reductions. Since the NATO ministerial in Lisbon last June, the allies individually have been probing Soviet and East European attitudes in the wake of Brezhnev's positive reply last spring to NATO's proposals on force reductions. The NATO countries now are prepared to advance the East-West dialogue and will appoint retired Secretary General Brosio to visit Moscow and other interested capitals to present current allied thinking and seek out further Soviet views.

The high-level meeting will also consider the readiness of the alliance to enter negotiations if the explorer's mission is successful. At this point, much remains to be done. The allies have not determined their position on such questions as what types of reductions would be acceptable, what risks would be involved, what forms of verification would be advisable, or what to do about nuclear warheads, delivery systems, or tactical aircraft. The European allies realize that they can do little until the US provides a lead on these points; their concern will intensify if the pace of detente politics continues to quicken and pressures grow on the NATO foreign ministers, who meet in December, to take a definite stance on force reduction negotiations.

Background

Moscow pushed the idea of force reductions in Europe as a self-serving diplomatic device in the 1950s. By 1965, the Soviets had dropped the issue, partly because they hoped for unilateral US reductions and partly because they feared an accusation, particularly from the Chinese, that mutual cuts would enable the US to shift troops to Vietnam.

NATO's own proposals for mutual and balanced force reductions have their genesis in the soul-searching examination of the alliance that culminated in 1967 in the Harmel Report. This report recommended that NATO, in addition to maintaining its chief function of providing for the defense of the West, take on a second function of promoting detente with the East. In approving the report, the allies pledged themselves to intensify the study of arms control measures. In

June 1968, the allied foreign ministers issued a statement intended as a signal to the Soviet Union of allied interest in mutual force reductions. The signal was repeated at the semi-annual NATO ministerial sessions in 1969, even though Moscow had shown no interest in the subject since 1965.

In 1969, the NATO staff began to work on "models" of various reduction formulas. The models were to serve as a basis for NATO consideration of whether a given approach that would preserve allied security would also be negotiable. The exercise revealed how difficult it might be to harmonize these requirements, and it helped the allies to recognize some of the problems that would lie ahead were the Soviets to take up NATO proposals.

In May 1970, the foreign ministers reiterated in Rome their interest in exploratory talks on force reductions, but they specified four criteria

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on which their offer rested. These four points have become known as the Rome Criteria, and remain basic to NATO's position.

By the next month, Moscow's continued silence on force reductions, hardly in keeping with its attempt to project a detente image, apparently had become tactically disadvantageous for the Kremlin. Moscow and its Warsaw Pact allies, meeting after the NATO ministerial, finally responded. The response was couched in terms carefully relating force reduction talks to the Soviet proposal for a Conference on European Security. The pact communiqué professed an Eastern interest in discussions concerning "reducing foreign armed forces on the territory of European states."

The Soviet response was viewed with skepticism in NATO. Many allies suspected that it had been forced by Moscow's concern for its international image. The tie-in with a security conference led them to question whether the Soviets had a real interest in opening a serious dialogue on force reductions. The allies concluded, however, that they could not afford to treat lightly the East's offer on foreign forces. At their ministerial session in December last year, the NATO countries announced that they were ready to explore the possibility of reductions in stationed (i.e., for-

eign) forces if the reductions were "part of an integral program for the reduction of both stationed and indigenous forces." Following this NATO response, the issue lay dormant in Moscow until Brezhnev raised the subject of troop limitations in "Central Europe" as part of his "peace plan" in his report to the 24th Party Congress on 30 March 1971. This proved to be only the opening shot in a salvo on the issue. From that date, varying degrees of interest have been evident in speeches and private comments by Soviet officials and in Russian propaganda media.

The sudden display of Soviet interest in mutual force reductions caught most of the allies off guard. Western proposals for force reductions had always appealed to the allies as a useful counter to Soviet calls for a security conference and as a way of fending off pressures for unilateral US troop cuts. Now, however, the alliance was faced with the prospect of actual negotiations before it had fully appraised the potential risks and advantages of force reductions, and before it had firm ideas of how they could be accomplished. The European allies were also perceptibly troubled by the specter of a bilateral dialogue on troop cuts between Washington and Moscow. They became sensitive to the fact that their future security situation could depend on the outcome of force reduction talks.

THE ROME CRITERIA

1. Mutual force reductions should be compatible with the Alliance's vital security interests and should not operate to the military disadvantage of either side;
2. Reductions should be reciprocal and phased and balanced as to their scope and timing;
3. Reductions should include both stationed (foreign) and indigenous forces and their weapons systems in the areas concerned;
4. There must be adequate verification and controls to ensure observance of agreements.

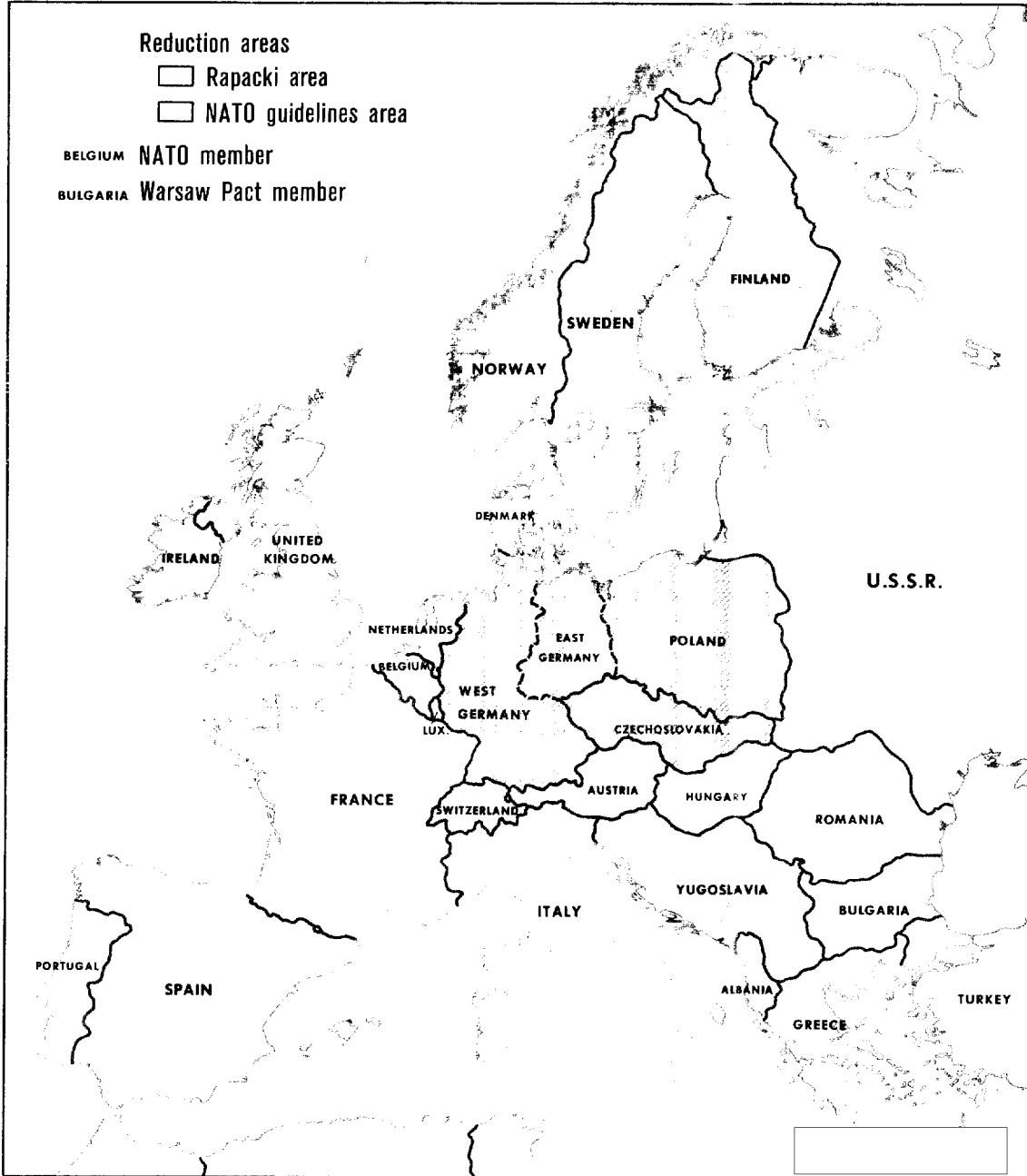
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Potential Force Reduction Areas



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At the NATO ministerial in Lisbon this June the allies, largely on the initiative of the US and Canada, moved nearer to agreement on the procedures for force reduction explorations. The US proposed, and the other allies agreed, that bilateral probes of Soviet attitudes should lead up to a meeting this fall of the allied deputy foreign ministers. This meeting would decide on the next moves, depending upon the outcome of the bilateral soundings. At Canadian urging, the allies also said that they would at some point nominate an emissary, representing the members of the alliance, to explore with the East prospects for actual negotiations. The allies also agreed to accelerate work on preparing substantive NATO positions.

Allied Attitudes Three Months After Lisbon

The allies have become increasingly nervous in the last three months about the minimal progress made toward establishing an agreed negotiating position. They expect and want the US to provide leadership for this undertaking. Each has distinct political, economic, and security interests at stake, however, which translate into a variety of positions regarding a desirable approach to force reductions.

The West Germans have for some time been the leading advocates of proposals for force reductions. Bonn's original support was based primarily on its view that such proposals, in addition to being a logical corollary of Ostpolitik, were useful as a Western counter to Soviet calls for a security conference. As pressures mounted in the US, however, for unilateral troop reductions in Europe, the Germans saw another important dimension. In a tactical sense, the proposals themselves could help stave off demands in the US for unilateral cuts. In the longer term, if US cuts prove inevitable, Bonn reasons, they might be matched by at least some cutbacks in the East. The West Germans are also very interested in negotiating reductions in indigenous as well as foreign forces, because of the economies Bonn could realize and to avoid a postreduction situa-

tion in which German troops would constitute an increased proportion of Western forces.

Bonn nevertheless is cautious. In NATO discussions, the Germans have continued to urge a slow, orderly progression, beginning with limited and verifiable reductions in order to build confidence in the good intentions of both sides. This approach probably was intended, prior to the conclusion of the Four-Power phase of the Berlin talks, to postpone multilateral talks on force reductions until a Berlin accord was achieved. It probably is still viewed by Bonn as the most judicious course.

The British count themselves among the most skeptical students of mutual force reductions. Harold Wilson's Labor government had shown some enthusiasm about the role of force reduction proposals as NATO detente initiatives. The Heath government has emphasized within the last year, however, that any reductions that could be negotiated with the Soviet Union would detract from NATO's defense posture. The recent revelations of Soviet spy activities in the UK leading to London's expulsion of Soviet personnel can only reinforce British caution regarding European security questions.

In spite, or possibly because, of this circumspect attitude, British representatives are urging that the alliance intensify its preparations for actual talks and reach conclusions on the elements and options of an initial Western negotiating position. In recent bilateral talks with the Germans, the British called for "hard-headed" consideration of what reductions of forces and hardware are acceptable to the alliance. They want a risk assessment and allied agreement on the outer limits for such reductions, an agreement on what verification measures would be acceptable to the West, and a determination of the potential role in force reductions of nuclear warheads, delivery systems, and tactical aircraft. London, in sum, believes that NATO must prepare itself for negotiations, although it is doubtful that a complete allied position can be reached soon.

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France, the third major European ally, has abstained from every formal signal on force reductions from NATO to the East. French abstention, until last year, was based primarily on the judgment that joining in such a signal would violate Paris' opposition in principle to bloc-to-bloc dealings. French substantive examination of the topic up until a year ago had resulted in little more than Defense Minister Debre's assertion that he found it "terribly boring." The French did not, in fact, believe that the Soviets would agree to negotiate mutual troop cuts.

As diplomatic activity on force reductions increased in the last year, the French have begun to devote more serious attention to the subject.



Manlio Brosio

Secretary general of NATO from August 1964 until his retirement this month, Brosio is unanimously respected for his skillful service to the Alliance. Prior to his NATO assignment, Brosio's diplomatic career included duty as Italian ambassador to the US, France, and the USSR. Brosio, now 74 years old, remains a vigorous defender of the Atlantic Alliance and an advocate of close Western defense cooperation. He speaks fluent English as well as French and Russian—abilities that further enhance his qualifications to lead the NATO MBFR mission to Moscow.

The outcome of this effort has been a French assessment that any kind of troop reductions, whether unilateral US cuts or mutual cuts with the East, might lead to lessened military preparedness throughout Western Europe and a concomitant increase in the political influence of the Soviet Union. Paris argues that such reductions should come only after there have been more substantive improvements in the East-West political climate, improvements that Paris argues could at least partially be realized through a Conference on European Security.

The French position is motivated also by a desire to occupy a distinct position on detente questions among the Western powers, particularly to obtain greater leverage vis-a-vis West Germany. Paris would rather direct attention toward a security conference—an area of detente politics where, so far, it is ahead of Bonn. A long-range French consideration must be that an agreement on force reductions would both imply greater explicit reliance on the US nuclear shield and require some form of more integrated common European defense system—corollaries that Paris is reluctant to accept at the present time.

The further that East and West move toward negotiations, however, the more of an anomaly the French position will become. The Soviet Union may very well insist that French forces in Germany be included in any reduction formula, and Paris may not be comfortable occupying a blocking position on such an important area of East-West deliberations. A French official, in fact, recently said that although Paris remains opposed to troop reductions, the French NATO delegation had "left open the option for French participation in the military aspects of a Conference on European Security"—a position that could leave the French room for maneuvering. Recognizing that its interests are involved in allied discussions of force reductions, Paris has decided to be represented by an observer at the meeting next week of deputy foreign ministers.

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Most of the smaller allies realize that their leverage is limited. They are nevertheless assessing more thoroughly the potential impact of force reductions on their interests. A coalition of southern allies—Italy, Greece, Turkey, and Portugal—is emerging to oppose any expansion of the geographical coverage to include their territory. Their concern is not so much that their forces would be included, but that limitations might be placed on the US presence in the Mediterranean. Norway and Denmark, on the other hand, apparently are not opposed to discussions involving reductions in the Nordic area.

The Meeting of the Deputy Foreign Ministers

When the deputy ministers meet next week, the allies will select Manlio Brosio, now retired as NATO's secretary general, to explore prospects with the East on behalf of the members of the alliance (except France). Brosio has said that he will accept the call. He will be supported on his mission by a small staff of three or four experts. His first and most important stop undoubtedly will be Moscow. As for the rest of his itinerary, the allies agree that he should not visit East Germany unless all three phases of the Berlin negotiations have been concluded although some stops in Eastern Europe are anticipated. Many allies think that means also will have to be found to accommodate the interests of the neutral and non-aligned European countries.

The most difficult task for the allies has been to work out instructions, or a mandate, for the explorer. The allies agree that he should not attempt to negotiate or appear to invite negotiations. They will direct Brosio to explain the views of the allied countries on principles of force reductions, sound out his interlocutors regarding their intentions, and explore the possibility of finding common ground on principles. The sticking point, however, has been to obtain allied agreement on these principles and to decide how far the explorer should go in discussing each element of them. Brosio is not happy with what now appears to be a very limited substantive mandate,

but he probably does not expect it to be expanded greatly at the high-level meeting.

MBFR Principles

Since the Lisbon ministerial the allies have attempted to develop agreed positions on the main substantive features of a mutual and balanced reduction of forces. Major differences among the allies and the lack of definitive US positions, however, have prevented agreement in some areas and have led to only vague formulations in others.

Area for Reductions: In discussions this summer, Italy, Denmark, and the Netherlands supported the US preference for an area including Poland, Czechoslovakia, and East and West Germany. These countries were specified by Polish Foreign Minister Rapacki in his European disarmament proposals dating from 1958. West Germany, however, would prefer not being isolated on the Western side of the reduction area and strongly favors the "NATO Guidelines Area," which adds Belgium, the Netherlands, and Luxembourg to the Rapacki area. Bonn has been supported by the UK, Turkey, Luxembourg, and Belgium, the last preferring also to add Hungary on the Eastern side. Now, only the Dutch appear to be holding out for the Rapacki area. Bonn's concern therefore may lead the allies to accept the NATO guidelines area as the basis for Brosio's mandate, although other options will probably not be precluded from future consideration.

Possible Extension of Geographic Coverage: As already noted, the southern flank allies would prefer that their area be explicitly excluded from reductions. Denmark and Norway have continued to favor the possibility that the reduction area might at some point be expanded to cover the northern flank. Brosio probably will be permitted to leave open the possibility of some eventual expansion of the area of coverage beyond central Europe.

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Types of Forces to Be Reduced: Most of the allies, particularly West Germany, prefer a position that envisages reductions in both stationed and indigenous forces. The US has expressed an interest in emphasizing reductions in stationed forces, and Brosio's mandate will probably direct him to express an interest in both types with the proviso that stationed forces "could" be emphasized.

Disposition of Withdrawn Forces: The allies agreed that the explorer should not discuss whether the "foreign" forces, once withdrawn, would have to be disbanded. Brosio, however, has pointed out that if NATO insists that Soviet units be disbanded, Moscow would counter with the same requirements for withdrawn US forces.

Naval Forces: The southern flank allies would like specifically to exclude reductions in naval forces, fearing eventual Soviet demands for cutbacks in the US Sixth Fleet. Brosio will probably not discuss this subject in his explorations but will be guided by the general rule that as long as reductions are limited to Central Europe, naval forces should not be included.

Nuclear Weapons: Although there is no clear allied position on nuclear weapons, Brosio probably will be able to tell the Soviets that they have not been excluded from consideration.

Categories of Forces: Brosio would like to have definitive guidance on whether combat aircraft, tanks, and nuclear delivery systems could be included. There are differences among the allies on this point. He will probably be authorized to say that such weapons have not been specifically excluded.

Verification: The allies are split between the US and Canada—who oppose requiring any on-site inspection—and a number of European allies, who feel that the posing of such a requirement would serve as a good negotiating tactic. Belgium has also noted that on-site inspection would be necessary for the "tranquility" of allies that do not

have unilateral inspection capabilities. This split may persist and Brosio probably will be able to say only that any agreement should have some effective means of monitoring or constraining the movement of forces.

Participants in Negotiations: The allies agree that the negotiating forum should be effective, flexible, and manageable. They also agree that participation would be most effective if limited to states within the reduction area, or to those having forces in it, but they recognize that participation could expand to include some neutrals as well as all NATO and Warsaw Pact members.

Relationship of MBFR to CES: The allies remain highly uncertain about how to relate the timing of force reduction talks and those pertaining to a conference on European security. If negotiations on the former should start first, there is allied agreement that they should be set up in such a way that they could later be placed under a European security umbrella. A security conference could conceivably place force reductions on its agenda and endorse any agreements sent to it. If, on the other hand, a security conference should take place first, the alliance could still attempt to place force reductions on the agenda and preserve a link between the two.

What Reception in Moscow?

Although the Soviets would prefer not having an ex - secretary general of NATO as the explorer, they are likely to accept him and listen with interest to what he says. They will certainly not appoint a Warsaw Pact official to handle the talks in Moscow and Eastern Europe but will emphasize that the talks are between Brosio and individual countries. Moscow obviously wishes to avoid granting NATO, as an institution, a formal role in disarmament and detente. In addition, the noninstitutional approach would leave Moscow greater flexibility regarding eventual Eastern representation at negotiations on force reduction.

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Both in the talks with Brosio and in future bilateral contacts, the Soviets will be likely to raise points where they believe the US is vulnerable (for instance, regarding the US military presence in Italy and Spain). In fact, Gromyko has told Ambassador Beam that Moscow did not limit its view to central Europe. Nevertheless, to the extent that the Soviets really are interested in troop reductions, that is where they will continue to focus.

The evolving Soviet line was recently relayed to US officials by a first secretary at the Soviet Embassy in Washington. He confirmed Soviet emphasis on "the central region" and stated that this comprised at a minimum the two Germanies. He confirmed statements by other Soviet officials that weapons systems as well as personnel ought to be discussed and that discussions should be between the individual states involved in the area of reductions and not between blocs. He also confirmed that each side should decide on the proportion and choice of its national components to be reduced, adding that Moscow is currently thinking of reductions in all force components (army, navy, air) and of reductions of indigenous as well as foreign troops. He reiterated that Moscow does not presently feel that talks on troop reductions need to be directly connected with a security conference. The points that the reductions should not be limited to the Germanies and that foreign and indigenous forces should be included were subsequently stressed by Brezhnev in his recent conversations with West German Chancellor Brandt.

There are several reasons to expect continued Soviet interest in force reduction talks. In the first place, the current Soviet detente policy centers on Europe—a primary area of concern to Moscow. Force reductions constitute an obvious part of this detente policy. Moscow has considerably more troops than it needs for internal security in Eastern Europe and would probably be more than willing to pull a number of them back to the USSR in return for a significant lessening of the US military presence in Europe. The So-

viets know that there is strong sentiment in the US for American troop withdrawals from Europe and probably also feel that the subject is divisive within NATO. They probably judge that pressure on this issue can exacerbate both situations. In addition, discussions of troop reductions will eventually have to include Pankow and thus contribute to the important Soviet objective of gaining formal recognition of East Germany. It could also provide a forum for Moscow to raise the subject of US forward-based nuclear delivery systems in Europe, and perhaps open possibilities for the reduction of US tactical nuclear weapons in Europe.

On the debit side, Moscow must always be concerned with the risk that a detente atmosphere in Europe will make it more difficult to exercise control of its East European empire, particularly if such an atmosphere removes much of the credibility of the eternal Moscow bogeyman of West German revanchism. The Soviets cannot be certain that involving the East European countries in such specific detente activities as mutual force reductions and a Conference on European Security will not whet their appetites for more independent and productive contacts with the West.

With all this in mind, Moscow has been carefully vague about details of its thinking on force reductions, obviously hoping to receive Western views before showing its cards. In several discussions with Soviet officials during the summer, Western diplomats received the impression that Moscow had not yet fully formulated its policy. There is evidence, in any case, that Moscow has not done any serious coordination with its Warsaw Pact allies.

In the talks with Brosio, Moscow will likely maintain that his position is not sufficiently forthcoming and will continue to press the West to speed up its activity while offering few more details on what the Soviets have in mind. The Soviets obviously would derive satisfaction if they could appear out in front on this issue. They may

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