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Trends In Communist Propaganda

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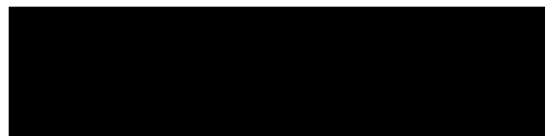
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U. S. P R E S I D E N C Y

Preliminary communist reactions to the resignation of President Nixon and President Ford's succession range from the cautious optimism of Moscow and its East European allies and a limited reportorial response by Peking to the doctrinaire reactions of the Vietnamese communist and North Korean media. Soviet media have put the best possible appearance on the change and expressed satisfaction with President Ford's assurances of continuity in U.S. foreign policy. Moscow's East European allies have followed a similar tack, with perhaps greater expressions of concern over the sudden change. Peking's very restrained and cautious handling of the change stands in sharp contrast to the Vietnamese communist media, which have combined highly vituperative personal attacks on President Nixon with open skepticism that President Ford is likely to change U.S. policy toward Indochina in any manner favorable to peace. North Korean media reported the Nixon resignation in abusive terms, but--alone among communist countries--has not yet acknowledged President Ford's succession. Cuban media have thus far treated President Ford in restrained, unemotional reportage that contrasts sharply with venomous personal attacks on the resigning President.

MOSCOW PUTS BEST FACE ON LEADERSHIP CHANGE, HAILS CONTINUITY

Moscow has endeavored to put the best possible face on the change in the U.S. presidency. Attributing the Nixon resignation exclusively to internal phenomena, Moscow has expressed complete satisfaction with President Ford's avowals of his desire to follow the previous Administration's policy in U.S.-Soviet relations, and it has emphasized other signs of continuity in U.S. policy. Moscow has ignored the President's stress in his initial public statements on the need for a strong defense posture, while noting instead his past statements of support for the SALT negotiations.

These themes were capsulized in Podgorny's 10 August congratulatory telegram to President Ford, which expressed satisfaction with the President's initial foreign policy statements and confidence that U.S.-Soviet relations would continue to improve. A PRAVDA editorial article on the 11th, which presented the most authoritative assessment to date of the circumstances surrounding the change in Administration, reaffirmed the "great

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significance" that Moscow attaches to the U.S.-Soviet relationship and noted such signs of continuity as the new President's expressed desire that Kissinger remain as Secretary of State. Like other commentary, the editorial article pointed out that the changes in Washington were a result of internal developments in the political and economic arena and emphasized that objective, long-term factors--independent of individual leaders--lay at the basis of the new U.S.-Soviet relationship. Moscow has long stressed this point in countering concern that the new relationship with Washington was too dependent on the whims of the U.S. domestic political scene.

Assessments of President Ford's political history have singled out positive elements, such as his past statements in support of detente and the President's visits to the Soviet Union. Reports of his speeches upon being sworn in on 9 August and before Congress on the 12th also singled out his remarks on the need for continuing the Nixon Administration's policy toward the Soviet Union.

Moscow's posture on the strategic aspects of the relationship has followed the same pattern. In reports of the President's remarks and elsewhere Moscow has ignored President Ford's emphasis on the need for a strong defense posture to support detente. Public assessments have instead publicized his comments in support of SALT. The PRAVDA editorial article cited a 1 August Christian Science MONITOR interview in which he expressed "support for the Soviet-U.S. SALT accords and hope that an agreement will be reached as a result of the second stage of talks on this problem." In a 10 August discussion of the changes on Soviet TV, TASS director Leonid Zamyatin--spokesman for Brezhnev at recent summits--cited similar feelings expressed to him by Ford during Zamyatin's visit here last May with a Supreme Soviet delegation.

Despite the pervasive confidence in the continuity of U.S. policy, there have been hints that Moscow anticipates a greater focus on domestic problems at the expense of foreign policy initiatives in the new Administration. A 10 August assessment of the U.S. changes by IZVESTIYA political observer Vikentiy Matveyev noted that the U.S. change came in the wake of a rash of governmental changes in other Western countries, such as France, Britain and the FRG. While noting that the new leaders in all cases had confirmed their interest in continuing detente, he acknowledged as well their intention to "give priority to domestic problems."

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Reports from Moscow carried in the Yugoslav media--a source which has frequently provided reliable insights into Moscow's thinking on sensitive issues it has been reluctant to discuss openly--tend to confirm this note of caution in the Soviet assessment of the changes in Washington. According to a 9 August TANJUG news agency report, "political observers" in Moscow feel that under the new President relations could be expected to develop at a slower pace, though probably along the recently established lines. The same observers were reported as expressing particular concern about the President's history of strong support for military programs.

EAST EUROPEANS SEE FORD CONTINUING DETENTE IMPETUS

Moscow's East European allies, though indicating concern over President Nixon's resignation, have generally expressed cautious optimism that President Ford would continue the detente-oriented policies of the last Administration. Among the signs of continuity highlighted by the media have been the President's assurances that he would pursue the Nixon Administration's policies in foreign affairs and the President's retention of Secretary Kissinger. Explanations of the Nixon resignation itself have been inconsistent, pointing out on the one hand that domestic affairs, not foreign affairs, brought about his downfall, and on the other that the Watergate issue had been exploited by "forces" who "mistakenly" believed they could undermine detente by toppling the President. Yugoslav reaction--though more critical of American foreign policy--was markedly similar to that of the orthodox Warsaw Pact countries, while Pact maverick Romania was restrained in its comment and eschewed any details of domestic U.S. events. Albania, characteristically, expressed pleasure over President Nixon's humiliation, but foresaw nothing good coming out of the current U.S. political system.

A common theme in the comment of the East European countries on the prospects for detente under the new Administration has been the argument that detente depends not on individual leaders but on objective factors. While Nixon is credited for his "realism" in recognizing the objective changes in the world balance of forces, it is implied that the present U.S. Administration will make much the same assessment and adjust its policies accordingly.

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At the same time, some reservations have been voiced concerning the possibility that the new Administration may neglect foreign affairs in favor of a new concentration on domestic problems. Budapest radio on the 10th, for example, expressed concern that the new President may become "preoccupied" with domestic problems, especially since he is more familiar with them.

Biographical data on President Ford has been sketchy but generally favorable. Described consistently as either "conservative" or "moderate conservative," Ford has nevertheless been portrayed as a supporter of detente. The Bulgarian press on the 10th, for example, depicted him as "calm and moderate," and as "a serious and intense leader, a realist in his actions and intentions." One paper, TRUD, though also generally complimentary, cited reports that the new President lacked a brilliant intellect and imagination and that he "has not produced any original ideas in politics."

While the East European media frequently reported that President Ford had supported an "aggressive" foreign policy during the cold war years, it was also pointed out that he steadfastly supported the Nixon Administration's foreign policy. The President's lack of exposure on the foreign scene has also been noted. Whereas East Berlin's Voice of the GDR on the 10th referred to his "great experience as a politician and statesman," Budapest Radio of the same day noted that he was picked as Vice President because he was "suitably undistinguished." The Bulgarian party daily RABOTNICHESKO DELO, also on the 10th, pointed out that before Ford had joined the Administration, he had not been "known for any particularly active participation" in foreign affairs.

The President's 12 August speech to a joint session of Congress was summarized by every East European capital--all of them emphasizing his pledge to continue his predecessor's foreign policy, particularly the improvement of relations with the Soviet Union. Budapest, Prague, Sofia and Tirana media singled out his call for a continued strong national defense policy to insure peace. Although comment on the speech was sparse, favorable note was taken of the President's remarks on U.S.-Soviet relations.

DRV, PRG MEDIA NEGATIVE ON FORD'S FOLLOWING NIXON DOCTRINE

Hanoi and Liberation radios reacted quickly to President Nixon's resignation, blaming his demise on the "total crisis and deadlock of all internal and foreign policies" of the United States,

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of which Watergate was only a "manifestation." Initially sparse and essentially factual references to President Ford by Vietnamese communist media have now given way to critical comment, whereas the relatively restrained treatment accorded Nixon in their first response has since developed into an unbroken barrage of invective, reviling him for alleged "crimes."

Hanoi radio's first, lengthy commentary on President Nixon's resignation, broadcast on 9 August less than four hours after the event and before Ford's swearing-in, even then observed that President Ford would be "very limited" in his ability to make changes because the "capitalist ruling clique formulates U.S. policy." The same commentary noted in its lead paragraph that Kissinger would continue as Secretary of State, and that U.S. policy remains bipartisan irrespective of who is President. Describing the shortcomings of the present U.S. international position, Hanoi noted that Nixon had been "wearing a false peace mask and upholding the label of detente" in foreign affairs. It characterized the Vietnam war as a U.S. "failure" that weakened the United States "militarily, politically, and economically."

A briefer, more sharply worded Liberation Radio commentary aired an hour later took the same tack, stressing that the President's "warmongering and cruel policy" against Vietnam was one of the "root" causes of his downfall. While claiming that the President's "collapse" was a strong blow to the Nixon Doctrine and that it "clearly exposes the weakness of the U.S. imperialists," the Liberation Radio commentary characterized Thieu as "bitter and bewildered" by Nixon's end and predicted that Thieu cannot "avoid being seriously affected" by Nixon's resignation.

Hanoi's first substantial appraisal of President Ford came in a broadcast late on 9 August presenting biographic data on him. Citing "foreign news agencies," the report said he was a "representative of the Republican conservative faction" and that he has agreed "85 to 95 percent" of the time with Senator Goldwater--"a most reactionary and conservative politician." The biography noted that Ford actively supported the U.S. "policy of aggression" in Vietnam. Reaction to President Ford's inaugural address was confined to brief Hanoi radio reports citing U.S. press agencies. A Hanoi broadcast of the 10th noted that, according to AP, the State Department had affirmed that the Nixon Doctrine would continue to serve as a guideline for U.S. policy in Southeast Asia under the Ford Administration. An interview given by PRG

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Foreign Minister Nguyen Thi Binh, aired on the 11th, by Liberation Radio, observed that Gerald Ford's policy toward South Vietnam would "remain unchanged" in view of the recent support for the Thieu administration expressed by the U.S. Embassy in Saigon.

A Hanoi radio broadcast in Mandarin on the 11th reflected mild antagonism in noting what it considered President Ford's first acts affecting Vietnam. These were listed as the continuation of the Nixon Doctrine under Secretary Kissinger, the assurances given Thieu by the U.S. Embassy in Saigon, and the alleged overflights of DRV territory by U.S. reconnaissance aircraft on the afternoon of the 9th--after Ford had already been sworn in--as evidence that Nixon's policies were being continued.

A Hanoi radio broadcast of the 13th contained the first monitored reaction to Ford's speech before a joint session of Congress on the 12th. In an otherwise straightforward account of the address, the broadcast took predictable exception to his remarks on Indochina, saying that his "ballyhoo" about wanting the cease-fire observed was belied by "grave sabotage" of it by the United States and Thieu.

**PERSONAL ABUSE
AGAINST NIXON**

The venomous barbs that Vietnamese communist media have aimed at the outgoing President appear intended not only to arouse revulsion for his policies but for the man as well. A 10 August NHAN DAN commentary, analyzing the "bankruptcy of the Nixon Doctrine and the crisis of U.S. imperialism," charged Nixon with being "the most bellicose, most reactionary, and most malicious" U.S. President in history and described his resignation speech as that of a "born liar, a quack, an abuser of power, and mastermind of many political scandals and swindles." Similarly, a QUAN DOI NHAN DAN commentary of the same date portrayed him as an "ambitious tyrant" whose "golden dream" of presiding over the U.S. bicentennial had been "shattered." Liberation Radio, in a broadcast of the 11th, declared in equally abusive language that Nixon would be remembered as a "criminal who has squandered hundreds of billions of dollars in taxes on war" and declared that his name would continue to "nauseate the world for thousands of years."

CHINESE, OTHER ASIAN COMMUNISTS BRIEFLY NOTE FORD PRESIDENCY

Peking has been circumspect in treating President Ford, avoiding all comment while reporting briefly on his 12 August address to Congress and noting the President's 9 August meeting with PRC

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Liaison Office Chief Huang Chen following his swearing-in that day. The 13 August NCNA account of the President's address, transmitted to both domestic and foreign audiences, cited his statement that bringing inflation under control was his Administration's "first priority" and noted his determination to continue the foreign policy of President Nixon. Though ignoring the President's remarks addressed to other foreign nations, NCNA replayed in full his pledge to continue the new relationship with the PRC based on the principles of the Shanghai communique. Peking also reported President Ford's determination to stand by past foreign policy commitments and his opposition to unwarranted cuts in U.S. defense spending, quoting his affirmation that a strong defense provides the surest way to peace, while weakness invites war.

China's sole report on President Nixon's resignation was a brief, straightforward NCNA report on 9 August, also broadcast on the national radio, based on President Nixon's 8 August television address. The report cited the President's explanation that loss of Congressional support due to "the Watergate matter" prompted his resignation, but it did not amplify on the meaning of Watergate, a subject Chinese media had never previously mentioned. NCNA ignored other aspects of the Nixon address except his reference to having "unlocked the doors that for a quarter of a century stood between the United States and the PRC."

NORTH KOREAN,
MONGOLIAN REACTION

Pyongyang has not yet mentioned that Gerald Ford has become President, but a single Pyongyang radio broadcast late on 9 August briefly noted President Nixon's "falling out" of the presidency on that date. The broadcast described him as the "wicked boss" of the U.S. imperialists and a "notorious anticommunist villain and master of the traitorous Pak Chong-hui puppet clique," a rather typical Pyongyang appellation for President Nixon. The item was otherwise devoted to an attack on ROK President Pak. According to a 10 August Ulan Bator MONTSAME report, the Mongolian press that day informed its readers about the resignation of President Nixon and the swearing-in statement of President Ford. No details are yet available.

COMMUNIST CLANDESTINE
RADIOS, FRONTS

The Pathet Lao clandestine radio on 10 August characterized President Ford's accession to the presidency as portending little change in U.S. "reactionary" foreign and domestic policies. Initial reports soon after President Nixon's 8 August resignation speech were brief and factual, but a 10 August commentary stressed his interventionist policy in Indochina and the "crimes" of Watergate.

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The Cambodian Front news agency warned President Ford in commentaries on 11 and 13 August that if he followed "Nixon's beaten path" of interference in Indochina, he would meet a fate similar to his predecessor and "be hanged by the American people and the peoples of the world." The Thai CP radio has not commented on President Ford's policies, but it seized upon U.S. Ambassador Kintner's assurances regarding U.S. policy in the wake of the Nixon resignation to warn that "the United States will not change its policy of aggression and control over Thailand."

CUBAN MEDIA RESTRAINED ON FORD, ABUSIVE OF NIXON

Havana media have combined harsh, abusive criticism of outgoing President Nixon with restrained, unemotional reportage on new President Ford, as well as some tentative leadership remarks suggesting Cuban caution and reiterating willingness to negotiate with the United States if the blockade of Cuba was lifted. The new President was described in a Havana TV biography, quoting a U.S. news agency, as "a conservative in financial matters, a moderate in domestic matters, and a liberal in foreign policy." Aside from one 8 August Havana TV reference to President Ford as "one of the strangest figures in the entire Watergate scandal," a Havana allusion to Ford's changing position on supporting President Nixon in previous months, Cuban media have refrained from further evaluations.

Cuban officials, in line with recent Castro remarks, have intimated some receptiveness to the idea of a U.S.-Cuban dialog, but reiterated the position that a lifting of the blockade must come first. Thus, First Vice Prime Minister Raul Castro, responding to a newsman's question about the possibility of relations with the United States now that Ford had become President, was reported by PRENSA LATINA on 9 August as replying that "we are willing to sit down for talks" with the United States but only "after they have unconditionally lifted the blockade." Foreign Minister Roa, in a press conference in Sweden reported by Havana's international service on the 10th, assailed Nixon in vituperative terms but did not directly comment on the new U.S. Administration, although he did remark that the U.S. blockade had "fallen apart, and logically it is to be expected that the situation will change." And a 9 August Havana domestic service commentary noted that some U.S. Senators opposed "the cruel isolation ordered against Cuba by the Nixon Administration."

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Havana's longstanding hostility toward President Nixon was summed up on 9 August by the Cuban Communist Party organ GRANMA, which said that the Watergate "vultures" reared by President Nixon ended up "devouring the insides of one of the most mediocre political hacks who ever passed through the Presidency of the United States."

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CYPRUS

USSR CONCERNED OVER TROOP OCCUPATION, THREAT OF PARTITION

Soviet reaction thus far to the renewed Turkish attacks in Cyprus on 14 August, following the breakdown of the Geneva negotiations, has been confined to brief TASS reports noting the resumption of "military actions," Greece's withdrawal from NATO's military structure, and UN Security Council adoption of a resolution calling for an immediate end to hostilities and resumption of peace talks.

In the past week, coincident with the opening of the second phase of the tripartite Cyprus talks in Geneva, major articles in IZVESTIYA and PRAVDA criticized the 30 July Geneva Declaration by Britain, Greece and Turkey and argued that the Security Council, not the NATO guarantor states, should bear the responsibility for dealing with the Cyprus problem. These articles and other Soviet comment conveyed a tone of increasing concern over the presence of foreign troops on the island, charging that this "effective occupation" of large areas of Cyprus would lead to division of the country, threatening Cyprus' existence as an independent state. Moscow, having previously softpedaled Turkey's military involvement in Cyprus and evaded attributing federation proposals to Ankara, has now edged toward reluctant acknowledgment that at least some of the difficulties stem from the Turkish attitude.

Soviet comment in general has continued to avoid any suggestion of a possible Soviet initiative in the Cyprus problem. However, a NEW TIMES article reviewed by TASS on the 8th did inject a Soviet offer of help into the usual Moscow formula on the Cypriots' right to decide their future themselves. It said that the USSR "is willing to help the Cypriot people, both Greek and Turkish," to secure for themselves the right to decide their own problems and the destiny of their common motherland.

CURRENT SITUATION Soviet reportage on the renewed Turkish military operations in Cyprus has been confined, as of this writing, to a single TASS English item datelined London noting that "military actions have been resumed" following the breakdown of the Geneva talks. TASS reported that Turkish planes had bombed military installations near Nicosia and in the airport area, Turkish tanks had been observed on the road between Kyrenia and Famagusta, and fighting had broken out along the Green Line in Nicosia. TASS promptly picked up Greek Foreign Minister Mavros' statement in Geneva

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that Greece no longer considered itself a NATO member, as well as the subsequent Athens announcement that Greece was withdrawing its armed forces from NATO while remaining a "political member" of the alliance. TASS cited a Greek Government spokesman as saying the decision was due to NATO's inability "to prevent a conflict" between Greece and Turkey; the Athens announcement in fact referred to NATO's inability "to restrain Turkey from creating a situation of conflict."

Thus far, Moscow's only account of the emergency Security Council session has been a two-sentence TASS report noting that the council unanimously demanded an immediate end to military operations in Cyprus and resumption of the peace talks, and that the session had been held at the request of Britain, Greece and Cyprus after the failure of the Geneva talks and "a new outbreak of hostilities" in the island.

TURKISH PROPOSALS FOR FEDERATION

As the Geneva talks broke up over Turkish demands for a federal structure for Cyprus, Moscow finally abandoned its efforts to avoid acknowledging Turkish authorship of proposals for autonomous administration and geographical separation. Up to this time, Soviet comment had warned vaguely of "Western" plans for changes in the island's internal structure which would open the door to dismemberment of the island. As Moscow in the past week voiced increasing alarm over threats of partition, a Moscow domestic service commentary on the 8th, in what was apparently the first mention of the Turkish demands, cited "acting" Cypriot President Kliridhis as saying that Ankara's proposal for a geographic partition of the two communities was unacceptable. On the 13th, after a Turkish ultimatum for acceptance of its proposals at the Geneva conference, TASS finally acknowledged that a Turkish plan was the focus of attention at Geneva. While "the particulars are not yet finally clear," TASS said, the proposal envisaged establishing "autonomous regions (cantons) with Greek and Turkish population which are to be united in a federal state."

TASS, in a dispatch from Ankara on the 13th, subsequently cited "news agency" reports that the Turkish proposals provided for two independent administrations and "completely autonomous federative states" enjoying equal rights "in the formation of a federal government." TASS noted that Turkey proposed that the "Cypriot Turks' state" occupy 33 percent of Cyprus territory and consist of five cantons and that it also called for "radical changes" in the Cyprus constitution. A Moscow domestic service newscast early

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on the 14th, without mentioning the fighting in Cyprus, reported that the Geneva talks had been broken off after Turkey insisted on "unconditional acceptance" of its plan for establishing two autonomous administrations in Cyprus. The report noted that after Kiriidhis rejected the plan as unacceptable and proposed postponing consideration of it for the time being, Turkish Foreign Minister Gunas said that if the Turkish proposals were rejected the talks would be terminated, and "this is exactly what happened."

COMMENT ON
STATUS OF CYPRUS

Setting the stage for the reopening of what he called the "narrow secret talks in Geneva," an 8 August PRAVDA commentary by Svetlov in effect indicated opposition to Turkish federation proposals by complaining that conditions in Cyprus were such that the legitimate government could not exercise authority "throughout the country." Objecting to the provisions of the Geneva Declaration, Svetlov noted that there was no hint in that document as to when and how foreign military interference would be ended and the Cyprus Government would be guaranteed the opportunity of "exercising its own authority to the full" in the country. Svetlov noted that the Geneva participants had no objection to a review of Cyprus' status and its constitution, and IZVESTIYA political observer Matveyev, in his article the same day, charged that talk about possible formulas for the internal structure of Cyprus failed to take account of the opinions of the Cypriots themselves.

Matveyev observed that while Greek Cypriot and Turkish Cypriot representatives were to be invited to the Geneva talks, the three guarantor states were "circumventing" the question of equal participation by "representatives of the Government of Cyprus." TASS director general Zamyatin, in a Moscow domestic service "answers to listeners" program on the 10th, enlarged on Matveyev's complaint, remarking that representatives of the Greek Cypriot and Turkish Cypriot communities had been invited to the second phase of the Geneva conference, but that "neither of the communities can represent the government as a whole, which means that here too, from the beginning a course is being steered toward division of the island."

Zamyatin sidestepped a question as to why Makarios had not yet returned to Cyprus, responding that Makarios himself had said that so far it was not possible to "implement authority" on the island, and that in the current conditions his return as "lawful president" would be dangerous. Matveyev's IZVESTIYA article did call for restoration of the "constitutional government led by President Makarios," declaring that there "can be no other way" of protecting Cyprus' sovereign rights.

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TROOP ISSUE The Matveyev IZVESTIYA article, focusing on the need for withdrawal of foreign troops from Cyprus, offered the first Soviet interpretation of the relevant paragraph in Security Council resolution 353, asserting that it calls for immediate withdrawal "of all foreign military personnel there except the UK troops." (The resolution in fact calls for withdrawal of "foreign military personnel present otherwise than under the authority of international agreements, including those whose withdrawal was requested" by President Makarios on 7 July.) Matveyev declared that the scale of "foreign interference" had constantly been increasing, that large areas of the island were "effectively in a state of occupation," and that the number of foreign troops was rising rather than decreasing. Criticizing the Geneva Declaration, Matveyev said it was extremely ambiguous in that it mentioned troop withdrawal in the "most indefinite and diffuse form." It went no further, he said, than "the formula that 'the territories under the control of the armed forces of the parties to the dispute . . . must not be extended,'" and he charged that even this "half-hearted commitment" was not being observed.

In asserting that the major sources of tension in Cyprus were the foreign troops moved there "in defiance of standards of international law," Matveyev made no mention of the guarantor states' right to act under the 1960 Treaty of Guarantee. But NEW TIME commentator Sharov, in an article broadcast by Moscow domestic service on the 9th, noted that Britain retained the right to keep forces on Cyprus "as a so-called guarantee" of the state's independence, and the "other 'guarantors,'" Britain's NATO allies Greece and Turkey, also stationed military contingents on Cyprus. Sharov asserted that the Cypriot people were well aware of the threat to them represented by "these NATO-drilled contingents."

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MIDDLE EAST

MOSCOW ADVISES ARAB UNITY, POLITICAL USE OF OIL IN EC TALKS

In limited comment on the first round of talks held 31 July in Paris to initiate the long-awaited formal dialog between the European Community and Arab states on mutual economic cooperation, Moscow has professed a favorable evaluation of the development, noting briefly the prospective economic advantages for both sides while focusing primarily on potential political benefits for the Arab side. The Soviet reaction has been generally in line with Moscow media treatment of EC-Arab relations in past months, although lacking the previously pronounced emphasis on the theme of disarray in U.S.-European relations and European refusal to fall into line with U.S. proposals for unified policies by the major oil-consuming nations to meet the various problems related to the energy crisis.

BACKGROUND: Initiation of a formal EC-Arab dialog has been long in preparation, and over the past months Moscow media have followed the highlights of its gradual realization. Soviet reporting on the EC Copenhagen conference in mid-December 1973, for example, noted that there had been discussion of direct cooperation between the European and Arab countries as a means of resolving the energy crisis. Moscow media also noted French Foreign Minister Jobert's proposals for such cooperation in January 1974 and the EC formal decision at Brussels in March 1974 to enter into direct talks with the Arab states. In commenting on these developments, Moscow has generally presented them as evidence of U.S.-European disunity and of a desire by Europe to avoid dependence on the United States, often adding that the developments represent a victory for Arab unity and offer the Arab states economic and political advantages.

ECONOMIC BENEFITS: Moscow has almost certainly been displeased by the prospects of expanded, long-term economic cooperation between the Arab states and Europe, but in its public comment has nevertheless avoided criticism of the development, seeking instead to emphasize its positive aspects for Arab interests. In reporting the recent initiation of the EC-Arab dialog, Moscow has characterized the sides' interests in it as "understandable" and explained its emergence primarily in terms of the anticipated mutual economic benefits. Thus, the Europeans are said to seek to ensure a continuous supply of Arab oil, the source of almost 75% of Europe's fuel needs, and to see in direct talks with the Arab states a way,

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as well, to avoid the "costly middlemanship" of U.S. oil companies. For their part, the Arab countries seek, in large part, to obtain Western equipment and advanced technology.

POLITICAL ASPECTS Moscow has emphasized at the same time, however, that the Arab states are motivated not only by economic concerns but also by national political interests in the achievement of a desirable Middle East settlement. Recently, Moscow has on occasion advocated that the Arab states should exploit their new dialog with Europe by pursuing a unified policy on oil supplies designed to force appropriate changes in European foreign policies. A particularly explicit example, an unattributed commentary broadcast in Arabic on 5 August on the "unofficial" Radio Peace and Progress, stated as a general proposition that the Arabs viewed their dialog with Europe as a means to help create "the proper international atmosphere" for a final Middle East settlement. Warming to the subject, the commentary asserted that "no serious cooperation" was possible between the two sides without "precise commitments" by the Europeans to take the Arab side against Israel. The commentary added that "there is no harm in recalling that the very possibility of conducting a Euro-Arab dialog appeared after the Western states were forced to change their pro-Israel Middle East policy under the influences of the Arab oil embargo."

Somewhat less explicitly, PRAVDA commentator Yu. Kharlanov in an article on 23 July asked rhetorically, "who is creating the obstacles" to establishment of direct relations between the Arab states and Europe. He predictably located the culprits in major U.S. oil interests which fear a loss of monopoly positions in the fuel market. Echoing some of the points he and other Soviet commentators had made in their analyses of the energy crisis and Arab oil embargo in late 1973 and early 1974, Kharlanov urged the oil-producing developing countries to maintain a "unified front." He concluded with the reminder that only a unified policy "independent of pressure from the monopolies can lead to results that meet the true interests of Third World nations."

TOLKUNOV ARTICLE A major IZVESTIYA article on 1 August, third and last in a series on the Middle East by chief editor Lev Tolkuonov, was addressed in large part to the issues of Arab unity and use of oil as a political weapon. Opening his article with the observation that "it would be incorrect to represent the Arab world as united and harmonious," Tolkuonov readily acknowledged that the numerous "inter-Arab contradictions"--linguistic, religious, ethnic, social, and others--were too deeply established to be

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eradicated short of "changing the very class structure of the Arab world, a lengthy and complicated process." Against the background of these "existing realities," Tolkuncov nevertheless found certain "unifying factors," chief among which were Arab cooperation with the USSR and the Arab countries' own

joint struggle on the oil front, which is linked to an increase of Arab world profits and the striving to exert pressure on the Western states so that they pursue a policy advantageous to the Arab states, particularly on the questions of the liberation of the lands occupied by the aggressor.

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INDOCHINA

VIETNAMESE COMMUNISTS CHARGE GVN AIRSTRIKES, U.S. OVERFLIGHTS

Alleged GVN airstrikes against targets in the PRG "liberated zone" of South Vietnam on 6 and 7 August have drawn numerous protests from Vietnamese communist sources, including PRG and DRV foreign-ministry level statements. The PRG's reaction to the bombings has again raised the specter of the 15 October 1973 PLAF Command order--heretofore noted only occasionally since the period shortly after its issuance--which threatens communist counterattacks in retaliation for alleged Saigon violations of the Paris peace agreement.* At the same time, a DRV Foreign Ministry spokesman's statement of the 9th has charged the United States with conducting aerial reconnaissance over North Vietnam with SR-71 aircraft. This routine protest was issued at the usual level of authority and couched in standard terms.

The authoritative PRG and DRV foreign ministry statements on 7 and 8 August, respectively, claimed that Saigon aircraft--including "many F-5E's"--bombed and strafed Loc Ninh and Bu Dop in Binh Long Province on 6 August. The PRG statement described the attacks as hitting "densely populated" areas with "demolition, fragmentation, and napalm bombs" which "killed dozens" and caused "extensive damage." The later, somewhat more strident DRV statement upped the death toll, accusing Saigon of conducting "wanton genocidal bombings and strafings" that resulted in "hundreds of dead." Both statements asserted U.S. complicity in the bombings, with the PRG statement declaring that the United States "must be held responsible for Saigon's "violation" of the Paris agreement.

A 9 August PRG Foreign Ministry spokesman's statement charging continued GVN bombings on the 7th, while issued at a lower level of authority, ominously referred to implementation of the 15 October PLAF Command order to punish "acts of war." While the threat of PLAF counterattacks are occasionally brandished in the media, the 15 October order has rarely been evoked since its issuance. The only known recent reference was in a Liberation Radio commentary of the 8th on the capture of Thuong Duc by communist forces, which declared that the "southern armed forces and people are

* For a discussion of the PLAF Command order, see the TRENDS of 17 October 1973, pages 7-9.

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determined to execute" the order as long as Saigon continues its "acts of war." A 9 August QUAN DOI NHAN DAN commentary on the capture of Thuong Duc, while not directly citing the PLAF Command order, used terminology reflecting its intent by describing the action as "appropriate punishment . . . right at the base which serves as a departure point" for ARVN operations. A mildly worded DRV Foreign Ministry spokesman's statement of the 9th--likewise protesting the alleged bombings on the 7th--avoided mention of the FLAF order or the possibility of retaliation.

The DRV Foreign Ministry spokesman's statement on overflights of the North, transmitted in English by VNA on 9 August and in Mandarin by Hanoi radio on the 10th, described U.S. "encroachments" of the DRV by SR-71's on two occasions on the 9th over Hanoi, Haiphong, and "many other parts" of North Vietnam. This statement has apparently been disseminated thus far only on Hanoi's international transmissions, which would be a departure from past practice. Customarily, statements charging overflights have been broadcast by Hanoi's Vietnamese domestic service, as was the last such protest, a virtually identically worded DRV Foreign Ministry spokesman's statement issued on 15 July charging a similar SR-71 overflight. The only known attendant publicity for the latest protest has been limited to passing references in Hanoi Mandarin broadcasts.

LE THANH NGHI DELEGATION VISITS CHINA, DISCUSSES AID

The North Vietnamese economic delegation led by Vice Premier Le Thanh Nghi capped its recent tour of the USSR and East Europe with a 1-8 August stay in Peking and Kwangsi Province before returning to Hanoi on the 8th. During his stay in Peking, Nghi held talks with PRC economic and aid experts headed by Vice Premier Li Hsien-nien, who also attended airport arrival and departure ceremonies for the DRV leader and feted him at a banquet on 2 August. Li had also been Nghi's host when the latter stopped off in Peking on 5-7 July, on the first leg of his foreign tour. During his August Peking visit Nghi held separate talks with Prince Sihanouk and RGNU Prime Minister Penn Nouth on the 4th. VNA reported that the DRV Vice Premier and his entourage were welcomed home in Hanoi on the 8th by officials headed by Vice Premier Nguyen Duy Trinh.

The delegation accompanying Nghi to China included Vice Chairman of the DRV State Planning Commission Le Khac, who had been with

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Nghi during earlier talks in Moscow and East Europe.* Joining the delegation in Peking was DRV Vice Foreign Trade Minister Ly Ban, who in the past has played a crucial role in the annual negotiation of Sino-Vietnamese aid agreements. While NCNA merely stated that the DRV delegation was on an "official visit" to China, VNA disclosed on 6 August that the two sides held talks on "China's aid to Vietnam in 1975" and on the "development of economic, scientific and technical cooperation between the two countries." No agreements were noted during the visit.

Though Peking gave full honors to the visitors and described effusively the "very cordial and friendly" atmosphere that prevailed in the bilateral talks, evidence of persisting Sino-Vietnamese differences was reflected throughout the visit. Thus, at the 2 August banquet, Li Hsien-nien failed to echo Nghi's sharp assessment of the "grave situation" in South Vietnam caused by continuing U.S. intervention designed to establish "neocolonialism." Li stressed instead Chinese approval of Vietnamese postwar reconstruction and support for their implementation of the Paris agreement. He mildly criticized peace agreement violations by Saigon "with the support of the U.S. Government."

Peking spokesmen duly testified to the "proletarian internationalist" basis of Sino-DRV relations, but they discreetly muffled statements committing Chinese aid to Vietnamese endeavors. NCNA even dropped references to Chinese aid that appeared in VNA accounts of Nghi's speeches, not reporting the DRV leader's stress at the 2 August banquet that Chinese support and assistance contributed to the "great victory of the Vietnamese people's anti-U.S. struggle for national salvation." NCNA also failed to carry Nghi's prediction that as a result of the talks in Peking, "the great and precious assistance of China will be strengthened and developed."

* For a discussion of the delegation's earlier stops, see the TRENDS of 17 July 1974, pages 12-13, and of 31 July 1974, pages 14-16.

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THAILAND

THAI CP LAUDS POLITICAL STRUGGLE, CALLS FOR PEOPLE'S WAR

The China-based clandestine radio of the Thai Communist Party, the Voice of the People of Thailand (VOPT), marked the anniversary of the 7 August 1965 start of communist-led armed insurrection in Thailand with an editorial reiterating traditional calls for people's war while giving favorable new stress to recent political struggle. This year's editorial, in contrast to last year's, which preceded the demonstrations in October that brought down the Thanom administration, noted that Thai political struggle had achieved an "unprecedentedly large-scale and violent upsurge." It lauded the October demonstrations as evidence that the mass movements had developed to a "high tide," it characterized civil strife leading to the 21 May resignation of the first Sanya cabinet as a reflection of the "upsurge in the people's struggle," and it claimed that "unprecedentedly large-scale struggles" are being waged against the present Sanya cabinet.

The editorial reaffirmed longstanding Thai CP reliance on people's war by linking the political struggles in the cities with the need for armed insurrection. It stated that the people's experience in anti-government demonstrations and strikes over the past year had shown that "democracy and justice cannot be obtained through begging, nor can they be handed out by anyone." The editorial added that "no peaceful means" can solve the conflict between the people and the rulers, and stressed that the seizure of political power by armed force "is the only correct way to solve the problems of the country and the people."

Reflecting the gradually reduced U.S. role in Thailand and the winding down of Indochina conflicts, the editorial this year muffled criticism of the United States and made no reference to Indochina--subjects previously commanding high priority in the anniversary editorial. The editorial also struck a more optimistic note on the insurgents' prospects, highlighting the present "excellent" situation and the enemy's "very difficult position," in contrast to past years when the insurgents' future "tortuous" road full of "difficulties" was emphasized.

FOREIGN REACTION In contrast to its silence on the date last year, Peking marked the anniversary with selective 10 August NCNA replays of the VOPT editorial and of a VOPT report reviewing the insurgents' battle successes over the

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past six months. The change conforms with Peking's increased attention to Thai insurgent battle reports and to demonstrations against the Thai government since the change of administration in Bangkok last October. It seems to reflect an appreciation that the weak and vacillating Sanya administration is less likely than the previous, anticommunist Thanom government to allow such low-level NCNA reports to impede the normalization of Sino-Thai relations sought by Peking. NCNA's replay of the VOPT anniversary editorial focused on its praise for armed struggle while ignoring its discussion of political struggle against Bangkok. It dropped all references to the United States and criticism of the Sanya administration. NCNA's replay of the VOPT battle review did contain a passing reference to the "Sanya administration."

Vietnamese communist media marked the date with low-level commentary that praised the Thai armed struggle and highlighted the U.S. role in Thailand. A QUAN DOI NHAN DAN commentary replayed by VNA on 7 August did not criticize the Sanya government by name, but LPA on the same date scornfully equated the current government with the previous military regime.

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PRC - MONGOLIA

SHARPENED POLEMICS SHOW WORSENING OF SINO-MONGOLIAN RELATIONS

Against the backdrop of recent Soviet-fostered moves to convene an international communist conference, presumably to castigate the Maoist leaders, Sino-Mongolian relations have recently taken a turn for the worse. Ulan Bator media have slavishly followed Moscow's lead in broad-ranging anti-China attacks, while Peking has responded with bitter charges against Soviet exploitation of the MPR. Peking's relations with Mongolia have long been among the poorest of China's traditionally cool relationships with close Soviet allies--a fact vividly underlined by the official termination of bilateral aid relations following talks held in Ulan Bator early last year.* But the present sharp pitch in mutual polemics--surpassing the propaganda exchanges of other Soviet bloc states with the PRC--points up a hardening in relations over crucial bilateral disputes and more general questions concerning the Sino-Soviet split.

Ulan Bator has acted as the chief foreign sounding board for Soviet-inspired charges geared to China's "anti-socialist" policies in Asia, sharply condemning Peking's opposition to the "Asian Collective Security system," calling attention to alleged PRC territorial claims and expansionism in Asia, and charging Maoist pursuit of "Great Han chauvinism" against Mongolian and other minority peoples in China. The Mongolians have issued long treatises documenting the history of Maoist "deviation" as well as searing attacks in the daily press. Typically, MONTSAME on 6 August replayed an MPR journal's historical discussion of PRC policies toward ethnic Mongolians in China, scathingly equating Mao's approach with the "chauvinism" practiced by previous dictators in China. It critically juxtaposed Peking's promises of autonomy for national minorities with its alleged policies of discrimination and importation of Han Chinese into minority areas. The article even delved into past alleged Chinese leadership disputes over the issues, charging that Ulanfu, an ethnic Mongolian and former alternate PRC Politburo member, was purged because he opposed these policies. It added that subsequent massive influxes of Red Guards into Inner Mongolia during the Cultural Revolution had resulted in the confiscation of Mongolian wealth and the arrest of older Mongolian males who still retained ethnic identity.

* NCNA reported on 27 March 1973 that a PRC Government delegation had returned to Peking after talks in the MPR which resulted in formal transfer to Mongolia of incomplete PRC-aided projects stemming from past PRC economic and technical assistance agreements with the MPR.

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Though Peking has not responded with equal harshness and has avoided direct attacks against the MPR leadership, Chinese comment has recently gone to greater lengths to discredit the MPR's close ties with Moscow. Characterizing Mongolia as the paradigm of Soviet exploitation abroad, the Chinese have charged that Moscow not only dominates Mongolia militarily and politically but also completely controls major aspects of MPR economic life through such means as joint stock companies and technical cooperation agreements. Recent commentaries have even alleged that Moscow directly appoints Soviet representatives to key Mongolian government ministries, in order to manage closely MPR economic development.

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K O R E A

PYONGYANG HIGHLIGHTS REUNIFICATION ON KIM SPEECH ANNIVERSARY

In commemorating the anniversary of a 6 August 1971 Kim Il-song speech, during a visit by Cambodian Prince Sihanouk, Pyongyang has highlighted Kim's statement that "we are ready to come in touch at any time with all political parties, including the Democratic Republican Party," the South's dominant party. Comparatively little attention was given to the major theme of the original address, which postulated that U.S. rapprochement with China actually evidenced a decisive shift in the world against the imperialist camp.

While past anniversaries of this speech have received little media attention, this year's was greeted by a NODONG SINMUN editorial, a speech by Political Committee member Yang Hyang-sop, and a meeting of the central committee of the North's unification front. The front followed through on numerous anniversary calls for wide ranging North-South negotiations with an appeal for convening a "great national congress" this year. Such a congress had been proposed by Kim on 23 June 1973, and appeals for its convocation have been made frequently since, but never with such a specific time frame. Moreover, the appeal went beyond Kim's original proposal in urging attendance not only by representatives from people of various strata in both North and South but also from "overseas compatriot organizations."

Yang's 5 August speech included the standard litany of Pyongyang charges against Seoul's perfidy while taking care to emphasize the North's conciliatory attitude and positive moves for peaceful reunification. Yang characterized Kim's proposal in the 6 August 1971 speech for contacts with the South as a chance for "many people" to atone "at least somewhat" for past crimes against the nation. He stated that the North could negotiate with the South Korea authorities, "at any place to be agreed on with them," if they would "repent for their wrongdoings in the past" and "return to the position of independence."

Blaming the current deadlock in North-South negotiations on the ROK, Yang downgraded the importance of the Red Cross talks, calling them the "least" of Pyongyang's many proposals, and stated bluntly that overall the North-South dialog "has made no progress to speak of." He noted, however, that it has been quite successful in revealing the Pak government as "splittist, bellicose and

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fascist," in isolating it internationally even from important segments of U.S. and Japanese public opinion, and in adding to Pak's domestic difficulties. As he did in July on the second anniversary of the North-South joint statement, Yang called on South Koreans to "smash the Pak Chong-hui fascist military dictatorship," and he also pointedly cited events in Thailand, Portugal, and Greece to back his claim that the world no longer tolerates such dictatorships.

PEKING, MOSCOW A 10 August Peking domestic broadcast noted the DPRK proposal for a national congress. but no original Chinese comment on the initiative has yet been monitored. Moscow, however, has been quick to hail the plan in selected media. An 8 August Moscow broadcast in Hungarian lauded the proposal and went on to note the presence of foreign troops in South Korea, stating that the existence of "almost 200" Pentagon military bases formed a "potential hotbed for military conflicts." A commentary in Korean on the 9th repeated that language and contrasted the general "affirmative political detente in the Asian continent" with the "cold war" division of Korea.

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SUPPLEMENTARY ARTICLE

CONTENTION OVER PARTY ROLE IN LEADING SOVIET ECONOMY

Brezhnev's speech at the December 1973 CPSU plenum appears to have aggravated the long-standing conflict over the party's role in the economy, both by its proposals for changes in the economic system and by its blatant call for a more direct party role in management of the economy. The contentiousness of Brezhnev's remarks is evidenced by the fact that when a published version of his speech appeared in February, all his specific economic proposals were omitted and his call to place economic leadership on a "party basis" was deleted from a sentence. This censored clause, as well as his warnings at the plenum against a "technocratic" approach, have recently been revived in a June KOMMUNIST article and a July RADYANSKA UKRAINA editorial that defend the party's right to intervene in the economy, suggesting that the issue is still under debate as efforts continue to draft new economic measures based on the plenum.

Although Brezhnev himself described his proposals at the plenum as very important, representing a sweeping reform of the system of economic administration and planning, it is unlikely that they include many proposals to grant economic organizations more freedom to operate on the basis of economic levers, in view of Brezhnev's past coolness toward economic reform and his plenum remarks calling for more party control. His plenum attack on "narrow-economic" or "technocratic" approaches to economic management presumably referred precisely to those who want more independence for government and economic organizations, and also amounted to an indirect swipe at Kosygin, who has promoted measures to facilitate wider use of economic levers. This has not prevented Kosygin from winning approval of the April decree allowing light industry associations and enterprises more freedom to adjust their own production. Nor has Brezhnev received public support from other Politburo members, who have ignored his plenum statements.

BREZHNEV STATEMENTS According to the 12-page abbreviated version of Brezhnev's December 1973 plenum speech published in a collection of his agricultural speeches signed to press on 14 February, Brezhnev called for a "persistent" struggle for a "party approach in all spheres of economic activity" and declared that "we cannot approach leadership of the economy, questions of improving this leadership, from narrow economic, much less technocratic

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positions," since this is "a party matter, a political matter." He also stated:

"Both today and in the future the party has and will have two pillars in economic construction. One of them is the improvement of the leadership of the economy. And the other is the mobilization of the widest masses of the workers, arousing of their creative activity and initiative in the struggle for economic progress."

In fact, Brezhnev's definition of "two pillars" when publicized earlier had included an additional clause implying an increased party role (underlined below). PRAVDA editorials on 27 January and 14 March quoted Brezhnev directly as having said:

"Both today and in the future the party has and will have two pillars in economic construction. One of them is the improvement of the leadership of the economy, placing it on a really scientific, really party basis. And the other is the mobilization of the wide masses of workers, arousing of their creative activity and initiative in the struggle for economic progress."

The significance of the excision is underscored by the fact that although 11 paragraphs of his elaboration on the second pillar, mobilization of the masses, were published in the February collection of speeches, no elaboration was included on measures to improve the administration of the economy. This was all the more striking because his introductory remarks on this subject, which were not cut, had stressed the importance of his proposals, which he termed "a whole system of important measures for improving administration and planning and for improving the whole economic mechanism."

The sensitivity of the clause is further suggested by the fact that it was cut out of the middle of a paragraph when published in the book. Moreover, it was omitted--along with the rest of the "two pillars" statement--from the initial PRAVDA editorial on the plenum published on 16 December, which had included Brezhnev's attack on a technocratic approach. This editorial did refer to a part of the omitted clause, but the omission of the reference to "party" had the effect of changing Brezhnev's

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meaning. It said that he had pointed to the need for "further improvement of the leadership of the economy on a scientific basis." Although the full "two pillars" statement was quoted in the 27 January and 14 March PRAVDA editorials, it was omitted from editorials on 28 December, 17 January, 25 February, 11 March, and 13 May, which cited his statement on taking a party approach in all spheres, and also omitted in the editorials on 11 and 15 February and 24 May which cited his condemnation of a technocratic approach.

In contrast to PRAVDA, IZVESTIYA has largely ignored all those Brezhnev statements on these issues. Its long 16 December editorial on the plenum totally ignored all of Brezhnev's comments on the party's role in the economy--although IZVESTIYA, like other papers, reprinted PRAVDA's 16 December editorial in its next issue. In the months since the plenum, IZVESTIYA editorials have only once mentioned Brezhnev's "two pillars" statement (9 February) and his statement that managing the economy was a party and political matter (7 March).

The Politburo members in their statements on the plenum have virtually ignored all these statements also, although Mazurov did repeat one formulation in twisted form in his 7 June election speech. Whereas Brezhnev had declared it necessary "to persistently fight for assertion of a truly party style of work, a party approach in all spheres of economic activity," Mazurov declared that the Central Committee considers it necessary "to persistently fight for assertion of a truly party style of work, a scientific approach in all spheres of economic activity." One of the few officials to pick up Brezhnev's statements was conservative Moscow gorkom ideology Secretary V.N. Yagodkin, who used Brezhnev's condemnation of a technocratic approach and his insistence on a party approach to leading the economy to launch attacks on liberals in February articles in the journals QUESTIONS OF ECONOMICS and KOMMUNIST.

RECENT REFERENCES
TO "TWO PILLARS"

Two recent references to Brezhnev's "two pillars" formula suggest that this issue remains very much alive. In a June KOMMUNIST article entitled "The Party Approach to Economic Construction," Latvian First Secretary Voss, a propaganda specialist, cited the "two pillars" statement as well as Brezhnev's warning against a technocratic approach and criticized the theory that the party should "separate itself from leadership of the economy and wholly and fully leave this to economic organs." A 19 July editorial under the identical title in the Ukrainian Central Committee organ

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RADYANSKA UKRAINA stressed that "party leadership of the economy is an objective necessity" and also repeated Brezhnev's warning against a technocratic approach, quoting the full version of Brezhnev's "two pillars" statement.

An opposing point of view, in the meantime, has been posed by Central Committee official F.F. Petrenko.* In a 19 October 1973 PRAVDA article he had argued that government and economic organizations now had such skilled cadres that it was no longer necessary for party organs to intervene in their work, and the party could therefore concentrate on its leading political role. In an April 1974 QUESTIONS OF CPSU HISTORY article he argued that a fast-growing economy had made changes necessary in the system of economic administration and even in some features of the political system. In addition, in an April 1971 POLITICAL SELF-EDUCATION review Petrenko had written that Lenin had strictly distinguished between the role of the party as "political leader and organizer of the people" and the functions of state organs and had insisted that the party should not lead society directly but through government and public organizations. Petrenko noted that people sometimes ask whether the party organizations "should so thoroughly 'push their way' into economic problems and whether state and economic organs could not themselves handle economic matters and decide them."

BACKGROUND While Kosygin has not publicly addressed the issue of the party role, he clearly supports at least some extension of independence for economic enterprises and organizations, a position which would imply some attenuation of central planning and ministerial control as well as of party control. In addition to his association with the original 1965 economic reform, Kosygin won adoption of a March 1973 decree ordering ministries to switch to a structure of production associations and an April 1974 decree allowing light industry associations and enterprises to set their output on the basis of consumer demands.** Both decrees increase the opportunity for economic units to make decisions on a strictly economic basis.

The associations operate on principles of economic self-sufficiency (cost accounting) and can utilize rights granted to enterprises by

* See the TRENDS of 30 May 1974, pages 23-29.

** See the TRENDS of 17 July 1974, pages 21-23, and 24 July 1974, page 35.

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the 1965 reform which, in practice, the plants themselves have often been unable to implement. As economist N. Blyakhman wrote in the April NEVA, "economic independence, the ability to fully pay for themselves and all other attributes of full cost accounting are conceivable and possible only" for associations, not individual enterprises. Further, the spread of associations may strengthen the case for granting more decision-making to economic units, even in such sensitive areas as price setting. QUESTIONS OF ECONOMICS chief editor T.S. Khachaturov, urging more flexibility in the price formation system in a May QUESTIONS OF ECONOMICS article, rejected the idea of allowing enterprises to establish prices for their products, but in a June PLANNED ECONOMY article did acknowledge that the "overly rigid and centralized" price formation system might be improved by granting more rights to associations to set prices for certain types of products, as long as the "general line of state price policy" is observed. The system of "direct ties" between light industry units and retail outlets permitted by the April 1974 decree, limited though it is, does permit enterprises and associations new rights to adjust output, slightly loosening the central plan's control.

When the 1965 economic reform extended more rights to economic enterprises, party spokesmen soon asserted the need for a greater party role to insure adoption of the correct economic decisions. A March 1968 PARTY LIFE editorial declared that "now, in connection with the economic reform and a significant widening of rights of economic leaders," party checking on economic organizations "must be especially deep and effective," that party checking is "an effective form of party leadership of the economy," and that if a party secretary sees that an economic leader "is adopting incorrect decisions," he must resolutely oppose this. Gorkiy Obkom Secretary V. Tikhomirov wrote in an April 1968 ECONOMIC GAZETTE that "the economic reform grants more rights and more independence to leaders of enterprises" and local party officials therefore feel that "party checking on economic activity must be strengthened," since "there still are economic officials who are not ashamed of deceiving the state."

The stage was set for increased interference by the December 1969 CPSU plenum, after which the Central Committee adopted a decree on the party organization of the Ministry of Meat and Dairy Industry, laying down the principle that party organizations of all ministries must intervene more actively in running their ministry and must inform the Central Committee of shortcomings in the work of the ministry and any of its officials. As Mazurov acknowledged in a 4 June 1970 Minsk speech, "deeper penetration of party organizations

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into the essence of all processes taking place in the economy is characteristic for the present stage." Against this background, the recent calls by Petrenko to reduce party interference in economic organs may be read as an effort to reverse the trend begun in the late 1960's. As Petrenko argued in the 19 October 1973 PRAVDA article, the weaknesses in state and economic organs which necessitated past intervention by the party apparatus have been largely corrected and the party could return to its political work.

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A P P E N D I X

MOSCOW, PEKING BROADCAST STATISTICS 5 - 11 AUGUST 1974

<u>Moscow (2453 items)</u>		<u>Peking (820 items)</u>	
China	(7%) 9%	Law of the Sea Conference	(8%) 13%
U.S. Presidential Change	(--)	Criticism of Lin Piao and Confucius	(9%) 7%
[Podgorny Greetings to Ford	(--)	Romanian Foreign Minister Macovescu in PRC	(--)
Cyprus Crisis	(6%) 7%	Cyprus Crisis	(7%) 5%
Chile	(3%) 3%	Indochina [Vietnam	(5%) 5%
		USSR/Japan Northern Terri- tories Dispute	(3%) 3%
			(--)
			3%

These statistics are based on the voicecast commentary output of the Moscow and Peking domestic and international radio services. The term "commentary" is used to denote the lengthy item--radio talk, speech, press article or editorial, government or party statement, or diplomatic note. Items of extensive reportage are counted as commentaries.

Figures in parentheses indicate volume of comment during the preceding week.

Topics and events given major attention in terms of volume are not always discussed in the body of the Trends. Some may have been covered in prior issues; in other cases the propaganda content may be routine or of minor significance.