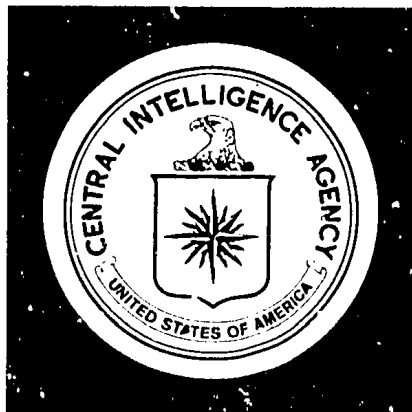


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Weekly Review



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May 2, 1975

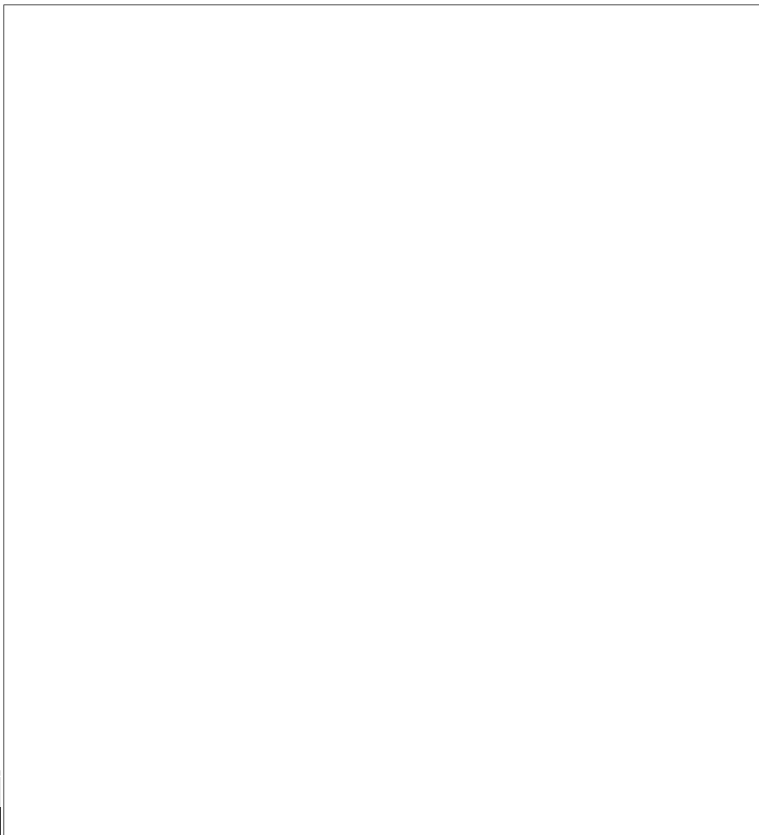
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South Vietnamese troops run for cover as the Communists move on Saigon

VIETNAM

SAIGON FALLS

By mid-day on April 30 the communists' Provisional Revolutionary Government flag flew over the presidential palace in central Saigon, now renamed Ho Chi Minh City. North Vietnamese troops and tanks had entered the heart of the capital less than two hours after newly installed President Duong Van Minh announced the unconditional surrender of his government. Minh's brief address to the nation was followed by an order from the Joint General Staff to all members of the armed forces to lay down their arms and carry out a "bloodless cease-fire."

Lingering hopes that the new Minh government sworn in on Monday would meet communist specifications and make possible some sort of negotiated transfer of power had been dashed two days earlier. The communists immediately rejected President Minh's inaugural pleas for a cease-fire and quick implementation of the Paris agreement. Instead Hanoi and the PRG reiterated their series of constantly escalating demands, including the complete dismantling of the South Vietnamese government's administrative structure and armed forces—it was clear that President Minh had no choice but to quickly accept these surrender terms, given the rapid crumbling of Saigon's military position.

The communists had closed the ring around Saigon during the last week in April. North Vietnamese commanders clearly wanted to bring their superior numbers and firepower to bear close to the capital to overwhelm the defenders and bring a quick end to the fighting. On the South Vietnamese side, senior commanders understood that the end was near, and

the Joint General Staff and Military Region 3 command had virtually ceased to function.

On April 26, the North Vietnamese, with their overwhelmingly superior forces in position around the capital, resumed the attack—against several major centers near Saigon rather than Saigon itself. The most important of these was the nearby major base area at Bien Hoa, north-east of the capital. They also drove through Cu Chi northwest of Saigon and Tan An southwest of the city, and they captured the port of Vung Tau. Against hopeless odds and in many cases virtually without senior command leadership, most of the government's regiments put up only brief resistance.

As though to leave the door open for departing Americans and anti-communist Vietnamese, North Vietnamese forces withheld their fire around Tan Son Nhut airfield until Monday, April 28, when they closed the field to further evacuation flights. Although they continued mop-up operations around the outskirts of Saigon on the 29th, they spared the city a direct attack, preferring to destroy remaining government forces outside the capital. This has enabled them to take over power stations, transportation facilities, and productive plants in relatively good condition. It also allowed the evacuation to continue from points within the periphery of the capital through Tuesday, the 29th.

South Vietnamese troops offered little last-minute resistance. Large numbers of soldiers waved white flags and officers waited at the entrances to military compounds for the arrival of the North Vietnamese. Outside Saigon, pockets of South Vietnamese continued to fight a few more hours, while those in possession of aircraft flew to Thailand, and those with naval boats headed for islands offshore.

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King Savang

LAOS: COURTING THE KING

King Savang this week is paying his first official visit to Pathet Lao headquarters at Sam Neua in remote northeastern Laos. The visit began Monday, will last six days, and will almost certainly be interpreted as a major step toward national reconciliation and reunification. It could also have an important bearing on Lao communist leader Souphanouvong's acceptability as a future prime minister.

The King's 22-member party, which includes the Queen, other members of the royal family, and a number of senior coalition government ministers, traveled from Luang Prabang to Sam Neua via three Soviet-piloted Pathet Lao helicopters. Deputy Prime Minister Leuam Insisengmay and Interior Minister Pheng Phongsavan were the only high-ranking non-communist officials to accompany the royal entourage. The press was not invited.

The US embassy in Vientiane reports that the Pathet Lao are according red carpet treatment to the King and his party. The most important power-brokers in the Lao communist movement, including shadowy Central Committee chairman Kaysone Phomvihan and his deputy, Nouhak Phoumsavan, were on hand to welcome the King to Sam Neua. Moreover, in his keynote address that highlighted the emo-

tional reception ceremony, Prince Souphanouvong reportedly struck a strongly nationalistic and conciliatory tone and refrained from any polemical tirades against non-communist politicians and military leaders.

Souphanouvong extended the invitation for the visit on behalf of the Lao Communist Party Central Committee and is in overall charge of festivities at Sam Neua and other areas in the communist-controlled zone that are on the King's itinerary. Souphanouvong is also handling arrangements for the King's coronation, which is expected to take place sometime next year.

Souphanouvong's efforts to identify himself closely with the King, who is held in awe and respect by all Lao groups and factions, could reap important political dividends for the Pathet Lao. The Prince's reputation as a national leader is likely to be enhanced considerably, and his claim as Prime Minister Souvanna Phouma's successor significantly strengthened.

There is no firm evidence that Souvanna, who is believed to have played a major role in the negotiations which led to the King's decision to visit Sam Neua, is actively promoting his half-brother Souphanouvong as a successor. Souvanna, however, has consistently maintained that Souphanouvong is more of a Lao nationalist than a communist and that if Laos' latest coalition experiment is to have any chance of success, risks must be taken and compromises made to bring the communist prince and other so-called Pathet Lao moderates back into the nation's political mainstream. Moreover, recent developments in Cambodia and South Vietnam have almost certainly reinforced Souvanna's conviction that a policy of political accommodation with the Pathet Lao is the only alternative to a communist military take-over.

The King's decision to visit Sam Neua will give him the opportunity to demonstrate good will toward Peking as well as the Pathet Lao. [redacted] during his return trip to Luang Prabang, the King is scheduled to travel along part of the Chinese road network in northwest Laos. [redacted]

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CAMBODIA: OF PRINCES AND PUZZLES

The Khmer Communists this week confirmed their intention to keep Prince Sihanouk on as nominal chief of state. In a communique broadcast by Phnom Penh radio to mark the completion of a "special national congress," deputy prime minister Khieu Samphan announced that the congress had "decided" that Sihanouk would stay on and that Penn Nouth would be "allowed" to remain as prime minister.

The announcement left little doubt that Sihanouk and Penn Nouth will play a severely circumscribed role. Samphan's reference to a "thorough review and debate" suggests that the decision to allow the two any role whatsoever was a bitter pill for some communist leaders to swallow. Samphan hinted that other non-communist figures—such as foreign minister Sarin Chak may be on their way out, saying that they would be "rewarded according to their contributions and abilities."

Aside from this announcement, there is no sign that Cambodia's new rulers are in any hurry

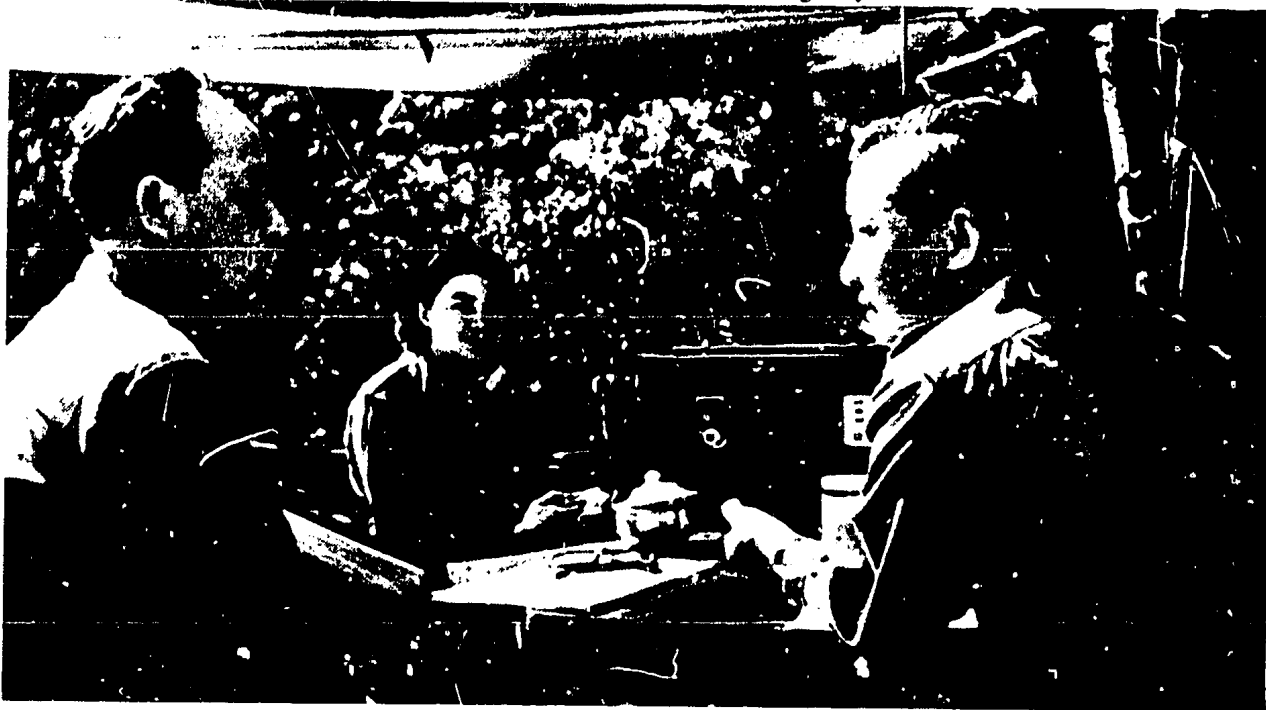
to give their regime more visible form. The absence of any formally invested government is creating a perplexing situation for the many countries that are eager to establish diplomatic relations. The situation became even more confusing at week's end as the communists moved to deport all remaining foreigners from the capital, including official and quasi-official representatives from France, East Germany, and the Soviet Union—countries that Cambodia's new rulers might have been expected to cultivate.

Prince Sihanouk—who will apparently remain in Peking at least until his mother's funeral next week—offered some explanation for this puzzling policy by announcing that "diplomatic missions and consulates accredited" to the former government "cannot be considered as accredited to" the new government. All this strongly suggests that the new leadership is not about to make it easy for any government that waited until the eleventh hour to sever ties with the former rulers in Phnom Penh.

Prince Sihanouk(r) chats with Ieng Sary

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USSR: CULTURAL POLICY

The unsettled atmosphere in cultural affairs evident during the past several months is persisting. The party Central Committee at a plenum on April 16 failed to fill the vacant post of party secretary for propaganda and culture. Last December the Central Committee had relieved Politburo candidate-member Petr Demichev of his long-time responsibilities for culture on the party secretariat without appointing a successor. Earlier, Demichev had been minister of culture, normally a lesser post, so far as policy-making is concerned.

In December there were signs of indecision—and possibly even deadlock—not only on whom to choose for the cultural post on the secretariat, but also on the future course of cultural policy in an era of detente. Now that another plenum has passed without resolution of these questions, it seems likely that they will remain to become important issues in the political maneuvering within the party hierarchy as it prepares for the CPSU congress scheduled for February 1976.

The leadership's stopgap solution has been to parcel out Demichev's former party responsibilities among several incumbent secretaries, and also to act collectively at times when the inter-

Demichev



vention of the party secretary for culture is normally called for. In terms of policy, a pragmatic carrot-and-stick approach has been evident in some sectors, and immobility and drift in others. The public drumbeat on cultural issues, however, has tended to be a replay of generally hard, doctrinaire positions. In the area of dissent, a crackdown of as yet unclear proportions is under way. The latest targets have been several prominent dissidents associated with the international human rights organization, Amnesty International.

A recent example of collective responsibility in cultural affairs and of orthodoxy in public policy was the joint meeting in Moscow of Soviet "creative" unions on April 15. It was attended by seven of the nine party secretaries—only Brezhnev and party secretary for agriculture Kulakov were absent. Although Demichev, who also attended the meeting, was legitimately present in his capacity as minister of culture and candidate Politburo member, he was conspicuous as the only leader present who was not also a party secretary. This may strengthen speculation among some Soviet intellectuals that the vacuum in the party's cultural post has enabled Demichev to exercise more of a say in cultural affairs than is customary for a minister of culture.

The joint meeting of the cultural unions, devoted to preparations for the 30th anniversary of the end of World War II in Europe, took the opportunity to restate the commitment of the Soviet cultural establishment to the party and its program by "praising the heroism of the Soviet people during the war and philosophically assessing its result." The main speaker, head of the writers' union Georgy Markov, never strayed from standard, orthodox positions. None of the party leaders present delivered a speech. The forum may have been considered inappropriate for a statement on cultural policy, but the leaders' silence could indicate an unwillingness to take a public stand on unresolved issues.

Markov, who is also a full member of the Central Committee, was among the speakers at the CPSU plenum the following day. None of

the speeches at the plenum has been published, but Markov's role evidently was to reassure the political leadership that present controls over culture are adequate to maintain the status quo, at least until the leadership decides on where to go from here. [REDACTED]

USSR - Middle East TAKING THE INITIATIVE

During the past week, Moscow continued its "thorough preparations" for reconvening the Geneva conference, playing host to both Syrian Foreign Minister Khaddam and a Palestine Liberation Organization delegation headed by Yasir Arafat. The question of how and when the Palestinians should be represented at the conference has apparently been at the center of discussion.

Khaddam's visit was important to the Soviets because Damascus has threatened to boycott the conference unless an independent Palestinian delegation participates from the beginning. Moscow, aware that forcing the Palestinian issue would raise a major obstacle to Israeli participation, apparently would prefer to put off any discussion of Palestinian participation until later in the conference.

The Soviets tried to bring Damascus along by reiterating their intention to strengthen Syria's military capability. Apparently to drive this point home, Soviet chief of staff Kulikov visited Damascus to discuss military affairs at the same time Khaddam was in Moscow.

The Syrians, however, still seem uneasy about the Soviet approach to the Geneva conference. Khaddam did not mention the conference in a speech made during his visit, and the communiqué contained nothing but shopworn and ambiguous statements regarding the conference. Furthermore, the leader of the Syrian-controlled fedayeen group, Zuhayr Muhsin, announced a few days after Khaddam's visit that he would not join the PLO delegation in Moscow, privately criticized the Soviets, and publicly ques-



Khaddam

tioned whether anything could be accomplished at Geneva. Muhsin would probably not have taken such action without the approval of Damascus.

The PLO delegation arrived in Moscow amid indications that both Arafat and his Soviet hosts expected difficult talks. Prior to the visit, Arafat took pains to form a delegation that would support his personal views in negotiations with the Soviets. Moscow greeted Arafat somewhat coolly, suggesting that the USSR is concerned about raising undue expectations.

While courting the Arabs, Moscow has again signaled its interest in developing contacts with Israel. During Khaddam's visit, Gromyko publicly stated that the USSR was willing to give Israel the "strictest possible guarantees" as part of a settlement. Although Moscow has frequently indicated its willingness to guarantee a Middle East settlement and has often asserted support for Israel's continued existence, Gromyko's explicit reference to these points in front of an Arab audience was a new twist.

Gromyko's statement came only a few weeks after Soviet emissaries reportedly discussed the Geneva conference with high Israeli officials. Moscow seems to be trying to project a more evenhanded policy in order to encourage Israeli attendance. [REDACTED]

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ROMANIA-YUGOSLAVIA: JUROM FIGHTER

Romania and Yugoslavia have publicly announced the joint development and production of the prototype for a new combat aircraft. This aircraft, known as the JUROM, made a demonstration flight on April 15 near Belgrade.

Photography taken in February of the Bacau aircraft repair facility in northeastern Romania showed an unidentified fighter-type jet aircraft. This aircraft, which does not equate to any known Soviet-produced fighter in either size or configuration, is probably the Romanian prototype of the JUROM.

The JUROM, a swept-wing, subsonic, jet aircraft powered by two Rolls-Royce Viper engines, has been under development for about three years. It will probably be produced in both trainer and ground-attack versions. The program originally called for about 200 aircraft to be produced for each country, but recent information indicates that each country will initially receive 100 aircraft, with an option for an additional 100 if the plane's performance and cost prove satisfactory.

Tito's regime has a long-range goal of ending dependence on foreign arms suppliers by the end of the century. Domestic production of a jet fighter is one important step in this direction. The Yugoslavs in 1970 apparently broached to the Romanians the idea of co-financing the research, development, and production of a new jet fighter, and the Romanians agreed to participate.

Romanian interest in the project is multifaceted. Bucharest wants to continue the development of its aircraft industry, and it needs new military equipment—especially aircraft—and spare parts for existing equipment. Bucharest, anxious to lessen its dependence on the Soviets for arms, has sought to diversify its sources of arms through various approaches, such as the JUROM program, and attempts to secure some Western military equipment.

The JUROM project called for the two countries to design and produce only the airframe. The engines, electronics and other sub-components were to be imported from

Britain, France, and Sweden. Romania and Yugoslavia apparently constructed separate prototypes designed to meet each country's specific requirements. Despite some developmental problems the program appears to have progressed fairly rapidly. The first flight of the Yugoslav prototype probably took place in mid-1974, with the Romanian test following in late 1974.

Both countries have expressed some dissatisfaction with the engines obtained from Britain. These engines, each of which can develop only about 4,000 pounds thrust, are considered by the Romanians to be technologically dated and not very efficient. The Romanians probably envision the JUROM as a replacement for their aging MIG-15 and MIG-17 fighters. Equipped with these engines, however, the JUROM's performance may not be significantly better than these older aircraft. The addition of after-burners could improve the thrust of the Viper engines, but neither country is believed to have the technology necessary for such a modification. They have expressed some interest in acquiring larger engines but, thus far, have been stymied by Western trade restrictions that prohibit the export to Warsaw Pact countries of jet aircraft engines capable of developing more than 5,000 pounds thrust.

The JUROM program has been surrounded by considerable secrecy from the outset and has been the subject of deliberately misleading statements that have kept both Western and communist observers relatively uninformed about the program. Despite the problems encountered, the joint development of a jet fighter-type aircraft by the two countries is a notable accomplishment. Although still dependent on considerable Western technology and components, the success of this venture points to a degree of independence for both the Romanians and Yugoslavs in their future weapons procurement programs. Nevertheless, both countries will probably continue to be dependent for some time on foreign sources for advanced weapons and technology to support their growing aircraft industry.

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EC-CHINA: DEVELOPING TIES

The EC's commissioner for external relations, Sir Christopher Soames, travels to Peking May 4-10 to discuss the future development of EC-China ties.

The community's moves toward China reflect the EC Nine's growing interest in strengthening ties to Asia and the developing world in general. Both the EC and China regard closer ties as a desirable goal because of the greater leverage this would provide in their relations with the Soviet Union.

Foreign Minister Chiao Kuan-hua recently stated that China is seriously considering the appointment of an ambassador to the EC. Peking has apparently considered this move several times in the past few years, but it has never initiated action toward formalizing relations with the community. Soames' visit could encourage movement in this direction. The EC is also seeking to open negotiations on an EC-China trade agreement.

Unlike the Soviet Union, the Chinese have welcomed the EC's development and have accepted the competency of the EC Commission to speak on behalf of the Nine EC states regarding a common commercial policy. The commission probably hopes that progress toward a trade agreement with China will induce the East European states similarly to deal with the EC. The USSR tried to head off any such bilateral moves by initiating talks—now stalled—between the Council for Mutual Economic Assistance (CEMA) and the EC.

Under a trade agreement with the EC, China would export primarily agricultural products and light manufactured goods in exchange for industrial products and machinery. In recent years, trade between the EC and China has been on the rise, totaling \$2.2 billion dollars in 1974—about 15 percent of China's total trade. Both view a trade agreement primarily as a means of consolidating political ties.

Prior to his departure, Soames received a report from Belgian Prime Minister Leo Tinde-

mans on his trip to Peking last week—the latest in a series of meetings between Chinese and European leaders over the past six months. In conversations with Tindemans, Chairman Mao Tse-tung and ailing Premier Chou En-lai reiterated their views on the need for a militarily strong and united Western Europe. Chinese leaders are likely to stress these issues again in their exploratory talks with Soames.

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NPT REVIEW CONFERENCE CONVENES

The first conference to review the operation of the nuclear Non-Proliferation Treaty, which entered into force five years ago, opens Monday in Geneva. Participants are unlikely to limit their discussions to a mere reaffirmation of the purposes and provisions of the treaty. Instead, many countries are likely to question the commitment of the US, UK, and USSR—the treaty's depository states—to non-proliferation and disarmament and to challenge the validity of the premises on which the treaty was based in 1968.

The conference itself is required by an article of the treaty and is open to attendance by any country. Only the 91 countries that are full parties to the NPT (those states that have deposited their ratification instrument), however, can vote on conference resolutions. The 17 countries that have only signed the treaty can address all plenary and committee sessions and submit documents; they cannot vote or join in a conference consensus. States that are neither signatories nor full parties—which includes some of the major near-nuclear countries, Argentina, Brazil, India, Spain, and Pakistan—can be accorded observer status by decision of the conference.

Elaborate procedural rules have been drawn up to avoid attempts to approve by consensus resolutions unacceptable to major participants. A vote on any substantive matter that is in dispute must be delayed for 48 hours so

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efforts can be made to reach a compromise; when such a vote is finally taken, it requires a two-thirds majority to pass.

The conference will probably focus on political questions and on the peaceful uses issue. India's detonation of a nuclear device last May and its attempts to justify the test as a peaceful nuclear explosion magnified international interest in the issue of peaceful uses. Many countries—the nonaligned developing countries in particular—feel that too little attention has been given this question. They argue that the US, UK, and USSR have not faithfully implemented the NPT article that requires the depository powers to make available the benefits of peaceful nuclear explosions (PNE) to non-nuclear states. Some of these states may press for the establishment of an international body—probably under the auspices of the International Atomic Energy Agency (IAEA)—that could serve as a broker between themselves and the nuclear powers in providing such PNE services.

Such a proposal is unlikely to have smooth sailing, however, because the UK, US, and USSR are themselves split over the issue. The Soviets conduct an extensive peaceful nuclear explosion development program and, although they have not yet contracted to provide PNE services to any state, they have indicated that they would seriously consider such a request. The US now has only a minimal peaceful nuclear testing program while the UK has none. The US maintains that this country has not yet realized any substantial economic benefits from PNE and that PNE technology has not yet reached the stage of commercial application.

The one point on which the depository powers do agree, however, is that Article 5 of the treaty does not necessarily preclude making such services available to non-NPT parties—a position that they hope will eliminate the excuse for NPT or non-NPT parties to develop indigenous peaceful nuclear explosions. Such an interpretation, however, is unlikely to be received favorably by those NPT parties who feel that their adherence to the treaty gives them a

special status and assures them an exclusive right to such benefits.

The nuclear powers are also likely to be criticized for their failure to achieve the complete nuclear disarmament called for in Article 6. Mexico is already circulating a draft protocol that would establish a deadline for total disarmament, and Sweden and Canada may seek a role for additional countries in the verification of those disarmament agreements—such as last year's Threshold Test Ban—which have already been negotiated. To head off such moves, the British may reintroduce their proposal for a test ban quota that would establish limits for weapons tests. Britain's nuclear partners, however, do not support this move.

When the NPT was negotiated in 1968, the Security Council passed a resolution that assured that the Council—and particularly those members who are nuclear powers—would act immediately should a non-nuclear state be attacked or threatened by attack with nuclear weapons. The People's Republic of China was not then, however, a permanent member of the Security Council, and some states now fear that the assurance would be rendered worthless by the possibility of a Chinese veto in the Security Council. In addition to bolstering their own security by strengthened commitments from the nuclear powers, there may be a push by Mexico, Japan, and Nigeria, among others, to obtain assurances from the UK, US, and USSR that they would not use nuclear weapons against a non-nuclear state. The depository powers are likely to resist such proposals.

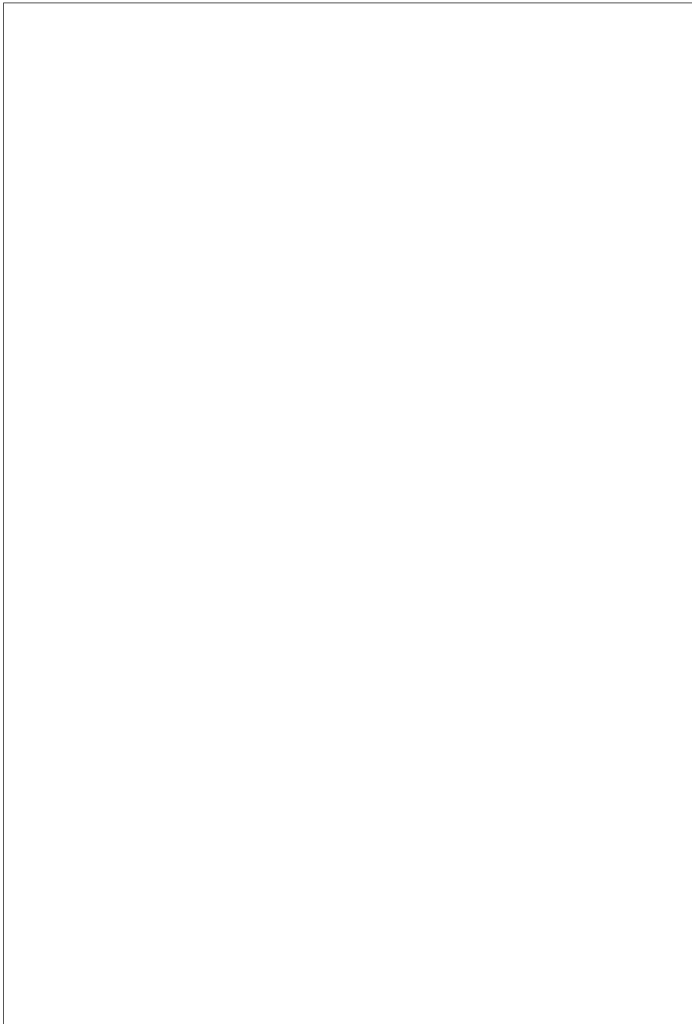
Other important nuclear topics—safeguards, physical security of nuclear materials and facilities, and the development of regional reprocessing plants—are also likely to be considered during the four weeks of the conference. While the purpose of the conference is not to amend the treaty, the discussions at these meetings and the actions resulting from them may well determine whether the treaty—in any form—can in the future contribute to the non-proliferation goals it was intended to ensure.

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Popular Democrats, 26 percent; and the moderate right-wing Social Democratic Center, 8 percent. The Communists and their allies took a total of 20 percent, 13 percent of it by the Portuguese Communist Party. Over 90 percent of the registered voters turned out, most exercising the right to vote for the first time.

Movement leaders are pleased that the election was unmarred by violence and that it provided a boost for Portugal's international image. They are playing down the victory by the moderates, however, and claim that the vote is a popular endorsement for the "socialist" policies of the Armed Forces Movement. Although sensitive that their campaign to persuade the voters to cast blank ballots netted only 7 percent of the vote, Movement leaders continue to assert that they do not intend to modify their program.

The Communist Party, smarting over its poor showing, complains that "antidemocratic forces" sabotaged its campaign. Lisbon newspapers, under strong Communist influence, have not stressed the moderates' victory as has the Western press, but instead have lumped the Socialists with the Communists and declared a landslide victory for the "left."

The Socialists' impressive tally, higher than the party had dared hope, provides them with a number of options to increase their political power. Socialist Party leader Soares hopes with this psychological victory to press his advantage in governmental affairs and in dealing with the all-military Revolutionary Council. His party will control nearly half of the constituent assembly, which is required to convene within 15 days of the election. The general terms of the constitution to be approved by the assembly have already been established by the Movement, but deliberations in the assembly could have an impact on the policies of the military government.

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PORTUGAL: MODERATES WIN

Portuguese moderate parties, led by the Socialists, proved decisively in the national constituent assembly election last Friday that they, not the Communists, represent the views of most Portuguese. Although the victors can exercise political power only as permitted by the Armed Forces Movement, their demonstrated popular support may have a moderating effect on the Movement and offset the Communists' influence.

Unofficial results gave the three moderate parties more than 70 percent of the vote: the Socialists received 38 percent; the center-left

Immediately after the election, Soares apparently decided that the best way to gain the Movement's favor was to describe the vote as a

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At the polls

victory for progressive forces and not to pursue a clear anti-Communist line. Earlier this week, however, he appeared to switch his tactics. He emphasized the "immense defeat" the Communists had suffered and implied that the outcome might give the civilian parties more leverage with the Armed Forces Movement.

How the Movement reacts to the moderates' victory will largely depend on which faction within the Revolutionary Council emerges with the greatest strength. Prime Minister Goncalves may suffer politically because of his open support for the Portuguese Democratic Movement—the election ally of the Communist Party. His radical faction is attempting to head off possible anti-Communist moves within the military by conjuring up the threat of new attacks from the right. President Costa Gomes and moderate officers are pleased with the vote and may

be able to use the Socialist victory to gain an advantage over the more radical officers.

The military officer with the best chance of taking advantage of the situation is Admiral Rosa Coutinho, a rising power since his return from Angola last January. Coutinho favors the development of an indigenous variety of socialism and appears to stand between the moderates and the radicals. Coutinho has emphasized the need for a "civilian Armed Forces Movement," and there is speculation that he may try to gain control of the Socialist Party and develop it into a base of support.

At the moment, Soares' efforts to gain the Movement's favor are likely to lead him to work more closely with moderate officers and Admiral Rosa Coutinho, while at the same time refraining from antagonizing the radicals by pushing too hard.

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FINLAND: NEW ELECTIONS POSSIBLE

A controversy between Finland's two major coalition partners—the Social Democrats and the farmer-oriented Center Party—threatens to force the government to resign and may necessitate calling new elections in August or September.

The dispute began on April 3 when President Kekkonen's Center Party announced it would not support the government's regional development package. An exasperated Kekkonen then sent a letter—later published in the Social Democratic Party newspaper—to senior government ministers criticizing the bickering over the government's program. Kekkonen later

threatened to dissolve parliament and call new elections unless a compromise was reached.

Neither major coalition partner was willing to compromise, partly because opinion polls indicated that both would stand to strengthen their parliamentary representation in a new election. A Gallup poll published last February indicated that the Center Party would increase its representation from 35 to 45 seats in the 200-seat parliament, while the Social Democrats would gain as many as 7 new seats over their current 56.

As election fever mounted, Kekkonen offered a compromise solution that called for passage of the regional development laws in their original form, but with a review after six months. Kekkonen also proposed that the government get back to work and pass several key bills before the summer recess or the dissolution of parliament. The Social Democrats immediately accepted the Kekkonen proposal, and the Center Party is expected to agree by next week.

Despite the show of cooperation, both parties are already gearing up for an election. The question now is when rather than whether there will be an election. Kekkonen clearly wants a new parliament, and coalition leaders will probably meet with him soon to work out the timing of the government's resignation.

Kekkonen may decide to wait until late May or June to dissolve parliament because Prime Minister Sorsa may visit the Soviet Union in mid-May. In addition, he probably wants to give the current government time to pass several key bills and to avoid interfering with the Social Democratic Party congress scheduled for June 5-8. Because of these considerations elections would probably be set for August or September. Kekkonen is expected to call on Helsinki Mayor Aura to head a non-political caretaker government until the elections.

President Kekkonen



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UN Secretary General Waldheim (c) at talks with Denktaş (l) and Clerides

CYPRUS: TALKS CONSTRUCTIVE

The intercommunal talks in Vienna between the Greek and Turkish Cypriots have gone smoothly, but major issues will probably not be considered before early June.

UN Secretary General Waldheim, who is participating in the talks, has described them as relaxed and constructive. Greek Cypriot negotiator Clerides and Turkish Cypriot negotiator Denktaş have agreed to set up a joint committee to examine the powers and functions of the central government of the proposed federation. The committee will meet under the auspices of the UN special envoy to Cyprus and is expected to complete its examination and reports for the next round of talks in June. Denktaş suggested forming the committee, apparently in response to Clerides' proposal that they examine the subject in detail this week.

The negotiators also considered the geographical aspects of a possible future settlement, but Denktaş appears to have parried Clerides'

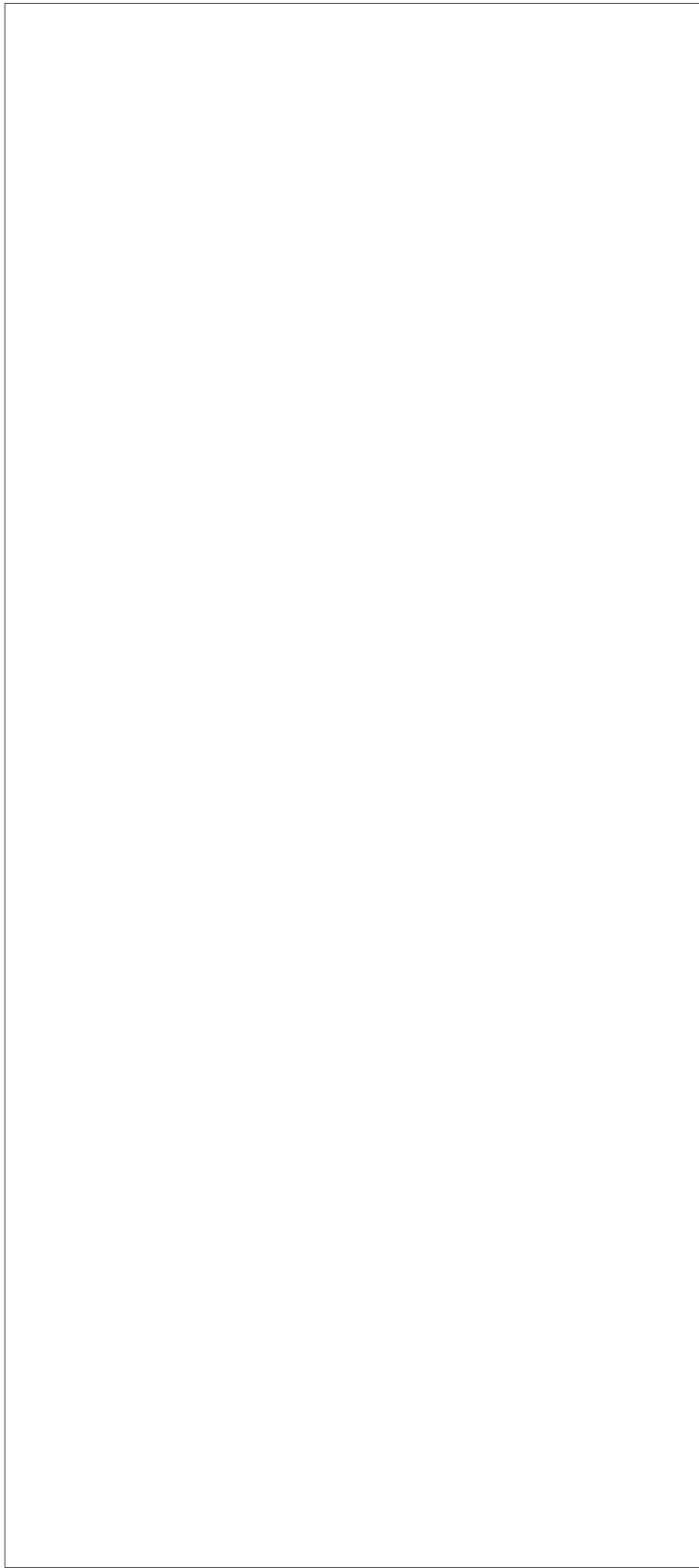
inquiry on how much territory the Turkish side would be willing to concede in exchange for the Greeks accepting a bi-regional federation. Denktaş's hesitancy to deal with major issues at this time is doubtless due to the unsettled political situation in Ankara, where the new coalition government has yet to make a firm decision on Cyprus.

Before the current round concludes, however, the negotiators may well reach agreement on lesser issues, such as displaced persons and the reopening of Nicosia airport, initially for UN use.

The Turkish Cypriots, meanwhile, have indicated they intend to go ahead with a referendum on the recently completed draft constitution for the Turkish Cypriot sector, which could complicate the negotiations. Ankara may direct Denktaş to postpone the referendum or at least to play down its significance.

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SOUTH AFRICA'S NUCLEAR PROGRAM

South Africa expects to be a world supplier of enriched uranium as well as uranium ore by the late 1980s. Officials announced earlier this month that their uranium enrichment pilot plant had gone into operation, although probably only part of the plant is actually operating. The South Africans are confident that their new aerodynamic enrichment process will be competitive on the world market.

The first commercial enrichment plant using this aerodynamic process is scheduled to begin operations in South Africa in 1984 and to reach full capacity two years later. The plant is to have an annual production of 5,000 units of separative work, which could provide core



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loadings for about 15 electric power reactors of 1,000-megawatt size each, and the plant could be expanded to double this production.

The South Africans are anticipating a selling price of \$74 per kilogram unit of separative work in 1986, which appears to be competitive when compared to projected fees from enrichment plants of other nations. The South African selling price equates to about \$27 million for enrichment of uranium for one core loading for a 1,000-megawatt electric power reactor.

To meet this price, the South Africans must keep to a minimum the amount of electricity used in the process and the cost of that electricity. The South Africans have indicated that the amount needed has been reduced below original estimates. Relatively cheap electric power is available in South Africa today because the country has considerable amounts of inexpensive coal. Pretoria plans to supplement its own electric power supply with power from the Cabora Bassa hydroelectric project in neighboring Mozambique that is scheduled to begin operation this fall.

The South Africans could technologically adapt their enrichment process to produce weapons-grade material. The government claims it can build nuclear weapons but says its policy is to use the enriched uranium for peaceful purposes. Pretoria, however, has not signed the Non-Proliferation Treaty and could assist other potential nuclear-weapons states.

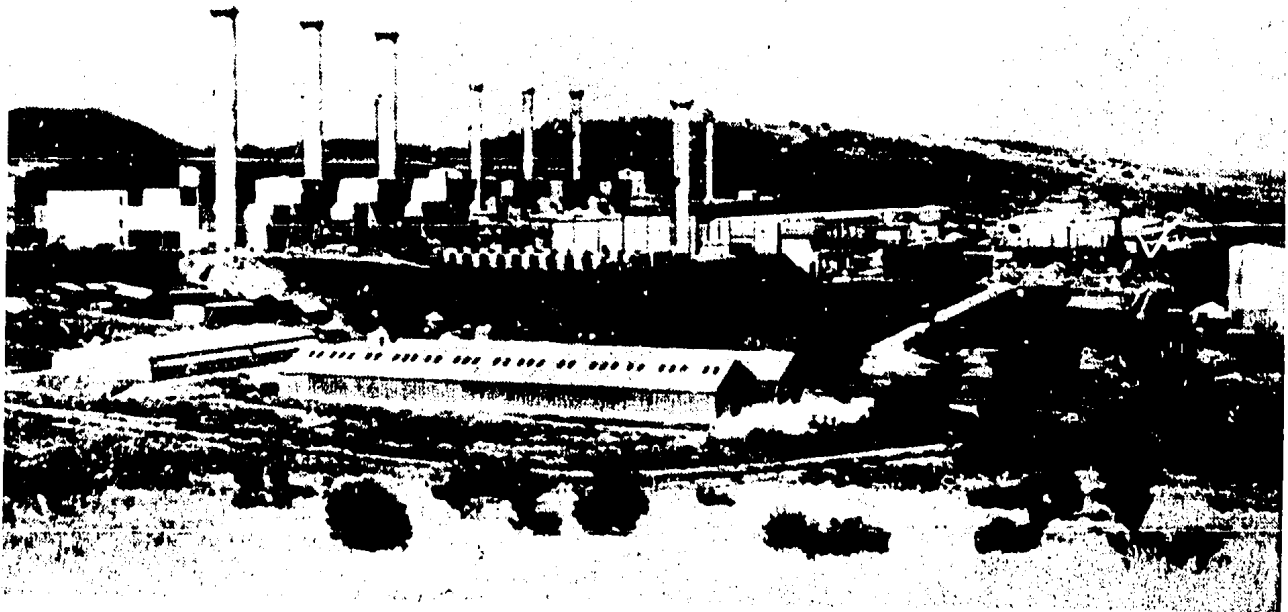
Details about the South African enrichment process remain closely guarded.

Pretoria, however, could be willing to export its technology as well as its uranium to countries seeking an independent uranium-enrichment capability.

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Uranium enrichment plant at Pelindaba



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ETHIOPIA: RIFTS IN THE JUNTA

The ruling military council arrested two of its members on April 22 for allegedly plotting a coup. The arrests have strained the already shaky unity of the 110-man council, which in recent weeks has also encountered increasing discontent from within the ranks of the armed forces.

Lieutenant Colonel Negussie Haile and Captain Debessu Beyne—both members of the council's intelligence committee—were arrested with at least three officers serving on the intelligence staff. Sixteen other council members were detained for a time and then released because hard evidence against them was lacking. The plotters reportedly intended to disband the council, restore Haile Selassie, and adopt more moderate policies in place of the radical socialist measures instituted by the council. Negussie allegedly had documents in his possession show-

Asfa Wossen



ing that he was collaborating with former crown prince Asfa Wossen, now in exile in London.

The arrests have brought to a head the personal rivalries and policy differences that have troubled the council for some time, and a serious rift may be developing within its ranks. The council has been in almost constant session since the alleged plot was uncovered, and its members have engaged in stormy debate over the direction and pace of the Ethiopian revolution. They are also divided on whether to execute more officials of the old regime; approximately 130 are still being held.

The council's most pressing concern is increasing opposition within the army to the radical land reform program announced in early March. Spokesmen for at least two of the army's four divisions have strongly protested the ban on private ownership of land, which would deprive military personnel of the land grants promised them under the Haile Selassie regime in lieu of retirement pensions. Many members of other units are known to be unhappy with the program.

The council has resisted repeated demands that the military be exempt from the land reform decrees, but some members reportedly are siding with the dissidents. The council and armed forces units are also squabbling over pay and allowances, the living conditions of some garrisons, and the council's failure to consult the units on important issues.

A new wave of student unrest is providing another challenge to the council's leadership. Secondary students in Addis Ababa and in two large cities in eastern Ethiopia went on strike this week to protest the council's authoritarianism. Four students reportedly were killed in the capital during clashes with police.

Other students who were sent into the countryside several months ago as agents of the national rural development program have instigated violent incidents by encouraging

peasants to seize land from landlords. The students claim to be acting in accord with the terms of the land reform decrees. Clashes involving peasants, landlords, and security forces have resulted in several deaths. On April 29, many students were arrested in Jimma, a provincial capital about 150 miles southwest of Addis Ababa, because local authorities believed the students were preparing to take over the city.

of the insurgent movement, left Khartoum after a ten-day visit to discuss President Numayri's mediatory proposal for an immediate cease-fire and direct unconditional negotiations between the council and the rebels. There has been no public announcement regarding the results of the visit, but Sabbe continued to demand that Addis Ababa must first recognize Eritrea's right to self-determination before talks can begin.

Meanwhile, firefights with rebels occur almost daily in Eritrea Province, where government forces continue to expand their operations. In recent days they have become much more active in western Eritrea, along the Sudanese border. The rebels are avoiding offensive actions, presumably to replenish supplies.

During his stay in Khartoum, Sabbe is said to have also met with representatives of the rival Eritrean Liberation Front to discuss the formation of a united Eritrean front. The two groups are coordinating their military operations, but they do not fully agree on political goals. The government has cited the lack of a common Eritrean negotiating position as a major impediment to talks.

Early this week, Osman Saleh Sabbe, the leader of the Popular Liberation Forces faction

Recent demonstration in Addis Ababa

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RHODESIA: TALKS STILL STALLED

Black Rhodesian leaders of the African National Council are pressing Prime Minister Ian Smith to fulfill all the terms they claim he accepted as part of their truce agreement with him last December, before they will resume settlement talks with him.

The outcome of the special conference of the Organization of African Unity in Dar es Salaam earlier this month strengthened the nationalists' position by backing their strategy for bringing about an early transfer of power to Rhodesia's black majority. The conference voted to support the African National Council in settlement negotiations with Smith and also to help the council prepare for armed struggle if negotiations fail. At this time, the council leaders seem to be preparing for prolonged hard bargaining rather than an early renewal of guerrilla warfare.

The council's executive committee met in Salisbury on April 27 and announced it would not accept the invitation Smith extended after the OAU meeting to resume settlement talks that have been suspended since early March. The council's statement particularly demanded that Smith cease executions of convicted terrorists and release all political prisoners.

Smith has denied that he promised to release several hundred political prisoners prior to a final peace with the nationalists. Hence, the council's latest statement suggests a strategy of putting off settlement talks until the nationalists' bargaining position is stronger. The statement does not threaten to renew guerrilla warfare if Smith refuses the council's conditions for resuming negotiations.

The council's moderate leader, Bishop Muzorewa, seems confident that international pressures will sooner or later bring the white Rhodesians around to accepting a negotiated transition to majority rule. At the OAU meeting, the representative of Zambia, whose president has been working in tandem with South African Prime Minister Vorster to bring about a Rhodesian settlement, claimed that Vorster had promised that the South African police who had





Muzorewa

supported Smith's counterinsurgency operations will be totally withdrawn by late May. Vorster's subsequent statements in the South African parliament have implied that the police may indeed be home soon. Vorster also indicated that Pretoria wants a compromise settlement in Rhodesia, although the Prime Minister continued to deny South African interference in Rhodesian internal affairs.

Muzorewa also hopes that Mozambique will enforce UN economic sanctions against the Smith regime shortly after it becomes independent from Portugal on June 25. Samora Machel, head of the Front for the Liberation of Mozambique, which will take over full control in Mozambique, has told Muzorewa that after independence his country will enforce sanctions, provided foreign financial backing for the move is forthcoming. Mozambican seaports handle the bulk of Rhodesia's overseas trade, and Mozambique can ill afford to forfeit rail and port earnings derived from Rhodesian traffic.

At the conference of Commonwealth leaders in Jamaica this week, British Foreign Secretary Callaghan reportedly said that Britain would establish a special fund to help Mozambique participate in the boycott and also tighten its own sanctions against the Smith regime. Muzorewa and other leaders of the African National Council are attending the Commonwealth conference.

IRAQ-SYRIA: EUPHRATES DISPUTE

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The Iraqis, impatient with the failure of the Arab foreign ministers to accept—at their meeting in Cairo last week—Baghdad's charge that Syria is withholding water from the Euphrates River, have persuaded Saudi Arabia to mediate. The Syrians acknowledge privately that, sometime in March, they began diverting Euphrates water from Iraq in retaliation for Baghdad's involvement in an attempt to weaken or overthrow President Asad.

Any significant decrease in the flow of the Euphrates through Iraq becomes an immediate matter of concern to any regime in Baghdad, because many of the country's peasants depend on the river for irrigation. According to some experts, between 2 and 3 million people have been affected by the Syrian action.

Saudi Oil Minister Ahmad Zaki Yamani agreed to be mediator after discussions last weekend in Baghdad and Damascus. Yamani opened talks in Riyadh on April 30 with the Iraqi minister of irrigation and the Syrian minister of the Euphrates Dam.

The technical committee assigned last week by the Arab foreign ministers to study the problem is apparently continuing its investigation. This effort seems destined to fail, however, because of Syria's withdrawal from the committee on April 30. Damascus justified its action by referring to Baghdad's "continuing propaganda campaign" against Syria.

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OAS MEETING OPENS NEXT WEEK

The mood of the delegates arriving in Washington for the opening of the OAS General Assembly on May 8 contradicts Fidel Castro's notion that the OAS is an organizational slave to the US. Increasingly active participation over the past year in the many international conferences, especially those devoted to economic relations with the US, has provided the Latin American and Caribbean governments experience in formulating and expressing their positions on complex issues. They have seen that putting aside other differences to unite on a common concern offers more chance for success in pressuring the industrialized world.

Latin America's heightened sense of self-esteem is currently enhanced by the loss of US stature in their eyes—a loss due not only to events in Southeast Asia but also to the US failure to follow through on the "new dialogue" within the Western Hemisphere. The Latins' enlarged view of the world and their diminished expectations of the US make them value the OAS as their particular contribution to the mosaic of international forums and as a place where they individually can meet the US as

equals; all are subject to the same rules, and no one has veto power.

Most governments regard this as the time to bring to fruition the prolonged efforts to "reform" the OAS, which they see as too bureaucratic and formal. If this can be accomplished, the OAS may be able to attract a more inspiring candidate for the secretary generalship than those now in the field.

The hottest issues on the agenda now are the Trade Reform Act, the effect of oil prices, and the concept of collective economic security. Also, there is some hint that a few governments are working behind the scenes to prepare some "surprises" for the conference. Panama, for one, will probably try for a statement on the meaning of the canal issue to all of Latin America. The question of relations with Cuba will be raised, and this could be the subject that will break down the consensus the delegates are working hard to achieve.

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