

National Intelligence Daily

Tuesday 10 January 1984

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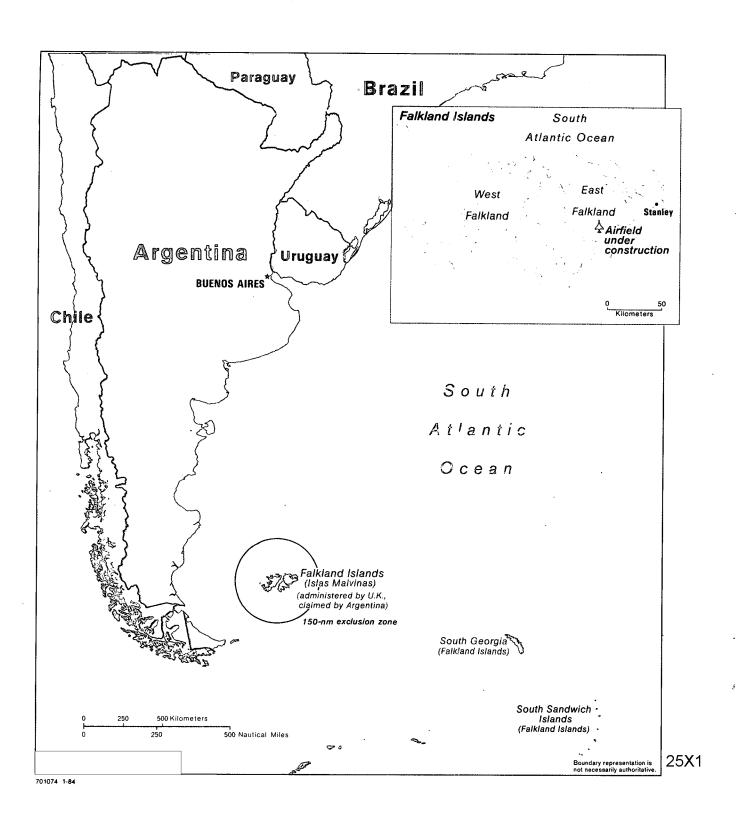


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EL SALVADOR: Military Activity Fighting occurred north of the capital late last week as began taking steps to recover from its recent setbacks at be and the Cuscatlan Bridge.		25 X 1
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As a result of the defeats last week, the commander of Infantry Brigade has been relieved, and one of the Army's units—the Belloso immediate-reaction battalion—has been redeployed to Chalatenango.	best	25X1 25X 25X
The US defense attache reports that the government construction of a national basic training center in La Unio be in operation by early next month. He also indicates that staff is considering basing a new immediate-reaction batt Chalatenango later this year.	n that could the general alion in	25 X 1
Comment : The high command is concerned about poguerrilla strikes against key economic and military targets operations now under way may have been initiated to pre insurgents, as well as to improve morale.	s. The	25X1
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Over the longer term, the establishment of the nation center will help standardize recruit training. It eventually we steady flow of replacement personnel to operational units	vill provide a	25X1 25X1

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SURINAME: Bouterse to Form New Government	
The formation of a new government following the resignation of Prime Minister Alibux's cabinet could be a difficult task as Army Commander Bouterse tries to deal with recalcitrant strikers.	25X ²
Bouterse announced in a televised speech on Sunday that a new government would be formed in cooperation with trade unions, business leaders, and members of the National Unity Movement. Until then, according to the US Embassy, Alibux's cabinet will remain in a caretaker status. Late last week the government announced plans to suspend income tax and other controversial tax and price increases pending further discussions.	25 X 1
In his speech, Bouterse also appealed to striking bauxite workers to return to their jobs and work with the regime to solve the country's problems. According to the Embassy, however, the strikers have not yielded and are demanding more concessions. The one-day strike by electric workers, which led to a power shutdown in the capital on Friday, is seen as a reaction to the government's plans to nationalize the power company and not as an expression of solidarity with bauxite workers.	25X1
Comment : The selection of a new cabinet could be a long process. Bouterse portrayed the military as the true representatives of the people and reconfirmed his intention to impose his revolution.	25X1
By changing his government, Bouterse probably hopes to overcome some of the widespread opposition to his policies. A new government, however, will face the same lack of popular support and severe economic problems as Alibux's cabinet so long as Bouterse remains the dominant force.	25X1
Bouterse evidently believes that he has solved the three-week-old labor dispute by suspending the controversial tax increases and removing the officials he blames. If the strikers continue to reject his overtures or to protest against any tax increases, however, Bouterse is likely to conclude that they no longer have any justifiable reason, and he could then resort to force.	25X1



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UK-ARGENTINA: Maneuvering Over the Falklands

Prime Minister Thatcher continues to combine conciliatory rhetoric with a tough line on sovereignty to fend off domestic and foreign pressure for concessions on the Falklands.	25X1
Both Thatcher and Foreign Secretary Howe recently reiterated that the UK will not negotiate the sovereignty of the islands. At the same time, Thatcher stressed her desire to normalize diplomatic and commercial ties with Argentina. She has offered to lift the exclusion zone around the Falklands in return for an Argentine declaration that hostilities in the South Atlantic have ended.	25X1
Comment : Thatcher is aware of the growing belief in the UK, even among Conservatives, that a "fortress Falklands" policy is too expensive to be an effective long-term policy. The British also are worried that President Alfonsin's diplomatic strategy will result in increasing US pressure on the UK to resume negotiations.	
Thatcher still believes, however, that Buenos Aires is a long way from persuading the islanders to accept Argentine rule. To obtain a status report on local sentiment, the Prime Minister is sending a senior Foreign Office official to the islands this week for a six-day visit. Thatcher remains committed to the principle that no concession on sovereignty is possible without agreement by the local population.	25 X 1
The British are willing to make cosmetic gestures in order to normalize relations with Argentina and thereby obtain implicit recognition of their control over the Falklands. On the other hand, London is unlikely to make more substantive concessions, such as halting construction of a new airfield. Thatcher is counting on the airfield to facilitate economic development and, more importantly, to reduce the cost of garrisoning the Falklands by making rapid reinforcement easier.	25 X 1

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TURKEY: Preparing for Local Elections	
The National Assembly's recent approval of a government bill allowing all major parties to participate in local elections in March sets the stage for an early test of Turkey's new democracy.	25 X 1
The legislation reverses an earlier intention to allow only the three parties that ran in the national election last November to take part in the local contests. Only the Communist Party and other extremist groups will continue to be barred. The government decided late last week to change the time of the local elections from summer or fall to 25 March.	25X1
Comment: The hostilities that may develop during the campaign and the current splintering of the party system could revive tensions between civilian leaders and the military. Prime Minister Ozal, however, probably sees opening up the election as a way of blunting both domestic and foreign criticism of the new political system by demonstrating that Turkey is irreversibly on the road to democracy. He presumably hopes that advancing the date of the election will strengthen his position before economic or terrorist problems can damage the standing of his Motherland Party and before opponents can organize effective campaigns.	25 X 1
Both the campaign and the elections involve risks for Ozal and the country's fledgling democracy. The decision to let most parties run opens the way for several parties across the ideological spectrum to develop large bases of support. The Correct Way Party, the successor to the banned Justice Party, could help destroy the declining military-backed National Democracy Party and challenge the Motherland Party for the support of Turkey's large center-right constituency.	25X1

The advent of the new Social Democratic Party could divide the center-left vote now dominated by the Populist Party. The latter currently is the government's most effective parliamentary opposition. The Islamic-oriented Prosperity Party may become the focal point for supporters of the once formidable National Salvation Party.

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INTERNATIONAL: Radio Conference		
The International Telecommunication Union convenes Geneva for a High-Frequency World Administrative Radio to reach agreement on a method for planning assignment shortwave broadcast spectrum.	Conference	25X1
The US, with the Voice of America, Radio Free Europe Liberty, is the second-largest user after the USSR of the his spectrum. Previous conferences did not identify a planning that meets both the minimum requirements of major broadlexibility in use of the frequencies and the demands of the developed countries for improved quality of service. The scheduled a one-third increase in the use of the shortward early 1990s, and broadcasters' demands on these frequencies are used to be a serviced as a service and serviced as a serviced as	nigh freqency ng method adcasters for ne less ITU has e band in the	25X
Comment: A planning method that meets the needs major and minor broadcasters is technically feasible, but two planned sessions of the Conference probably will no one. The Conference is likely to refer several methods to group, which will report to the second session scheduled 1986. If the Conference adopts a rigid spectrum planning broadcasting will be restricted.	this first of t agree on a working for October	25X1
The Conference also could be impeded by issues no related to planning. For example, Canada and the UK has resolutions against jamming, and reports from US Embast that most ITU members believe that jamming is an East-Vissue they would prefer to avoid at the Conference. Ideolo over the right of a nation to control information crossing and the question of Israeli participation are among the o extraneous issues that may arise.	ve submitted ssies indicate West political ogical debate its borders	25X1
The USSR almost certainly will oppose any type of a resolution. If the Conference agrees to place limits on trapower or on broadcasting of the same program on multifrequencies, the ability of the US to counter Soviet jammimpaired.	ansmitter ple	25X1

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SRAEL: Labor Party Optimism	
Labor Party Chairman Peres asked visiting US official tell Jordan's King Hussein that Labor expects to return	

Labor Party Chairman Peres asked visiting US officials last week to tell Jordan's King Hussein that Labor expects to return to power in the next several months. He said that the party would then move quickly to stop settlement activity on the West Bank and to begin negotiations with Jordan. Peres asked his visitors to inform Hussein that Labor contemplates returning 60 percent of the West Bank to Jordan. An Israeli public opinion poll conducted late last month shows that, if elections were held soon, Labor would win 57 of the Knesset's 120 seats and the ruling Likud only 41.

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Comment: Labor has displayed unusual unity in recent months and, anticipating elections, appears to be defining alternative approaches to Israel's pressing problems. The continuing budget debate and labor unrest could provoke a government crisis and lead to early elections. Some of Prime Minister Shamir's disgruntled coalition partners, however, are reluctant to carry matters that far for fear of losing seats. Some Labor supporters probably would oppose Peres's proposal to withdraw from most of the West Bank.

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USSR: Remarks on Arms Control Talks The editor of <i>Pravda</i> , in an interview on Sunday in the	Bulgarian	
party newspaper, expressed doubt that arms control talks resume so long as the current US Administration is in office same time, he indicated that Moscow has made no final deresumption, and he did not repeat the usual precondition missiles be withdrawn. <i>Pravda</i> noted on Saturday that "extended the remains an "approximate balance" of NATO and Scientermediate-range weapons.	ee. At the ecision on that INF en today''	25 X 1
Comment: The editor's remarks indicate that, while the continue to express pessimism over the resumption of tall have not foreclosed any option. In mid-November, however said that START and MBFR talks would not be interrupted failure to refer to the precondition that US missiles be with intentional, it may be a sign that Moscow is considering redemand. Pravda's statement about an "approximate bala coming shortly after US missiles were declared operations appears to point in this direction.	ks, they r, the editor d. If his ndrawn is evising its nce,"	25 X 1
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PHILIPPINES: Movement To Boycott Ele	actions		
PHILIPPINES. Movement to boycott Lit	sctions		
A congress of opposition leaders me	t last weekend.	elected	

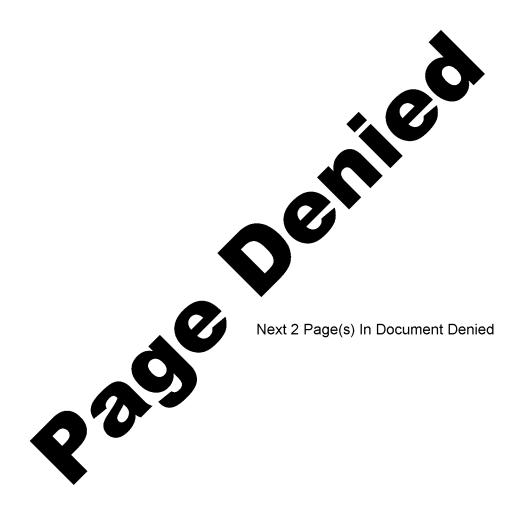
A congress of opposition leaders met last weekend, elected 15 representative leaders, and decided to boycott the National Assembly elections in May if President Marcos does not agree to repeal his authoritarian powers, purge the voter lists, and establish a neutral commission to oversee the polling. The Communist Party favors the boycott, and imprisoned Communist front leader Morales is among the 15 opposition leaders elected by the congress. UNIDO, the 12-party coalition, and other moderate opposition groups still favor participating in the elections. On the other hand, the Catholic Bishops' Conference of the Philippines has changed its position and has advised Filipinos that it would not be morally wrong to refuse to take part.

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Comment: The boycott movement is gathering momentum and is likely to divide the opposition further. The election of Morales reflects the Communist Party's growing influence. The UNIDO coalition plans to participate whether or not Marcos makes additional concessions, and its credibility will suffer if the boycott continues to gain wider support.

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CUBA: Economic Growth

The government has announced that the economy grew by 5 percent in 1983, or twice what it had projected. The regime claims that the rise is the result of increased labor productivity, energy conservation, and growth in nonsugar exports and in the construction sector. For this year, Cuban planners are predicting a 4- to 4.5-percent growth rate.

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Comment: The announcement probably was intended to help cushion the impact of the government's repeated warnings about likely increases in austerity. Available data indicate that at best the economy grew only 2 percent in real terms in 1983, but the Cuban figure probably is higher because Havana normally releases data on growth rates in nominal rather than real terms. The government apparently stimulated activity in the construction sector, which is labor-intensive and not heavily dependent on hard currency imports, to offset a decline of more than 10 percent in sugar production and exports. Havana is likely soon to request rescheduling of debt falling due this year, and it probably had foreign creditors in mind when it made the announcement.

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TUNISIA-LIBYA: Pipeline Sabotaged	
Tunisia has accused "commandos" from Libya of blowing up Tunisian gas pipeline near the frontier with Libya. Tunisian official told the US Embassy they have "definite proof" that four sabote crossed the border on Saturday and set off charges on an old fe line before returning to Libya. The resulting fire was brought und control on Sunday. Tunis has sent a note to Tripoli concerning the incident.	urs eder er
Comment : About 60,000 Tunisian workers live in Libya, and Tripoli recruits them for terrorist training during periods of strain relations. Although such dissidents are the most likely perpetrate the blast, the extent of the Libyan Government's involvement is unclear.	ied
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DENMARK: Parliamentary Elections		
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Prime Minister Schlueter's center-right minority coaliti	on is	
expected to gain in the parliamentary elections today, whi		
made necessary by the Socialists' rejection last month of		
government's budget. Polls indicate that Schlueter's Cons		
Party may double its 26 seats in the 179-member parliame		
strength of economic issues, although largely at the exper		
coalition partners. Such surveys also suggest that the Soc		
Democratic opposition may give up four seats to the coali		25X1
Democratic opposition may give up four seats to the coali	11011.	20/1
Comment: The expected gains would allow the Conse	rvativa lad	
Comment: The expected gains would allow the Conse		
minority coalition to remain in power. Prospects are less of		
the formation of a majority coalition, which probably would		
the support of the opposition Progress Party or the centric		
Liberal Party. Those two parties have been erratic in their		
government economic and foreign policies. Even with elect a minority government may yet be forced into a comprom		
budget and could again be threatened by an anti-INF Soc		0EV4
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