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DIRECTORATE OF INTELLIGENCE

Intelligence Report

Weekly Report Prepared Exclusively for the Senior Interdepartmental Group

-Seeret 44 3 April 1967 No. 0404/67

Approved for Release: 2019/02/19 C02870851

Secret

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1. PHILIPPINES

The formal Philippine request on 21 March for transfer of the Sangley Point Naval Air Station on Manila Bay appears to stem chiefly from pressures on President Marcos by an ultranationalist faction of his own Nacionalista Party.

Although the Philippine Navy's genuine need for expanded facilities for its adjoining Cairte headquarters is an underlying factor, the upcoming off-year elections in November have raised political temperatures. US-baiting in the Congress has intensified since the installation last February of Jose Laurel, Jr., as Speaker of the House. Laurel recently initiated the formation of a special congressional commission to re-examine Philippine-US relations, with special attention to bilateral military agreements.

Marcos' sudden formalizing of the Sangley issue may be an attempt to act first to undercut developing congressional pressures--a tactic he has employed in the past. He has shown an appreciation of US military needs for the Philippine bases and of Philippine dependence on them and on the \$22million annual MAP aid.

His public stand, however, commits him to the principle of transfer, and the pressures of domestic politics could impel him to press for greater US concessions than he initially envisaged. For example, if this question should develop into a major issue in the upcoming elections campaign, Marcos might find it expedient to propose joint jurisdiction over all American bases, which have long been a favorite target of the ultranationalists.

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2. GREECE

The current intense political maneuvering in Athens is symptomatic of the deep-seated crisis which has sharply divided conservative and leftist political camps.

At the crux of the problem is the deep concern of King Constantine and his right-wing advisers that the possible return to power of Center Union (EK) leader and ex-premier Papandreou would enhance the position of his son Andreas. Andreas is accused of "treasonable" actions in connection with the formation of Aspida--a group of pro-EK military officers. Recent rightist moves to hobble activities of the EK resulted in Premier Paraskevopoulos' resignation last week.

King Constantine has chosen National Radical Union (ERE) leader Kanellopoulos to head a government. This apparently is the result of failure to compromise on any candidate less clearly aligned with the ERE or the EK. Kanellopoulos has announced that the King has authorized him to head a service government which would hold elections in 45 days if he does not get a parliamentary vote of confidence; his prospects for winning such a vote seem slim. However, the King is believed to oppose elections under the present reinforced proportional system, which tends to favor the EK, and he might postpone the elections. If the situation deteriorates further, Constantine may even opt for some extraconstitutional solution.

The security situation is outwardly calm, but police and military units are on the alert. left-wing elements may hold "peaceful" demonstrations to create an air of uneasiness similar to that which ensued after the King forced Papandreou to resign in July 1965. The military chiefs are known to have contingency plans to round up "undesirables" in a new crisis, but deny that they plan a "coup."

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3. PERU

Peru is well on the way to becoming the first nation in Latin America to acquire supersonic aircraft.

President Belaunde claims that the new aircraft are needed to maintain internal order, resist subversion, and defend national frontiers. However, a more important reason may be his belief that unless the purchase is made his government will lose the support of the military. Funds will be made available from the military budget of \$48 million, nearly double last year's figure.

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British and French firms are also expected to make a definite offer of tactical aircraft shortly.

Belaunde wants to sign a contract before the Inter-American Summit meeting on the possibility that armament limitation discussions there would make it more difficult for him to acquire the aircraft later. He will probably attempt to justify the purchases on the grounds that the aircraft are replacements and thus should not precipitate an arms race in the hemisphere.

Chile and Argentina have purchased subsonic fighter aircraft within the last year and are not at present trying to buy supersonic jets. Their governments will almost certainly change their attitude if Peru acquires modern, supersonic planes. Brazil has also considered purchasing supersonic fighters but so far has moved slowly. None of the major countries in the area would be interested in large numbers of aircraft, but the prestige factor could push them at least to try to keep up with their neighbors in terms of acquiring sophisticated tactical aircraft.

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4. COLOMBIA

Communist guerrilla activity has markedly increased in Colombia. Five serious attacks in widely separated areas (see map) have been made on government forces in the past month--more than in the preceding 12 months.

Rural violence has plagued Colombia for many years. Communist guerrilla warfare has in the past, however, been confined largely to defense of Communist enclaves in central and southern Colombia, with occasional forays or attacks for propaganda purposes. This contrasts with the brutal banditry that was a major problem from 1948 to 1962, when the government started an all-out campaign against it.

Until recently, the Communist guerrillas have been seriously hampered by lack of funds and by personal, political, and ideological differences. It is unlikely that these difficulties have been completely overcome, but some improvement may have taken place.

The government has reacted with increased military and police vigilance and has rounded up alleged subversives throughout the country. In addition, President Lleras is inclining toward support of Venezuelan diplomatic moves against Fidel Castro, although direct Cuban complicity in the Colombian guerrilla movement cannot be substantiated.

The guerrillas are not strong enough to threaten the stability of the government at this time. However, a continuation of the present level of attacks could cause it serious political difficulties.

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5. DOMINICAN REPUBLIC

President Balaguer is attempting to forestall serious antigovernment repercussions arising out of the attempt on 21 March to assassinate Antonio Imbert, one of Trujillo's killers. Suspicion has focused on the government because the incident followed a series of political attacks on Balaguer for using "neo-Trujillo" tactics and relying on "trujillista" advisers.

To blunt adverse reaction, Balaguer named the other surviving assassin of the dictator, Luis Amiama Tio, as minister of interior and police. Amiama had been critical of "trujillista" influence in the government and said he would try to reduce it.

Balaguer has also named a new police chief in response to criticism of the incumbent's handling of the Imbert case, but this shift may cause as many problems as it solves. The new chief, General Soto,

political loyalties seem to run to the same group of "trujillista" palace advisers whom conservatives such as Amiama find so objectionable.

Balaguer has taken other actions--such as personally repudiating the attack on Imbert--that have at least temporarily silenced his critics. Also, Imbert may come to the US for medical assistance. His departure would remove one irritant from the scene, at least for a while.

Nevertheless, further conflicts between "trujillistas" and the anti-Trujillo right may develop, because Amiama is likely to use his post to build up a personal power base. In addition, military elements could become dissatisfied with Balaguer's handling of the affair.

The President has indicated some dissatisfaction with his "trujillista" palace aides, who often appear to act independently of him, but he seems reluctant to sever ties with them because they have long been his close supporters. Now he may be forced to do so or face an open break with conservatives of the Amiama stripe, who retain a measure of political leverage and economic power along with some influence in the military.

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