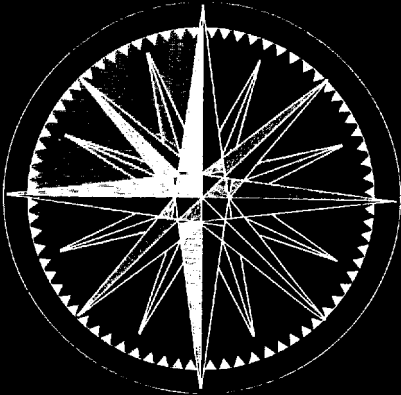


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11 March 1966

OCI No. 0280/66

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# WEEKLY SUMMARY

State Dept. review completed

ARMY Review Completed

## CENTRAL INTELLIGENCE AGENCY OFFICE OF CURRENT INTELLIGENCE

DIA review completed.

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C O N T E N T S

(Information as of noon EST, 10 March 1966)

	<u>Page</u>
<i>new list pg</i>	
<b>VIETNAM</b>	1
Intense fighting and high enemy losses in three allied operations highlighted the military situation this week in South Vietnam. Although Communist-initiated activity was down somewhat, there are indications of continued infiltration and Viet Cong plans for large-scale actions. Premier Ky, with the full support of the military Directorate, removed I Corps commander Thi, potentially one of Ky's strongest rivals for power. There is evidence this week both of increased numbers of fighter aircraft in North Vietnam and of greater aggressiveness on the part of DRV fighter pilots. Hanoi has admitted that manpower allocation problems are affecting food production.	
<u>The Communist World</u>	
<b>PROLONGED ABSENCE OF MAO TSE-TUNG</b>	5
The Chinese Communist Party leader's unprecedented five-month absence from public view has been accompanied by idolatrous propaganda possibly intended to prepare the people for a transfer of loyalties to a successor regime.	

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### **EAST GERMANS AGREE TO NEW BERLIN PASS AGREEMENT**

7

The East German regime's sudden pose of reasonableness is probably timed to coincide with its petition for UN membership.

### **RIFTS IN ALBANIA'S TOP LEADERSHIP**

8

Serious factional disputes have appeared in the usually close-knit leadership. Party leader Hoxha, at least for the time being, seems to have survived the challenge, apparently posed by the defense minister, by adopting some of the criticism as his own and making some concessions.

### Asia-Africa

### **INDONESIAN STUDENT AGITATION CONTINUES**

9

The army is protecting President Sukarno's palace, but is acquiescing in the demonstrations against Foreign Minister Subandrio and other leftist cabinet ministers.

### **COMMUNISTS CONTINUE PRESSURE IN NORTHERN LAOS**

9

They are probing in the Plaine des Jarres area, are offering strong resistance to government probes south of Samneua, and are making gains against guerrillas north of Luang Prabang.

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### **GHANA TRANSFORMATION CONTINUES**

13

The new anti-Communist rulers are dismantling key features of Nkrumah's power structure. Relations with radical African regimes will be complicated by their emotional opposition to the coup.

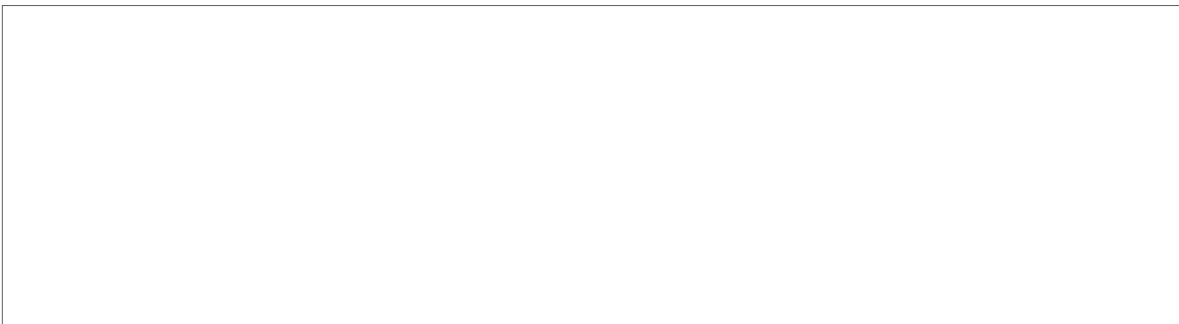
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- IVORY COAST STABILITY MAY BE DISTURBED** 14  
President Houphouet-Boigny, possibly disturbed by the coups in neighboring countries, has been moving to contain domestic discontent, but his action may result in further demands for change.
- MODERATE AFRICANS DOMINATE OAU MEETING** 15  
Despite walkouts stemming from the Ghanaian and Rhodesian issues, the moderates seem to have kept the organization together with compromise resolutions.
- UK TRYING TO STOP OIL SHIPMENT TO RHODESIA VIA MOZAMBIQUE** 17  
Britain is pressing the Portuguese Government to prevent delivery of oil to Rhodesia from a tanker said to be about to arrive at the Mozambique port of Beira.

Europe

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- FRANCE MOVES TO DISENGAGE FROM NATO** 17  
De Gaulle has been notifying the NATO countries that he intends to renegotiate the agreements under which foreign military forces may remain in France, and to end France's remaining participation in the alliance organization, although not in the alliance itself.
- NATO INTEREST IN SOVIET PROPOSAL TO TRADE MILITARY OBSERVERS** 20  
London and Bonn see Moscow's proposal to exchange observers at military maneuvers with NATO or the US as a means of improving relations with the Soviets in an area which need not receive great publicity.
- FINLAND'S NATIONAL ELECTIONS** 21  
Voter dissatisfaction with economic policies of President Kekkonen's long-dominant Center (Agrarian) Party may help the Social Democrats end an eight-year political isolation.

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- MALTA TO ELECT NEW PARLIAMENT 22  
The principal issues are economic problems and the NATO presence. No party is likely to get an absolute majority, and incumbent Prime Minister Borg Olivier probably has the best chance of forming a coalition.
- AUSTRIAN ELECTION UPSETS COALITION BALANCE 22  
Although his People's Party now has an absolute majority, Chancellor Klaus intends to re-establish its coalition with the Socialists. The election results, in any event, affect domestic far more than foreign policy.
- Western Hemisphere
- DOMINICAN REPUBLIC 23  
Tensions between President Garcia Godoy and the military have lessened, and preparations for the 1 June election have begun. Juan Bosch continues to exaggerate the terrorist threat to create an excuse to boycott the election if he decides his party cannot win.
- ELECTION BRINGS TENSION IN GUATEMALA 24  
A confrontation may be imminent between Chief of Government Peralta and restive conservatives fearful of a new government headed by moderate leftist Mendez, apparent presidential victor in last week's election. The conservatives insist that Peralta annul the elections.
- COLOMBIAN ELECTIONS MAY THREATEN NATIONAL FRONT SYSTEM 25  
Factional quarrels are increasing within the two major parties which, in a unique arrangement that has lasted eight years, have shared all elective offices. However, no serious election violence is anticipated.
- ECUADOREAN POLITICIANS RESISTING JUNTA'S REFORM PLANS 26  
They insist on a constituent assembly--which they would control--to handle the transition to civilian rule. The junta's only alternative to granting this demand may be to impose a military dictatorship.

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VIETNAM

Intense fighting and high enemy losses in three allied operations highlighted the military situation this week in South Vietnam. Although Communist-initiated activity declined somewhat, there are indications of continued infiltration as well as Viet Cong planning for future large-scale action.

Intelligence obtained during a South Vietnamese operation [redacted] on [redacted] led to a larger allied operation the next day several miles northwest of the provincial capital, where the main force of a suspected North Vietnamese regiment was trapped. Fighting continued [redacted] and resulted in nearly 600 enemy dead as against allied losses of 113 killed (83 US) and 324 wounded (205 US).

Farther south in Phu Yen Province, elements of the US 101st Airborne Division conducting Operation HARRISON engaged a Viet Cong force in a day-long battle on 4 March, raising enemy losses there to nearly 200 killed since 26 February.

US forces sweeping an area in Binh Duong Province about 30 miles northeast of Saigon also made contact with the enemy on 4 and 5 March and, with close air support, killed nearly 200 Viet Cong. This engagement, along with other evidence of the recent grouping of large enemy forces in the

area, led to allied follow-up operations which are continuing in the general vicinity.

A Viet Cong battalion-size attack against elements of a South Vietnamese regiment in Bien Hoa Province and a multibattalion attack against the A Shau Special Forces camp near the Lao-tian border in Thua Thien Province were the most significant enemy actions reported during the week. Two enemy soldiers who surrendered before the assault on the Special Forces garrison in Thua Thien provided some warning of the impending attack. The soldiers claimed to be members of a North Vietnamese regiment which infiltrated last month and was located about six miles northeast of the special camp.

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Another Viet Cong returnee in Bien Hoa Province, claiming to be a company commander of a Viet Cong main force battalion, listed several towns in Bien Hoa and Long Khanh provinces as targets for future Viet Cong attacks. US military officials in Saigon have noted that there are four Viet Cong regiments which could launch large-scale assaults in this area.

Infiltration

A substantial movement of North Vietnamese troops--possibly as many as 8,000-9,000--has been

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reported by a guerrilla unit located in the northern section of the Laotian infiltration corridor. Large numbers of Communist trucks--perhaps as many as 400--moved south during the period 16-23 February. The trucks moved nightly in two or three convoys of 20-25 trucks each. This report marks the first time in over a year that sizable numbers of Communist troops have been observed moving south in trucks through the Laotian infiltration corridor.

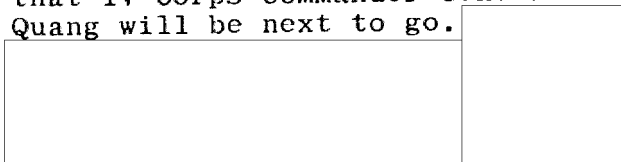
There is no evidence as to the destination of these troops, and a second team located farther south on the same route did not confirm a movement of this size. Normally, infiltrating troops destined for South Vietnam enter Laos just north of the Demilitarized Zone and move into the southern panhandle on foot trails.

I Corps Commander Dismissed

Premier Ky, who has recently been concerned with the independence of his military corps commanders, yesterday received the unanimous support of the ruling military Directorate when he called for the removal of the strongest of them, I Corps commander General Thi. Thi accepted the Directorate's decision and reportedly agreed to submit a letter of resignation for medical reasons. However,

he is said to have agreed only reluctantly to leave for the United States sometime next week, and a certain amount of uneasiness will probably characterize the Saigon political atmosphere until he actually departs.

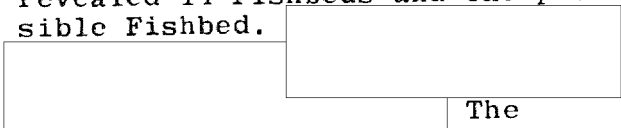
The ousting of General Thi, long considered Premier Ky's strongest potential rival, will probably serve to strengthen Ky's position in relation to the other corps commanders, at least two of whom have also exhibited considerable independence. In particular, there are indications that IV Corps commander General Quang will be next to go.



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Improved DRV Air Defense

Additional MIG-21 Fishbed fighters have been delivered to North Vietnam. Drone photography of Phuc Yen Airfield revealed 14 Fishbeds and one possible Fishbed.



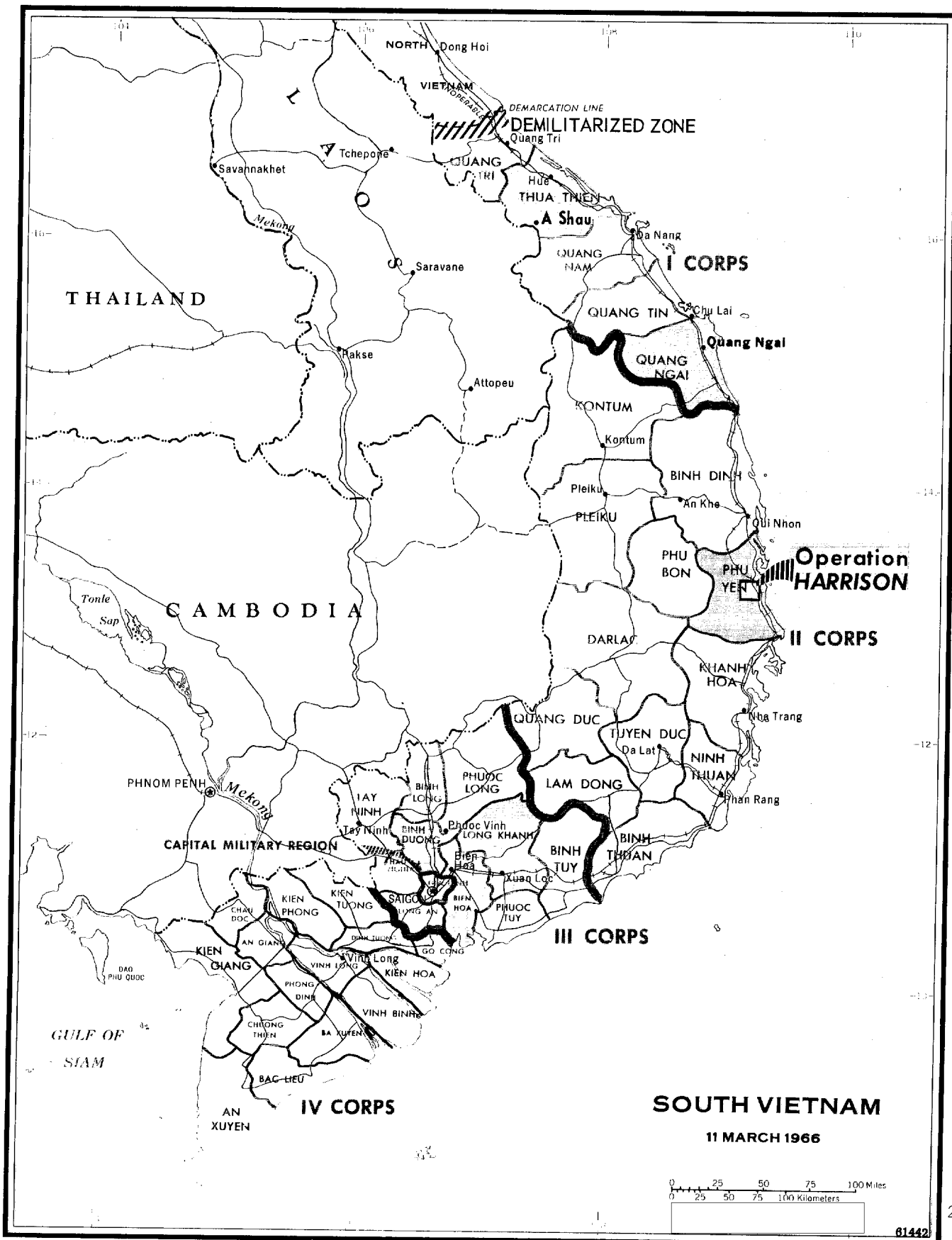
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The number of assembled MIG-21s seen is an increase of four or five since the last photography of Phuc Yen

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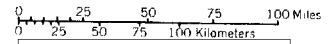
The drone photography also revealed that construction activity

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SOUTH VIETNAM

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at several of North Vietnam's major airfields is continuing. A large number of revetments have been constructed or are in the process of being constructed at Phuc Yen and Kep airfields while a major runway extension has apparently been completed at Hanoi/Gia Lam.

Concurrent with the increasing number of aircraft appearing in North Vietnam is a noticeable increase in the aggressiveness of Vietnamese fighter pilots. On 4 March, DRV fighters [redacted] unsuccessfully attempted to intercept a flight of F4C Phantoms.

#### Food Production Problems in DRV

Problems of food production continue to plague the North Vietnamese regime. In the past month, official spokesmen have expressed concern about the production of both rice and pork. Although pork constitutes a small part of the North Vietnamese diet, it is the largest meat component besides poultry.

Spokesmen for the Ministry of Agriculture have admitted in the past few months that a significant amount of acreage devoted to the spring rice crop

had not been planted. A vice minister said in December that manpower shortages contributed to production problems and estimated that the remaining agricultural workers would have to increase their workdays 25-50 percent in order to make up for the loss of manpower to the war effort. The amount of land which the spokesman said had not been properly planted could normally yield about eight percent of North Vietnam's total annual rice production. Although such a decline in production would contribute to food problems, any rice shortage could be overcome by substituting other foods or increasing imports.

The admission of manpower shortages in agricultural production, however, is the first official suggestion that the mobilization requirements of the war have seriously cut into the country's large unskilled agricultural labor force. In response to the air strikes, North Vietnam has mobilized large segments of the population for military service or related construction work. Although the manpower reserves are substantial, the regime is apparently experiencing serious allocation problems. Continuation of these problems could interfere with production of the more important fall rice crop.

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The Communist World

PROLONGED ABSENCE OF MAO TSE-TUNG

Mao Tse-tung, 72-year-old chairman of the Chinese Communist Party, may be nearing the end of the road. He now has been out of public view for five months, exceeding his longest recorded previous absence in the winter of 1956-57 when he is believed to have suffered a stroke.

After his last public appearance in Peking on 10 October, Mao continued to receive an occasional foreign visitor at an undisclosed location--probably his villa in the East China resort city of Hangchow--but his activities have gone unreported since a meeting with a Cambodian delegation on 26 November.

His current absence has been accompanied by an unprecedented and still growing outpouring of emotional and idolatrous propaganda, suggesting concern in top party ranks. Hyperbole on the value of studying Mao's works is the order of the day. Mao's thoughts are acclaimed as the "Red sun in our hearts," the "very heart and soul of all work," and the "apex of contemporary Marxist-Leninist thought." Each of Mao's words is said to be worth 10,000 words of other men. The epochs of Marx and Engels and of Lenin and Stalin are proclaimed to have been succeeded by the "epoch of Mao Tse-tung" during which "capitalism and imperialism... will be sent to their tombs."

Adding to the aura of mystery surrounding Mao's whereabouts

is the unusual absence of public activity by other leaders during the last three months. The party's number two leader, Liu Shao-chi, showed up only once in 11 weeks from late November to early February. Lo Jui-ching, army chief of staff and the Chinese equivalent of chief of secret police, has been out of view as long as Mao. In an apparently unprecedented wholesale absence, not one of the 150-odd top central party or government figures made public appearances during a nine-day period at the end of January.

This gap in leadership appearances was followed in early February by the issuance of directives throughout China ordering middle and senior level party and military officials to study Mao's works and emulate Maoist folk heroes. These officials were told to spend four days a month and one month a year, in rotation, in full-time seminars studying Mao's writings.

This extraordinary attention to Mao Tse-tung seems to exceed what would be useful for indoctrination purposes, and could be an effort to prepare the way psychologically for a transfer of loyalties to a successor regime. Mao's charisma is one of the regime's few domestic political assets, and any successor--especially the colorless Liu Shao-chi--probably would try to exploit Mao's name by representing himself as an ultra-loyal Maoist.

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The new wave of propaganda on the cult of Mao has contained several reminders that Liu Shao-chi is still the designated heir to Mao's authority. Not only Mao's works but also Liu's How To Be a Good Communist reportedly were found under the pillow of Chiao Yu-lu, a deceased minor party official who became the latest addition to the Maoist pantheon of the folk heroes.

Similarly, Peking announced on 19 February that it was "equally necessary" for top generals to study three of Mao's works and this work by Liu. A long encomium to Mao published on 2 March pointedly included a statement that Liu Shao-chi had for decades held up Mao's thinking as the only effective source of guidance for the revolution.

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EAST GERMANS AGREE TO NEW BERLIN PASS AGREEMENT

East Germany's sudden willingness to conclude a reasonable short-term Berlin pass agreement on 7 March was probably prompted in large part by its desire to adopt a moderate and humanitarian pose while petitioning for UN membership. The East Germans derive other political advantages from limited pass agreements, moreover, and will probably agree to more in the future.

East German negotiator Michael Kohl originally took an extremely rigid position when the pass talks began in January. He rejected West Berlin's proposal for a year-long agreement and offered instead a draft containing several unacceptable provisions. The East German position at that time appeared so harsh that Mayor Willy Brandt publicly warned West Berliners not to expect any agreement.

The day before East Germany's petition for UN membership was presented in New York, however, Kohl informed his West Berlin Senat counterpart, Horst Korber, of his government's willingness to conclude a short-term agreement almost identical to the one at Christmas and New Year's.

Despite their earlier hopes for an agreement of longer duration, the Senat and West German Government accepted the East German offer.

The new agreement provides West Berliners the opportunity to make one visit to relatives in East Berlin over the Easter (7 to 20 April) and Pentecost (23 May to 15 June) holidays. It also extends the arrangement for issuance of emergency hardship passes from 31 March to 30 June.

One reason for concluding a short-term agreement appears to be a desire on the East Germans part to keep the Senat negotiating. By doing this, they can claim that their theory on the existence of three German "states" is supported by West Berlin. Pass agreements also imply recognition of the Berlin Wall as a legal boundary. In addition, the East Germans derive a fairly large amount of needed hard currency from their requirement that each visitor exchange five West German marks for five East German marks.

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### RIFTS IN ALBANIA'S TOP LEADERSHIP

Serious factional differences have come to light within Albania's top leadership. Opposition elements, reportedly led by Defense Minister Balluku, apparently were disturbed by lack of economic progress and Albania's international isolation. At least for the time being, party boss Enver Hoxha has retained his authority through adroit maneuvering and some concessions.

Hoxha, in an effort to save his neck, is adopting the opposition's criticism as his own. As a result he has been compelled to subscribe in principle to some decentralization of the economic planning apparatus and the state administrative authority and to limited moves to end Albania's isolation. He also appears prepared to make a scapegoat of his long-time colleague and governmental chief, Premier Shehu.

Hoxha has also instituted measures to reassert his own and the party's authority over the army. He undoubtedly recalled the abortive coup attempt in 1960 led by senior naval officers and including several senior army officers.

The struggle within the leadership is revealed in an unusual open letter to the population--the full text of which is not yet available--from the party central committee. Broadcast on 6 March, the letter admitted party errors, strongly attacked the government bureaucracy, and recommended reforms. The letter called for a

"determined struggle against appearances of warped methods of giving orders" and, unprecedentedly for Albania, indicted the "very centralized form of leadership." It recommended a reorganization of the "system of leadership" in which lower party-state bodies would have greater authority.

Following the open letter, the regime issued a decree on 7 March reinstating in all military units and institutions the political commissar system abolished in 1955. Another decree abolishes as of 1 May the rank system in the armed forces and the secret police. These steps were influenced by changes in 1965 in the Chinese Communist armed forces intended to strengthen party control over the military.

Previous reports of friction between Defense Minister Beqir Balluku and Interior Minister Kadri Hazbiu suggest that the army spearheaded the Albanian opposition. This friction apparently derived in some part from long-standing interservice rivalry. Also involved, however, were serious differences between those with rigid pro-Chinese views, probably represented by Hazbiu, and Balluku and his adherents, who wanted to reduce Albania's dependence on the Chinese and its isolation from the rest of the world, and to resume participation in the Warsaw Pact.

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Asia-Africa

INDONESIAN STUDENT AGITATION CONTINUES

Indonesia's non-Communist students remain alone in openly opposing Foreign Minister Subandrio and other leftist cabinet ministers and indirectly criticizing President Sukarno. Although the army refuses to let them demonstrate against the palace, it has been relatively lenient about activities directed against Subandrio and the crypto-Communist Minister of Basic Education, Sumardjo. The students extended their activity on 9 and 10 March to Chinese Communist targets--the consulate general, the trade office, and the news agency.

Sukarno's ban on demonstrations by students, announced on 26 February, applied only to those from universities. The burden of present activity is being carried by high school youth, although the more advanced students are reported to be still participating. Despite the government order closing the University of Indonesia in Djakarta, students apparently continue to use its buildings as a general headquarters. A student radio which recently has begun broadcasting apparently operates from Bandung, 75 miles from the capital.

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Army officers at various levels are said to be discussing a variety of possible plans against Sukarno and those who support him. The army appears to be pleased with the students' action but at the same time will not support them openly and apparently wishes to avoid serious disorder or violence specifically directed against Sukarno.

The President is engaged in a series of meetings with civilian and military leaders. The sessions are scheduled to conclude on 12 March and may produce new initiatives against the students and the army. He and Subandrio apparently directed their own followers to take to the streets on 8 March. The US Embassy experienced a small but violent demonstration by about 300 leftist youth.

Also, at Sukarno's orders, a number of leftists and pro-Communists who had been dismissed from the various government departments after the 1 October coup attempt are being reinstated. The President has transferred trials of civilians involved in the coup attempt from the army to the attorney general,

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COMMUNISTS CONTINUE PRESSURE IN NORTHERN LAOS

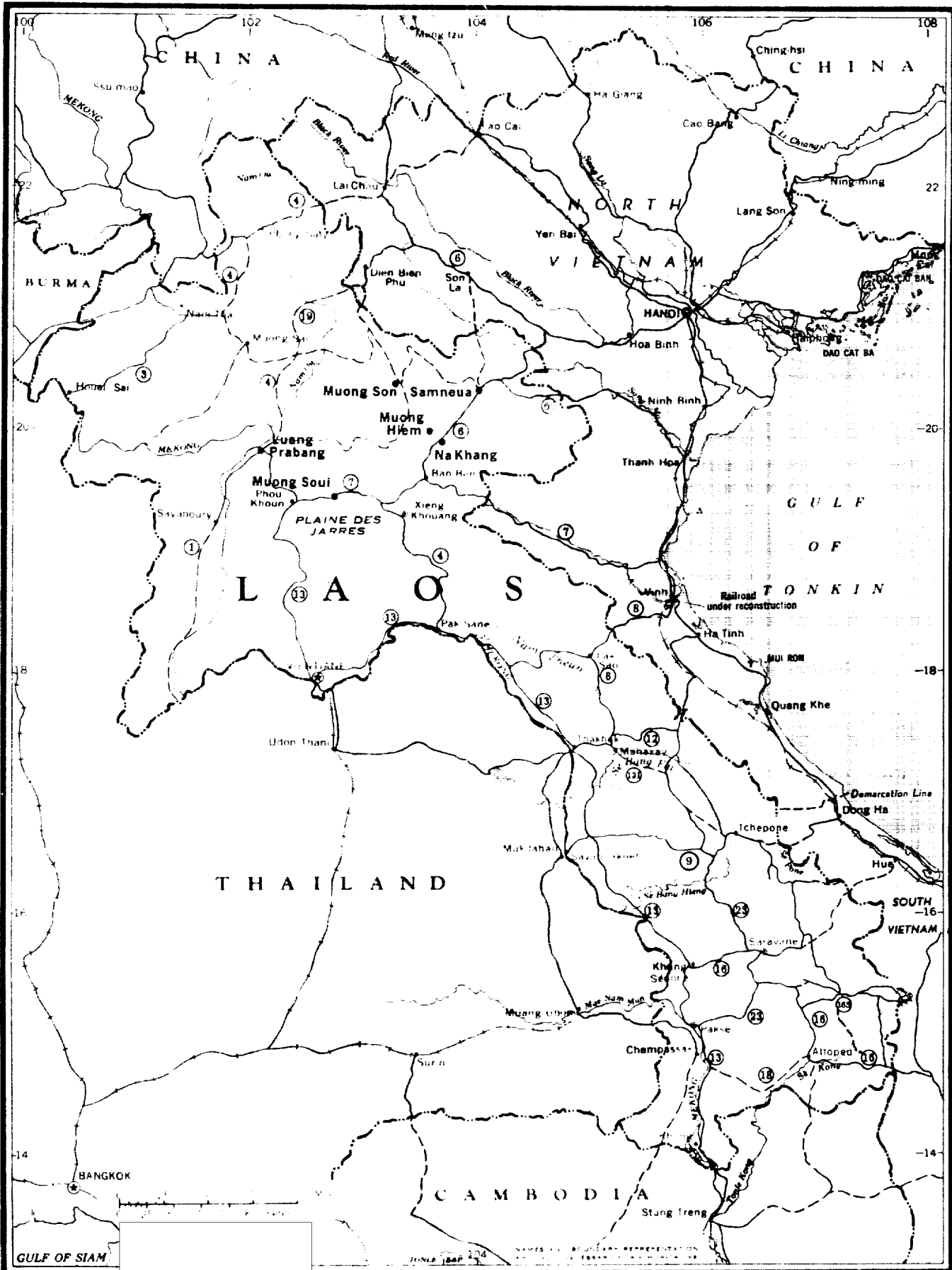
Communist forces continue to exert pressure against government positions in northern Laos.

In the Plaine des Jarres area, several Communist probes have been

mounted in the past week against neutralist positions east of Muong Soui. Some enemy shelling of Muong Soui itself has been reported. Communist activity in this area is probably in reaction to an unsuccessful

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operation which was conducted by Kong Le's neutralist troops last month.

In the Samneua area, a Communist thrust against Muong Hiem, which has been anticipated since Na Khang fell on 18 February, has thus far failed to materialize. The enemy, having reportedly suffered heavy losses in taking Na Khang, apparently is regrouping before pursuing the year-old campaign to clear government enclaves south of Samneua town. Government probes in the vicinity of Na Khang have encountered

strong resistance. However Pathet Lao troops have been driven from Muong Son, a position some 30 miles to the north.

Farther west, Communist forces continue to make gains against government guerrillas north of Luang Prabang. Two positions have been lost to Pathet Lao and North Vietnamese troops since late February. Reports from civilian refugees indicate that the Communists, in contrast to past practice, are to hold captured positions.

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GHANA TRANSFORMATION CONTINUES

Ghana's new anti-Communist army and police rulers are rapidly dismantling key features of Nkrumah's power structure and pressing ahead with reconstruction measures amid further signs of popular approval of the recent coup. Their intra-African relations will be complicated, however, by the more radical African regimes' emotional opposition to Nkrumah's ouster.

On 7 March the ruling National Liberation Council (NLC) abolished the Ghana Young Pioneers, a Communist-supported organization established in 1960 to indoctrinate youth in a variant of Marxism. The coup leaders had earlier closed down the Ideological Institute at Winneba, near Accra, where successive groups of adult cadres of Nkrumah's now dissolved party had been exposed to foreign Communist instructors. Nkrumah favorites who headed universities have been replaced by respected nonpolitical figures.

The new regime is evidently encouraging the early re-emergence of a free, Western-style labor movement within the framework of the Ghana Trades Union Congress (GTUC). Nkrumah had long ago converted this important mass organization into a docile appendage of his party and also opened it wide to Communist penetration. Now, under a newly installed anti-Communist leader, who seems to have rank and file support, a basic reorganization is about to be launched through a series of union elections. The GTUC's extensive ties with the Communist world are apparently

being severed. According to the new GTUC chief, this will include withdrawal from the Communist-backed All-African Trade Union Federation, a primary instrument of Nkrumah's African subversion program.

The evacuation of the expelled Chinese advisers--evidently some 175 were in Ghana--was substantially completed by 3 March. The Soviet exodus, involving approximately 500 technicians and their families, will probably continue for about another week. Both Communist powers are being restricted to 18-man embassies.

The new regime has already resumed diplomatic relations with Britain, which Nkrumah had severed last December over Rhodesia. It appears determined to press ahead with economic reforms keyed to earlier recommendations of the World Bank and International Monetary Fund.

Although the NLC continues to fear that Nkrumah may soon try to return to Ghana, the ousted leader now appears to have accepted his present inability to reverse the coup. He is still in Guinea but may move on soon to Cairo. Despite the large number of African states which have recognized the new Ghana regime, Nasir now appears inclined to play a leading role in organizing further African expressions of disapproval of the coup. Zambia has moved formally to terminate active relations with Accra, while the NLC has itself initiated a rupture with Guinea. 25X1

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### IVORY COAST STABILITY MAY BE DISTURBED

Ivory Coast, which has been markedly stable since 1963, may be heading into a period of domestic agitation. President Houphouet-Boigny, reportedly unnerved by the recent rash of coups in neighboring West African countries, has attempted to head off his critics in a manner which may instead encourage them to make further demands.

Ivory Coast's prosperity is unmatched in black Africa. This has somewhat obscured the existence of impoverished rural areas, tribal hostilities, and large numbers of frustrated and restless young Ivorians who crave positions of power. By mid-1965 there were indications that the rate of economic growth was slowing and that the country's cash crops, coffee and cocoa, faced serious marketing problems. These factors, combined with the coups in Dahomey and Upper Volta, which had extremely close ties with the Ivory Coast Government, apparently prompted Houphouet-Boigny to face up to several issues which threatened to undermine his regime.

A major cabinet shake-up on 21 January epitomized the new approach. Portfolios were shifted and total membership was enlarged to bring in several younger men not closely identified with past policies. To reduce the risk of subversion, no one with a base of local support was dismissed. Several days later, a new minor post was created to permit a large and occasionally dissident tribe to be represented.

By far the most important ministerial change was the dismissal of Raphael Saller, the French national who, as minister of finance since 1960, had become the symbol of the government's encouragement of French domination of the economy. Although Houphouet-Boigny always paid lip service to the principle of opening economic opportunities to Ivorians, Saller's policies in effect negated these promises.

The President has also conceded to public opinion by finally burying his proposal to establish dual nationality for citizens of the states adhering to the Entente which Ivory Coast concluded with several of its neighbors in 1959. Many Ivorians had feared that this would permit natives of Dahomey, who are particularly hated, and of Upper Volta, Niger, and Togo to compete on equal terms for choice government jobs and other positions.

Houphouet-Boigny apparently was taken aback when he belatedly learned of the intensity of Ivorian feeling on some of these issues. He is responding in various ways. He has decreed clemency measures for political prisoners, reportedly is planning to revive an armed party militia, and is in the process of opening new channels for controlled political expression. These steps, instead of protecting his regime against dissidence, may actually encourage his critics to press for even more concessions. [REDACTED]

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MODERATE AFRICANS DOMINATE OAU MEETING

The delegations from moderate states managed to keep the Organization for African Unity (OAU) together at the Sixth Session of the OAU Ministers' Council in Addis Ababa last week, despite the divisiveness of Ghanaian and Rhodesian issues.

The session was almost scuttled by the refusal of the delegations from the Brazzaville Congo, Guinea, Mali, Tanzania, and Egypt to sit with the representatives of the new Ghanaian regime. Algeria and Somalia withdrew in protest over the acceptance of a moderate resolution on Rhodesia. However, all eight departing delegations emphasized that they were leaving only this meeting and not withdrawing from the OAU.

In its resolutions the council called on Britain to apply "effective measures, including the use of force" to oust the Smith regime in Rhodesia. The question of relaxing the December resolution under which nine African states broke relations with Britain was raised by Tunisia, but not approved in the plenary session. African nations were called upon to work for UN Security Council examination of the situation in Rhodesia under

Chapter VII of the UN Charter, and a five-nation Committee of Solidarity With Zambia was set up to seek economic and technical relief for the nation which would bear the brunt of any complete break with Rhodesia.

The council avoided action on the rival Rhodesian nationalist organizations by recommending that aid be given only to Africans who become actively engaged in fighting inside Rhodesia.

The OAU's radical secretary general, Diallo Telli of Guinea, was shorn of some of his power. The council reduced the secretary's budget from a requested \$2.3 million--which was only half of last year's expenditure--to \$1.7 million. Many of the delegates resented Telli's freewheeling use of his office for personal gain, and his attempts to exclude the delegates from Accra.

The council is not scheduled to meet again until just before the annual African summit conference in November. Before then, however, the dissident factions are likely to get together to plan their next move. There are indications that these nations and certain other nonaligned states will meet in Cairo later this month.

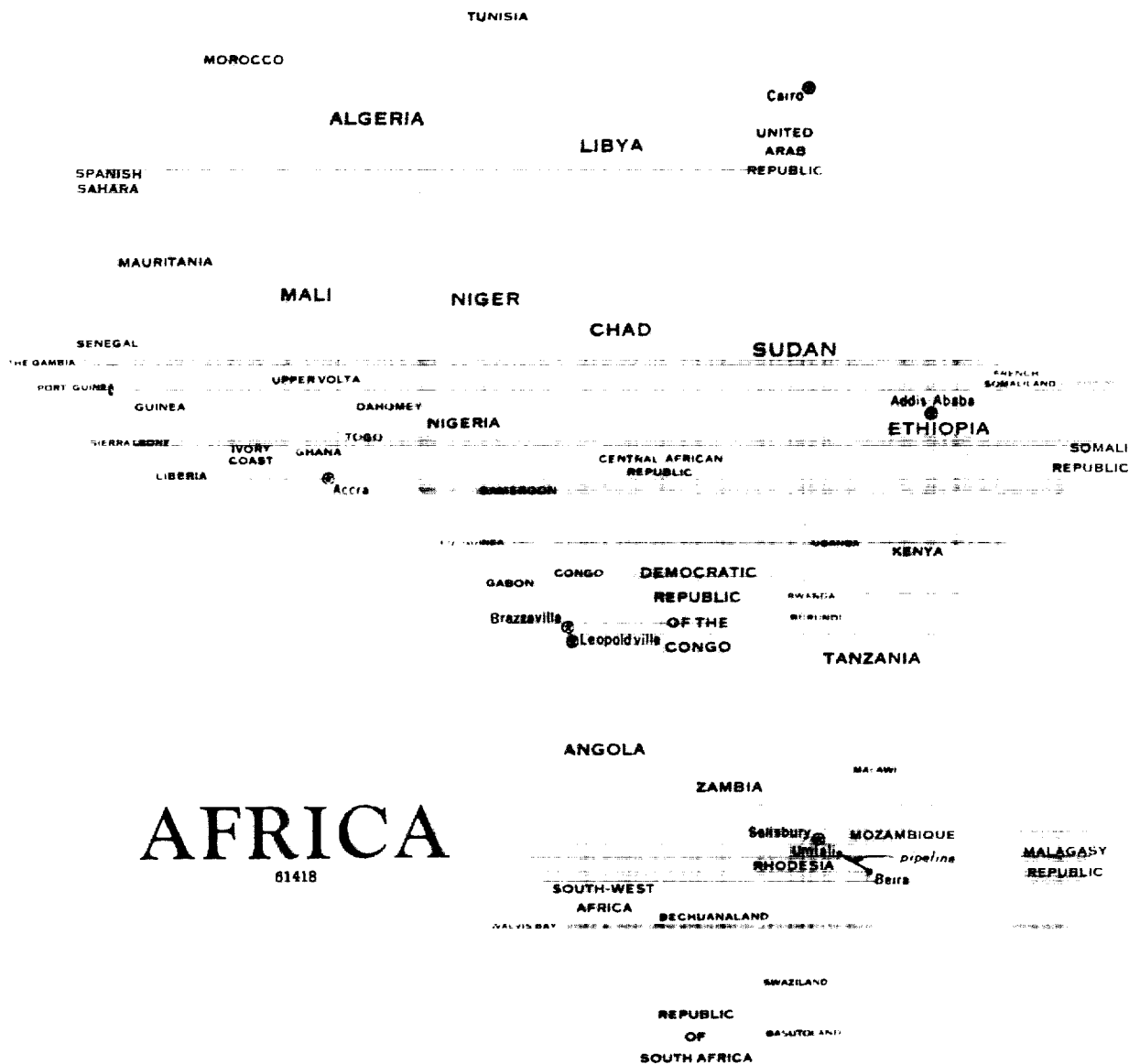
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**UK TRYING TO STOP OIL SHIPMENT TO RHODESIA VIA MOZAMBIQUE**

British and Rhodesian attention is focused on rumors of the imminent arrival in Portuguese Mozambique of a tanker with oil for Rhodesia. Salisbury is making arrangements at the port of Beira to bypass British-owned facilities, and has ordered the pipeline company to be ready to pump oil from Beira to the Umtali refinery in Rhodesia.

London, on the other hand, is pressing the Portuguese Government and the private companies involved in the complex Beira-Umtali link to prevent delivery of the oil to Rhodesia. It also hopes to mount an air and sea surveillance intended to intimidate suspect tankers and deter their docking at Beira.

A tanker full of oil would tremendously boost the will of white Rhodesians to hold out. It also would increase conflicting pressures on Britain's Prime Minister Wilson--domestic pressure to negotiate with the Rhodesian regime, and demands from Africans that he take more militant action against it.

A break in the oil embargo also would increase pressures on Zambia's President Kaunda to impose a boycott of Rhodesian goods or sanction use of African troops or guerrillas against Rhodesia. Any move in this direction would exacerbate internal racial friction and might result in the flight from Zambia of skilled white workers essential to the country's economy.

Labor tension with racial overtones, which had been increased last week by a confrontation between white miners and the government over mineworkers' demands for large increases in wages and allowances, has at least temporarily eased. The government and the few local union groups involved backed away from their earlier antagonistic attitudes. The miners apparently have won little sympathy from the white population at large.

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Europe

**FRANCE MOVES TO DISENGAGE FROM NATO**

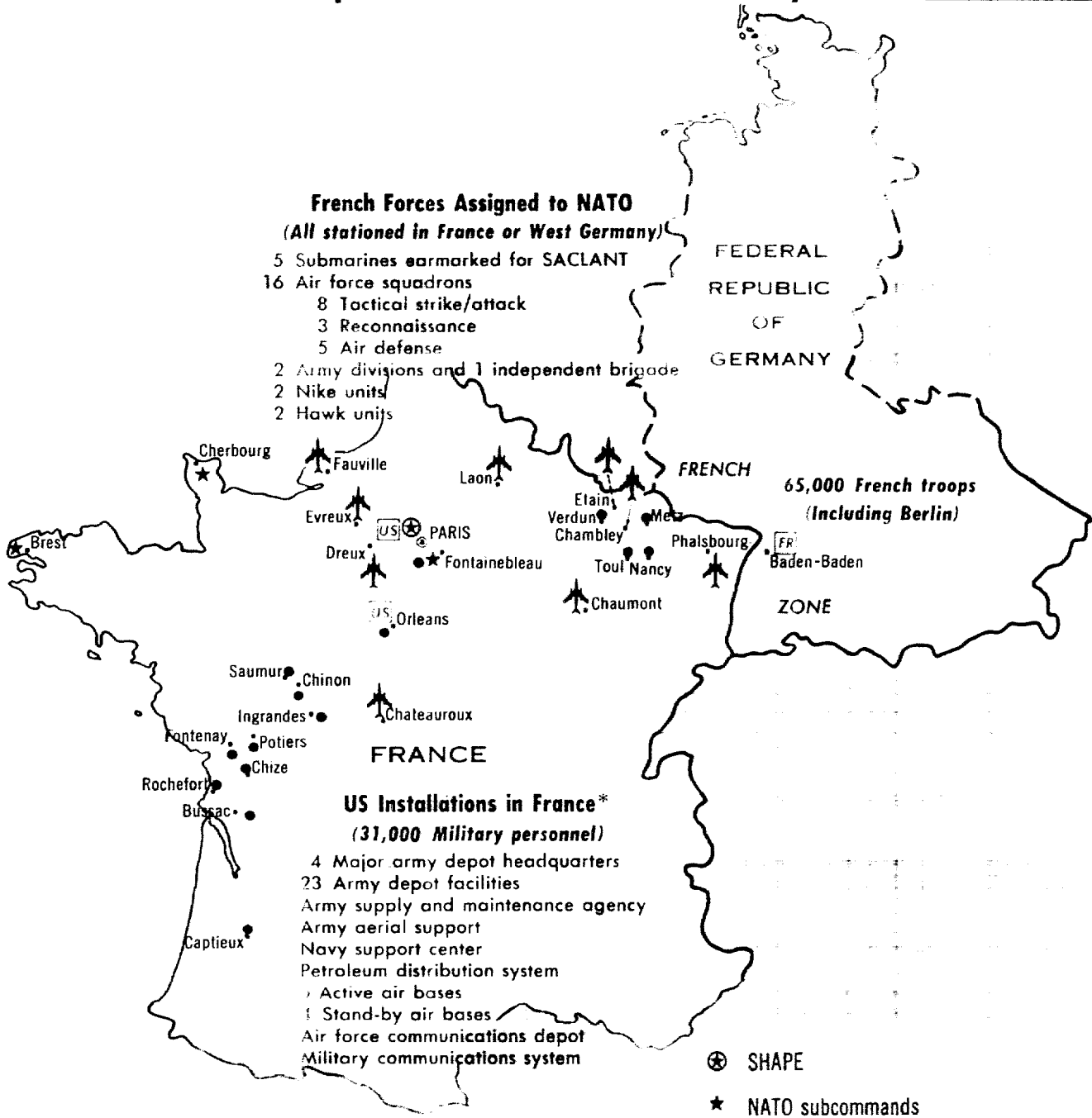
De Gaulle has been notifying the NATO countries that he intends to renegotiate the agreements under which foreign military forces may remain in France, and to end France's remaining

participation in the alliance organization, although not in the alliance itself. In their initial reaction the other NATO members have taken the position that an integrated NATO even

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**France's Importance to NATO and US Military Posture**



\*By 31 March 1966, at US initiative, 3 installations will be closed and certain depots reorganized.



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without France is preferable to the series of loose bilateral agreements Paris favors.

By insisting that all foreign troops and bases in France be brought under French control, Paris has directly challenged the extensive US military structure in France. Eight basic agreements now govern the US presence there. Five of these are bilateral, covering lines of communication, air bases, pipelines, and headquarters for the commander of US forces in Europe. The US also is party to three multilateral agreements: The North Atlantic Treaty (NAT), a status-of-forces agreement, and an agreement concerning the juridical aspects of NATO, its staff, and representatives from member states.

To terminate the bilateral agreements before 1969 without ending its participation in the NAT, France may seek legal justification in the doctrine of international law (rebus sic stantibus) which provides that a change in the conditions prevailing at the time an agreement was signed voids the agreement. De Gaulle has consistently held that changed conditions necessitate a change in France's role in the formation and implementation of Western political and military policies. Even if France does not unilaterally withdraw from the NAT or the bilateral agreements, it could legally end the status-of-forces agreement after one year's notice and thereby raise practical difficul-

ties for the continued presence of US forces.

France also intends to withdraw its forces and personnel from NATO's integrated command structure. This will be the final step in a process which began in 1959 when the French Mediterranean fleet was placed under national command. Since that time, Paris has excluded most of French territory from NATO's integrated air defense, has refused to restore to NATO control three divisions removed from Europe for use in Algeria, has withdrawn the bulk of France's Atlantic fleet from NATO, has withdrawn French representation on the NATO naval Channel Command and three subordinate naval commands, and since 1965 has made clear that French forces will not participate in any NATO exercises which do not conform to French strategic views. France may intend, however, to maintain its representation on the North Atlantic Council and, though this is less likely, in the Standing Group.

France probably intends that the 65,000 French troops now in Germany under NATO remain there under French control through a bilateral agreement with Bonn. The US Embassy in Bonn believes there is a legal basis for such an arrangement, deriving originally from occupation rights and then from the 1954 Convention on Relations. Chancellor Erhard has acknowledged such an arrangement as a "theoretical possibility."

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NATO INTEREST IN SOVIET PROPOSAL TO TRADE MILITARY OBSERVERS

The Soviet proposal late last year for NATO - Warsaw Pact or US-Soviet exchanges of observers at military maneuvers has generated some interest in NATO. UK and West German plans for bilateral exchanges with the USSR have been outlined in recent NATO and US discussions of the proposal. The British and West Germans are interested in promoting such exchanges as a means of improving relations with the Soviets in an area which need not receive great publicity.

The question of exchanging military maneuver observers was raised with the US Army attaché in Moscow last October by Soviet First Deputy Minister of Defense and Warsaw Pact chief Grechko and has been subsequently referred to by other Soviet Ministry of Defense officers. Grechko suggested that qualified US and NATO military personnel attend large bloc military exercises. He said that the purpose of these exercises was to let the West know that the Warsaw Pact forces were combat ready and well equipped, and suggested that the exchange would serve to prevent Western underestimation of Eastern strength and consequent miscalculation. Grechko stated that exchanges would be acceptable either between NATO and the Warsaw Pact or between the US and the USSR. In the latter case, he said that it was important for both sides to have a sober appreciation of the "capabilities of the possible enemy." Subsequent

NATO Council discussions have ruled out a Warsaw Pact - NATO exchange because of the problem posed by East German membership in the pact.

The UK revealed in NATO Council meetings in mid-February that it has issued invitations to "Warsaw Pact countries" to send observers to a military exercise in the UK in April. Those governments which accept will guarantee reciprocity. The British emphasized that such exchanges offered the political advantage of "chipping away at the Soviet closed society" and that the Soviet initiative in this area should not be rebuffed.

West Germany has as yet made no approach to the Soviets. The West German response in NATO was probably sparked by earlier discussion of the possibility of a bilateral US-Soviet exchange of observers on German soil as one of several alternatives. The West Germans have opposed this alternative since it would appear that the US and the USSR were cooperating without regard to Bonn's interests and ignoring the hostile Soviet attitude toward West Germany. Nevertheless, the West Germans believe that it might eventually be possible to work out an exchange of their observers with the Soviets in pursuit of the "normalization" of their relations with the USSR.

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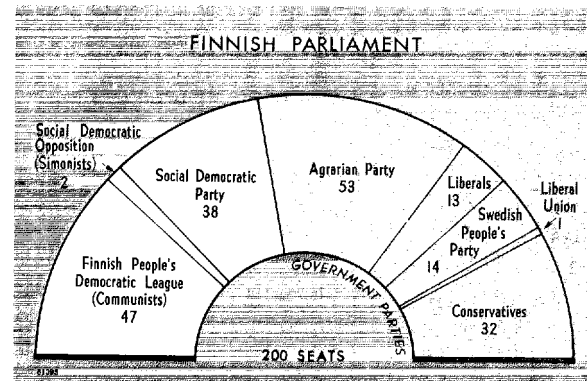
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**FINLAND'S NATIONAL ELECTIONS**

National elections on 20 and 21 March may result in a fundamental shift in power relationships on the Finnish political scene. Most deeply affected will probably be the relative strengths of the two principal contending non-Communist parties--the long-dominant Center (Agrarian) Party of President Kekkonen and the Social Democrats, who for almost eight years have endured political isolation imposed by Kekkonen with Soviet support.

This period in opposition is redounding to the advantage of the Social Democrats, as the party is now riding a groundswell of dissatisfaction with the pro-farmer economic policies of the succession of Center-dominated cabinets which have governed Finland in recent years. The campaign is centering on domestic issues, particularly the unpopularity of continued heavy subsidization of marginal agriculture, the need to industrialize more rapidly, and the government's seeming inability or unwillingness to face the wide range of economic problems.

The Center and the Communists have sought to divert public attention from these issues by reviving the old canard that the Social Democratic leadership does not fully support Finland's official policy of friendly relations with Moscow, but these charges do not appear to have been given much credence by the public. Many observers predict that the Social Democrats will gain a minimum of seven and perhaps up to 16 additional seats in the 200-member parliament. These gains are expected to be made principally at the expense of the Center and its coal-



tion partners--the three so-called "bourgeois" parties--but there is a good chance that the Communists too will slip somewhat, reflecting the dissension that has plagued their party for the past year or so.

No responsible political party leader has ventured to suggest what the political complexion of Finland's postelection government will be. A logical result of extensive Social Democratic gains would be a resumption of cabinet cooperation between the Center and the Social Democrats which was the basis for almost every Finnish government in the postwar years up to 1958. However, this would require considerable compromise by the two parties on an economic program.

It is uncertain whether Moscow would choose to try to prevent the Social Democrats from gaining cabinet representation. Aside from the usual press attacks against the Socialist leadership, the Soviets have thus far taken a relatively restrained attitude toward the elections.

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### MALTA TO ELECT NEW PARLIAMENT

The campaign for Malta's 26 March election centers on Prime Minister Borg Olivier's handling of economic ills since independence and the related question of whether Malta is getting adequate return for allowing NATO forces on its soil. Borg Olivier set the election for March to get it over with before the Maltese learn from the April budget that Britain is ending its budgetary support. London is impatient with Borg Olivier's failure to use aid already granted, and his unwillingness to help solve Malta's economic problems by, for instance, increasing or even enforcing the income tax.

In addition to attacking this record, opposition leader Dom Mintoff is accusing Borg Olivier of failing to get an economic or defense agreement from NATO commen-

surate with Maltese sovereignty. Mintoff used to denounce the presence of Western forces in the islands but, with the prospect of regaining power, recognizes their economic value and apparently has no desire to kick NATO out. He nevertheless wants to increase Malta's ties with Communist and Afro-Asian countries, to increase his bargaining power with NATO, and to make Malta appear neutral.

Mintoff, who is playing down his politically costly quarrel with the Roman Catholic hierarchy in Malta, is expected to take some of Borg Olivier's 25 seats in the 50-seat Parliament, but probably will not win an absolute majority. Borg Olivier would probably have a better chance than he of forming a shaky coalition government.

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### AUSTRIAN ELECTION UPSETS COALITION BALANCE

Austria's elections on 6 March upset the equilibrium which has prevailed between its two major parties since the end of the Allied occupation in 1955. The centrist People's Party's gain of two seats from the Socialists and two seats from the right-wing Liberal Party gives it an absolute majority. Political leaders are "shocked" by this upset of the tradition of equilibrium between the two parties, according to the American Embassy in Vienna. The voters have previously tended to swing

votes to the weaker party to maintain the balance regarded as an essential shield against a renewal of the civil disorders of the 1930s. Reaction against Communist support for the Socialists and internal party dissension appear to have been the major causes of Socialist losses. These losses mostly benefited ex-Socialist Olah, who nevertheless won no seats for his new party.

Chancellor Klaus has promised to re-establish his People's Party's

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coalition with the Socialists. Klaus may require them to forfeit some cabinet and subcabinet posts as well as to allow much greater parliamentary initiative and deci-

sion--conditions which may prove too stiff for acceptance. In any event, the election results will --at least in the short term--affect domestic far more than foreign policy. [redacted]

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Western Hemisphere

**DOMINICAN REPUBLIC**

A lessening of tensions between the Dominican military and Provisional President Garcia Godoy has been largely responsible for a calmer political atmosphere in the past ten days. The Provisional President publicly has praised what he calls the "changed mentality" of the new service chiefs and even has endorsed the military's contention that unknown plotters are seeking to implicate the armed forces in whatever sporadic violence occurs. In return, Minister of Defense Perez y Perez has threatened to discipline or discharge any member of the armed forces who disregards the strictures against partisan political activity.

Garcia Godoy has appealed for "moderation" during the political campaign and has continued to replace some of Juan Bosch's adherents in municipal and provincial government posts--generally with backers of Joaquin Balaguer or independents--in order to establish some measure of parity among the parties. Registration of voters eligible to cast ballots in the 1 June election has begun throughout the country.

Several incidents have marred the calm. Troops of the Inter-Amer-

ican Peace Force have been involved in several scraps with gangs of juvenile toughs, and one of Bosch's bodyguards was killed by a policeman during what appears to have been a personal quarrel on 6 March. After learning of the shooting, a group of Bosch's bodyguards assaulted several police in downtown Santo Domingo. Such incidents underscore the lack of effective police measures, the prevalence of weapons among the populace, and the bitter enmities left by the revolution.

Bosch seized on the recent shootings to reiterate his charge that the country is not ready for elections--a claim seconded by militant Social Christians. Bosch alleges that "hundreds" of members of his Dominican Revolutionary Party (PRD) have been murdered and that the Dominican military are otherwise intimidating his followers. While there has been some right-wing terrorism directed against Bosch's followers, the PRD leader has exaggerated the danger, apparently in order to build a position from which he can 25X1 boycott the elections if he decides the PRD cannot win. [redacted]

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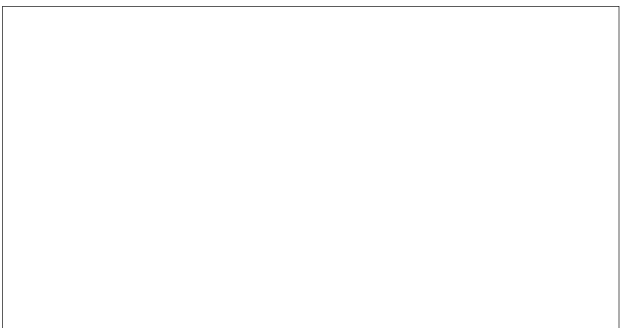
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ELECTION BRINGS TENSION IN GUATEMALA

A confrontation could be in the offing between Guatemalan Chief of Government Peralta and restive conservatives who are fearful of a new government headed by Julio Cesar Mendez Montenegro. As of late morning on 10 March, Peralta was to meet with his top military commanders, following a reported ultimatum that he step down in favor of a new junta or be deposed.

Mendez, of the left-of-center Revolutionary Party (PR), was the front runner for the presidency in Guatemala's 6 March elections. Although the full tally is not in, it is evident that none of the three candidates won the majority necessary for direct election. Returns so far indicate, however, that the PR has captured a majority--perhaps 29--of the 55 congressional seats. Because the "second-level" election entails selection of the president by the legislature after it meets on 5 May, the PR's candidate seems likely to be the eventual victor.



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Since the election, Peralta has continued to maintain that the army will keep its word and deliver power to the elected party. Mendez has made a concerted effort to convince military leaders of his own and his party's anti-Communist bent and to assure them he has no plans to interfere with the command structure of the armed forces. Which appeal--that of the conservatives or that of Peralta and the PR--will prove effective with the military high command remains in doubt. Should Peralta resign, his successor would be chosen by the military commanders, according to the operative "laws" of the present regime.

There is still danger that both sides will harden in their determinations and bring a direct clash between the bitterly antagonistic forces in the country.

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COLOMBIAN ELECTIONS MAY THREATEN NATIONAL FRONT SYSTEM

Elections for congressmen and departmental and municipal representatives are to take place in Colombia on 20 March. Presidential elections will be held on 1 May.

Under Colombia's unique National Front system, which provides for a 16-year coalition of the two principal parties, half of all elective offices are awarded to the Conservative Party and half to the Liberal Party, and the presidency is alternated. There are no issues, therefore, between the two parties, but only among contending factions within them. Ideology and policy are subordinate to group and personal interests.

The major factions competing for votes in the coming elections are the Official Liberals and the Ospinista Conservatives, which make up the government coalition, and the National Popular Alliance (ANAPO), the Liberal Revolutionary Movement, and the Lauro-Alzatista Conservatives, which are expected to join after the congressional elections to oppose the government coalition. The Ospinistas and Lauro-Alzatistas are so designated after their founders: Mariano Ospina Perez, Laureano Gomez, and Gilberto Alzate Avendano.

The Liberal Party is up for the presidency this time, and the Official Liberals and the Ospinistas have already launched the candidacy of that party's Carlos Lleras Restrepo. One or more candidates representing opposition interests will be

selected in the light of the results of the congressional elections and the political maneuvering that follows them.

The National Front government must command two thirds of the votes in the congress to pass most important legislation, and there is some doubt among observers that it will be able to muster even a majority after the elections. This would force the government to rule by decree and perhaps lead to a radical modification of the National Front system. ANAPO, the Conservative faction of rabble-raising former president Gustavo Rojas Pinilla, is expected to make the greatest gain and is considered the most serious threat to continuation of the National Front system. Although the government has effected some basic reforms, their impact has not yet been widely felt by the people, and Rojas has based his campaign on the charge that the National Front government is responsible for the significant increase in the cost of living.

Considerable voter apathy will probably be reflected in large-scale abstention from the polls. The prevailing mood among the Colombian voters seems to favor orderly, legal political processes, rather than violent change, and no serious violence during the elections is anticipated. Electoral fraud is not expected to be a significant factor.

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**ECUADOREAN POLITICIANS RESISTING JUNTA'S REFORM PLANS**

Ecuador's military junta announced its long-awaited constitutional reforms on 2 March and, by the weekend, resistance from the politicians had combined with adverse economic developments, labor and student unrest, and a spate of plots to produce tension and widespread uneasiness.

The decree banned presidential re-election and consecutive congressional re-election, increased the powers of the National Security Council, and reduced the powers of congress. It made insurgents subject to military justice, thus bypassing the courts, whose unwillingness to prosecute subversives has been notorious. Elections were postponed from 5 June to 3 July in order to complete lagging voter registration.

Leading politicians, who according to the US ambassador have a "blind and almost fanatical devotion" to ousting the military junta, responded by forming a new front, a characteristic Ecuadorean tactic, aimed at assembling most parties and forces, including Communists, for a single objective. The front reasserted the politicians' persistent demands for a constituent assembly--which implicitly they would control--to handle the transition to constitutional rule. Such assemblies are in harmony with Ecuadorean history, but have been chaotically inept, and the junta fears that reform programs would be lost in the shuffle.

Parties which had indicated present or ultimate willingness

to cooperate in the elections have now vowed intransigence. Some observers believe that the junta's program will thus become unworkable and leave it only two choices: yielding to a constituent assembly, or imposing a true military dictatorship.

Concurrently there have been several adverse economic developments. Foreign exchange reserves continued to fall, and imports to rise. A serious budget deficit threatens, and the usually stable currency has fallen. As a remedy the junta decreed an increase in import duties which, if vigorously implemented, could bring the budget under control. A storm of protest has come from foreign trade interests which last year fomented major disorders to resist tariff reforms. The populace seems to fear that the cost of living, which has been inching upward, will break away.

These circumstances--and greater unity--improve the politicians' prospects and present the junta with a severe challenge. On the hopeful side are failure of planned weekend demonstrations, a slight diminution of labor problems, and continuance of the military unity on which stability depends.

If the junta vacillates, its plans for transition will fail, and changes in the executive may result; if it acts firmly, it may achieve an orderly return to civilian rule, with a new president taking office on 1 September.



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