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# WEEKLY SUMMARY

DIA review completed.

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## CENTRAL INTELLIGENCE AGENCY OFFICE OF CURRENT INTELLIGENCE

Referral Review by  
NGA

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C O N T E N T S

(Information as of noon EDT, 28 April 1966)

Far East

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The political focus of both the South Vietnamese Government and its Buddhist critics shifted last week to preparations for constituent assembly elections, but the recent political disturbances are still generating reactions which may end the present period of calm. The easing of political tensions has brought a gradual increase in South Vietnamese combat operations against the Viet Cong.	
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Vietnamese fighter aircraft clashed seven times last week with US raiders, indicating Hanoi's growing concern over the impact of the stepped-up air strikes in the northeastern DRV. Hanoi also has called special meetings recently to spur party and government officials into greater support of the war effort.	
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## Europe

### **SOVIET INDUSTRY CONTINUES MEDIOCRE PERFORMANCE**

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The USSR has announced plan-fulfillment statistics for the first quarter of 1966 which seem to reflect its apparent provision for a year of retrenchment as the new five-year plan gets under way.



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### **NATO CRISIS CONTINUES BEHIND CLOSED DOORS**


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The US-UK-German working group has reached agreement on a statement taking account of the issue of French troops in Germany, while Paris is insisting talks on removing US installations from France must start soon.

### **YUGOSLAV PRESIDENT TITO VISITS RUMANIA**

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Tito's 18-23 April official visit underscored the degree to which Rumania in recent years has shifted toward the kind of independent nationalism first espoused by Tito.



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Middle East - Africa

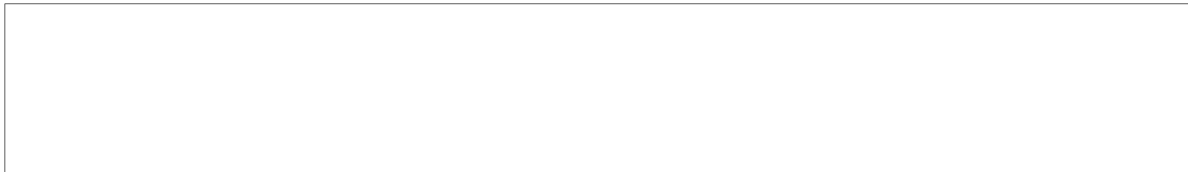
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- EGYPT WITHDRAWS SOME TROOPS FROM YEMEN 18  
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- UK-RHODESIAN TALKS IMMINENT AS PRESSURE FOR UN ACTION MOUNTS 19  
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- ZANZIBAR STILL RESISTS CONTROL BY TANZANIAN CENTRAL GOVERNMENT 21  
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- DOMINICAN REPUBLIC'S BALAGUER APPEARS LESS CONFIDENT OF ELECTORAL VICTORY 24  
Balaguer is said to be worried about a shortage of campaign funds and to be privately admitting the possibility of defeat.
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- WORLD CHRISTIAN DEMOCRATIC CONFERENCE MEETS IN PERU 26  
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United Nations

- SPECIAL UN COMMITTEE AGAIN TACKLES PEACEKEEPING PROBLEMS 27  
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Far East

VIETNAM

The political focus in South Vietnam shifted during the week to preparations for constituent assembly elections. There was also evidence of a mounting reaction among certain civilian and military groups to recent Buddhist political tactics.

Taking a small step toward implementing its election decree, the Ky government convened a meeting of 47 notables and elected officials to advise on election procedures. The meeting, which included several participants sympathetic to the "struggle movement" in I Corps, voted to set up a 100-man council to draft an election law and oversee the elections.

Half of the members of the new council, expected to be formed in the next few weeks, will come from the elected provincial councils and the other half will represent various power groups. Selection procedures were not specified, and the government will presumably determine the representation allotted to the various power groups. It will probably attempt to influence the entire election process with an eye to preserving a strong military voice in any future government.

The Buddhist hierarchy, presently satisfied with the government's election gestures, has further toned down the militancy of its "struggle movement."

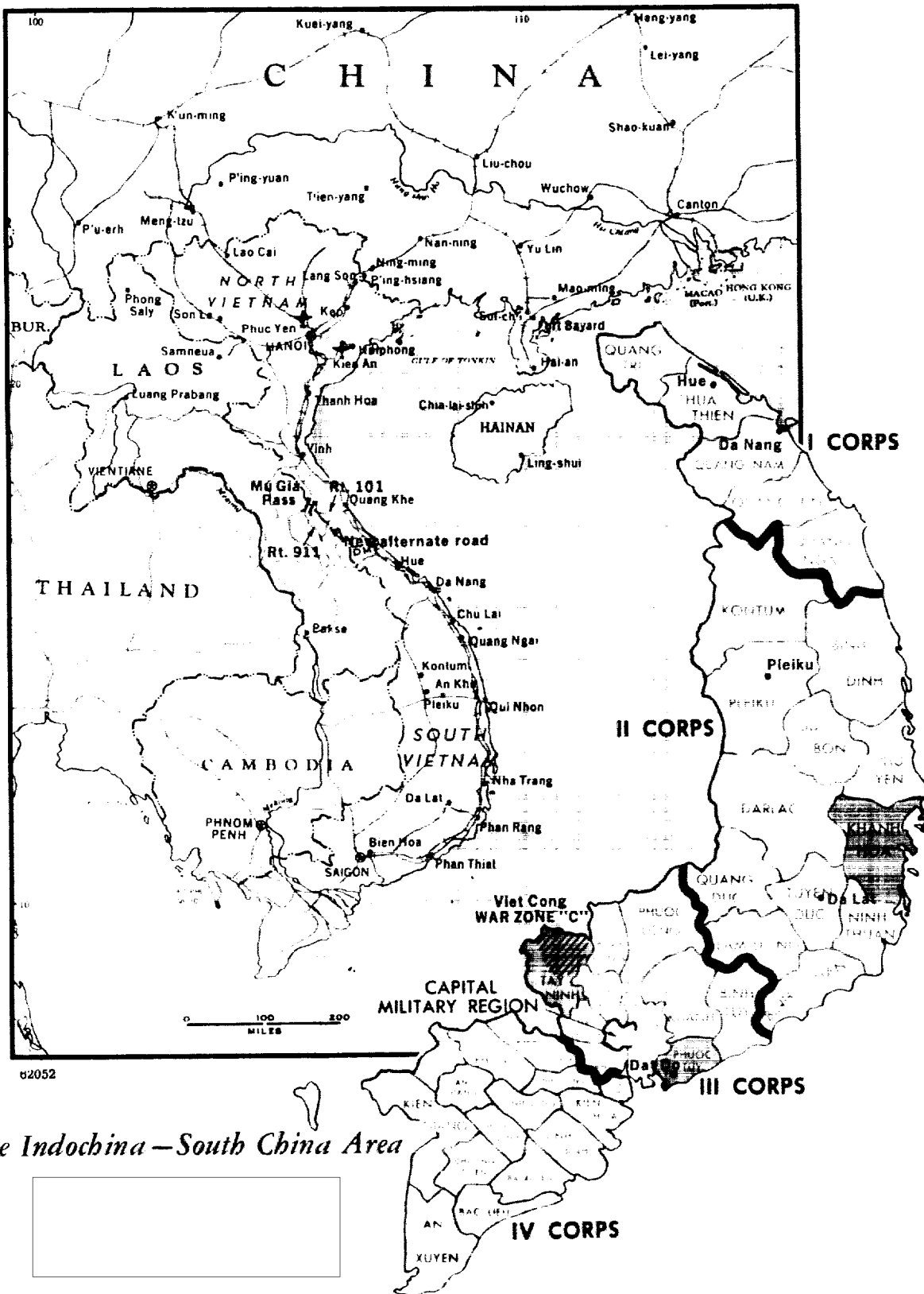
It reacted mildly to the violence late last week between demonstrators and troops in Da Lat, which led to the death of seven persons and the arrest of nearly 100 students. The combined efforts of Buddhist leaders and I Corps commander General Dinh have restored a measure of calm to the troubled cities of Hue and Da Nang, although antigovernment elements retain a substantial degree of local authority.

Non-Buddhist groups, including the Catholics, other prominent religious sects, labor, and the nationalist political party factions, are showing increased concern over possible Buddhist domination of an elected assembly and of Communist infiltration via the ballot. Conflict between these groups and the Buddhists could bring an end to the present uneasy calm.

A new spate of coup rumors, alleging possible action within the next week, also points up the fragility of the present situation. The rumors may stem in part from Premier Ky's decision last week to install Military Security Service chief Colonel Loan, advocate of a hard line against political troublemakers, as National Police director in place of Colonel Lieu, an advocate of leniency toward ousted I Corps commander Thi. The rumors, although conflicting, indicate considerable backstage maneuvering by Loan, possibly with Ky's collusion, by Lieu, and by Deputy

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*The Indochina - South China Area*



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Premier General Co and IV Corps commander General Quang, who have been criticized from all sides because of alleged corruption.

#### DRV Domestic Action

Hanoi recently called two special meetings to spur key party and government officials into greater support of the war effort. One meeting of some 600 party cadres and a second of more than 350 National Assembly delegates heard some of the top regime leaders explain Hanoi's determination to prosecute the war and its plans for more intensive war effort.

President Ho Chi Minh addressed both sessions. He told the party cadres that he was concerned about the slow implementation of regime directives in areas vital to the war effort. He cited agriculture, transportation, and civilian air defense activities as examples. An indication of the degree of regime concern over these problems was reflected in Ho's unusually frank and even caustic remarks to the cadre conference. He called for "harsh disciplinary measures" against party members who continue to oppose the party's directives.

In his address to the National Assembly session Ho declared that the leadership is determined to prosecute the war in spite of the US buildup and that there would be no negotiated settlement unless the US accepted the DRV's four points in toto. Ho's tough line on a political settlement was later reflected

in a Hanoi Foreign Ministry statement which rejected Senator Mansfield's proposal that the US confer with Hanoi, Peking, and "elements in South Vietnam essential to making and keeping the peace."

#### DRV MIGs Challenge US Fighters

US and North Vietnamese fighters have clashed seven times since 23 April. The primary aim of the MIGs appears to be to disrupt the mission of the US aircraft rather than to engage in random duels with them. US fighters have downed four DRV aircraft, including two MIG-21 Fishbeds, and one US F-105 Thunderchief may have been lost. All of these MIGs have been shot down by air-to-air missiles. No North Vietnamese fighters have been reported equipped with these weapons.

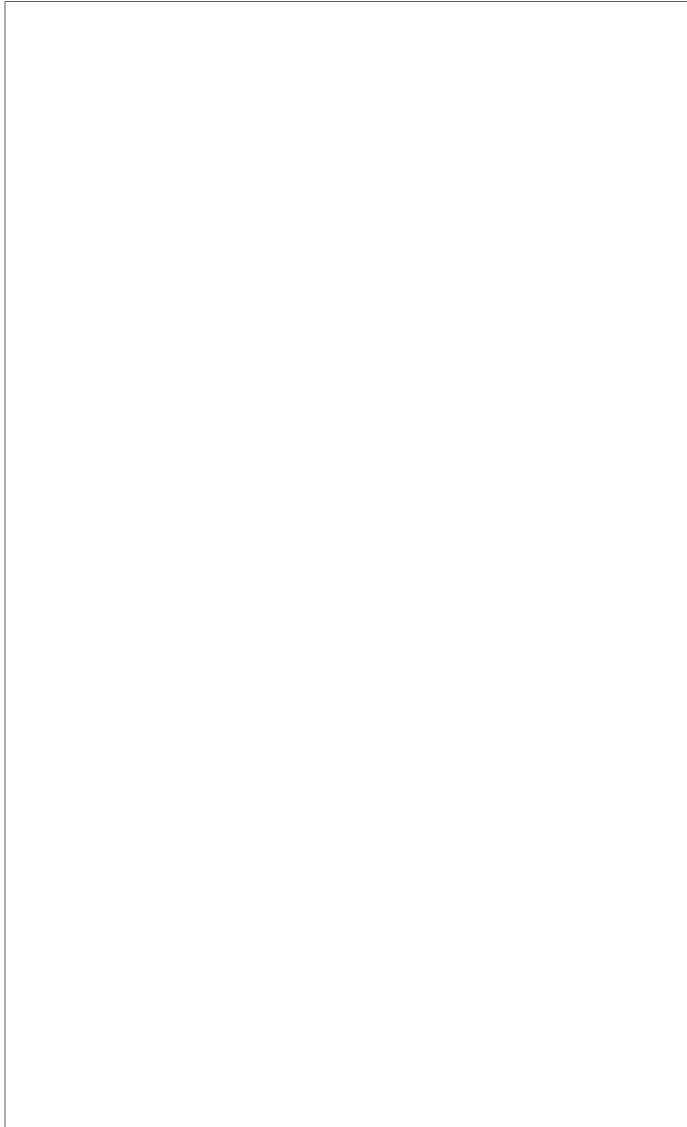
Hanoi's decision to commit part of its small but growing air force is probably indicative of concern over the impact of the stepped-up US air strikes in the northeastern DRV. Strikes in this area were increased during the first week in April. Hanoi apparently believes its air force now is well enough developed to risk US retaliatory strikes against North Vietnamese jet bases. Further clashes are likely, particularly in the Hanoi-Haiphong area.

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The Military Situation  
In South Vietnam

US forces continued last week to spearhead all major allied offensives in South Vietnam, although the easing of political tensions has resulted in a gradual increase in combat operations

by government forces. The largest operation currently under way is an eight-battalion sweep by US and South Vietnamese forces into the Viet Cong "War Zone C" base area in northwest Tay Ninh Province. (See map on page two.) Contact with the enemy has so far been limited but numerous enemy base camps and supply caches have been uncovered and destroyed.

The major Viet Cong action last week was the virtual annihilation of a civic action team near Dat Do in Phuoc Tuy Province. The VC also launched a relatively unsuccessful battalion-strength attack on a government battalion in coastal Khanh Hoa Province. The Communists continued their harassments of airfields, shelling the new US airstrip at Pleiku in concert with small probing attacks on nearby troop positions. The Viet Cong also stepped up small-scale attacks on outposts and hamlets in the delta and near Saigon, and increased minor terrorism in the capital.

This increased activity in the delta and around Saigon is expected to continue, together with sabotage of land routes. There are also indications of Communist plans to attack targets, particularly Special Forces camps and district or provincial towns, in the northern coastal plains, the western highlands bordering Cambodia, and the provinces due east and west of Saigon.

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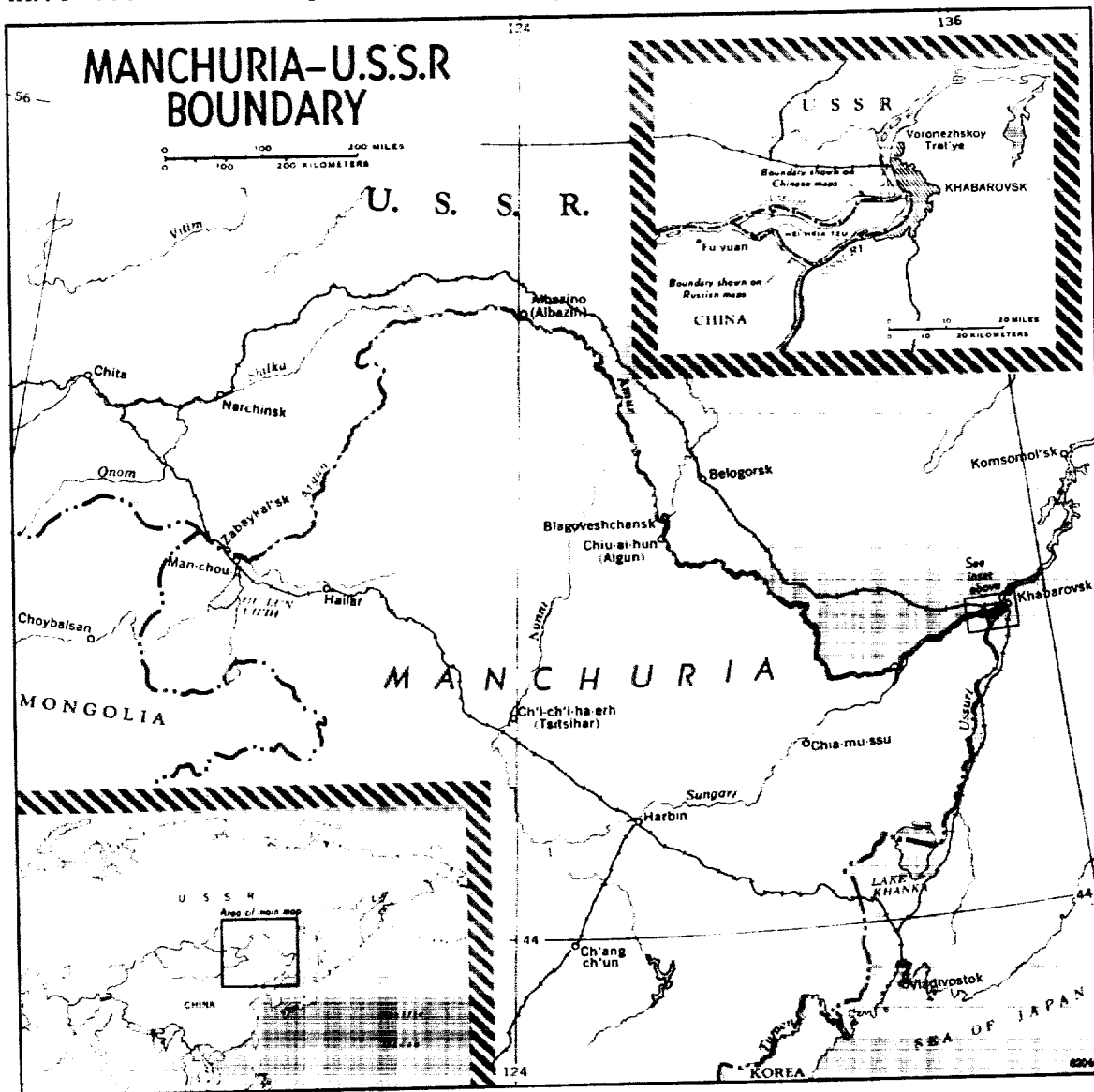
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## INCREASED POTENTIAL FOR SINO-SOVIET BORDER FRICTION

Peking's new regulations governing the activities of foreign vessels on border rivers are clearly aimed at the Soviet Union, since the only major rivers concerned are the Amur, Argun, Ussuri, and Sungari along the Manchurian-Soviet boundary.

The subjects covered by the new regulations suggest that there may have been minor unpublicized

incidents along the rivers. For example, foreign ships entering Chinese ports "on bordering rivers" and "on Chinese rivers reaching neighboring countries" must report all weapons and radio and signal equipment. When in a Chinese port, all weapons and ammunition are to be kept by the harbor superintendent and the use of radio transmitters is prohibited. Passengers and crew members are forbidden to make



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sketches, take photographs, swim or fish, or measure depths.

China claims that the regulations--published on 19 April --were formulated to "safeguard the sovereignty of the CPR," but it seems likely that friction over their implementation will increase tension during the coming shipping season which begins in May and lasts until November on most of the rivers. Like the stiffer frontier inspection controls instituted by the Chinese in May 1965, the new shipping regulations could be part of a continued campaign of harassment along the Soviet border.

Although agreements reached in 1951 and 1957 on navigation

of the boundary rivers removed some of the potential causes for friction, the increasing intensity of the Sino-Soviet dispute resulted in renewed frictions over the disputed portions of the long frontier.

The disputed ownership of a number of islands, particularly the large one at the confluence of the Amur and Ussuri rivers, increases the possibility of new difficulties. Border talks reached an impasse in mid-1964 and were suspended. Following Khrushchev's ouster, polemics covering the border subsided. Early this year, however, each side began in private to accuse the other of perpetrating new provocations along the common frontier.

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#### SINO-SOVIET TRADE

The cursory announcement on 19 April that negotiations on Sino-Soviet trade in 1966 had been completed suggests that there will be little significant change from the \$400-450 million level of recent years.

The pattern of trade this year presumably will continue

the trend that began in 1965 when China no longer had to maintain a large export surplus to pay off its debt to the USSR. In 1964 China's exports had exceeded its purchases from Russia by \$180 million to cover a debt repayment which virtually wound up its obligation. In 1965 and again this year, much of the

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negotiation probably centered on expanding Soviet deliveries to China to maintain the past level of Chinese shipments to the USSR.

Increased Soviet deliveries last year of aircraft for China's civil air fleet and its military transport were undoubtedly part of this effort.

[redacted]  
it is clear that trade

with the USSR continues to lag and apparently was less than the 1964 level of \$450 million while China's trade elsewhere continued to expand.

China gives every indication that it expects a continued growth in its foreign trade, which totaled \$3.8 billion in 1965. Although Moscow may share in increased Chinese orders for complete plants, negotiations with Western suppliers indicate the source for most complete sets of equipment is likely to be the free world. [redacted]

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## SOVIET INDUSTRY CONTINUES MEDIOCRE PERFORMANCE

Statistics published by the USSR on plan fulfillment for the first quarter of 1966 appear to confirm earlier indications that 1966 is to be a year for industrial reform and reorientation of the economy that will initially entail lower rates of growth. Moscow's figures do not show any great resurgence in economic performance of the kind needed to realize many of the 1970 goals incorporated in the recently adopted five-year plan (1966-70). The apparent expectation is, however, that the present effort will eventually lead to higher rates which will result in fulfillment of the 1970 goals.

The announced rate of industrial growth in the first three months of 1966 is below both the one for the first quarter of last year and that for all of 1965. This is due in large part to the poor harvest which reduced the supply of some industrial raw materials. In 1964, achievements in industry were similarly affected by a poor showing in agriculture during 1963.

In contrast to the relatively low 7.9-percent growth in gross industrial production, the output of machinery increased by 11 percent. This sharp recovery from a 7-percent rise registered a year ago means that this branch of industry has at least temporarily returned to the level

achieved in 1964. Production of military and space hardware appears to be the major beneficiary of this sector's recovery, inasmuch as Moscow's statistics indicate a slowdown in

SOVIET-ANNOUNCED FIGURES ON PLAN FULFILLMENT, 1965-66 (Percentage Change from Corresponding Period of Previous Year)				
	1965		1966	
	1st QUARTER	FULL YEAR	1st QUARTER	FULL YEAR (Planned)
Gross Industrial Production*	9	8.5	7.9	6.7
Industrial Materials**				
Electric Power***	9	10	9	11
Crude petroleum	7	9	9	9
Natural gas	16	17	15	15
Coal	5	4	2	3 1/2
Rolled steel	7	6	6	7
Steel pipe	11	11	10	9 1/2
Mineral fertilizer	27	23	20	14
Plastics and resins	16	14	12	29
Chemical fibers	16	13	13	na
Cement	11	11	13	8 1/2
Commercial timber	-1	-1	-3	3 1/2
Paper	7	12	14	10 1/2
Civilian Machinery				
Chemical equipment	21	12	8	na
Petroleum equipment	25	0	-6	na
Agricultural equipment	4	3	5	na
Consumer Goods				
Television sets	15	25	33	17
Washing machines	18	20	18	na
Refrigerators	32	48	43	32
Cotton fabrics	2	2	3	na
Leather footwear	0	2	7	na
Meat (state slaughter)	15	16	46	na
Dairy products	26	12	6	na
Industrial Branches				
Electric and thermal power	10	11	10	na
Fuels	7	7	6	na
Ferrous and nonferrous metallurgy	7	9	9	na
Chemicals	14	14	12	na
Machine building and metalworking	7	9	11	na
Lumber, wood-processing, and cellulose-paper	4	4	3	na
Construction materials	10	9	9	na
Light } Food } Household articles	10	8	7	6
	10	10	15	na

\* Soviet official figures on industrial growth are 2 to 3 percent higher than CIA and other Western estimates.  
 \*\* Planned figures for 1966 are rounded to nearest half-percent.  
 \*\*\* Central stations only; 85% of total.  
 na Not available

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the growth rates of many civilian machinery items. Percentage increments in the output of both petroleum and chemical equipment during the first quarter are off considerably, as are the growth rates of the larger, more complex types of agricultural machinery. Some consumer durables continue to show impressive rates of growth, but in absolute terms they hardly represent an important claim on the output of the machinery branch of industry. The lower rates of increase in investment that are planned for 1966 imply a reduction in the relative share of machinery production for this purpose.

Despite the necessity for increased industrial support for Soviet agriculture, farm machinery in the first quarter of 1966 was produced at a considerably lower rate than the 11- to 12-percent annual average implied in the 1970 goals. The January-

March results, however, are apparently in keeping with the 1966 plan. New production facilities planned for the latter half of the five-year plan period are expected to permit greater increases in output than. Meanwhile, there is no indication the Soviets are beginning to use idle capacity in agricultural machinery plants to which explicit reference was made at the March 1965 plenum.

The announced increase of nearly 50 percent in meat production under state auspices suggests increased slaughtering due to foot-and-mouth disease and to shortages of feed in some areas. Animals marketed from collective and state farms were probably augmented by the diversion of privately held livestock to state industry in the face of restrictions on the free-market sale of animal products in disease-infected areas. 25X1

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NATO CRISIS CONTINUES BEHIND CLOSED DOORS

The major participants in the NATO crisis have been preparing bargaining positions for the coming round of negotiations. The US - UK - West Germany working group reached agreement on a statement to be directed to France taking account of the issue of French forces in Germany, which will come up first, the French have insisted that negotiations should start quickly on

the removal of US installations from French soil.

The British have had reservations about whether the Germans should be permitted to tell the French that their right to station forces in Germany would lapse once the French separate their troops from NATO. The British maintained that an overly explicit German legal stand would only give the French

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grounds for counterarguments. The British also appeared wary of supporting a German position which later could be used against British and US troops in Germany. The compromise text, little changed on other points from the original German draft, now informs the French that they will no longer be able "to exercise the right to station forces."

The German draft has been circulated to the NATO fourteen for discussion by their Paris representatives. Some of the smaller NATO states, wishing to avoid an overly bitter first round in the coming confrontation between the French and the Germans, may try to tone down what they may feel is an excessively aggressive approach in Bonn's proposal.

French Foreign Minister Couve de Murville on 22 April delivered to Ambassador Bohlen the latest French aide memoire urging that Paris and Washington immediately enter into bilateral talks on the method to be employed for the withdrawal of US troops and facilities from France. When Ambassador Bohlen restated the US position that the one-year time limit for withdrawal was not acceptable, Couve indicated that the 1 April 1967 deadline was not intended to be an absolute fixed date in all cases. However, it is not clear how

flexible the French intend to be in the matter.

One reason for French interest in early bilateral talks with the US is that talks would serve to blunt further the charges made by De Gaulle's domestic opponents that he is unilaterally severing ties with his allies. Even as matters stand, however, the opposition is having difficulty in exploiting the NATO issue. Last week in the National Assembly, a Socialist-sponsored censure motion on De Gaulle's NATO policy received only 137 of the required 242 votes and failed to win the support even of all those deputies who normally oppose the government. In terms of votes, this was one of the least successful of the ten attempts that have been made to censure the government of the Fifth Republic.

The Communist Party did not support the motion, nor did more than a third of the Democratic Center, the parliamentary grouping composed primarily of supporters of former presidential candidate Jean Lecanuet. At the same time, there were no defections from the usual Gaullist majority. The result reflects the continuing division among factions and parties on substantive issues and makes it more difficult for them to influence the government on the NATO issue.

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### YUGOSLAV PRESIDENT TITO VISITS RUMANIA

The official visit to Rumania by Yugoslav President Tito from 18 to 23 April--his first in ten years--reflects the degree to which Rumania's external course has shifted in recent years toward the kind of independent nationalism first espoused by Tito. Tito's trip underscored the general similarity of the two countries' views on foreign policy and dramatized his desire to improve cooperation with Rumanian party chief Ceausescu.

Although the joint communiqué summarizing the visit contained no startling disclosures and omitted any direct references to the Sino-Soviet dispute, it provided a new forum for the two governments to stress their belief that the principles of equality and independence of action must be respected by each Communist party. In so doing they again implicitly denied that leadership in Communist affairs is solely the province of Moscow or Peking. The communiqué also called for improvement in Yugoslav-Rumanian economic relations and in Balkan relations generally, and espoused a stronger United Nations, friendlier relations among all European countries, and disarmament.

The Yugoslav leader appeared generally to appreciate that the Rumanians are carefully using the

political flexibility offered them by the Sino-Soviet dispute to strengthen their independent position. On 18 April, however, Tito lashed out at the Chinese Communists, without naming them, for placing "their own narrow interests and objectives before the fundamental interests of the struggle for peace and socialism." Confronted with this embarrassment to their "neutrality" and undeterred by their guest's sensibilities, the Rumanians censored this passage from all their publications.

The visit also was the occasion for the first meeting between Tito and Ceausescu since the latter succeeded the late Gheorghiu-Dej as secretary general of the Rumanian party in March 1965. Ceausescu's prestige probably was at least indirectly enhanced by Tito's remarks praising the country's "young and capable" leadership.

Although it is too early to assess the domestic implications of Tito's stay in Rumania, his reported intention to review Yugoslav domestic developments with Ceausescu may lead to some relaxation in Bucharest's rather cautious and hesitant attitude toward internal liberalization. It seems mainly a matter of time before the Ceausescu regime, heretofore intent on pursuing a

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liberalized course in its foreign relations, can be expected to gain the confidence necessary to introduce greater domestic liberalization. Moreover, inasmuch as the communiqué calls for increased tourism between the two

countries as well as greater emphasis on party and scientific-cultural exchanges, the Yugoslav model of national Communism may prove increasingly attractive to Rumanians. [redacted]

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Middle East - Africa

NEW CYPRUS CRISIS MAY BE BREWING

The Turkish Government has called for new consultations with Washington and London over the Cyprus situation, warning that it is prepared to take action on its own if necessary to relieve the Turkish community on Cyprus of what Ankara regards as economic repression and harassment.

The aide memoire, passed to US and British officials on 19 April, indicates a new determination by Ankara to end its frustration over Cyprus. The prevalent pro-Greek attitude of UN members, as demonstrated by the Cypriot resolution last December, and the apparent intention of President Makarios to allow time to erode Turkish Cypriot resistance apparently have convinced Ankara that it must act soon.

In addition to their urgent request for consultations, the

Turks say they intend to issue a virtual ultimatum to Athens and Nicosia within the next few weeks. Furthermore, under the guise of training exercises and maneuvers, they have gradually concentrated a substantial amphibious force near Turkey's southern coast to back up their demands.

Neither Athens nor the Greek Cypriot government in Nicosia is likely to bow to a new Turkish ultimatum. The Stephanopoulos government is probably too weak to take such an unpopular action, and any gesture designed to ease Turkish apprehensions is out of the question as far as Makarios is concerned. Both Stephanopoulos and Makarios have said recently, however, that the US should again take a more active role in seeking a workable solution.

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EGYPT WITHDRAWS SOME TROOPS FROM YEMEN

The Egyptian press has announced that contingents of Egyptian troops began to arrive home from Yemen on 22 April. It is too soon to determine, however, how many of these troops are part of the routine Egyptian rotation pattern and how many are part of Nasir's announced plan to reduce forces and expenditures in Yemen.

The withdrawal of some troops might contribute to Kuwait's

current effort to bring the Saudis and Egyptians together for peace talks. This may account for the unusual publicity given to the first troop debarkation in Egypt. Saudi King Faysal was recently reported to have accepted Nasir's offer to send a top Egyptian official to Saudi Arabia in the company of the Kuwaiti foreign minister.

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UK-RHODESIAN TALKS IMMINENT AS PRESSURE FOR UN ACTION MOUNTS

Following several diplomatic moves, UK Prime Minister Wilson has announced that British and Rhodesian officials will soon hold informal talks to determine whether there is a basis for negotiations to end the five-month-old crisis. Wilson told Parliament that his former private secretary and intermediary, Oliver Wright, had talked with Rhodesian Prime Minister Smith during a recent trip to Salisbury and South Africa.

On 26 April, Smith publicly indicated his willingness to reopen communication with the British, with a view of reaching a settlement. Evan Campbell, the former Rhodesian High Commissioner in London, spoke with Smith in mid-April and found him to be more amenable than he had been at their last discussion in February. Smith emphasized, however, that he had his "wild men" to contend with among Rhodesian politicians.

In the meantime, African pressures for strong UN moves against Rhodesia continue to mount. African members have decided to call for a Security Council meeting not later than 10 May to press for enforcement of mandatory sanctions and the use of force against Rhodesia if necessary.

The African reaction at the UN to the announcement of the London-Salisbury informal talks was one of caution, with many expressing the view that the talks would be a waste of time. A special committee has been set up by the Africans to draft a resolution embodying their demands. The UN Committee on Colonialism has already adopted a resolution calling on Britain to use military force in Rhodesia and recommending that the Security Council consider what further action is needed to enforce previous UN resolutions.

Britain hopes that any future council resolution would be confined to extending Britain's present authority to stop oil shipments to Rhodesia. This authority now is specifically restricted to shipments bound for the Mozambique port of Beira. London is considering asking the Security Council for authority to stop shipments to Mozambique as a whole. London's principal concern is to avoid a resolution including South Africa which would affect Britain's important economic ties with Pretoria. Sufficient supplies are flowing into Rhodesia from both South Africa and Mozambique to cover current rationing requirements.

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PROVINCIAL CONSOLIDATION COMPLETED IN CONGO (LEOPOLDVILLE)

President Mobutu has apparently pushed through the provincial reorganization of the Congo (Leopoldville) and is moving to neutralize former premier Tshombé's troublemaking potential.

The legislatures of the consolidated provinces elected provincial governors and other officials on 25 April under army supervision. The anticipated violence on the part of displaced officials and their supporters did not materialize. Mobutu now has a chance to move ahead in his plan to trim the bureaucracy and pursue his austerity program.

Tshombe's long-time associate Godefroid Munongo defeated the Mobutu-backed candidate for governor of the new Sud-Katanga

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Province. This new demonstration of Tshombé's strength, added to reports of his continuing plotting, appears to have made his self-exile in Belgium intolerable to Mobutu.

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Mobutu is apparently hypersensitive about the ability of Tshombé and his private Belgian associates to intrigue against the Leopoldville regime.

Tshombé, however, is not likely to return to the Congo until he feels assured of a position of national leadership.

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ZANZIBAR STILL RESISTS CONTROL BY TANZANIAN CENTRAL GOVERNMENT

After two years of the Tanzanian union, Zanzibar continues to resist efforts by President Nyerere for closer integration and is mounting new attacks on the US presence.

Zanzibar's pro-Communists in the island's ruling Revolutionary Council are accelerating their efforts to force the removal of the US Consulate. The extremists have spread rumors that the US

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is backing the former Arab sultan in a counterrevolutionary plot and have produced "evidence" that US Consulate personnel are involved. Earlier this month their pressure caused the closing of the USIS library and the removal of the US public affairs officer. A similar technique was used to force the ouster of three US diplomats last year.

The Zanzibaris argue that the Americans were responsible for the coups in Ghana and Indonesia and have established a firm grip on Kenya. Many Tanzanians expect the next imperialist blow to fall on them, as leaders in the effort to eliminate white rule in southern Africa.

The Zanzibaris' anti-US tack may also be designed to disrupt Nyerere's efforts to consolidate the union. In recent visits to Zanzibar, Nyerere has reportedly pressed Vice President Karume-- who heads the island government-- and the council to accept an extension of the Tanzanian constitution to cover Zanzibar and to relinquish their control of civil service matters. Extension of the constitution would provide for eventual free elections which the Zanzibar rulers would stand little chance of winning. On 24 April, Karume and all other council members made a hasty trip to the mainland to discuss these problems. [redacted]

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DOMINICAN REPUBLIC'S BALAGUER APPEARS LESS CONFIDENT OF ELECTORAL VICTORY

Joaquin Balaguer now appears somewhat less confident that he once was about his chances of victory in the Dominican Republic's elections on 1 June. He recently responded vaguely when US Embassy officials questioned him regarding his current strength, saying he was counting on the "silent vote." According to top officials in the Reformist Party, Balaguer is seriously concerned over a shortage of campaign funds and is privately acknowledging the possibility of defeat. Although these remarks were probably made for the benefit of US ears, to some degree they reflect the low state of morale in the party.

Balaguer has started thrice-weekly broadcasts to counter Juan Bosch's use of radio and television. He also has stepped up his attacks on the pro-Bosch administrators of the government-owned Dominican Sugar Corporation (CAD)--the country's largest employer--for alleged political favoritism. There has been some evidence that CAD resources have been used to benefit Bosch's Revolutionary Party. Nevertheless, even such a respected conservative as Minister-without-Portfolio Mendez has defended the CAD management against the accusations of favoritism.

Within his own party Balaguer has heard dissent from

"young Turks" who fear that if elected he may bring people who do not "reflect the present times" into his government. Although this criticism was designed to register the dissidents' claim to a share of future patronage, the US Embassy notes that their complaints merit attention.

Despite what may be a sagging campaign, Balaguer has yet to come to terms with Rafael Bonnelly's conservative and right-wing National Integration Movement (MIN). He has protested that Bonnelly's backers demand too much--even the vice-presidential slot on a combined ticket. Balaguer's present strategy is to draw support away from Bonnelly. He seems to have had some success in obtaining the support of a small conservative party and gaining a pledge of eventual support from at least one major MIN leader.

Bosch has been publicly silent for the past week. On 19 April he voiced to US Embassy officials concern over an alleged deterioration in campaign conditions and his chances of governing in the face of a hostile military and serious social and economic problems.

Although there has been some increase in politically generated violence, the passage of the 24 April anniversary of

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The revolution with only noisy demonstrations has encouraged hopes that elections can be held on schedule. However, events scheduled for 28 and 30 April still could produce trouble, particularly in view of the accidental shooting of a Dominican boy by a US sentry on 27 April.

The group of wounded Dominicans which left for Europe last week has been given considerable publicity in Hungary with appearances over television and at a mass meeting in Budapest on 26 April. [redacted]

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#### LATIN AMERICANS STALEMATED ON NUCLEAR-FREE ZONE

It is becoming increasingly apparent that the delegates to the preparatory commission which began meeting in Mexico City on 19 April to draft a treaty setting up a Latin American Nuclear-Free Zone (LANFZ) will be unable to reach agreement on a definitive text.

The idea for a denuclearized Latin America originated several years ago with Mexico and was enthusiastically supported by the Goulart government in Brazil. Since then the Latin American countries have held numerous meetings in their attempt to make the LANFZ a reality. Progress has been slow and the Brazilian Government under Castello Branco has shown no genuine interest in the project.

At the current commission meeting the Brazilians, supported in varying degrees by Argentina, Colombia, and Venezuela, maintain that all Latin American countries and territories including Cuba, which has refused,

must agree to participate in the LANFZ before it could be put into effect. They argue in addition that all nuclear powers, including France and Communist China, must formally commit themselves to respect the treaty, and that a tight control and inspection system must be agreed to.

Most of the other delegates tend to disagree. They accept Mexico's view that the LANFZ should become effective among whatever states ratify the treaty on the date that the instruments of ratification are deposited. They argue that the zone could later be enlarged to include Cuba and other countries by a step-by-step approach which would put pressure on them to join and on the nuclear powers to give nuclear guarantees.

At the moment neither side seems disposed to make any significant compromise. If the stalemate at Mexico City continues, the whole subject, as in the past, will be held over for still another session. [redacted]

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WORLD CHRISTIAN DEMOCRATIC CONFERENCE MEETS IN PERU

Delegates to the Fifth World Conference of Christian Democratic Parties which met in Lima, Peru, this week analyzed methods of combating the "basic triangle" of oligarchy, imperialism, and militarism and Fidel Castro's totalitarian Marxist regime. The theme of the meeting was the contrast between the Christian Democratic "revolution with liberty" in Chile and Cuban developments.

Preliminary reports indicated the congress' final resolution would condemn any form of intervention such as that "existing in Santo Domingo, Cuba, Vietnam, East Germany, and Central Europe." The West European parties, however, were expected to help mute criticism of US policies, while allowing the Latin

Americans to have a free hand in attacking the Havana Tri-Continent Conference.

The Lima conference graphically contrasted the "more mature status" of the European parties with the aggressive and more revolutionary Latin American groups. A Peruvian pro-government newspaper suggested that Christian Democrats in Latin America still form political elites that have not yet had an opportunity to demonstrate the applicability of their principles. The Chileans, in spite of their revolutionary fervor, indicated a recognition that principles cannot always be adhered to when there are practical problems to be solved.

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United Nations

SPECIAL UN COMMITTEE AGAIN TACKLES PEACEKEEPING PROBLEMS

The Special UN Committee on Peacekeeping Operations, called the Committee of 33, resumed meetings this week despite a lack of enthusiasm on the part of many of its members for tackling the constitutional issues underlying the UN's persistent financial problems. Secretary General Thant has re-emphasized the urgent need for a workable formula to replace the present unsatisfactory system of voluntary financing of peacekeeping operations.

Sharp differences remain between those who hold that the Security Council has the exclusive power in peacekeeping and those who maintain that the General Assembly may undertake a peacekeeping role when the council is blocked by a veto. Since there is little prospect of agreement on this question, the committee's proceedings will concentrate on the issue of how to finance peacekeeping operations.

Several proposals on financing have been suggested, including voluntary contributions, compulsory assessment, apportionment among all members, and special arrangements among the parties involved. The Committee of 33 is required by a resolution passed by the last General As-

sembly to consider an Irish proposal which would establish a special scale for financial contributions by which the permanent security council members supporting an operation would pay up to 70 percent of the costs and the less developed countries a very small percentage.

In consultations with the US last week, the French indicated their desire to get to work on the finance problem, suggesting a plan to be used in any operation approved by the Security Council. This plan calls for the establishment of a finance committee consisting of all the members of the Security Council plus additional members representing less developed countries and major contributors. Members of this committee would agree to pay an agreed percentage of the cost and the General Assembly would apportion the remainder. Since the French do not accept the assembly's authority to conduct peacekeeping operations, the scheme would not apply in operations initiated by it.

The UK has proposed a somewhat similar method in the form of an "underwriters' club," consisting of members who usually

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are expected to support financial UN peacekeeping activities. By some form of an underwriting contract the parties would pledge themselves to provide finances for peacekeeping activities properly authorized by the UN, the costs for which the membership as a whole had refused to pay.

Secretary General Thant is extremely concerned about present financial difficulties in the Cyprus and Middle East peacekeeping operations. The Scandinavian countries and Ireland are threatening to withdraw their troops from these operations unless they are reimbursed for their expenses, and Canada too may soon press for reimbursement. [redacted]

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