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ISRAEL AND SYRIA MEET ON DEMILITARIZED ZONE DISPUTE

The Israeli-Syrian Mixed Armistice Commission (MAC) met for the first time in eight years on 25 January, but there was no immediate progress toward an accommodation of the two countries' dispute over farming in the demilitarized zone. In addition, Syria subsequently announced that it will not give any guarantees that Palestinian commandos will stop raiding Israeli territory. Prospects for a reduction of tension along the border thus appear slim, particularly in view of Israel's earlier assertions that the most serious problem is the sabotage by Syrian-supported infiltrators.

The delegates are scheduled to meet again on 29 January to discuss the farming issue. As in the first meeting, the head of the UN Truce Supervision Organization, Norway's General Odd Bull, will be chairman.

The joint statement issued after the meeting on 25 January, in which both parties "reaffirmed their commitment to refrain from all kinds of hostile or aggressive action," is one on which they could agree because each has accused the other of being the aggressor. Syria is unlikely to

cease resisting what it regards as Israeli encroachment of Arab lands, and the Israelis probably will continue their efforts to establish their disputed claim to sovereignty over the entire demilitarized zone. Local UN officials, nevertheless, hope they can get an agreement on the de facto limits of cultivation in the zone.

The Israeli Government is prepared to punish the Syrians if violence along the borders continues and is under strong domestic pressure to take more vigorous action. The right-wing Gahal party and former prime minister Ben-Gurion both have called for immediate military action against Syria, "with explanations to world opinion and to great powers later." Israel's parliament, however, voted 54-21 on 24 January to accept a statement by Prime Minister Eshkol advocating diplomacy, not force, to solve the country's border problems. Despite this display of moderation, if the meetings with the Syrians fail to diminish the hostility along the border--and there seems little prospect that they will--the government will not need any prodding to move against Syria if further Israeli casualties occur.

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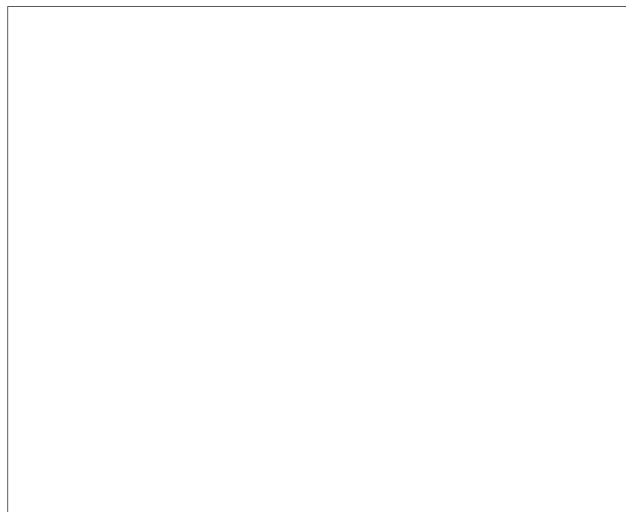
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IMPASSE CONTINUES BETWEEN CONGO AND UNION MINIERE

A few glimmers of hope appeared during the week that the Congo and Union Miniere could work out a deal. Many difficult issues remain to be resolved, however, and even more important, it is still unclear whether the mining company is willing to go back into the Congo at any price. Even if an immediate deal were arranged, the Congo would still face a short-term foreign exchange and supply crisis.

During the week the Congolese continued to backtrack from their previous demands. On 24 January, President Mobutu announced that the Congo was willing to turn the case over to an impartial tribunal. He also stated that if the tribunal found that the Congo owed Union Miniere compensation for the company property it has seized, his government would pay.

Armed with the information that the Congolese had committed themselves to arbitration and compensation, Belgian officials on 25 January made a last-ditch effort to persuade Union Miniere to reopen talks with Mobutu's government. They came away guardedly optimistic that the company would agree. As of noon on 26 January, no results had been heard from a company board meeting which was considering the question.



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Some disruption of production seems inevitable, however, with attendant dangers that the Congolese will take out their frustrations on the European personnel who remain.

Even without these added difficulties, the Congo seems to be headed for a period of economic crisis. Foreign exchange has already run out, and shortages in imported goods are beginning to appear. Belgian businessmen say that serious food shortages will occur in the politically sensitive Kinshasa area in about ten days, and very little food is now in the pipeline.

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TANZANIA REMOVING WESTERN SCHOOL TEACHERS

President Nyerere's current efforts to reduce Western influence in Tanzania's educational system threatens to remove the West's last significant presence in that country--already heavily dependent on Communist military and economic assistance.

A government order of late November freezing all hiring of foreign experts stopped the entry of 150 Peace Corps volunteers already in training for Tanzania as well as volunteers from several other Western nations. The government decided not to accept any more foreign teachers in primary schools, although to continue them in secondary schools for the time being. In a later memorandum setting forth his new hiring policy, Nyerere stated that the pro-West bias in previous recruiting had undermined the country's non-alignment and had to be countered if Tanzania was not to "remain a Western colony." He ordered that all personnel recruitment be channeled through his office.

The educational system which the Tanzanian mainland inherited from the British is staffed by Western missionaries and teachers, including nearly 400 Peace Corps volunteers. It has inevitably fostered, among university students in particular, a new African elite which Nyerere finds totally

incompatible with the egalitarian society he envisions for Tanzania. The issue came to a head in October when university students demonstrated against Nyerere's plan for compulsory national service by all university graduates for two years at reduced pay. Incensed at the placards claiming "colonialism was better" and chagrined at the students' lack of national responsibility, Nyerere expelled 393 of the demonstrators--over 80 percent of the student body. He became more determined than ever to prevent their emergence as a privileged class at the taxpayers' expense.

Nyerere holds the foreign staff, principally the British, responsible for the students' ideas.

The National Union of Students, a Western-influenced organization, has been banned, and the Youth League, for which the East Germans are setting up a trade school, will apparently become the only authorized youth organization. The banning of English in all government business as well as recent speeches by Nyerere and his ministers indicate a growing wave of xenophobia.

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The reduction in Western teachers plus the dismissal of the students, many of whom were destined for the understaffed civil service, will create a void which the government will be hard pressed to fill. Last June in Peking, a Tanzanian min-

ister made a special plea for aid in developing Tanzania's educational system. On Zanzibar the number of Communist teachers and ministerial advisers has increased steadily since 1964, and a similar prospect may be in store for the mainland.

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POLITICAL STORM SIGNALS IN CENTRAL AFRICAN REPUBLIC

There are signs of rising public discontent with, and of increasing strains within, the regime which came to power in the Central African Republic through a military coup a year ago. President Jean-Bedel Bokassa's recent shakeup of his cabinet is unlikely to check this trend, and a new upheaval could occur.

Since coming to power Bokassa has used as a propaganda theme the corruption and mismanagement which plagued the previous regime. In recent months, however, his own government, including Bokassa himself, has become susceptible to the same charges, and the public has gradually become aware that it is no better off under Bokassa's "revolutionary" regime than it was in the past.

Some members of the cabinet have become progressively disturbed at the President's penchant for ceremony, foreign travel, and other expensive pursuits despite a deteriorating budgetary situation. There is also grow-

ing frustration in the cabinet and among the subministerial elite with the incessant homage that must be paid to the chief of state. With few exceptions, high officials feel obliged to clear with him even the most trivial decisions. Bokassa whose actions have been increasingly erratic and impetuous has recently developed an exaggerated concern for internal security and has resorted to heavy-handed tactics to suppress the slightest hint of opposition.

Antigovernment tracts appeared in Bangui in late December 1966 for the first time since Bokassa's rule began.

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Just before the cabinet reorganization, which was mainly a realignment of responsibilities, the three military members reportedly sought permission to

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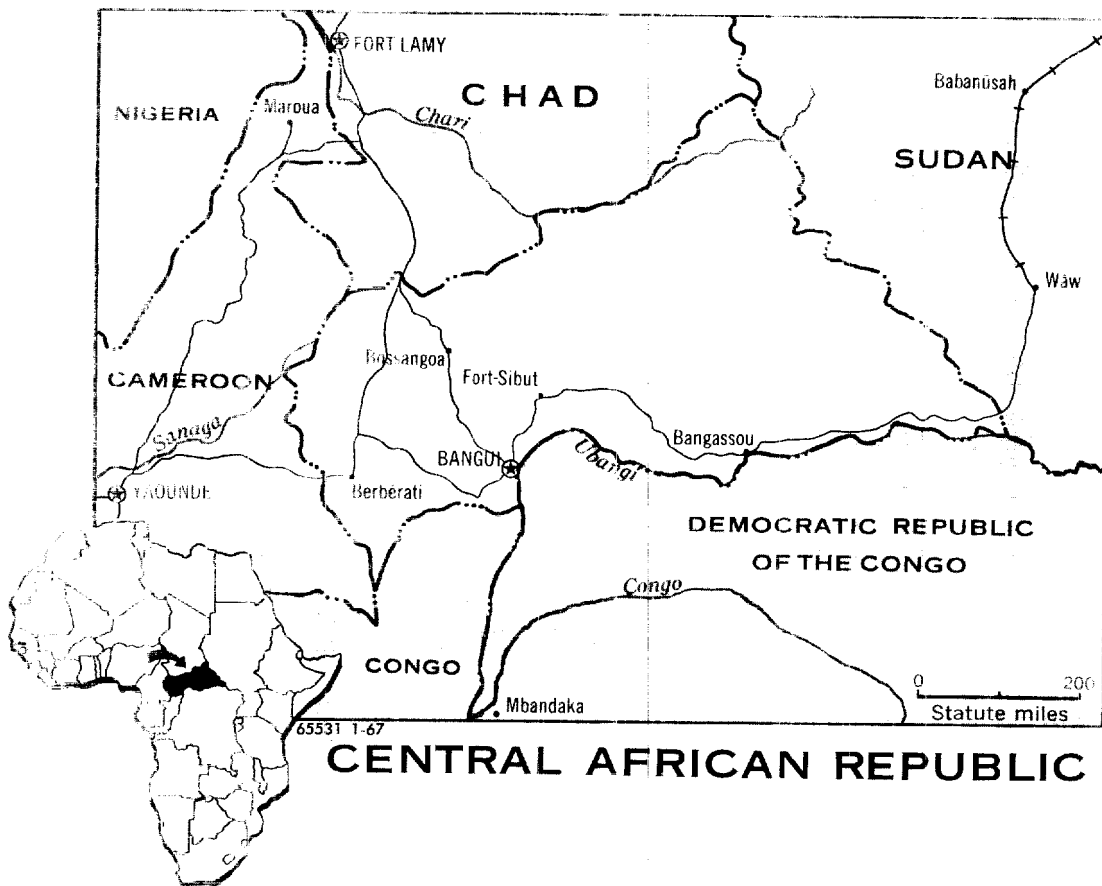
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return to their posts in the army and gendarmerie. Bokassa is said to have turned them down and threatened to jail them. Despite their loss of formal ties with the armed forces--which remain the sole props of the regime--these disaffected ministers probably retain some influence in their old units.

The possibility of a coup in the near future is mitigated by Bokassa's present control of the military. Nevertheless, his dependence on personal ties with

army commanders and the lack of widespread popular support make his position inherently fragile over the longer run. Bokassa has allowed the previously well organized single political party to degenerate to the point where it no longer is an effective means of mobilizing the population behind him. Young leftist-inclined civil servants, who have been suppressed by Bokassa, may tend to coalesce with disaffected military elements against Bokassa's continued one-man rule.

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WESTERN HEMISPHERE

Domestic political activity hit a high pitch in several countries of the hemisphere this week, and there were other political developments of international importance.

In Nicaragua, the opposition presidential candidate staged an uprising in an attempt to provoke OAS intervention and put off next week's election which he alleges will be rigged by the government. The situation remains unsettled but elections may still be held as scheduled on 5 February. Campaigning also continues for the 5 March national elections in El Salvador.

In Haiti, President Duvalier's carefully staged legislative elections on 22 January were peaceful and his hand-picked candidates were victorious. Parliamentary elections will be held in Jamaica, perhaps as early as March, and there are reports that aging Prime Minister Bustamante will retire.

President Balaguer of the Dominican Republic ordered widespread arrests to head off what he thought was a plot against his government. Heavy-handed police actions brought charges of neo-Trujilloism that further marred the government's image. Many of those arrested are being released.

Chilean President Frei is seeking to transform last week's surprise veto of his US trip plans by a balky opposition-controlled Senate into a political victory for himself and his Christian Democratic Party. A following article gives details.

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NICARAGUA TENSE FOLLOWING PRE-ELECTION RIOTS AND ARRESTS

The Nicaraguan capital remains tense following the riots that broke out on 22 January after an opposition rally and new disorders the evening of 25 January.

The aim of the opposition coalition--the National Opposition Union (UNO)--was to provoke OAS intervention in the 5 February elections, which the UNO claims have been rigged by the long-ruling Somoza family. UNO presidential candidate Fernando Aguero and other opposition hotheads hoped to create enough of a disturbance to prod the national guard into oppressive tactics that would warrant OAS intervention.

However, the guard acted with more restraint than had been expected. It finally cornered UNO leaders and several hundred of their followers in the Gran Hotel where they held out for 20 hours, detaining over 100 foreign visitors as hostages. The rebels, many of whom were armed, were allowed to leave the hotel the afternoon of 23 January after surrendering their weapons and releasing the hostages. Casualties--all Nicaraguans--are estimated at four national guardsmen and 60 civilians dead, and over 100 wounded including 13 guardsmen.

New violence flared on 25 January when the government began arresting opposition members who

had taken part in the 22 January disorders. So far, none of the leaders in the Gran Hotel affair have been detained. A roundup of all Communists has been initiated, and the majority of arrests thus far appear merited. Several UNO leaders, as well as several Communists, have sought asylum in foreign embassies.

Although they are still free and retain all political rights, there is still a possibility that Aguero and other leaders may be arrested and tried on criminal charges. If this happens, the only opposition to the government candidate, Anastasio Somoza, and the Nationalist Liberal Party would be the Nicaraguan Conservative Party. This small party backing Alejandro Abaunza has obligingly offered the Somozas tame opposition in the past.

The newspaper La Prensa, owned by another UNO leader, Pedro Joaquin Chamorro, has been closed for inciting violence, and press reports say three radio stations have also been closed.

Aguero is continuing his campaign, and one UNO member said a UNO rally will be held on 29 January in Chinandega. A pro-Somoza rally is scheduled for the same date in Managua. Only a small spark would be needed to turn either of these rallies into disorder.

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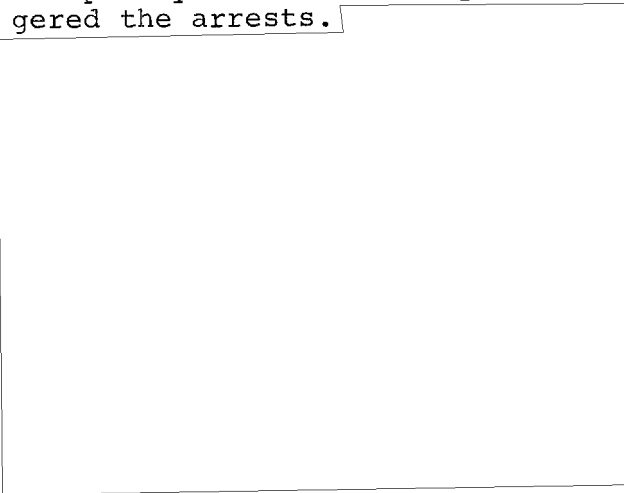
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DOMINICAN GOVERNMENT MOVES AGAINST OPPONENTS

The Dominican Government launched a heavy-handed roundup of "enemies of the state" on 22 and 23 January. Around 300 individuals reportedly were detained. While some of these were Communists, many were former "constitutionalists" and members of non-Communist left-of-center parties.

Many are now being released, but the government has refused to divulge details of the alleged conspiracy that ostensibly triggered the arrests.



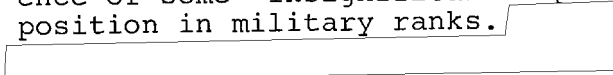
President Balaguer, however, apparently felt it was time to warn potential conspirators that the regime was prepared to move quickly against them. In deciding to act now he may have been influenced by alarmist "intelligence" reports fed to him by self-serving aides.

Opposition groups predictably reacted with strong criticism of the arrests. The general theme of their commentary was that the

detentions were a return to the tactics of the Trujillo era. A spokesman of the PRD has publicly stated it will not support the "unconstitutional" Balaguer regime in the event of a coup attempt. The Revolutionary Social Christian Party, which has been a more moderate critic of the regime, warned that it will abandon its "constructive opposition" if the government does not cease its arbitrary actions.

Moderates and even some Balaguer supporters have voiced their misgivings over developments. The Balaguer-appointed governor of one interior province concluded that the arrests had undone efforts to restore political harmony and reported feelings were running high against the government. The impact of the government's action may well be to stimulate antiregime dissidents and encourage unity among opposition elements.

Adding to the tension has been the forced retirement or reassignment of a number of military officers, none of whom was in fact known to be plotting against the regime. Some of these had fought with the rebels in 1965 while others were corrupt or incompetent. Balaguer retains the apparent support of the armed services, although on 23 January he publicly admitted the existence of some "insignificant" opposition in military ranks.



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NEW CONSTITUTION TO STRENGTHEN BRAZILIAN EXECUTIVE

A controversial new constitution designed to strengthen executive power in Brazil and incorporate key principles of the Castello Branco administration was promulgated on 24 January. It will go into effect on 15 March 1967, the day President-elect Costa e Silva takes office.

The final document, although heavily amended in Congress, retains key provisions proposed by the administration, such as indirect election of the president and vice president, executive power to cancel individual political rights for up to ten years, and the right of military courts to try civilians accused of crimes against the "national security."

Attempts to restore many congressional prerogatives were generally unsuccessful. The president will have broader authority to declare a state of siege, to govern by decree in the fields of national security and public finance, and to intervene in states when he deems it necessary. A number of these provisions continue special powers exercised by President Castello Branco under other decrees that lapse on 15 March.

Congress has also approved an amended version of the admin-

istration's much-criticized press bill. The law replaces a very lax 1953 law that has been widely abused. It fixes journalistic responsibility more clearly and forces the press to be more sure of the facts before attacking public officials, particularly the president. The law strengthens penalties for slander, defamation of character, or disclosing "state secrets." Court procedures will be speeded up and journalists charged under the new law will be tried by judges rather than special juries. Despite the internal and international hue and cry that the law is a "gag law," its impact will depend upon how Brazil's traditionally liberal judges define and apply it.

Probably no one--the administration, Congress, or the opposition--is fully satisfied with either the constitution or the press bill. In fact, Castello Branco may veto portions of the press bill, and many congressmen are already talking about amending the constitution after Costa e Silva takes office. Nonetheless, both measures will effectively strengthen the new chief executive in dealing with Brazil's traditionally turbulent politics.

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CHILEAN PRESIDENT SQUARES OFF AT CONGRESS

The Senate vote forcing cancellation of President Frei's proposed trip to the US next week has brought to a head his long-simmering dispute with the opposition-dominated Senate.

Frei's first reaction was to attempt a complex parliamentary maneuver that would have forced a reversal of the vote. Then, apparently recognizing that this could not be accomplished before his scheduled departure date--if at all--he shifted tactics. He now has called for popular repudiation of the Senate, which he claims fails to mirror the changing political situation. He has presented a constitutional amendment that would permit the president to dissolve Congress and call new elections once during his term of office. Although this action was precipitated by the Senate's veto of his trip, it is also a response to other obstructionist actions that have hampered Frei's reform programs since the beginning of his administration.

The constitutional reform must be approved by both houses of Congress. It has the support of Frei's own Christian Democratic Party and of the Communist Party both of which see a

chance to improve their representation. If the Socialists follow the Communist lead, as seems probable, the reform is likely to be adopted over the opposition of the right-wing National Party and of the centrist Radical Party, both of which would almost certainly lose some of their congressional seats in new elections.

The Senate's action has also called into question the extent of the president's power to fulfill his constitutional responsibility for the conduct of foreign affairs. Frei is said to feel that yielding to Senate dictation would impair his ability to promote Latin American integration and would reduce his international reputation. His inability to visit the US may make him unwilling to attend the inter-American summit meeting in April or to engage in other foreign travel during the remainder of his term.

Thus, the stage is set for a confrontation between Frei and the congressional opposition. The US Embassy speculates that if the constitutional reform fails, Frei may try to get direct popular approval of his program in some other manner.

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ECUADOR-PERU BOUNDARY CONTROVERSY MAY ERUPT AGAIN

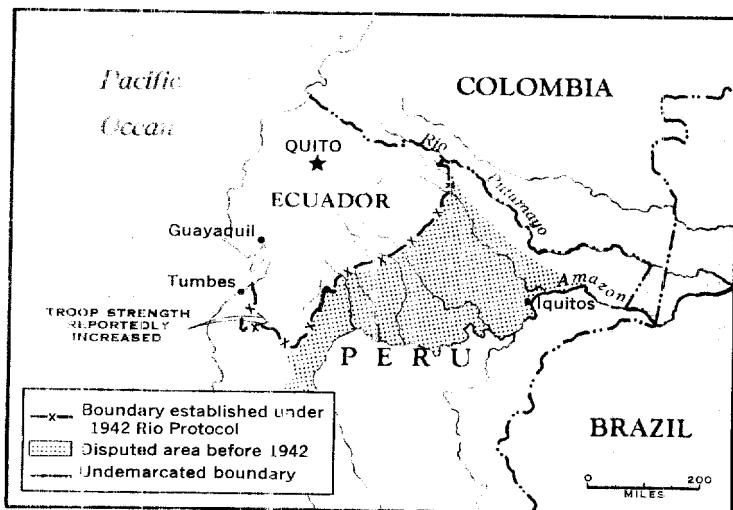
The 25th anniversary of the Rio Protocol establishing the boundary between Ecuador and Peru is not likely to pass quietly. Ecuadorean resentment of the protocol could erupt into serious demonstrations in Quito and Guayaquil on 29 January, and there is even the remote possibility of an armed clash with Peru.

Ecuadorean Government officials and the military high command are extremely worried over the possibility of Peruvian incursions along the border on or about 29 January. They are convinced that Peru is concentrating troops near the boundary and that an attempt will be made to place markers along the 70-mile portion that is still unmarked. Ecuador insists that it will meet any Peruvian provocation with force. To counter the alleged Peruvian threat, Ecuador reportedly is increasing its troop strength along the border and recalling former conscripts to duty.

However, Ecuadorean fears of a Peruvian provocation are largely unwarranted. Peruvian military sources report that Peru has no plans to attack Ecuador or to place markers in the disputed area. Peruvian Army units along the border are not on alert, reserves have not been dispatched, and there has been only a limited augmentation of troop strength. Peruvian Government and military reaction to Ecuadorean bombast over the border issue has been restrained and in keeping with President Belaunde's desire to ease tensions. Peruvian leaders have repeatedly stated that if there is an incident, it will occur only as a result of action by Ecuador.

Violent demonstrations may very well occur in Ecuador on 29 January. University students plan protest marches and manifestations. The government is trying to channel demonstrations along peaceful lines, but this may not be possible. Interim President Arosemena is especially eager to keep the issue out of the constituent assembly to prevent opportunistic politicians from inflaming emotions.

The Peruvian Embassy in Quito is a likely target of violence, as are US installations. In previous years, the US Embassy has been stoned because the United States is one of the four guarantor powers of the Rio Protocol.



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