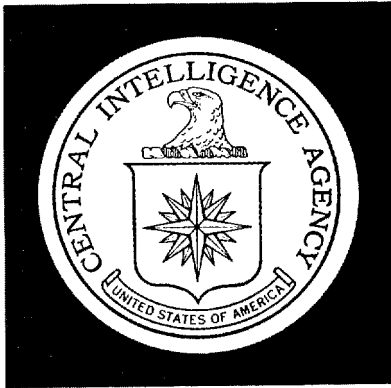


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INTELLIGENCE


WEEKLY SUMMARY

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(Information as of noon EST, 27 March 1969)

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SECRET**FAR EAST**

There are indications that the Communists intend to carry their spring offensive, now in its fifth week, well into April. The enemy has continued to concentrate on allied military installations, using rockets and mortars to strike targets from the Demilitarized Zone to the delta. Allied sweep operations have disrupted enemy plans to stage attacks in the Saigon area but a large body of enemy forces remains east and west of the city.

President Thieu's statement that South Vietnam is willing to hold private talks with the Liberation Front appears to have been calculated primarily to counter criticism in the US of Saigon's attitude in the negotiations. Two weeks prior to this statement, Thieu told South Vietnamese legislators that it is now unrealistic to try to negotiate with the Communists and that time is on the government's side.

The stiff ten-year prison term given militant youth leader Thich Thien Minh has apparently led to tentative steps for renewed contacts between militant and moderate Buddhists. Many political leaders believe that the harsh sentence will set back efforts to achieve national unity by deepening antagonisms between Buddhists and Catholics.

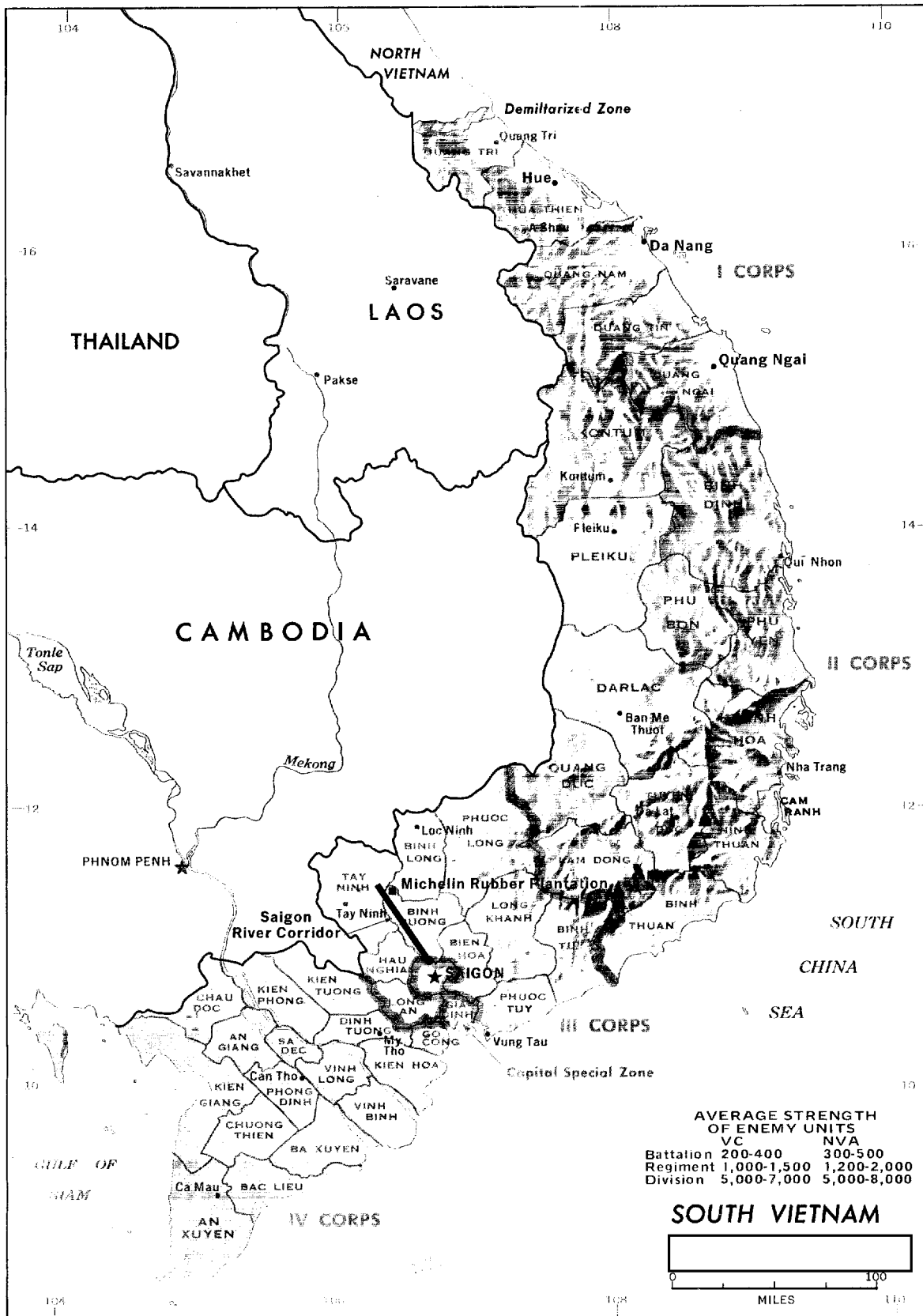
The situation in the area of the disputed island on the Sino-Soviet border appears to have stabilized. Any serious dialogue on border problems seems unlikely, however, inasmuch as China would probably insist on prior Soviet admission that the 19th century treaties establishing the present frontiers are "unequal treaties." The immediate issue that sparked the clashes probably will be eased in a few weeks when spring floods on the Ussuri River inundate the disputed island.

An intensive air campaign has been launched in Laos to disrupt Communist offensive capabilities near the Plaine des Jarres. The air strikes may upset the enemy's timing, or cause the Communists to concentrate on defending their rear areas. The heavy strikes, directed against positions that have been inviolate up to now for political reasons, could, however, trigger a sharp enemy response.

Thai Foreign Minister Thanat believes Bangkok must minimize its dependence on the US and develop a more "independent" foreign policy. These moves are based on a Thai belief that it would be prudent to plan for the possibility of a reduced US security commitment as a result of a Vietnam settlement.

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VIETNAM

The aggressive Communist campaign has gone on for five weeks and indications are that the enemy intends to continue it into April. A flurry of coordinated country-wide enemy shellings last weekend followed much the same pattern of previous high points in this offensive.

For the most part, the enemy concentrated on allied military installations, using rockets and mortars to strike targets from the Demilitarized Zone to the delta. Damage and casualties suffered by the allies in these attacks were relatively light.

Some stiff ground fighting also took place in connection with the shellings, but more as a result of allied spoiling operations than of enemy initiatives. The bulk of the ground action occurred in the southern provinces of I Corps and in the districts surrounding Saigon. Several significant clashes south of Da Nang and around Quang Ngai city resulted in heavy enemy losses.

Allied sweep operations, in III Corps have, at least temporarily, short-circuited enemy plans to attack targets in the provinces nearer to Saigon. Fairly heavy casualties occurred on both sides in several encounters resulting from allied pre-emptive attacks.

Nevertheless, a large body of enemy forces remains east and

west of Saigon. At least six regiments, some 8,000 men, are holed up near the Michelin rubber plantation. The Michelin area is situated on the Saigon River corridor and is important to Communist strategy for staging future attacks.

The cities of Saigon, Hue and Da Nang remained relatively free of Communist activity. The Communists, however, have begun to increase pressure on rural populated areas in various parts of the country. Refugee centers in I Corps and in the western highlands have been hit by intensified enemy shellings and ground probes. As a result, civilian casualties have risen. Dependents of the government's territorial security forces, and hamlet and village officials, seem to be special targets for assassination.

Political Developments in
South Vietnam

President Thieu's offer to hold private talks with the Liberation Front is the most forthcoming public statement he has made on this subject. Thieu told newsmen on 25 March that South Vietnam is willing to talk privately with the Front in Paris and that this willingness has already been made known to the Communists. The President is probably concerned about the prospect of growing criticism of the war

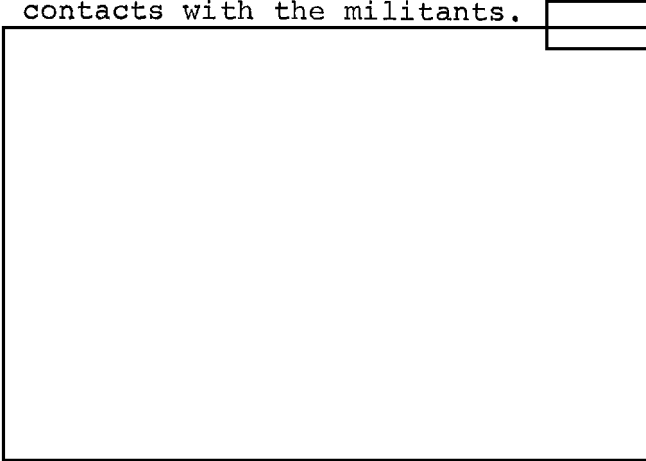
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in the US and he may also expect that this announcement will help bring his own countrymen further along toward acceptance of the idea of serious talks with the Front.

The stiff ten-year prison term given to militant Buddhist youth leader Thich Thien Minh has apparently led the rival moderate Buddhist faction to take tentative steps toward renewing contacts with the militants.

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Militant Buddhist leaders are continuing to move cautiously and have indicated that they do not plan, at this time, to organize protest demonstrations over the Thien Minh case. They are planning a country-wide propaganda campaign, however, aimed at mobilizing the

faithful by stressing the theme that the government's actions represent Catholic oppression of the Buddhists. They have also lodged a protest with the National Assembly and plan formally to appeal Thien Minh's conviction to the Supreme Court.

Public reaction to the Thien Minh case by Saigon political leaders, meanwhile, has been relatively mild. President Thieu's announcement softening the nature of Thien Minh's confinement has apparently tempered some criticism of the government. Influential Senator Tran Van Don, however, issued a statement--which probably represents widespread popular feelings--expressing "concern" and calling on the government and the militants to seek a "mutually acceptable solution." In private, many politicians have expressed a belief that the militants cannot generate any effective mass support because they are divided internally and have suffered a significant decline in prestige in recent years. Many leaders seem to feel, however, that the harsh sentence will cause a setback in efforts to achieve national unity by deepening the antagonism between Buddhists and Catholics.

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LAO GOVERNMENT BEGINS AIR OFFENSIVE

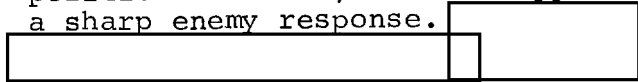
The government is taking steps to blunt anticipated enemy moves in the northeast.

An intensive air campaign has been launched to disrupt Communist offensive capabilities near the Plaine des Jarres and present plans call for at least three more weeks of heavy strikes. US and Lao pilots have reported a large number of secondary explosions resulting from their attacks.

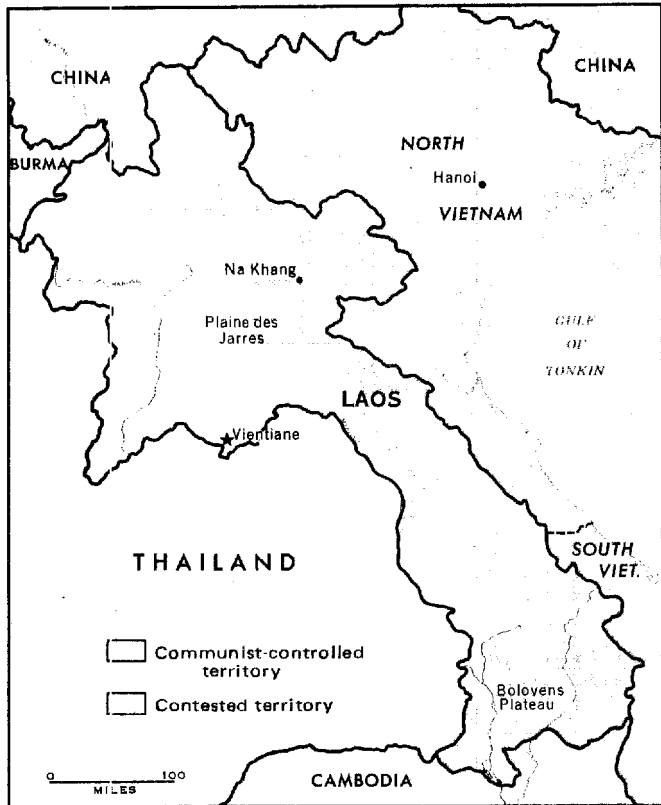
The Communists have moved cautiously since capturing Na Khang over three weeks ago, but the loss of the base was a severe psychological blow to Meo guerrillas operating in the northeast. The fall of a number of government outposts in recent weeks has been more a result of sagging morale than of enemy ground assaults. In addition, government efforts to establish a defensive line southwest of Na Khang have been complicated by the movement of large numbers of tribal refugees into the lightly defended government positions.

The air strikes may upset the enemy's timing, or cause the Communists otherwise to forgo of-

fensive actions in order to defend their rear areas. On the other hand, the heavy strikes, directed against positions that have been inviolate up to now for political reasons, could trigger a sharp enemy response.



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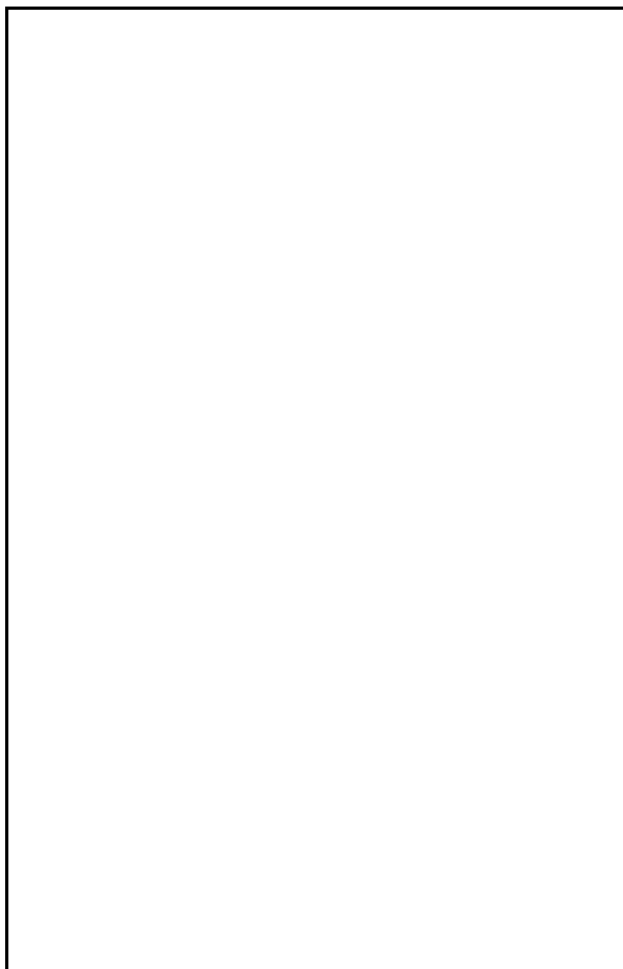


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THAILAND RECONSIDERS ITS FOREIGN POSTURE

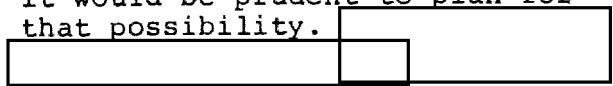
Foreign Minister Thanat is actively considering ways to broaden Thailand's foreign policy options.



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Thanat referred to the need to win Thai public support for his foreign policy. This suggests that one objective of his current soundings is to find a way to make Thailand's fundamental alignment with the US more palatable to critical elements in and out of the government. Pressure from those who believe that the leadership is too closely associated with the US will almost certainly increase under the new constitutional setup. Thanat probably also calculates that a demonstration of Thai restiveness will strengthen Bangkok's hand in its relations with Washington.

Aside from these limited purposes, it is clear that Thanat, as well as other Thai leaders, believes that the time has come for Bangkok to take a hard look at its staunchly pro-US posture. The Thai are far from sanguine that they can find another course more advantageous to their interests, but they fear that the US security commitment to Thailand may be reduced as a result of a Vietnam settlement and that it would be prudent to plan for that possibility.



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INDONESIAN PRESIDENT SEEKS BETTER ADMINISTRATION

President Suharto is looking for ways to consolidate his control over the army, apparently in order to make Indonesia's military-dominated government more responsive to national needs.

With the anti-Communist security program well in hand, Suharto wants actively to begin creating the bases for rebuilding the nation. He is especially anxious to strengthen the direction of the government's vital five-year economic development program, which is to get under way next month. Because the inefficient and inadequately trained civilian bureaucracy is unable to administer many of the government's programs effectively, he may plan to rely on army channels more than previously.

Suharto made it clear to a recent conference of army commanders that he wishes to consolidate the army structure by restoring the general staff as the primary military authority. In recent years, partly because

of operational necessity, much of this authority has passed to regional commanders, particularly those in Java, and to Suharto's personal assistants. Suharto apparently sees centralization as a means of improving administration and of moving against army corruption and malpractices, thus reducing some of the civilian resentment caused by the army's pervasive control.

Despite Suharto's concern, army leaders appear more concerned with perpetuating their predominant power than with easing civilian resentment. These men are aware, however, that there are civilian elements highly critical of their absorption of power.

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SINO-SOVIET BORDER CONFRONTATION EASES

No shooting has been reported in the area of the disputed island in the Ussuri River on the Sino-Soviet border since 19 March, and the situation there appears to have stabilized.

During the past week, Peking has shown little interest in continuing propaganda exploitation of the border conflict, and probably believes it has already made a strong case regarding ownership of the island. Chinese commentary on the clashes has all but ended and there have been no anti-Soviet demonstrations in China for almost two weeks.

Soviet propaganda output is still voluminous with the accent largely on patriotic themes. There is also a hint of a shift in focus from the disputed island to the larger issue of border demarcation. On 20 March two Soviet newsmen privately informed US Embassy officials that a state-

ment on the border situation was being prepared that would express a willingness to discuss broader boundary demarcation problems as well as a solution to the disagreement over the disputed island.

Although no statement has yet come forth, Moscow might profess a willingness to negotiate in order to gain a propaganda advantage. The Russians, however, undoubtedly realize that Peking would demand a Soviet recognition of the 19th century treaties establishing the present frontiers as "unequal treaties" before entering into any border negotiations. A Chinese Foreign Ministry statement on 10 March denounced Moscow for refusing to concede this point during the boundary talks in 1964. As a result, any serious dialogue on border problems seems unlikely. Spring floods will inundate the island in a few weeks and reduce the chance of further clashes.

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SECRET**EUROPE**

Soviet media have begun to criticize the US decision on antiballistic missiles more openly, but this treatment does not mark a loss of Soviet interest in strategic arms talks. In private, Soviet officials have also favored getting on with the talks.

Within the Communist world, Moscow had to deal with two major problems of long standing. The Sino-Soviet border continued to be the subject of intense Soviet military and propaganda attention, although no new shooting incidents have been reported over the past week.

In Moscow, representatives of 67 Communist parties met to try to agree on the agenda document for the world Communist conference. The Soviets were able to fix a date—5 June—for the conference. The communiqué showed, however, that differences remained over the main draft document, and still another preparatory meeting had to be scheduled for 23 May.

The East Germans are up to their old tricks again. Claiming their cessation of interference with German travel to Berlin is a “concession,” they have been putting out feelers to Bonn concerning the possibility of direct talks.

The Poles have indicated to the chief of the West German trade mission in Warsaw that they want to continue last January’s political discussions, although at this point the talks are not likely to go beyond sounding out Bonn. Whatever the purpose of this approach, it will be another aggravation to the irritable Ulbricht who considers any contacts between his neighbors and Bonn as countering his efforts to gain acceptance for East Germany.

Warsaw Pact commander Yakubovsky and his chief of staff have been in Bulgaria since 24 March. He could be on an inspection trip or discussing plans for Soviet-Bulgarian military exercises—either a smaller command-post type soon, or something for later in the year, after the spring thaw, involving large ground force units.

Bonn’s Defense Minister Gerhard Schroeder, restive over the Grand Coalition, helped kick off the long political year when he hinted he was ready to replace Chancellor Kiesinger, a fellow Christian Democrat, after the September election.

The lines are drawn for a showdown between the liberal and Stalinist wings of the Finnish Communist party at its 15th Congress on 3-6 April. Battles loom over a new party program junking the dictatorship of the proletariat, new by-laws, and a purge of recalcitrant old-timers. [REDACTED]

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EUROPEAN TECHNOLOGICAL COOPERATION SHOWS SOME PROMISE

Developments in recent weeks reveal the potentially great benefits of European technological cooperation, but at the same time they show the difficulty in administering joint enterprises across national borders.

As a result of the progress made at recent meetings of British, Dutch, and West German science ministers, the three nations now plan to draft a final agreement by summer which provides for their mutual construction and management of a gas centrifuge facility to produce enriched uranium. The centrifuge method is expected to be cheaper than any other process used in Europe, and the three partners hope to take the lead in filling Europe's rapidly growing need for enriched uranium.

Representatives of the three nations met to discuss the project for the first time only last November. They have reached agreement in a remarkably short time, probably because of the potential benefits, the mutual desire to strengthen British ties with the Continent, and the ease of merging the national programs already under way. The British, Dutch, and Germans expect to invite other countries to join them but only after the formal agreements have been signed. Although some problems have yet to be resolved, construction is expected to begin soon on centrifuge plants in Britain and the Netherlands, and the administrative offices of the consortium will be in Germany.

In contrast, however, other European cooperative ventures are faced with continuing difficulties. The successful maiden flight of the Anglo-French Concorde on 2 March assures that the two countries will continue, at least on a limited basis, efforts which began in 1962 to develop a supersonic transport. Actual production of the Concorde nevertheless will depend on the results of tests in the next year or so. Skepticism about the economic viability of the aircraft abounds in both Britain and France, and London will be judging the project in terms of its likely contribution to national prestige and the ailing economy.

Joint efforts to develop a "European" combat aircraft likewise seem increasingly entangled in the web of national self-interest. West Germany, Britain, Italy, and the Netherlands joined other NATO countries last year in calling for a multirole combat aircraft that could effectively meet their needs beginning in the mid-1970s, but Belgium and Canada decided not to join the consortium. The four members have agreed to a cost-sharing scheme but neither Britain nor West Germany thus far has been willing to forfeit the leading role in engine production because of expected benefits to its own industry. The British have hinted at withdrawal from the consortium unless their Rolls-Royce entry is selected, and the Germans are seeking to preserve a special contract they have with America's Pratt and Whitney by pressing

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for the use of its engine. A similar problem arose over airframe design leadership, but it was solved by an agreement to produce two versions.

Other mutual technological ventures--for example, the Eu-

ropean space programs ELDO and ESRO, the Symphonie satellite project, and the proposed airbus--promise rewards for Europeans. They also currently promise a repetition of familiar problems.

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CZECHOSLOVAK FACTIONS MANEUVER TO GAIN SUPPORT

Progressives and conservatives within the regime leadership are continuing their efforts to gain additional support before the next Czechoslovak party plenum takes place.

Prominent liberals and their moderate supporters are attempting to allay popular fears that more reforms will be sacrificed to satisfy Moscow's lust for "normalization." They have indicated publicly that a date for national elections will be announced in June, and that the controversial enterprise law, under which the workers hope to acquire greater participation in management through workers' councils, will be enacted before July. In addition, Zpravy, the illegal proconservative publication, will evidently be discontinued in the future, and the public prosecutor is preparing a case against illegal pro-Soviet, proconservative pamphleteers.

Meanwhile, conservative party secretary Indra and Deputy

Premier Hamouz traveled to Moscow to discuss CEMA questions and bilateral issues. These talks may have been connected with the postponement of a central committee plenum on economic problems which had been tentatively set for late March. Indra probably also briefed the Soviets on whatever progress the conservatives may have had in extending their influence within the security, police, and defense establishments.

The Soviets are encouraging these efforts by expanding where possible their contacts within the Czechoslovak military establishment. Deputy Defense Minister Stangl discussed the strengthening of Czechoslovakia's Air Force and its anti-aircraft defense system during a visit last week to the USSR. On 24 March, a Soviet military delegation from the Carpathian Military District arrived in Bohemia "to spend a week with troops" in the Western Military District.

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FRENCH NAVY UNDERTAKES MODERNIZATION

The French Navy reportedly decided recently to modernize its aircraft carriers extensively and continue their operation into the late 1970s. Such a major modernization program, if not too limited by a shortage of funds, would seem to be a signal of renewed government interest in upgrading the navy's capabilities.

Like the other conventional French forces, the navy has been forced to accept limited budgets since 1960 when the nuclear force de dissuasion began receiving priority treatment. The major portion of the present French fleet was completed in the 1950s. Since then, except for continuing construction of submarines and frigates, the navy has been forced to curtail its procurement programs severely and to concentrate primarily on maintenance and limited modernization. Expenditures on the nuclear submarine force--which will

be under a separate command structure--do not benefit the navy.

The aircraft carrier Arromanches presently is undergoing major overhaul of all machinery and catapults. The attack carrier Foch is scheduled for overhaul and modernization in 1972. This would provide special weapons-handling equipment, longer catapults to accommodate the nuclear-capable Jaguar aircraft now under development, and installation of a new command and control system similar to that of the US Navy. Similar modifications apparently also are scheduled for the attack carrier Clemenceau.

The navy's best capabilities are in submarine and anti-submarine warfare. The French recently completed a second guided-missile frigate and refitted a second and third destroyer.

SELECTED FRENCH NAVAL INVENTORY*

Combatant Ships			
Aircraft Carrier	4	Submarine	19
Cruiser	2	Submarine Chaser	15
Destroyer & Destroyer Escort	47	Amphibious (major)	5
Guided Missile Destroyer	4	Minesweeper (major)	86
Guided Missile Frigate	2		
Combat-Type Aircraft			
Fighter Aircraft	90		
Helicopters	43		
Anti-Submarine Warfare Aircraft			
ASW Carrier-Based	67		
ASW Land-Based	62		
Helicopters	51		

**This is a partial naval inventory and does not constitute the entire holdings of the French Navy.*

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These ships will provide additional Malafon antisubmarine missiles and low frequency sonar capability to the French fleets. The guided missile frigates also are equipped with the French-built Masurca surface-to-air missile. Three other destroyers are scheduled for the Malafon conversion and the navy has begun construction of the first two of four 5,000-ton antisubmarine corvettes, which should begin to reach the fleet in the mid-1970s.

France also has continued its submarine construction programs. Nine submarines have been completed since 1960. When two more, which were launched this year, are completed the inventory of conventional submarines will be 21.

The navy is weak in mine warfare, amphibious operations, and air defense. Continued lack of personnel, modern material, and training probably will further reduce these capabilities. The modifications of the aircraft carriers, the acquisition of a new interceptor aircraft, and Masurca SAMs, however, should improve the navy's air defense capability.

One of the principal tasks of the French fleet has been to support the nuclear test center in the Pacific. Cancellation of the 1969 nuclear test series, however, will reduce the scale of support this year and lessen the navy's expenditures. Whether the navy will be allowed to retain these savings and use them for other programs is problematical.

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EAST GERMANS REPORTEDLY WANT TALKS WITH BONN

East Germany reportedly has sounded out West German officials privately concerning the possibility of direct talks.

Details are lacking, but Foreign Minister Brandt informed the British on 11 March that he had received information that Pankow wants to hold discussions at the state secretary level. Another official in Bonn has stated that the feelers are similar to those of last August. At that time, preparations were made for meetings between the economic ministers, but the plans were canceled after the invasion of Czechoslovakia.

In a probably related move, the East Germans now are trying to present themselves as being conciliatory on Berlin issues. Pankow has ceased harassment of Berlin transport and its propaganda alleging production of military goods in the city, and has reopened East German waterways to Berlin traffic. In return for these "concessions" in stopping its aggressive diplomacy, Pankow requested that Bonn grant it economic concessions.

The real motives for Pankow's willingness to adopt a "conciliatory" approach on Berlin issues remain in doubt, especially in view of reports that Moscow pressured the East Germans to cease their interference and propaganda. The East Germans may be merely

seeking to make the best of what they considered a bad deal handed them by the USSR.

There is also some doubt that Pankow is actually seeking genuinely productive discussions with Bonn. The East Germans still insist that Bonn must meet certain preconditions before relations can improve. Party chief Walter Ulbricht stated on 22 March, for example, that a *modus vivendi* between Bonn and Pankow would be possible only when both are recognized to have "fully equal rights." He also added the usual caveats that relations can be normalized only when Bonn renounces its claim to represent all Germans and recognizes existing borders.

Whatever other motives may be behind East Germany's tentative approaches to Bonn, fear of a West German - Soviet deal at its own expense is ever present. The East Germans presumably know that Bonn is seeking at least to reopen a "dialogue" with the Soviets. Pankow may hope to persuade Moscow that such an exchange is futile by having its own direct negotiations with the West Germans and then posing such obstacles that talks will be fruitless. Ulbricht's remarks suggest at the least that any negotiations between East and West Germany will be difficult ones.

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BELGIAN GOVERNMENT FACES CRUCIAL TEST

The future of the Social Christian - Socialist coalition under Prime Minister Eyskens remains in doubt as political and public interest groups seek to adapt or amend his government's program.

The core of the program is a long-pending revision of the constitution intended to promote cultural autonomy of Belgium's two major ethnic communities, the Dutch-speaking Flemings and the French-speaking Walloons. No date is in prospect for a parliamentary vote on this and on the equally controversial economic decentralization bills, but most observers doubt that the coalition can muster the necessary two thirds support for the constitutional revision.

The major stumbling block for the government is the opposition Liberal Party, which the Socialists prevented from participating in the drafting of the reform program. Consequently, the Liberals intend to boycott parliamentary consideration of the bills. The coalition may be able to pick up votes from Liberal mavericks, and thus get a quorum in parliament, but these gains will no doubt be offset by defections from within its own ranks.

Meanwhile, Eyskens's predecessor, Pierre Vanden Boeynants, is quietly gathering support in the largely Francophone Brussels area for a possible comeback bid if and when Eyskens falls. Vanden Boeynants scored an impressive suc-

cess in the lackluster elections of March, 1968 and, within the last month, he has moved more definitely toward the Francophones on several important current issues.

Although he has called for "political renewal" and labeled the present party structures as outmoded, he probably will be content to create an ad hoc coalition from among existing party wings behind a more or less pro-Walloon but moderate program. He has already won plaudits from the Walloon wing of his Social Christian Party, as well as a pledge of support from the divided Liberals. The Brussels branch of the Socialist Party also seems to be moving toward him. At the same time, however, the powerful Flemish Social Christians and the non-Brussels Socialists have become increasingly critical of him.

Another area of concern for the government is student unrest which has appeared on several campuses this spring, but for the moment at least, it does not threaten the government's stability. In a wave of incidents on 18 March, however, demonstrators for the first time this year protested alleged police brutality and called for "greater democracy" in higher education. This suggests that student radicals may be attempting to play up local grievances in order to carry out their long-delayed plan to create trouble on all campuses. Although a wave of student dissidence might divert public attention from Eyskens' troubles in parliament, it could also conceivably lead to the government's collapse.

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SPANISH GOVERNMENT RESCINDS EMERGENCY RULE

The lifting this week of the state of emergency, declared in January, is a victory for moderate officials who believed that the decree was an excessive reaction to the student and labor unrest and that it harmed Spain internationally.

The decree had given the government special powers of arrest and censorship. In announcing the decision to lift it, the minister of information said it was no longer required because the subversive outbreaks had stopped. He warned, however, that the government would immediately reimpose the restrictions in the event of further disturbances.

The government undoubtedly was influenced in its timing by the celebration on 1 April of the thirtieth anniversary of the end of the civil war. Madrid reportedly was also apprehensive that continuing the state of emergency would adversely affect the bases agreement negotiations that resumed this week in Washington. In addition, the government probably wanted to avoid criticism of the decree from the large group of foreign journalists attending the Eurovision festival in Madrid on 29 March, fearing that such criticism could hurt tourism.

The state of emergency did serve to warn discontented ele-

ments that the government was prepared to take strong measures to maintain order. During the emergency the government moved to increase its legal powers to deal with unrest. It sent to the Cortes a bill providing for wide discretionary powers for full or partial mobilization of enterprises, property, and persons as required for war or "exceptional situations."

The government also arrested a number of dissident students, professors, labor leaders, lawyers, priests, and other political oppositionists. Most were released and the few who were exiled to remote provinces presumably now will be free to return home. Authorities broke up several Communist groups in the Barcelona area. The universities of Madrid and Barcelona were closed for a time but have reopened.

The two months of strict censorship may make the press more cautious, especially the newspapers that had publicized criticism of the government's inflexibility. The information minister announced that the government was dropping the requirement to submit material for censorship prior to publication, but it still has other ways--developed since the press law went into effect in 1966--to discourage criticism.

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MIDDLE EAST - AFRICA

Israeli leaders continue to express apprehension over the Four-Power talks now under way. Arab leaders, however, are more optimistic. Jordan's King Husayn probably hopes, during his state visit to Washington from 8-10 April, to receive a sympathetic hearing for Jordan's requests for military and political assistance.

The pattern of Israeli air attacks on Jordan over the past two weeks indicates that the Israelis have adopted a new policy of "preventive" attacks on Arab commando bases and concentrations. Minister of Defense Dayan recently stated that Israeli forces must hit the guerrillas "before they cross the border and before they reach a supermarket."

Pakistanis are accepting the imposition of martial law calmly and, in some circles, with relief. Thus far, the military has maintained a low profile, with few troops in evidence in the cities. Yahya Khan and his administration appear to be moving with dispatch, having already rushed food shipments to East Pakistan where critical shortages were developing.

Indo-Nepalese relations continue to be strained by growing nationalistic sentiment in Nepal, but Kathmandu has indicated a genuine desire to restore the usually cordial relationship, and appears to have signaled New Delhi for a conciliatory Indian response.

In Nigeria, there has been no significant change in the military situation, although fighting has intensified on all fronts. One federal division has started an attack in the north, and the Biafrans continue to hold a federal brigade under siege in Owerri in the south. Meanwhile, Biafran leader Ojukwu is apparently willing to meet with British Prime Minister Wilson when the latter visits Nigeria.

Early reports from Equatorial Guinea indicate that the withdrawal of Spanish forces and citizens is proceeding without incident and will be completed by next week. President Macias last week rejected a moratorium on the withdrawal of the 260-man Guardia Civil proposed by a representative of UN Secretary General Thant. Economic deterioration caused by the Spanish evacuation is likely to contribute to further instability.

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AYUB SEEKS MILITARY SOLUTION TO PAKISTAN'S PROBLEMS

National affairs in Pakistan are in a state of suspension following President Ayub's resignation, the transfer of authority to army chief Yahya Khan, and the imposition of martial law early this week. The transition seems to be smooth and has thus far been accepted calmly throughout Pakistan.

Ayub announced his decision in an emotional nationwide broadcast Tuesday evening. In proclaiming martial law, Yahya stated that the constitution had been abrogated, the national and provincial assemblies dissolved, and important government officials deposed. Yahya addressed the nation on 26 March, urging cooperation with his regime and warning that agitational and destructive activities would not be tolerated. He emphasized that it was his sole intention to bring the country "back to sanity" and restore conditions conducive to the establishment of constitutional government. He gave no hint of when he expected this to be accomplished.

Yahya was accorded the top position because he heads the largest of the armed services.

Ayub's military commanders, who allegedly met with him for eight hours on Monday, probably influenced his decision to step down. The consensus may have been that Ayub, as the focus of national discontent, would have to withdraw from the scene before any effort could be made to grapple di-

rectly with the insurrectionary situation in East Pakistan. At any rate, it seems likely that the move was dictated by the supposition that a workable political solution could not be accomplished at this stage.

The imposition of martial law was greeted with calm and acquiescence throughout the country and with considerable relief in many parts of West Pakistan. Urban areas in both East and West Pakistan are quiet, and daily life near normal; few troops are in evidence. Reactions from rural areas have not yet filtered into the cities. Few newspapers have thus far carried editorial comment and opposition leaders have eschewed public statements.

Whether Yahya and the military establishment can succeed where Ayub failed remains to be seen, particularly since they too are mostly West Pakistanis. They should have little trouble handling the residual unrest in West Pakistan but their task in the East--where the military symbolizes West Pakistan's long-time domination--will be more difficult. The military leaders--who had been reluctant to intervene in the civil disorder--will probably have to respond as necessary to the actions of the aroused East Pakistani population.

At the moment, military rule appears to be intended as a stopgap measure to restore order and, if possible, to permit the holding of national elections. Continuation of the chaos, however, might convince the military leaders that representative government is a luxury Pakistan cannot yet afford and that they must rule the country themselves.

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JORDAN'S NEW CABINET SIGNIFIES LITTLE SHIFT IN POLICY

King Husayn's new cabinet represents no major shifts in Jordan's domestic or foreign policies, but seems to indicate an effort by the King to strengthen his own position in both areas.

The new premier, Abd al-Munim Rifai, is an experienced diplomat who could be extremely helpful to the King in any Arab-Israeli peace negotiations that might develop. Rifai, who served as Jordan's UN representative and was foreign minister in the cabinet dissolved last week, is considerably more astute and sophisticated than his predecessor. He has already been active in talks with UN emissary Jarring as well as in dealings with Cairo regarding a possible settlement.

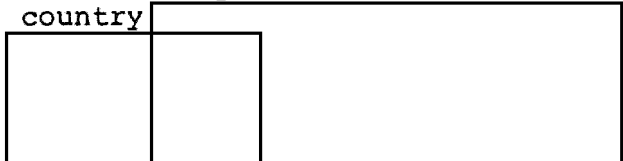
The remainder of the cabinet is basically a new line-up of old faces. The political coloration of its members seems to indicate the King's desire to commit various elements of the population to his own policies. The new interior minister and deputy premier represents a prominent Bedouin family, while other cabinet members are West Bankers. Two ministers are suspected mem-

bers of the Arab socialist Baath Party, but most major figures are considered to be generally pro-Western. The new minister of national economy is said to be one of his country's most able technicians.

The cabinet reshuffle is not apparently related to King Husayn's forthcoming visit to Washington, but rather seems an effort to strengthen his hand regarding a peace settlement. Rifai is probably the most competent aide Husayn could pick to represent Jordan. He will also certainly follow the King's wishes in any future discussions.

As always, the locus of power in Jordan remains with the King. His tenuous accommodation with the terrorist groups is still holding and will probably continue unless some settlement excluding the Palestinian question is achieved. Husayn has long walked the tightrope of authority within his own country

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TOURE MOVES AGAINST POTENTIAL RIVALS IN GUINEA

President Sekou Toure has announced the crushing of an "imperialist-fomented subversive plot," amid signs of increased unrest within the military and of growing popular dissatisfaction. In a determined effort to forestall any move by dissident elements against his radical regime, Toure has launched a massive, carefully orchestrated antisubversion campaign. A number of army personnel and civilians have been arrested, including at least one cabinet officer.

Haranguing a crowd of over 50,000 militants in Conakry on 21 March, Toure claimed the leader of the plot was Colonel Kaman Diaby, the deputy chief of staff of the armed forces. Diaby had long been considered to be the person most capable of leading a revolt. His arrest, however, may have been a precautionary move by Toure rather than the result of any evidence of plotting. The commanders of the minuscule air force and navy are also in custody. Rigid security measures have been imposed, including police roadblocks throughout Conakry.

Close associates of the key individuals involved have also been arrested, especially those close to Diaby. The government claims that Toure and other government leaders were to have been assassinated while visiting a military camp in middle Guinea, traditionally an area of Fulani tribal opposition. Several officers of the camp are under arrest. Two former political rivals of Toure, both Fulanis, have also been detained presumably because they are considered to be po-

tential rallying points for a Fulani opposition. A revolutionary tribunal has been set up, and the scenario probably now calls for a show trial.

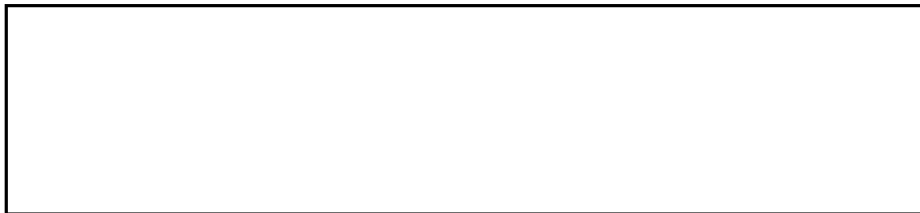
Tensions have been building in Guinea ever since the military coup in neighboring Mali last November. Believing the Mali coup to be French-inspired, Toure now believes that a similar fate is being planned for him, and he has already linked those arrested with Paris. The discontent in the military may stem, however, primarily from tightening party control over the army rather than from outside influences. Reduction of military professionalism by party interference and the lack of promotions for both officers and NCOs has produced a potentially volatile combination.

The latest charges are being met with unusual skepticism by Guineans at all levels, and considerable open discontent is evident. Ten years of party indoctrination and unkept promises have produced widespread apathy and disillusionment, and the regime is finding it difficult to marshal popular enthusiasm.

Although the elements of violent change seem present, Toure's feverish activities, the intensified security measures, and the party's pervasive informant system will make it difficult for antiregime elements to coalesce. Any would-be plotters would also have to overcome the 1,200-man Republican Guard, an autonomous military unit directly responsible and apparently loyal to Toure.

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The British have been unable to obtain any significant cooperation from the Anguillans during the second week of their occupation of the Caribbean island. Lord Caradon, Britain's minister of state for foreign affairs and now acting ambassador to the UN, and a senior official from London are being sent to the island to review the situation. One of their main problems will be handling Ronald Webster, the self-proclaimed president of the island, with whom the British have not yet come to terms.

Venezuelan President Rafael Caldera fulfilled one of his campaign promises this week by legalizing the Communist Party, which was outlawed in 1963 during the wave of terrorism preceding the elections of that year. The government reportedly is also trying to get the other extremist parties—the Castroite Movement of the Revolutionary Left (MIR) and the dissident Communist Armed Forces of National Liberation—to give up their guerrilla effort. Some members of the MIR apparently are favorably disposed toward the government's idea, but certain preconditions set down by them will probably be unacceptable to the government. The military will undoubtedly have the final say in any discussions that may develop.

Ecuadorean students and professors, led by extreme leftists, demonstrated in downtown Quito on 25 March in commemoration of the third anniversary of the military occupation of Central University—Ecuador's largest. The military intervention in the university in 1966 led to the junta's downfall four days later. It is possible that the students may hold another demonstration on 29 March to mark the anniversary of the junta's ouster.

The Central American Common Market has emerged from its present crisis probably stronger than before. Action has been taken on pending protocols and agreement was reached on a plan to improve the functioning of the market. However, details of this plan have not been worked out, and a number of basic problems remain.

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GOVERNMENTAL CONFUSION PERSISTS IN BRAZIL

Brazil's Costa e Silva government continues its uncoordinated and somewhat haphazard efforts to accomplish its announced goals.

Political punishments are still being meted out--the latest list issued on 13 March stripped 96 more persons, mostly state deputies, of their political rights--and there is no sign that the process is nearing its conclusion. Justice Minister Gama e Silva told the press that more purges will occur "whenever persons who may oppose the ideals of the revolution are found." He also said his ministry is reviewing needed alterations in the 1967 Constitution, the electoral laws, and the political party statutes.

Government decree laws and complementary acts, often contradictory and vague, appear frequently. On 21 March, the President issued a new law extensively altering the 1967 national security law by broadening still further the definition of "crimes" against national security and by increasing penalties for offenders. The new law gives the government a better legal basis for acting against terrorists. It is also aimed, however, at the press and other communications media, and it prohibits not only false and tendentious news but also any "truncated or distorted true fact."

Considerable confusion has followed in the wake of the announcement on 27 February of In-

stitutional Act 8, which set down procedures for streamlining agrarian reform processes. Although the act should have been published within four days, it is still being "revised," presumably under pressure from conservative landowners, to remove "radical" expropriation measures. The government is once again clearly caught between the desire of some to use its extensive powers to push ahead with social reform and the feeling of others that the strong forces opposed to change must be placated.

Also contributing to the government's indecisive performance is the still-unresolved struggle for power at the top. Maneuvering within the upper echelons of government has continued as various military leaders and cabinet members jockey for position. There has been some speculation that the President wishes to stay in office beyond his legal term--which ends in March 1971--and any such move on his part would almost certainly set off a major internal political crisis.

Although Costa e Silva appears more firmly in control than he has been in several months, he has remained wary of doing anything that could precipitate another confrontation with hard-line military leaders. For example, in a bland speech on 15 March, he outlined the economic accomplishments of his government but avoided setting forth any timetable for a return to a democratic facade. He also moved cautiously with the touchy problem of military promotions

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and reassignments, trying to defuse potential troublemakers without offending them.

It is possible that this erratic style of governing will continue for some time. There is no apparent threat to the administra-

tion from the beleaguered and disorganized opposition forces, and Costa e Silva will probably manage to maneuver within the bounds set by the military. Such a situation does not hold much promise, however, for the development of strong and progressive government policies. [REDACTED]

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POLITICAL OPPOSITION CAPITALIZES ON JAMAICAN SOCIAL UNREST

In spite of recurrent turmoil and long-term social grievances in Jamaica, until recently neither of the major political parties had appeared much concerned about problems of civil unrest. Since the riots last October, however, public attention has focused on internal security conditions.

Mounting urban violence highlights the deteriorating security conditions in Jamaica despite increased efforts by police and military authorities to restore order. During the past month Kingston and Montego Bay have been plagued by a series of fires of suspicious origin and a dramatic increase in the crime rate. In a departure from his customary relaxed stance, Prime Minister Shearer recently established a new anticrime police squad and has called publicly for an end to violence. Meanwhile, Michael Manley, the leader of the political opposition, has urged the creation of a crime commission on grounds that "violent crime has risen to the point where there now is understandable public hysteria."

Although several US and foreign personnel have been assaulted by black Jamaicans, white foreigners are not the only targets; at least two prominent Jamaicans were recently attacked. The possibility nevertheless exists that some persons are being stirred up by black power advocates or other radicals. Racist groups have become increasingly active in Jamaica during the past year and appear to have contributed to a rise in antiwhite sentiment.

The government's inability to cope with crime and other social ills has resulted in a shift of public support to the opposition People's National Party (PNP). In elections for local officials on 18 March the PNP led the incumbent Jamaica Labor Party in popular votes for the first time since 1959. The PNP leadership has projected a more energetic image since Michael Manley succeeded his father as party chief last month, and it appears that the opposition's efforts to exploit the government's shortcomings are meeting with greater success. [REDACTED]

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BRITISH PROBLEMS IN ANGUILLA

The British have been unable to obtain any significant cooperation from the Anguillans since occupying the island on 19 March and their action has met with mixed reactions in the Caribbean.

Senior British officials, including Lord Caradon, minister of state for foreign and commonwealth affairs, now also acting as ambassador to the UN, were sent this week to Anguilla to review the political situation. Although Foreign Secretary Stewart has stated that Anthony Lee will remain as commissioner, Lee has been unable to secure cooperation. If the situation persists, the British may try to find someone more acceptable to the Anguillans. During the past week Ronald Webster, the self-proclaimed "President" of Anguilla, has apparently gained considerable popular support for his opposition to Lee, and London now thinks it unlikely that any

of the island moderates will be able to displace Webster.

Reaction among Caribbean members of the Commonwealth has differed; some have approved the British intervention and others have called for an immediate withdrawal of troops. Although Prime Minister Shearer of Jamaica told the British prior to the invasion that Jamaica would do nothing regarding Anguilla, he has joined Eric Williams of Trinidad-Tobago in publicly denouncing the use of force. Government leaders in Guyana, on the other hand, have strongly endorsed the move; Prime Minister Barrow of Barbados has expressed cautious approval.

The French and Dutch governments have also reacted to the British intervention by maintaining warships off the coast of St. Martin/Maarten, the island closest to Anguilla which is held jointly by the two governments.

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URUGUAYAN PRESIDENT FACES CONTINUING FRUSTRATIONS

Uruguayan President Pacheco's austerity programs achieved a measure of success last year in halting the economy's downward spiral but his policies have cost him the allegiance of powerful politicians in his Colorado Party. As a result he has become a minority president, depending upon the quixotic support of dissident opposition politicians to get his programs through Congress.

Pacheco attempted to reach an accommodation with Congress earlier this month by unexpectedly granting the legislature's oft-expressed wish that he lift the limited state of siege that had been in effect since June 1968. Congress, however, was in no mood for rapprochement. As soon as it reconvened on 18 March, it voted to question seven cabinet ministers.

Neither side wants to force a showdown, but Pacheco has vowed not to let his ministers be censured on policy questions. If the congressmen push too far, Pacheco could be forced into a position where he will have to make good on his threat to dissolve Congress and call for new elections.

The Communist-dominated national labor confederation has emerged from its summer torpor to add to Pacheco's problems. Its first reaction to the lifting of the state of siege was to stage a 3,000-worker demonstration demanding wages higher than the president was rumored to have suggested. Pacheco is opposed to anything more than limited increases, but he does not have the full support of his economic team. Following the worker demonstration, two of the government members on the wage board resigned and on 24 March the labor minister, who had advocated giving greater increases to lower paid industries and geographic areas, also quit. A tough policy on wages is one of the major planks in Pacheco's stability program and this display of governmental disunity strengthens Pacheco's opponents and increases his isolation from the mainstream of political opinion.

The government's inability to pull off a spectacular economic upswing in 1969, combined with Pacheco's determination to pursue austerity policies, presents a situation ready made for Communist exploitation.

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