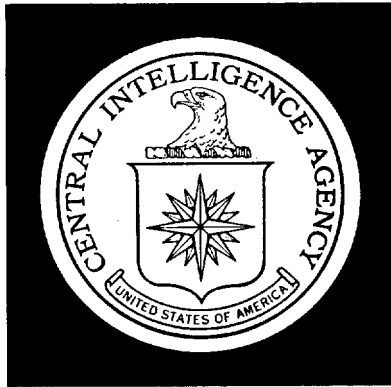


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DIRECTORATE OF
INTELLIGENCE

WEEKLY SUMMARY

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No. 0397/69

State Dept. review completed

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C O N T E N T S

(Information as of noon EST, 20 November 1969)

Far East

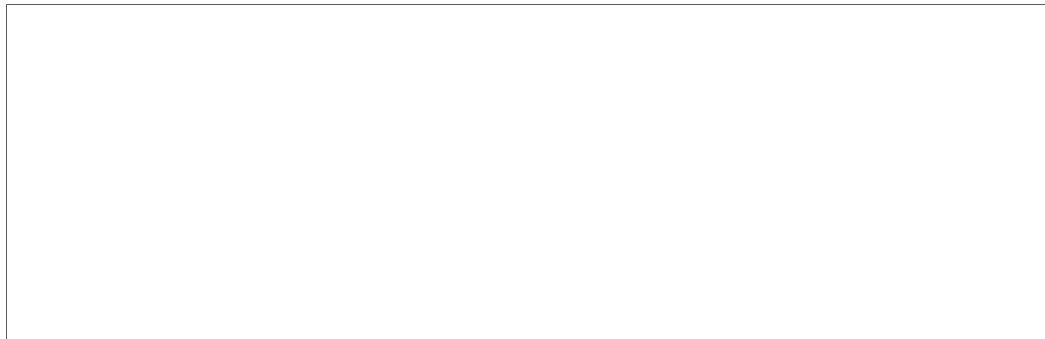
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Hostilities along the cease-fire lines shifted this week to the Israeli-Jordanian border and were highlighted by an attack on the port of Eilat by Egyptian frogmen.



INDIRA GANDHI WINS A POLITICAL BATTLE IN INDIA 15

The prime minister has bested her Congress Party rivals, but their defection leaves her dependent on uncertain support from the opposition benches and poses loyalty problems for state party functionaries.

COUP PLOT IN CONGO (BRAZZAVILLE) HEIGHTENS CONFUSION 16

President Ngouabi's apparent overreaction to the plot thwarted earlier this month by Brazzaville security services threatens to weaken even further his already hard-pressed, radical regime.

Western Hemisphere

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GRECHKO'S VISIT TO CUBA REMAINS UNEXPLAINED 18

Grechko and his high-level military delegation presumably were mainly interested in inspecting Cuba's armed forces and reviewing the performance of Soviet technicians.

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CHILEAN MILITARY DISSATISFACTION BRINGS STATE OF SIEGE 18
Growing mistrust and resentment between the Chilean
government and military officers may soon lead to
more trouble.

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SURINAM INSTALLS NEW GOVERNMENT 20
Prospects are generally bright for a relatively calm,
four-year term for the new coalition government in-
stalled this week.

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FAR EAST

An upsurge in the infiltration of North Vietnamese troops into the South suggests that the Communists may depart by early next year from the relatively cautious tactics they have employed since last spring. In the meantime, they are expected to maintain their recently stepped-up pace of attacks against South Vietnamese forces for at least the next few weeks.

Political disaffection continues in Saigon; Buddhist monks of Cambodian origin protested for special minority rights before the presidential palace for a time this week, and the National Assembly has continued to criticize the government's austerity program. General Duong Van "Big" Minh restated his earlier proposal to hold a popular referendum on the government. Minh also called for an end to the war through negotiations among the contending Vietnamese. The Viet Cong quickly indicated some support for Minh's referendum idea.

As many as 20 million Chinese may be affected by Peking's latest drive to reduce urban populations. The authorities are facing an uphill struggle to keep the relocated city dwellers in the countryside, and warnings to prepare for imminent attack from the Soviet Union have given the current drive a needed boost. At least one motive for the mass movement may be to shift the burden of support of nonproductive urbanites from the state to the peasantry.

The advent of the dry season in Southeast Asia has allowed the Communists in Laos to begin increasing the pressure on government forces near the infiltration corridor in the southern panhandle and against General Vang Pao's guerrillas around the Plaine des Jarres in the north. Communist guerrillas in several parts of Thailand appear ready to take bolder action as the dry season begins in their areas of operation. Bangkok foresees no major increase in the Communist threat, however.

Prime Minister Holyoake's governing National Party will probably retain its modest majority after New Zealand's parliamentary elections on 29 November. The National Party has benefited from the country's recovery from an economic slump.

Finally, the books were closed on West Irian's "act of self-determination" when the UN General Assembly officially acknowledged this week that the West Irianese had chosen last summer to cast their lot with Indonesia.

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VIETNAM

Chill Winds From the North

Hanoi may have decided to pursue the war in South Vietnam with renewed vigor in the months ahead. This could mean a sharp break with the relatively cautious tactics the Communists have employed since last spring, but the evidence is not yet good enough to define future enemy plans with any precision. Stepped-up fighting appears likely in the next few weeks, and Communist forces are laying the groundwork for what could become an even bigger military drive in the first part of 1970.

Scattered Action Anticipated

[redacted] Communist forces are preparing to attack in several parts of the country before long, but there is little evidence that immediate enemy plans call for a coordinated, country-wide offensive or that urban areas will be high priority targets. Allied military installations and government pacification programs seem to be the enemy's primary objectives at the moment. The Communists are also trying to rebuild their local force and guerrilla strength to support larger unit operations in the future.

Although this year's Communist "winter-spring" campaign has begun on a modest scale, it still appears to have fairly ambitious goals. The concentration of more than 5,000 enemy troops in the Bu Prang - Duc Lap area and their offensive activities to date suggest that they intend to conduct operations roughly on the scale of this summer's efforts against the Ben Het Special Forces camp farther north in the highlands.

Recent movements of several major North Vietnamese combat units also suggest that some forces that have been out of action for a long time are to be committed to battle during the latter phases of the enemy's winter-spring campaign.

Turbulence in Saigon

Dissatisfaction with the government for various reasons continues in Saigon, creating an atmosphere conducive to protest; so far all of it has been nonviolent. Last week Buddhist monks of ethnic Cambodian (Khmer) origin, who generally are politically quiescent, organized a five-day sit-in demonstration in front of the presidential palace. They were protesting the government's decision not to give ethnic Cambodians special minority rights.

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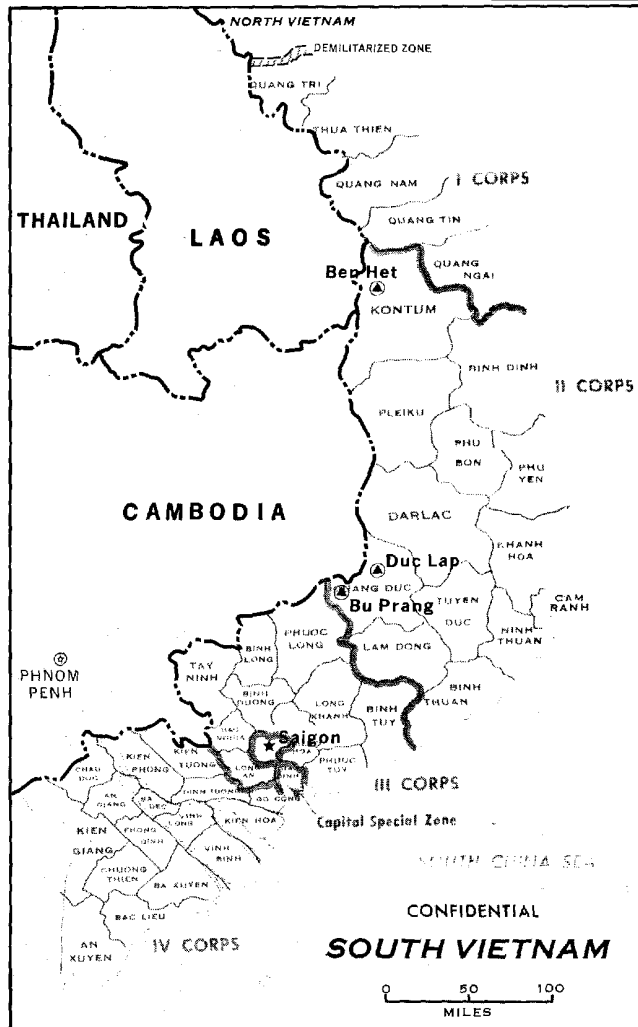
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The government, fearing that the Communists or other antigovernment groups such as the militant An Quang Buddhists might try to exploit the Khmer grievances for their own ends, finally broke up the demonstration, busing the monks back to their pagoda.

The National Assembly, meanwhile, continues to react sharply against the government's imposition of increased "austerity" taxes on imported goods. Following a three-day interpellation of Prime Minister Khiem and his economic ministers, the Upper House declared that it was "not satisfied" with the answers provided by the cabinet officers, and indicated that it was planning to vote for a resolution criticizing the government and the tax increases. In response to an Upper House request, the Supreme Court is preparing a decision on the constitutionality of the government's action.

Another critic of the government, General Duong Van "Big" Minh, has restated his earlier proposal that the government reassess the popular will by convening a national congress or by conducting a national referendum. Minh again last week called for a conclusion to the war through negotiations among the contending Vietnamese. Although his formulation is still hazy, Minh appears to be attempting to differentiate his proposal from Senator Tran Van Don's third-force neutrality idea.



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The uneasy political atmosphere in Saigon is apparently viewed by the Communists as a golden opportunity to apply increased political pressure on the Thieu government. Abandoning their usual caution toward ambitious South Vietnamese politicians, the Viet Cong quickly indicated partial support for "Big" Minh's idea of a referendum. At a well-publicized news conference in Paris, their chief negotiator, Madame Binh, endorsed the concept of a public consultation, but with the careful proviso that Viet Cong - controlled "liberated" areas should be excluded. She strongly implied, moreover, that Minh might be an

acceptable alternative to Thieu-- that he might be able to form the kind of "peace cabinet" with which the Communists could negotiate.

Although Communist directives have for some months been placing increased emphasis on "political struggle" activity, a document captured recently in III Corps south of Saigon underscores the immediacy of the enemy's interest in furthering political dissent. It urges cadres to get the people onto the streets to demonstrate against the government on such issues as peace, inflation, the new austerity program, or any other available pretext and suggests that the present situation offers a wide variety of exploitable issues.



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CHINA'S BACK-TO-THE-LAND MOVEMENT

Peking is in the midst of its most intensive effort to date to reduce urban populations. Cities throughout the country are ordering students, dependents, the aged and infirm, and the unemployed to move to outlying villages, ostensibly in preparation for war. In addition, visitors to the cities--some of whom had become semipermanent residents--are being directed to return home.

It is impossible to determine precisely how many people have been moved thus far, but the number affected may approach 20 million or more.

[redacted] Canton and Shanghai will evacuate 500,000 persons each, Foochow and Amoy 50,000 each, and Nan-ch'ang about 200,000.

Peking's past efforts to send large numbers of city residents to the countryside have been thwarted by efforts at evasion and by the rapid return to the cities of those who were "sent down." There is no reason to believe that current efforts, which are on a larger scale, will not generate commensurate problems. Students in various cities have often gone so far as to refuse to accept their rural assignments, and many have gone into hiding. Moreover, many students who were assigned have managed to "escape" back into the cities. Because such displaced persons have no ration cards or residence papers,

they often turn to illegal means for survival and thus contribute to the rising urban crime rate. In addition, many of the assignees are former Red Guards who have learned the tactics of mob action and who almost certainly are disgruntled over being hustled out of the cities. Their presence in the countryside is thus a potential source of trouble.

A further influx of large numbers of nonproductive urbanites into the countryside clearly will add to the burdens of the peasantry, who must assume primary responsibility for feeding and otherwise accommodating them. Peasants have already complained that assignees are a drain on food stocks, and that they are useless at performing agricultural tasks. Peking, moreover, has shown no intention of providing state aid for the resettled people. In fact, shifting the burden of support from the state to the peasantry seems to be at least one motive for the mass movement.

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The regime's warnings to prepare for an imminent attack from the Soviet Union have given the latest drive to reduce the urban population a needed shot in the arm, because many urbanites seem more willing to leave the cities as part of "war preparations" measures than they

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would otherwise. The effectiveness of this tactic is bound to decrease, however, if as a result of the Sino-Soviet talks in Peking the threat of war with the Soviets becomes more remote. In fact, local authorities already may be running into difficulty in persuading people in the cities to move out. Many, particu-

larly the aged, probably plead that they cannot afford the expense of relocating. Should the campaign falter, the regime may be unwilling or unable to assume the costs necessary to see it through and may be forced to abandon the program well short of its goals.

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LAOTIAN COMMUNISTS PUT ON THE PRESSURE

In southern Laos the Communists are moving forcefully to clear troops from the western edge of the infiltration corridor. Communist military activity in the Plaine des Jarres area in northern Laos is also on the increase.

On 19 November a North Vietnamese and Pathet Lao multibattalion force launched an abortive attack against the government support base at Muong Phalane in southern Laos. Farther west, the enemy had more success as local defenders retreated in the face of an attack on a small government outpost at Ban Taleo.

This recent flurry of Communist military activity probably represents an effort to secure the infiltration corridor area at a time when the flow of supplies and men to South Vietnam is beginning to pick up. The enemy thrusts in the south were probably prompted by the government's occupation of Muong Phine in early September, the deepest penetration into Communist supply lines in the panhandle in several years. The

Communists also want to ensure that the key town of Tchepone remains unassailable.

In the north, Communist forces appear to be moving gradually toward wider offensive activity. Recently Communist forces have mounted several sharp attacks against government outposts in the Xieng Khouangville area. The heaviest fighting has been concentrated near the town's airstrip, which has changed hands several times in recent weeks.

Although the Communists have thus far avoided large-unit operations, probably because of supply difficulties and their vulnerability to air strikes, the attacks are taking an increasingly heavier toll of the government's already dangerously thin ranks. The loss of some government positions near Xieng Khouangville does not immediately endanger the government's hold over the Plaine des Jarres, but it does appear to signal the opening round of the enemy's attempt to regain this politically important terrain.

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THAI INSURGENTS LOOK FOR FAIR WEATHER

Communist guerrillas in several parts of the country appear ready to take bolder action during the approaching dry season. Bangkok has made some moves in anticipation of additional pressures, but foresees no major jump in the Communist threat.

In the north and north-central provinces, the Communists have improved their tribal guerrilla organization in the mountains, presumably in preparation for their seasonal campaign against government security forces.

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As many as 1,600 guerrillas now may be operating near the Laotian border, an increase of 500 during the past year. They have been virtually unopposed by government security forces, which have been ordered to minimize suppressive operations.

The Communists may also be setting the stage for their first serious effort to move into adjacent lowlands. Sightings of ethnic Thai guerrillas and scattered incidents in these previously quiet areas indicate the Communists are beginning to extend their influence among this part of the population in the north. The effort could run into considerable difficulty, however,

because of Communist support for tribal peoples who are looked down on by the ethnic Thais and because of more determined government efforts to ensure security in the lowland areas.

In the northeast, the insurgents have begun to spread out from their traditional operating areas, apparently as part of their year-long effort to broaden village support structures. These incursions

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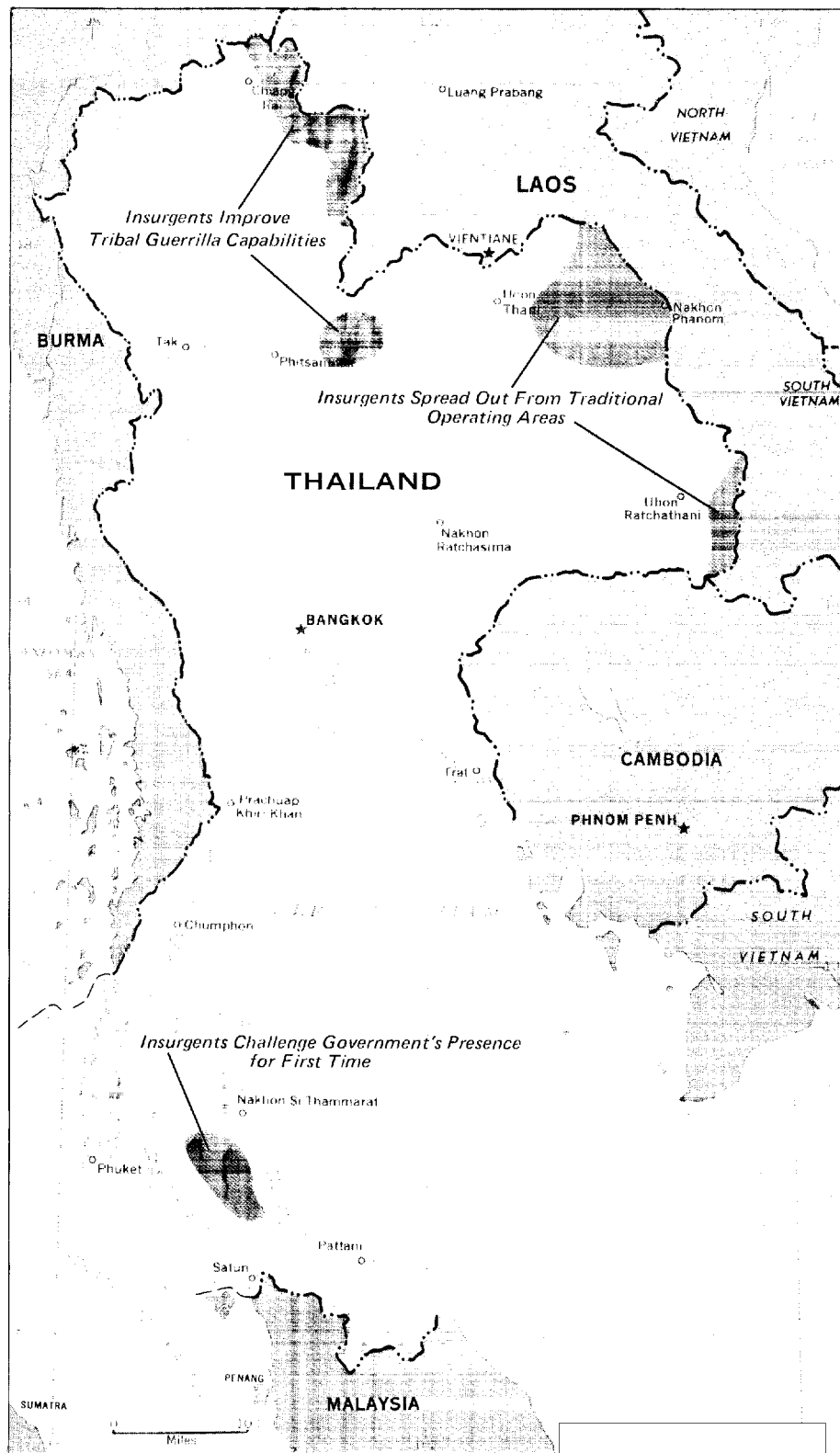
may also be designed to keep security forces off balance, a tactic used in previous years with only limited success. There is no indication, however, that the Communists in this area soon intend to take on government military forces.

In the southern peninsular provinces, Thai insurgents appear to be challenging the government's presence for the first time. They have doubled their strength in the last year to about 400 and recently have made violent attacks on local defense forces and government development projects that have dramatized their presence beyond their actual strength. The government has made desultory efforts to strengthen its security forces and has ordered the national Communist Suppression Operations Directorate to take charge of security efforts in the south. Bangkok will have to do much more, however, to generate the comprehensive counterinsurgency programs necessary to blunt a sustained Communist initiative in the south.

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SINGAPORE ATTRACTS COMMUNIST COMMERCIAL INTEREST

Singapore's modern commercial facilities and its position at the crossroads of Asian trade is attracting increasing Communist interest. Particularly for Communist China, it is a significant source of foreign-exchange earnings and provides an important outlet for trade with the free world. Singapore is seeking to retain its role as a middleman and would like to develop new markets in Communist countries for its small and slow-growing exports of manufactures. Trade with these countries, however, continues to account for only about nine percent of Singapore's total trade.

Trade relations with Communist China, Singapore's most important Communist trading partner, have returned to normal following a dispute this summer with the local branch of the Bank of China. Chinese commercial activities have increased significantly since 1967 when Peking transferred a large share of its re-export trade to Singapore following the riots in Hong Kong. Last year Singapore, with earnings of some \$124 million, was Peking's largest source of foreign exchange, after Hong Kong. Trade in 1968 totaled \$176 million.

North Korea also has found Singapore a main source of its small foreign-exchange earnings. Trade that was minimal before the establishment of a North Korean trade mission in 1967 amounted to \$8 million in 1968. North Vietnam's recent efforts to encourage trade with Singapore, however, have not yet met with much success.

Next month Singapore will open a trade office in Moscow, its first in a Communist country. It will be under the auspices of INTRACO, the state trading company that was established last year to provide more control and an improved bargaining position in trade with Communist countries.

Moscow has had a trade office in Singapore since 1966, when the two countries signed their first trade agreement. Trade totaled about \$45 million last year, and has consisted very largely of Soviet purchases of Malaysian rubber sold through Singapore. Moscow is increasing its efforts to expand exports to Singapore, however

Last year the Soviets formed a joint shipping agency with Singapore, and Moscow has recently initiated regular weekly civil air service to the city-state.

Singapore's trade with Eastern Europe reached about \$30 million last year. Czechoslovakia, Hungary, Poland, and Bulgaria have established local trade offices, and the latter two countries also have concluded trade agreements. A high-level Bulgarian trade delegation visited Singapore last month to open two Bulgarian-owned factories, bringing the total number of such businesses to seven. The Bulgarians also have investigated direct air service between Sofia and Singapore.

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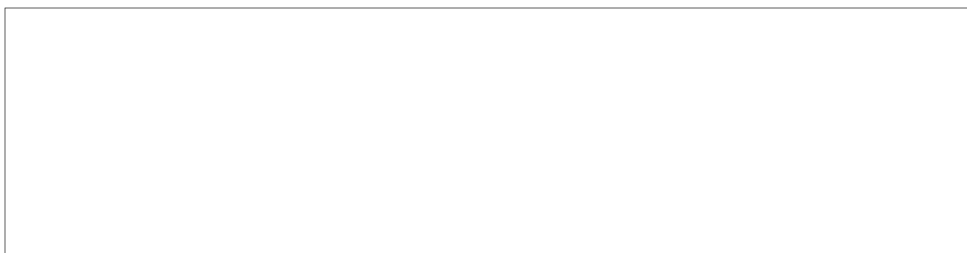
EUROPE

The USSR views the preliminary phase of the strategic arms limitations talks, which began in Helsinki on 17 November, as a vehicle for developing an "agenda" and determining the "problem areas" to be discussed in subsequent talks. Soviet press treatment of SALT has been positive, with Izvestia acknowledging that the talks must be guided by the principle of "sufficiency."

The Soviet Union has begun implementing one provision of the Warsaw Pact's recent declaration on convening a European security conference by conducting preparatory talks with West Germany and the US. The discussions in Bonn and Washington resulted in nothing new except an affirmation by Moscow that it had no objection to participation by the United States and Canada.

The US has given Canada a revised verification article for the draft seabeds treaty that met Ottawa's objection that the text was deficient in the area of inspection arrangements. The Canadians have adopted the draft article as their own and are offering it to others as an attempt to achieve a universally acceptable solution to verification problems. Such a development increases prospects for endorsement of the treaty by the UN, as Canada enjoys great influence among the nonaligned nations on this issue.

No surprises have occurred thus far in the disarmament debate in the UN General Assembly's political and security committee. The Mexican representative announced that his delegation will begin consultations soon on a proposed UN resolution that would call for a moratorium on the testing of nuclear strategic weapons systems, not now operational, for two years pending the results of SALT. It seems unlikely, however, that any substantial number of UN members, despite their pronounced desire for curbs on the arms race, would seek to influence the Helsinki negotiations at such an early stage by an official statement.



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CZECHOSLOVAKS FOCUS ON POLITICAL AND ECONOMIC PROBLEMS

Prague leaders are continuing their nationwide purge of reformists. They apparently are intent on pushing ahead to the final phase of the "normalization" process, hoping thereby to relieve Soviet domination of their domestic affairs. The regime also is considering new measures to stimulate the anemic economy, and a new plan will be put in effect early next year.

Some party organizations in the Czech lands of Bohemia and Moravia are being reshuffled for the second time. This probably means that the more extreme conservatives have persuaded party head Lubomir Strougal to conduct a more extensive purge than Czechoslovak party first secretary Gustav Husak and his colleagues originally intended. These second-time-around purges suggest that some of the conservatives and moderates who have replaced liberals since last November are not moving fast enough to implement the regime's policies. They may also be intended as warnings to new appointees not to drag their feet.

Prague is also taking steps to make sure that the mass media, which have largely been silent, remain that way. Press, radio, and television officials prominent during the Dubcek era in 1968 have been fired and expelled from the party. This action effectively isolates this group of recalcitrant intellectuals and makes them more vulnerable to prosecution as "antisocialist" dissidents.

Meanwhile, the government is presently working on a draft economic program for 1970 and a new five-year-plan to extend through 1975. The Czechoslovaks have abandoned the "fundamental framework" of the liberal economic reform program shaped under the ultraprogressive Ota Sik, and are now soliciting less liberal reform ideas from other states in the Soviet bloc. For example, Slovak party secretary Pavlenda recently spent a week in Sofia studying Bulgarian economic programs. Draft bills on the national economy and on enterprise taxes, as well as new state budget regulations, will be debated at the party central committee's "economic" plenum in December.

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MIDDLE EAST - AFRICA

India's Prime Minister Gandhi has, for the moment, bested her old-guard rivals in the Congress Party. Only 65 party members shifted to opposition benches when Parliament reconvened on 17 November, and Mrs. Gandhi was able to muster a handsome 306 to 140 majority to defeat a no-confidence motion. Her supporters plan to elect a new party president this weekend, further solidifying the formal division of the party. Mrs. Gandhi has forfeited her one-party parliamentary majority, however, and may have trouble accommodating the special and often conflicting interests of her new allies.

The focus of hostilities in the Middle East shifted to the Jordanian front with a number of artillery exchanges and Israeli-fedayeen clashes along the northern cease-fire lines. To the south, Egyptian frogmen pulled off a dramatic raid in the port of Eilat. The Israelis, during an otherwise successful attack on the Egyptian-manned radar site in southern Jordan, lost the first of their recently acquired F-4 Phantom jets.

UN debate on the refugee welfare agency (UNRWA) was highlighted by a series of acerbic exchanges. A fedayeen representative charged the Israelis with "war crimes and genocide." The Israeli delegate, noting the involvement of some refugee camps in terrorist activities, called for UNRWA to cease services to such camps, maintaining that the UN "cannot give assistance to persons engaged in warfare against a member state." In Israel, meanwhile, Defense Minister Dayan warned that continued fedayeen terrorist activities would result in stricter internal security measures.

Nigerian federal troops rioted in the suburbs of Lagos on 19 November as a result of a local hassle involving the death of a soldier. Other army units were sent in, and calm had been restored by nightfall. The riots apparently had no political motivation, but they did reveal a serious potential for disorder among a large number of soldiers. In the civil war, heavy fighting continues, but neither side has made any major gains.

Ethiopian security officials this week quashed a plot to assassinate the Emperor. The ringleader, a former high official of the Supreme Court long known as an inveterate plotter, is said to have committed suicide when apprehended. [redacted]

[redacted] There is no indication so far that many conspirators were involved, but police have nevertheless launched an intensive investigation. [redacted]

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MIDDLE EAST CRISIS SIMMERS ON

The focus of hostilities along the cease-fire lines shifted from the Egyptian to the Jordanian front with a number of artillery exchanges in the north and a series of Israeli-fedayeen clashes. The most dramatic--and, for the Israelis, the most embarrassing--incident of the week, however, was an attack by Egyptian frogmen on the sensitive and important port of Eilat, at the head of the Gulf of Aqaba.

The attack damaged two Israeli craft, one a merchant ship, the other a ferry used in runs from Eilat to Sharm ash-Shaykh. The route or means the Egyptians used to get into the area is not yet known, but an attack so deep inside Israeli-held territory demonstrates new Egyptian capabilities and is certain to raise Israel's ire. Tel Aviv holds Jordan culpable for allegedly permitting the attack to be staged from its territory, but the fact that the frogmen were Egyptian will also put that country in line for Israeli retaliation.

In the Lebanese refugee camps, security conditions have deteriorated sharply as rival fedayeen groups clash with each other. The Arab guerrillas have also begun carrying out personal vendettas under the guise of searching for those who allegedly collaborated with Lebanese security forces during the recent crisis. Attempts by leaders of the various fedayeen groups to resolve their problems and bring a measure of stability to the camps have been of no avail.

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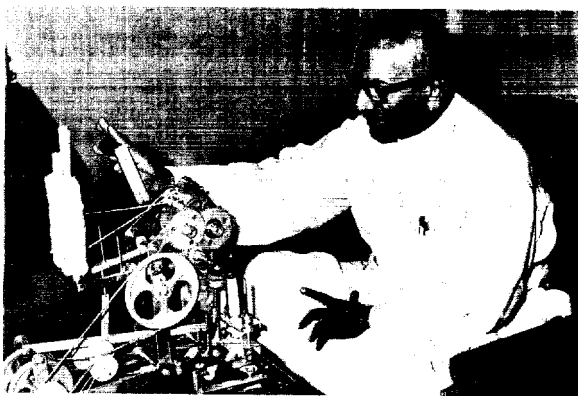
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INDIRA GANDHI WINS A POLITICAL BATTLE IN INDIA

The Congress Party, which had governed India virtually alone since independence, separated formally into opposing factions this week and lost its one-party parliamentary majority. The power struggle between Prime Minister Gandhi and old guard party leaders came to a head on 16 November when the old guard met under the chairmanship of party president Nijalingappa to choose Morarji Desai as its legislative leader. When Parliament reconvened the next day, Desai, a former deputy prime minister and one of Mrs. Gandhi's archenemies, moved with 65 dissenting Congress Party members to the opposition benches of the lower house.

Prime Minister Gandhi's supporters in the lower house, about 210 strong, were then joined by a mixed bag of independents and other opposition parties, including the Communists, to defeat a no-confidence motion that was brought against Mrs. Gandhi's government by a right-wing opposi-



Old-guard leader Morarji Desai putting in his daily stint at the spinning wheel, a symbolic act initiated by the revered Mahatma Gandhi.

tion party. The prime minister would have survived the challenge to her parliamentary leadership even without the 35 Communist votes she received, as her majority was an overwhelming 306 to 140.

At the moment, even though she heads a minority government, Mrs. Gandhi is riding the crest of a wave of personal political success. It remains to be seen, however, whether she can translate this momentum into solid governmental gains. Although it was relatively easy for her to survive the no-confidence motion, she will have difficulty retaining the support of all her diverse new backers when important policy questions are involved.

Mrs. Gandhi's faction of the Congress Party still intends to hold its own meeting of the party's top governing body, the All-India Congress Committee, on 22 November. This group plans to elect a new party president, a move that will further solidify the formal division of the party. The division at the center will have important repercussions in state party organizations. At present, a few local Congress parties are too preoccupied with state problems to be disturbed by national issues, but others have already begun to experience the disruptive effects of the leadership struggle, and some may split. It is too early to tell whether Mrs. Gandhi can eventually create a stronger, more viable Congress Party, but the short-term outlook is for increased instability.

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COUP PLOT IN CONGO (BRAZZAVILLE) HEIGHTENS CONFUSION

The political situation in radical Congo (Brazzaville) remains in a high state of turmoil and confusion following the seizure of a large cache of arms and the arrest of a number of antigovernment plotters earlier this month.

President Ngouabi's extreme reaction to the discovery of the plot, an amateurish affair with little apparent chance of success, is likely to increase the strains on his beleaguered regime. The plotters were publicly paraded amid noisy demands for severe punishment and increased vigilance in the face of "imperialist" attempts to destroy "scientific socialism" in Brazzaville. Ngouabi angrily accused neighboring Congo (Kinshasa), the US, and unnamed European countries of providing the plotters with guerrilla training, money, and arms. Four alleged leaders of the group were condemned to death by a hastily organized special court, and 22 other members were given jail terms; ten more were sentenced to death in absentia.

The plot has also been used as justification for a number of high-level civilian and military personnel changes, including a shake-up in the key defense and interior ministries. In addition,

Ngouabi has announced the creation of a committee to overhaul the existing government structure, and has ordered the establishment of armed vigilance brigades to root out "subversive elements." He has also abolished all laws governing the judiciary, the military, and the civil service.

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The immediate effects of Ngouabi's frenzied attempts to cope with the current situation will be heightened confusion within the military and civil service, as well as fear among the populace over the creation of armed vigilante groups. The long-term effect will probably be a further weakening of the already unstable and chaotic administration, and a further alienation of the tribal opposition.

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WESTERN HEMISPHERE

Military unrest persists in Chile, and troops were put on alert on 19 November in an attempt to forestall renewed defiance by military malcontents.

In Bolivia, armed forces commander General Torres outlined his views on a new role for the Latin American military in a recent speech before a visiting delegation of the Inter-American Defense Board. He called on all Latin American armed forces to focus their energies on the problems of "impoverishment" caused by the differences between the industrialized and underdeveloped countries. He said that if solutions to the social ills on which Communism breeds are not found, "the people will have no other option but the route of violence and uncontrollable revolution."

A new passenger air route between Cuba and Latin America may soon be available. Mexicana Airlines, which operates a semimonthly mail flight between Mexico City and Havana via Merida, Mexico, has requested Mexican authorities to allow it to carry passengers on the Havana-Merida leg of the flight. The flight would be timed to connect with Mexicana flights between Merida and Kingston, Jamaica, which is a convenient transit point. Passengers from Havana would all be booked through to Kingston.

The government of El Salvador wants OAS assistance to set up an airlift operation to circumvent Honduran obstruction of Salvadoran trade with Nicaragua and Costa Rica, and OAS officials have led the Salvadorans to believe that their response will be favorable. Although El Salvador does not regard the airlift as a permanent solution to the problem, it is convinced that it will have a beneficial psychological and economic effect on the country and on the government's political image.

In Venezuela, the nationwide teachers' strike in effect since 30 October was settled late last week after the government agreed to raise teachers' salaries 45 percent. Student violence has flared up again however. Troops were ordered to occupy the university in Merida on 19 November after a day of violence in which 29 police were injured.

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GRECHKO'S VISIT TO CUBA REMAINS UNEXPLAINED

Soviet Defense Minister Grechko's sudden and unexplained week-long visit to Cuba--reportedly at the invitation of Cuban Armed Forces Minister Raul Castro--ended on 19 November with no communiqué. The purpose of the visit remains unexplained, both sides describing it only as a friendly one. The Cubans accorded Grechko the full red-carpet treatment, in line with the warming trend that has marked Cuban-Soviet relations for the last year or so. Presumably, Grechko and his high-level military delegation were mainly interested in inspecting



Grechko Arrives in Havana

Cuba's armed forces and reviewing the performance of Soviet technicians. The composition of the delegation does not suggest that detailed negotiations on military assistance were undertaken.

The favorable play given the visit by the Cubans contrasts sharply with the antipathy toward the USSR expressed by Fidel Castro in late 1967 and early 1968. Soviet press accounts were less attentive to the event, restricting themselves largely to factual reporting.

Grechko's arrival marked the first time that a key Soviet official has traveled to Cuba since the Kosygin visit of July 1967. In addition to the usual ceremonial functions, including a symbolic cutting of sugar cane, Grechko and his entourage were taken on a tour of various military installations in the Havana area. During their stay, they also visited several agricultural and livestock development projects, with Fidel Castro acting as guide.

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CHILEAN MILITARY DISSATISFACTION BRINGS STATE OF SIEGE

Concessions gained after the army revolt led by General Roberto Viaux last month have spurred further defiance of the government by young military officers. They are dissatisfied over the amount of their pay raise, but mistrust of the Frei government and a belief that the military is no longer respected by other sectors of Chilean society are more basic factors for the growing turbulence that caused President Frei to declare a state of emergency in Santiago Province on 19 November. Rumors of plotting are numerous, and some Chileans re-

portedly believe President Frei may actually hope for a coup attempt in the belief that he might profit by it.

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President Frei and his Christian Democratic Party apparently are unsure of how to deal further with the growing restlessness in the armed forces. They believe that the grievances should have been allayed by the promised military pay raise, the announcement that new military equipment will be purchased, the retirement of unpopular senior commanders, and the consequent improvement of promotion opportunities. The government's preoccupation with the coming election is also affecting the Christian Democrats' reaction to the unsettled situation.

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SURINAM INSTALLS NEW GOVERNMENT

Three weeks of maneuvering following the elections on 24 October have produced yet another coalition government for Surinam, but the composition of the new administration installed this week holds the prospect of continued stability.

The coalition is led by Jagernath Lachmon's East Indian United Hindu Party (VHP) and the Creole (Negro) dominated People's National Party. Together they control 27 of the 39 seats in the unicameral legislature--an impressive majority. The VHP narrowly missed winning a majority in the elections last month by taking 19 seats. The voters endorsed both parties' generally conservative policies. In contrast, former Minister-President Pengel's more radical and corruption-ridden National Party made a poor showing, slipping from 17 to 11 seats. They now are the major opposition.



Jagernath Lachmon
De Facto Coalition Leader



Jules Sedney
New Minister-President

Party leader Lachmon, who formed the new government, declined to seek either the minister-presidency or a cabinet position. The appointment of a Creole, Jules Sedney, as minister-president is probably intended to assuage fears that after a decade of Negro leadership the sizable Creole minority might react violently to a non-Creole leader. Sedney is described by the US consul as "progressive and mildly anti-US, but a weak leader." The ministers-designate are relatively undistinguished as well. This suggests that Lachmon, who retains his legislative seat, will continue to wield significant if not decisive influence.

The government probably will not undertake any policy initiatives regarding independence from the Netherlands, but the Dutch are likely to grant the country further responsibility for foreign affairs. The government will also proceed cautiously in its border dispute with neighboring Guyana. Internally, the need for tax and administrative reform as well as a reduction in the budget deficit demands immediate attention and may require some unpopular measures.

Despite generally bright prospects for a relatively calm four-year term, labor disputes, especially if coupled with racial strife, could lead eventually to serious disturbances. Union leader and extreme leftist Edward Bruma, whose party won a legislative seat for the first time, is a potentially disruptive influence. 25X1

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