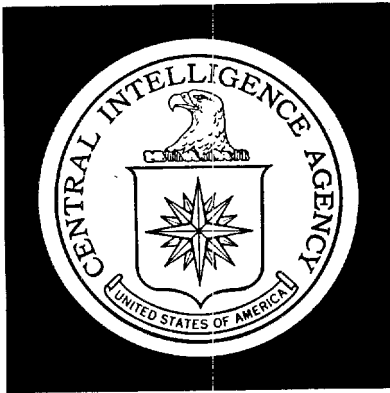


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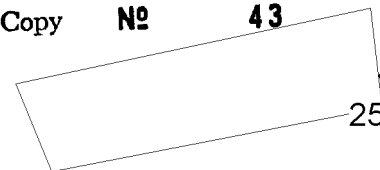
WEEKLY SUMMARY

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FAR EAST

Indochina: *Withdrawal from Laos*

North Vietnamese infantry regiments along with armor and artillery units pressed South Vietnamese forces hard on several fronts as the allied forces wound up their operations in Laos this week. Fighting was heavy around each South Vietnamese strongpoint abandoned between Ban Dong and the border. Intense enemy anti-aircraft fire continued to hinder air support of embattled South Vietnamese forces and impeded the withdrawal of many of the last units.

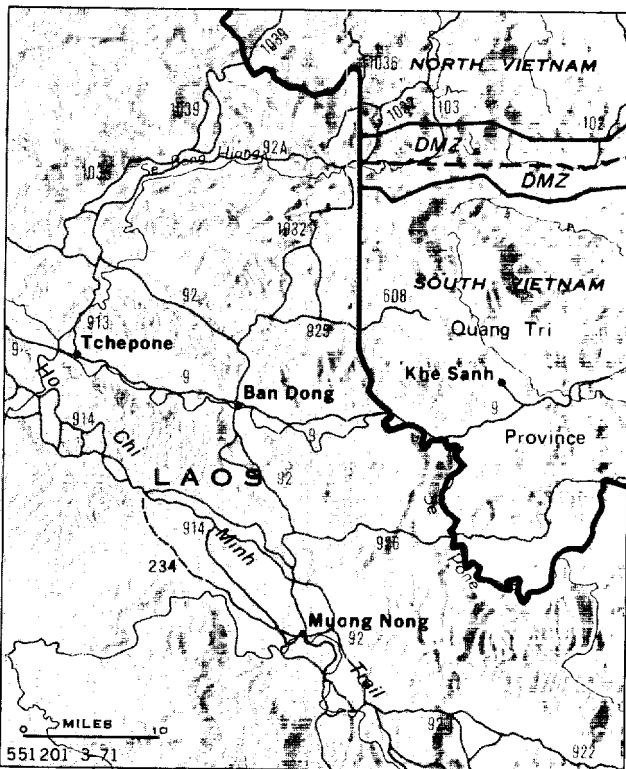
Communist pressure in northern South Vietnam picked up sharply during the week with steady shellings of Khe Sanh and other allied

positions, as well as occasional ground probes and sapper attacks. Thus far these attacks have inflicted more materiel damage than casualties, primarily because of the heavy concentrations of supplies at forward bases in northern Quang Tri Province.

It is not clear whether the North Vietnamese plan to pursue the Saigon forces past the border and continue their counterattack into the allied support complex just inside South Vietnam. Here, of course, they would run into American forces as well as fresh South Vietnamese troops.

Near-term enemy intentions should be reflected soon in the movements of the enemy units that have been deployed in eastern Laos to thwart the South Vietnamese operation. Some of these came from North Vietnam while others were pulled out of South Vietnam. Where they go from here may provide some clues to how they weathered recent fighting, as well as some indication of the enemy's present supply situation.

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Spring Phase of Enemy Action

Within South Vietnam itself, signs of Communist planning for an intensification of military and propaganda activities have been cropping up regularly. Most of the current evidence points to more shellings and sapper probes, beginning late this month. Allied targets in the central highlands and in the area around Da Nang will probably come under the strongest pressure, but there may be more limited actions farther south. The

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Communists near Da Nang also are planning an especially vigorous propaganda campaign to play up the recent fighting in Laos as a major South Vietnamese defeat.

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The weakened condition of many Communist units in South Vietnam and their relatively modest activities during the past year or so suggest that any new phase will not be strong enough to cause any great damage to the allied position. Nevertheless, the South Vietnamese drive into Laos has given the Communists added incentive to demonstrate that they are still capable of bringing significant pressure to bear in the South. This factor could lead the Communists to try for a few attacks inside South Vietnam that will have a more dramatic impact than those of recent months.

Although Communist agitators are being instructed to convince the South Vietnamese people that the Laos fighting has resulted in a government defeat, the government hopes that the people can be persuaded to admire the fighting qualities of their forces operating in a center of enemy strength. 25X1

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The government is also encouraging demonstrations by a newly formed "Movement for Rear Support of Soldiers at the Front." Most South Vietnamese normally give first consideration to the probable effects of an operation directly on themselves and their families, and it seems likely that the government will emphasize that the Laos fighting has reduced the enemy's capability to attack within South Vietnam.

South Vietnam: Public Relations and Politics

Like the enemy high command in Hanoi, Saigon government leaders recognize that how the South Vietnamese people and armed forces view the operations now being concluded in Laos may be as important as the physical damage suffered by both sides. With this in mind, the government has taken steps to mute criticism of the operation.

Strange Bedfellows

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Government censors have removed offensive news articles even from papers generally considered friendly to the government. Although there was some more or less open criticism during the early days of the attacks into Laos, even opposition politicians have remained publicly silent in recent weeks. Only Vice President Ky voiced a generally critical view during the past week, telling the press that the troops needed relief and calling for an end to the operation.

[Redacted]

Minh and Ky are potentially Thieu's chief rivals for the presidency, and their joining forces against him would hurt the President's bid for re-election. The differences between the Minh and Ky camps over what the two men have agreed to, however, suggest that each is hoping to use the 25X1

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other to further his own presidential campaign. This casts doubt on their ability to plan any joint action to oppose Thieu.

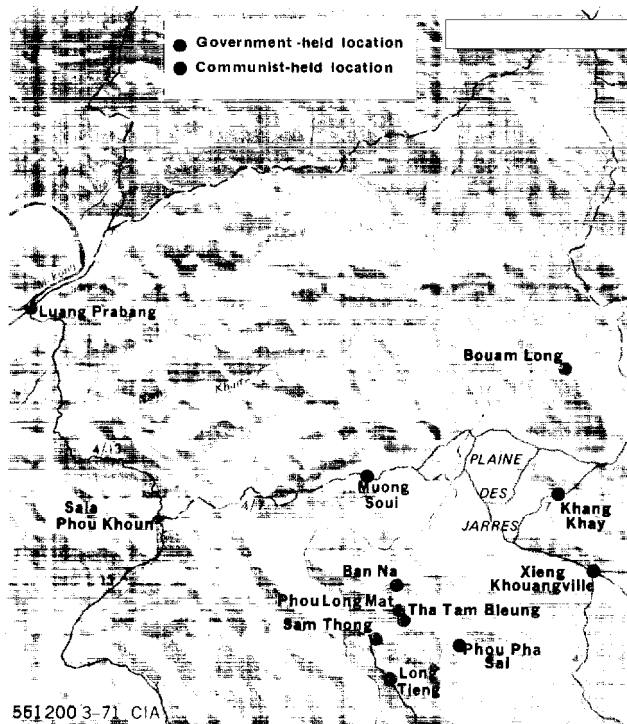
Laos: Action Up North

The government suffered some sharp setbacks in the Luang Prabang area on 21 March, losing a number of defensive positions northeast of the city to well-coordinated Communist ground attacks. Luang Prabang's threadbare outer defenses caved in before small elements of the North Vietnamese 335th Independent Regiment, which has traditionally operated in this area. As part of the pressure campaign, the Communists hit the Luang Prabang airfield for the first time in two years. Rockets damaged several aircraft and a headquarters compound and destroyed an ammunition dump.

The government moved quickly to mitigate both the psychological and military damage. Prime Minister Souvanna Phouma and Defense Minister Sisouk visited the royal capital on 22 March. Dismayed at the performance of government troops and displeased with the performance of the commanders of Military Region 1, Sisouk ordered senior officers from the Vientiane General Staff to move to Luang Prabang and to assume control of tactical operations. Some 850 reinforcements have been brought in to shore up the city's defensive line, and some positions close to the airport are now back in government hands.

As a means of bringing some international pressure to bear, Prime Minister Souvanna called on the Geneva Co-chairmen to help alleviate the threat to the city. The King canceled his traditional appearance at Army Day in Vientiane in order to remain in the royal capital. The town's citizenry believes that his presence affords the town itself—if not its airfield and military facilities—immunity from Communist attack.

This is not the first threat to Luang Prabang, although the Communists are closer to the city



and in larger numbers than they have been before. As in the past, the Communists could move almost at will into the city, but such a step would be a major departure in North Vietnamese strategy in Laos. Almost without exception, the North Vietnamese have refrained from direct attack, harassments, or terrorism against major population centers, and Luang Prabang—because it is the residence of the King—has been considered uniquely inviolate. It seems more likely, therefore, that the current campaign near the city is intended to further Communist objectives in the countryside and to demonstrate once again to the Lao leadership the town's vulnerability and the essential precariousness of their country's situation.

Status Quo at Long Tieng

The pace of military activity in the key Long Tieng area has been relatively high for the last week, but the Communist offensive west of the Plaine des Jarres is now two months old and has yet to make any substantial gains.

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On 21 March a heavy Communist bombardment forced irregulars from their positions at Phou Pha Sai, on the eastern approaches to the Long Tieng valley. The North Vietnamese are close enough to the main base at Long Tieng to harass it on a regular basis, and incidents such as rocketing, shelling attacks, small-unit clashes, and probes are a daily occurrence.

No major enemy offensive has yet developed, however, and since their sapper attack on Long Tieng in mid-February, the North Vietnamese appear to have concentrated on resupplying and repositioning their units, the bulk of which now appear to be shifting east of Long Tieng. The Communists have largely avoided costly, large-scale ground assaults against fortified positions. Nevertheless, some of their units have suffered substantial casualties from air strikes and government artillery bombardments. The government has significantly reinforced the Long Tieng area, and aggressive patrolling in recent weeks has helped to keep the Communists off balance.

Although their offensive has lost some of its momentum, there is no evidence that the North Vietnamese are disengaging. As in the past, they have the ability to strike swiftly and in force with little warning. There are now, however, only about two months of good weather remaining, and if the North Vietnamese intend to try to take Long Tieng, they will have to begin to push harder in the near future.

The Cambodian War Drags On

For over two months now, the Communists have been lying low in Cambodia. Except for the occasional effective sapper attack, such as the one that put the Kompong Som oil refinery out of business in early March, Communist activities in the Cambodian countryside have been limited to the kind of small-scale harassments whose immediate impact is strictly local and which, even in their cumulative effect, do not add up to very

much. It is too early to tell whether this is only an interregnum or, in fact, the emerging pattern of the war in Cambodia.

Last week, the Communists stepped up the action somewhat. A series of Communist harassing attacks near a small government-held town astride Route 5, some 25 miles north of Phnom Penh, caused the temporary closure of that important highway. Government reinforcements, backed by air strikes, soon forced the enemy away from the town, but Communist troops remain in the area. A few miles away rocket fire damaged the government's only river ferry at Prek Kdam, the gateway town to Route 6. This action apparently was designed to hinder the northward movement of Cambodian troops and supplies to Kompong Cham Province.

An attack by Vietnamese and Khmer Communist forces on a sugar refinery 25 miles southwest of Battambang city caused some heavy damage to the facility. A large number of civilian dependents of the Cambodian troops assigned to defend the refinery were also killed. Enemy leaflets scattered during the attack threatened a similar strike against Battambang's textile factory soon. Jittery government officials in that city have taken the warning seriously and have requested additional troops—possibly including some who are patrolling Route 5—to strengthen the city's defenses. Such a pullback may have been one objective in the Communists' warning.

The government is not leaving the military initiative completely to the enemy, however. Twelve Cambodian battalions, half of which are crack Khmer Krom units, are trying to drive north of Route 7 up to the Communist-controlled Chamcar Leu rubber plantation. The operation has made little headway thus far, and the force has reported only a few skirmishes with enemy troops.

With the bulk of the Vietnamese Communists' main-force units tied down defending their base areas east of the Mekong against the South

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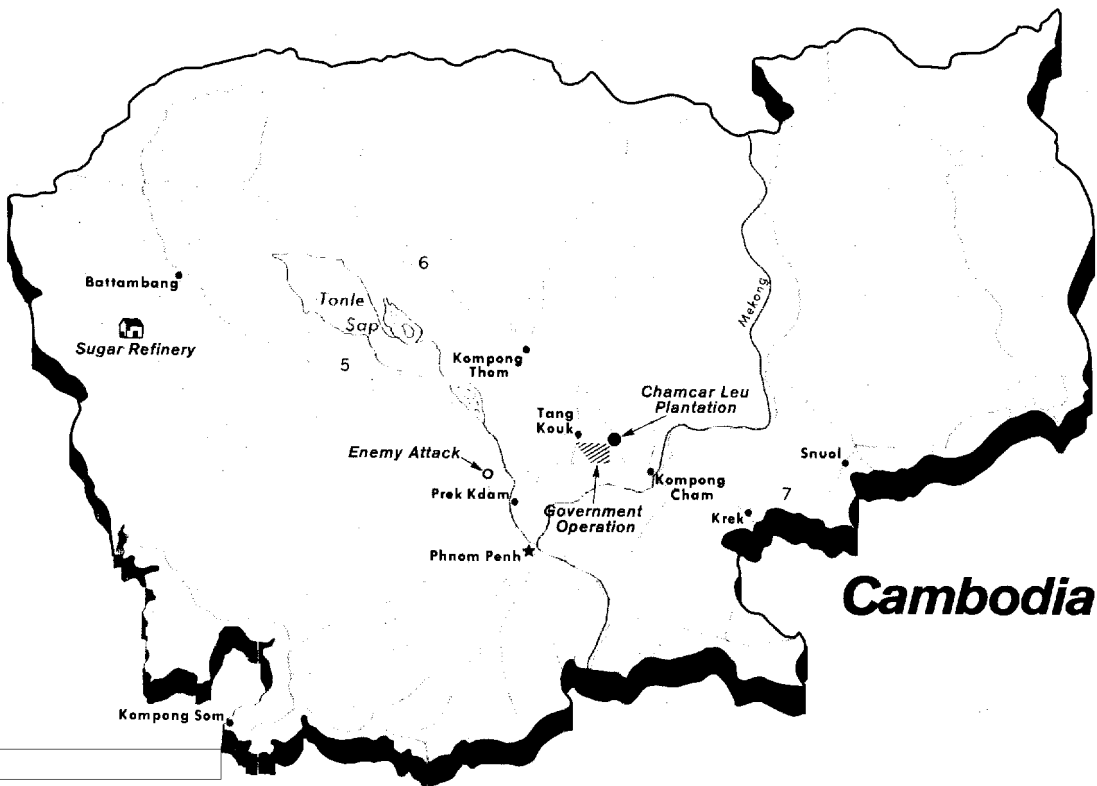
Vietnamese dry-season offensive, Phnom Penh has had a good chance to breathe new life into last year's campaign to clear Route 6 between the village of Tang Kouk and Kompong Thom city. But Phnom Penh evidently still fears that it cannot undertake any major military operations without the help of South Vietnamese ground forces and allied air support.

The South Vietnamese in Cambodia

No significant ground fighting was reported in eastern Cambodia during the week, as South

Vietnamese forces there paused to receive fresh supplies and troops. The Communists carried out several mortar attacks against South Vietnamese positions near the town of Krek, on Route 7 in Kompong Cham Province, and near Snuol, in southern Kratie Province. The South Vietnamese suffered only light casualties as a result of these attacks. The enemy mortar barrage in the vicinity of Krek caused the destruction of approximately 48 tons of South Vietnamese munitions, however.

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Communist China: *A Shift to the Right?*

The regime's announcement last week that one of China's missing politburo members has acquired a key party post attests to the complexity of the current infighting within the political cockpit in Peking. The unexpected "election" as first secretary of the Peking municipal party committee of Hsieh Fu-chih, who has been out of public view for nearly a year, suggests that a shift has occurred in the balance of forces within the politburo.



Hsieh Fu-chih:
In from the Cold?

Hsieh Fu-chih, who concurrently served as public security minister, was the first of a trio of important politburo members to have dropped from sight in the past year. Although the regime

China's present politburo is composed of individuals who were often bitter rivals during the Cultural Revolution and who must necessarily be concerned with securing tenable political positions for themselves and their followers in anticipation of the death of 77-year-old Mao Tse-tung. Indirect evidence suggests that these rivalries have been renewed and extended by the

process of rebuilding the nation's party and government apparatus.

never openly acknowledged that he was in disgrace, there were a number of strong indications, including persistent rumors that he had been censured at a secret, high-level meeting last April, that Hsieh was involved in behind-the-scenes infighting within the politburo. Hence his new appointment suggests that he has been rehabilitated politically, even though some of the circumstances related to his appearance may indicate that he is not yet completely out of the woods: he did not, for example, address the municipal party congress; he has not yet been reidentified as a politburo member and minister of public security; and he has not appeared with other politburo members at several receptions held since his election.

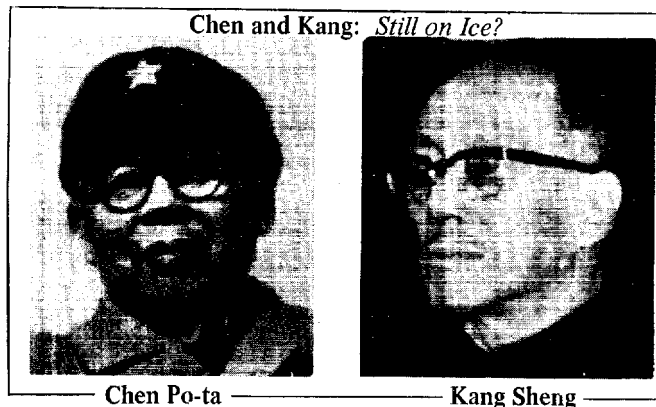
Hsieh's previous disappearance may have resulted from "leftist" pressure within the politburo. In his position as head of public security he was almost certainly involved in an investigation that began in January 1970 to ferret out officials who had supported the "May 16 Corps"—an ultraleftist organization that had attacked Premier Chou En-lai and a number of other senior leaders at the height of the Cultural Revolution. According to Red Guard accounts, the "corps" was backed by a number of members of the present politburo, including standing committee members Chen Po-ta and Kang Sheng. Consequently, Chen and Kang may have felt the investigation

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threatened their political positions. Since then, they too have dropped from view amid rumors that Chen was censured at a stormy party plenum last summer for organizing the "May 16 corps."

The apparent eclipse of Chen and Kang and the confirmation of Hsieh in an important party job therefore suggest that the balance within the politburo has now swung in favor of a loose grouping of relative moderates that includes Chou En-lai and some powerful central and regional military leaders. This tentative conclusion is supported by other evidence indicating that in the process of reconstructing the party and the government some of the militant ideologues closest to Mao appear to have been losing ground. These militants seem to have been unable to form many bases of power in the reconstructed local party organs, most of which are led by military men and veteran officials, many of whom were once victims of political attacks inspired by radical leaders such as Chen and Kang. The formation of party committees at the important provincial level did not in fact begin until after the disappearance of Chen and Kang.



Neither of these two has been publicly denounced, and it is possible that they also may eventually be "rehabilitated." Nevertheless, even their return to the limelight would not erase the impression that the "leftists" on the politburo have lost a round in the ongoing struggle and have even less chance than before to carry much political clout in the post-Mao era. Indeed, this latest development seems to tarnish Mao's image because of his close personal and philosophical ties with Chen and Kang, and suggests that there are constraints on Mao's authority.

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Peking Reiterates Ideological Criticisms of Moscow

On 17 March a long, authoritative editorial by the major Chinese propaganda organs surfaced Peking's strongest polemic against Moscow since last April. This new blast seems intended to drive home the point that, despite recent improvements in state-to-state relations, Peking has not kow-towed on the fundamental ideological differences between the two parties and has no interest in a resumption of party contacts. The Chinese clearly wish to set the record straight on that point before the 24th Soviet party congress begins on 30 March and, in a sense, the editorial can be taken as their response to the invitation to attend the congress, which the Soviets claim to have proffered.

The attack, woven around a eulogy of the Paris Commune on its centenary, reiterates Peking's long-standing criticisms of the Soviet ideological position and of Soviet policies, both domestic and foreign. In contrasting Chinese adherence to revolutionary violence with the Soviet brand of revisionism, the editorial accuses Moscow of going all out in the arms race while oppressing people at home and abroad, and repeatedly denounces Soviet party leader Brezhnev by name. Specific grievances against Moscow, such as the putative threat to Chinese territory—which were raised in last April's attack—are avoided, however, presumably because the occasion calls for a more theoretical or ideological statement of

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Peking's position. Indeed, the article appears to have been drafted with a view to avoiding insofar as possible language that would hamper Peking's diplomatic offensive in both the Communist and non-Communist worlds.

Moscow on 21 March made an initial response to the Chinese attack in a brief TASS rejoinder accusing Peking of new anti-Communist actions and noting that the editorial was welcomed by the "imperialists" because it coincided with the intensified fighting in Indochina and could aggravate Sino-Soviet relations. Moscow may hold off any detailed, authoritative rebuttal until after the party congress in order to avoid dramatizing its differences with Peking and diverting attention from the conclave. Meanwhile, in an apparently coincidental action, Moscow released a book by nine Soviet Sinologists that attacks Peking for obstructing aid to Indochina, attempting to reach a detente with the US, and

seeking to foment a Soviet-US war. Although these are standard themes in Moscow's propaganda arsenal, press accounts suggest that the book developed them in an unusually explicit manner. Nevertheless, Sino-Soviet relations over the past year have been characterized by a lack of sustained public quarreling, and it is likely that the current exchange will cease once Moscow feels the Chinese charges have been properly refuted.

Peking has already moved to soften the militant impression created by the polemic. According to press reports, on 21 March Chou En-lai met for four hours with Soviet Ambassador Tolstikov and chief border talks negotiator Ilichev to discuss questions of interest to both sides. Although details are not available, Chou may well have attempted to separate the problem of continuing fundamental ideological differences between the two parties from that of improving state-to-state relations.

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USSR: *Final Preparations Set Stage for Party Congress*

Soviet leaders have completed preliminaries to the party congress that opens on Tuesday in a manner suggesting that they are working to make it a routine and undramatic occasion. Procedural anomalies and undercurrents of disagreement during the preparations, nevertheless, are a reminder of the always-present possibilities for political clashes along with their unpredictable results.

On 22 March the central committee approved party chief Brezhnev's report on the leadership's activities since the last party congress as well as Premier Kosygin's report on the new five-year plan. Both of these will be presented to the congress. Consideration of Kosygin's report at this stage is unusual and appeared designed partly

to make up for the central committee's failure to meet in February to approve the draft directives of the plan. A central committee plenum would normally act on Brezhnev's report about three days before the congress. Calling its members to Moscow this far ahead raises suspicions of intensive politicking behind the scenes.

The last of the republic congresses—that of the Ukraine—closed on 20 March. There was considerable confusion in the scheduling of these congresses, but their proceedings were short on polemics. Efforts at the republic congresses to enhance Brezhnev's public stature followed the regional pattern of support for the general

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secretary evident in recent months but no bandwagon movement emerged. He received special attention and occasionally was referred to as "head of" the politburo at the Kazakh, Kirgiz, and Uzbek congresses in Central Asia, at the Armenian and Azerbaydzhian congresses in the Caucasus, and at the Moldavian congress. On the other hand, he was not mentioned in Estonia, and the first secretaries of Latvia, Lithuania, and Belorussia stressed the theme of collective leadership.

Party secretary Suslov won considerable personal credit last week by persuading the Japanese Communist Party, which boycotted the last congress, to attend next week's conclave. Suslov is an important counterweight to Brezhnev in the politburo, and his continued activity somewhat offsets frequent conjectures by observers about his possible retirement because of age and ill health.

Discussion of political issues was muted at the republic congresses, and foreign policy questions received a minimum of attention. The issue of Stalin's rehabilitation, raised in 1966 in Belorussia, Moldavia, Azerbaydzhian, and Georgia, was conspicuously avoided. An anti-Zionist theme was evident only at the Lithuanian, Ukrainian, and Turkmen congresses.

The economy will apparently be the major topic at next week's congress. Omission of key investment and other figures in the draft directives suggests that important decisions on the five-year plan are still to be made. The economic reform of 1965 found a handful of defenders at the republic congresses, as did some other innovations in economic management, and these also will probably be discussed.

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Poland's Provincial Party Conferences Promote Renovation

The key themes stressed by Poland's top leaders in recent weeks—renovation and discipline—are now being hammered home at provincial-level party conferences throughout the country. Everyone subscribes to the concept of renovation, which is now holy writ, but the repeated calls for discipline suggest that neither the workers, who want rapid change, nor the middle levels of party leadership, who fear for their jobs, are yet satisfied with the course and speed of the renewal process.

When addressed to the workers, exhortations on discipline are more like an appeal; when directed to party members, however, they have a commanding ring. The leadership wants the workers to know that they have no reason to fear repression, but they also want them to under-

stand that the country cannot afford any further concessions. The constant need to reinforce these points indicates that worker unrest, which is still being reflected in small-scale strikes, continues to give the new leadership anxious moments.

Meanwhile, the party leadership is insisting on action from its local organizations. Politburo members attending provincial party conferences as guest speakers have cited the policies that party leader Edward Gierek developed at the central committee plenum last month as guidelines for rapid renovation and modernization. In a hard-hitting address to the Warsaw city party conclave, Gierek made clear that only qualified candidates who can implement modern management practices should be elected. All others, he implied, have lost touch with reality.

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About half of Poland's 19 provincial-level organizations have now completed their conferences, and it is already apparent that Gierek's message is being heeded. In some cases the entire secretariat—except for the first secretary—was replaced. Some regions report dramatic increases in the number of workers and peasants elected to regional central committees. The inclusion of authentic workers in local party organizations will not only reinforce Gierek's doctrine of more party contact with the masses, but in some cases it will have the added value of incorporating the

leaders of the workers' revolt into the establishment.

Gierek is determined to keep renovation from becoming an empty slogan, and more personnel changes may be necessary to overcome passive resistance in local organizations. Not all the replacements will be "Gierek men" but they will owe their jobs to Gierek's program for change and they probably will give him the endorsement he needs at the next party congress. [REDACTED]

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Yugoslav Emigres Increase Terrorism in West

There seems to be an element of desperation in the actions of the more radical anti-Communist Yugoslav emigres around the world. There are recurrent attacks on Yugoslav installations abroad and last month some terrorists seized the Yugoslav Consulate in Goteborg, Sweden. They attempted to ransom its occupants for \$100,000 and the release from a Yugoslav jail of convicted terrorist and murderer Milijenko Hrkac.

their activities. With their freedom curtailed and sanctuaries in jeopardy, the emigres have become bolder. Last year witnessed bombing attacks on the Yugoslav mission in Brussels and the Yugoslav Consulate in Melbourne, and a fire at a Yugoslav exhibit in Frankfurt. Early this month several persons were arrested in Vienna for smuggling arms to the Ustashi in West Germany.

Emigre attacks on Yugoslav installations in the West have been frequent over the years, and only recently has Belgrade had success in persuading host countries to clamp down on those responsible. Organizations such as the anti-Communist, Croat nationalist Ustashi find it more difficult to operate, for example, in West Germany where the government, because of excellent relations with Yugoslavia, keeps close tabs on

Mindful of Tito's plans to visit the US this year, officials in Belgrade are concerned that such terrorists, finding it increasingly more difficult to operate in Western Europe, will target Yugoslav personnel and installations in the US. Yugoslav officials claim to have reports of a plot to kidnap their ambassador in Washington and their consul in Cleveland. [REDACTED]

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The Changing Yugoslav Reform

Speaking on 16 March to a conference of the mass organization SAWPY, President Tito publicly admitted that his proposed reorganization of the Yugoslav federation was proving more complicated than first envisioned. Tito conceded he originally had in mind the creation of a collective presidency and only later did the need for federal reorganization and constitutional change become apparent.

A lively debate, invited by Tito himself, has forced some alterations in the proposed collective executive body's makeup. Gone is the idea of including representatives of the party presidium and mass organizations, and at this stage it looks as if they will be replaced by republic and provincial assembly presidents. This is supported in the Belgrade daily *Politika*, which reports "rumors" that the proposed collective presidency will be eight men larger than originally planned. Interrepublic rivalries, disagreements over the distribution of power between the republics and the

federal government, and the need for the federation to retain the power to intervene in the economy have caused a major slowdown of plans for far-reaching decentralization.

For the same reasons that political reforms are in difficulty, Belgrade has been unable to move decisively in tackling the country's economic problems, and there continue to be serious disagreements over the federal budget and stabilization program.

The tone of the current arguments indicates that differences are likely to continue until basic constitutional questions are resolved this summer. One of the more explosive problems surfacing during the reform debate is regional chauvinism, and public recriminations have recently broken out between Serbian party officials and prominent Croatian political figures.

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France-USSR: *Political Consultations Intensify*

France and the USSR have moved toward holding more frequent political consultations, as agreed during President Pompidou's visit to Moscow last October. Results so far, however, have been more in the nature of form than of substance.



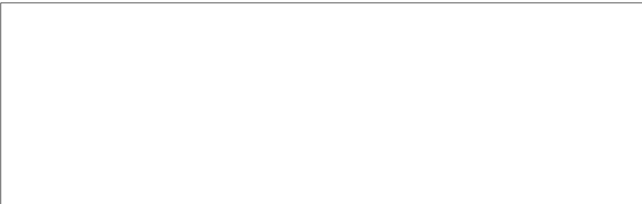
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Over the past month, Kosygin and Pompidou have exchanged messages through their ambassadors on the Middle East, and Deputy Foreign Minister Kozyrev has visited Paris. Foreign Minister Schumann will visit Moscow early in May, at which time the French hope to settle plans, long under discussion, for a summit-level Soviet visit to France in October.

Since the De Gaulle trip to Moscow in 1966, France has sought to play up its contacts with Moscow to enhance its influence and to demonstrate its independence from the West. The essentials of that policy remain the same. An intensification of the dialogue with Moscow, however, is especially useful at this juncture. France recently has been moving closer to its Western allies on such issues as increased cooperation with NATO, and frequent contacts with the Russians are a reminder to the West that France intends to maintain a balance in its relations with the two sides. In Paris' view, an ongoing dialogue with Moscow increases both its policy options and its leverage.

The protocol signed provided for consultations between the foreign ministries twice annually as well as for emergency sessions when situations arise that threaten the peace. The Schumann visit to Moscow is presumably to be the first of the semiannual political meetings, and the first special consultations were held at Soviet request in February following President Pompidou's public disapproval of the South Vietnamese move into Laos. The Soviets, evidently interested in giving the impression of coordinating with Paris on the subject, announced the consultations in *Pravda*.

Moscow, for its part, has evidently seized upon the latest developments in Indochina and the Middle East as an excuse to intensify its "special" relationship with France. Soviet cultivation of President Pompidou during his visit to the USSR made it clear that France and West Germany share pride of place in Moscow's efforts to expand its influence in Western Europe. Moscow undoubtedly hopes to use its relationship with Paris as a lever to slow progress toward Western European integration. Although the Soviets have been unable to crown their efforts with concrete agreements, they probably are satisfied with the pattern of bilateral consultation that has been achieved.



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Norway: *No Surprises in New Government's Program*

The minority Labor government led by Trygve Bratteli, which took office on 17 March, has presented its program to parliament. The main lines in domestic and foreign policy estab-

lished by the outgoing bourgeois government are maintained, and little resistance to the program from the opposition parties is expected.

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In foreign policy, the new government pledges to continue membership negotiations with the European Community (EC) and to keep the parliament and public thoroughly informed on the course of the talks. The government has also promised to protect the special interests of the farming and fisheries sectors in the negotiations and to hold a national referendum before parliament makes its final decision. On other issues, the government has endorsed continued membership in NATO, the convening of a conference on European security, cooperation with other Nordic countries, and increased aid to developing countries.

Following through on a commitment in the Labor Party program drawn up prior to the 1969 parliamentary election, the Bratteli government has announced that it will "take steps with a view to seeking to establish mutual diplomatic relations with North Vietnam." It is generally believed that the commitment to recognition was the price Bratteli had to pay to his party's left wing for the strong EC and NATO planks. American officials in Oslo have been assured that the government will not move precipitately, and there is some speculation that the act of recognition may be postponed until after the beginning of the new parliamentary term next October.

The government's domestic policy planks include such noncontroversial proposals as balanced economic growth, a more just tax system, special economic assistance to the more remote areas of Norway, state management of the oil industry based on the new finds in the North Sea, enhanced environmental protection, and liberalization of the social welfare system. The government has also pledged itself to decentralizing the decision-making process by giving more authority to the county councils, and to redistributing the responsibilities of the ministries to accord with the needs of modern society.

Reaction to the government's program has for the most part been positive. Leaders of the bourgeois parties have, however, taken some exception to the government's announced intention to recognize Hanoi.

Despite these objections the probability that the bourgeois parties will unite to overthrow the government on this or any other part of the program is slight at this point. The bitterness between the Center and other bourgeois parties engendered by the fall of the Borten government remains, but all parties will probably wait until after the nationwide local elections next September before making new political moves.

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West Europeans Press Studies on Uranium Enrichment

West Europe is searching for an answer to the difficult and politically charged question of where it will get the supplies of enriched uranium, costing into the billions of dollars, it will need by the end of the decade. The US now meets these needs, but the Europeans believe that it will not be able to do so by 1980. Among the options Europe must therefore consider are development of national capacities, cooperative arrangements with non-Europeans, multinational cooperation, and—for members of the European Communi-

ties—"supranational" arrangements within the EURATOM framework.

Following up a February announcement of its intention to start construction over the next five years of eight to ten new nuclear power plants, France recently disclosed that it is proceeding with a feasibility study for a commercial enriched-uranium facility based on its already-developed gaseous diffusion technique. Although hoping that other West European countries will

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participate, the French insist that, if necessary, Paris will consider constructing the facility alone. In publicizing the feasibility study at this time, France is no doubt aware that the US is currently considering an offer to share gaseous diffusion technology with acceptable foreign partners. In addition, the French proposal is clearly intended to compete with the tripartite (Dutch-British-German) project launched last year for producing enriched uranium by the gas centrifuge technique.

This intensifying rivalry for the European market has already attracted the attention of the Soviet Union as well as certain non-European countries possessing native sources of natural uranium and cheap electric power. The USSR has discussed the provision of enrichment services to Western Europe, and an enrichment contract with France was announced last week. France has already suggested to Australia the possibility of jointly constructing an enrichment plant there or in France. The Australians are known to be interested in exploring various possibilities, including eventually purchasing centrifuge technology from the tripartite arrangement.

The tripartite centrifuge project is the only multinational production arrangement presently under way, but data on whether it will be feasible to proceed beyond the pilot-plant stage will not be available before mid-1973. The Italians and Belgians are unhappy with terms offered so far for "junior partnerships" in this effort and presumably are still candidates for participation in other schemes.

Meanwhile, the initial report of a EURATOM study group commissioned last December to collect comparative data on projects for diffusion and centrifuge, as well as "jet-nozzle," separation is expected to be ready late this month. Whether this report will lend support to the EC Commission's earlier call for the establishment of an enrichment facility under the aegis of a presumably enlarged Community remains to be seen. The huge investment costs, the difficult problems involved in managing such a partnership arrangement as the tripartite scheme, and the commitment to a common energy policy argue for a Community approach. On the other hand, EURATOM has long suffered from national rivalries that are likely to be aggravated as the market for nuclear energy gains in importance.

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Discussions of CES on Upward Swing

Preparations for the NATO ministerial meeting in Lisbon in June and renewed overtures from the Warsaw Pact side are provoking increasingly active consideration by the European NATO allies of the possible modalities of a conference on European security (CES). Although the position the NATO countries will eventually adopt is far from clear, the drift of opinion in Europe seems to be toward one less skeptical than that approved by the Alliance last December.

Moscow clearly wants to sustain this interest. Following up the Pact foreign ministers' conference in Bucharest on 18-19 February, Soviet

ambassadors last week delivered "informal" papers on the CES issue to the US and other NATO capitals. These papers reiterated Soviet support for such a conference, blamed Washington for obstructing it, and repeated standard Soviet objections to Western demands for linkage of CES preparations to a Berlin settlement.

Most NATO allies now accept the inevitability of a security conference, and assume that an initial conference probably would be only the first of a series. Many allies also think that some permanent institutions for dialogue with the East will be established. Although the British are still

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taking a comparatively hard line in NATO discussions of CES, Foreign Secretary Douglas-Home recently said that he also regarded a CES as inevitable. Moreover, a British position paper has suggested that the participants at an initial CES establish permanent machinery—possibly along the lines of the Conference of the Committee on Disarmament. Although the British say they will not press this point, they have in effect breathed new life into a project originally initiated by the Labor government.

The UK and the six members of the European Communities (EC) are convinced that the Soviets hope to use the CES process to slow the pace of West European integration. As a consequence, the British paper suggests a CES role for an enlarged EC—an idea that might also emerge from the newly initiated EC consultations on

CES. The Six are taking these consultations very seriously, and the timing of their study suggests that they may come to the June NATO ministerial with similar views on a number of CES-related questions.

In the near term, the active discussion of CES in Western Europe is not likely to undermine NATO's requirement that a Berlin settlement precede multilateral East-West CES preparations. But some allies might wish in June to leave Berlin as the only prerequisite, dropping insistence on progress in other "on going talks." Given the favorable inclination of many of the allies toward a CES, it might in the future become increasingly difficult even to make multilateral preparatory talks dependent on Berlin.

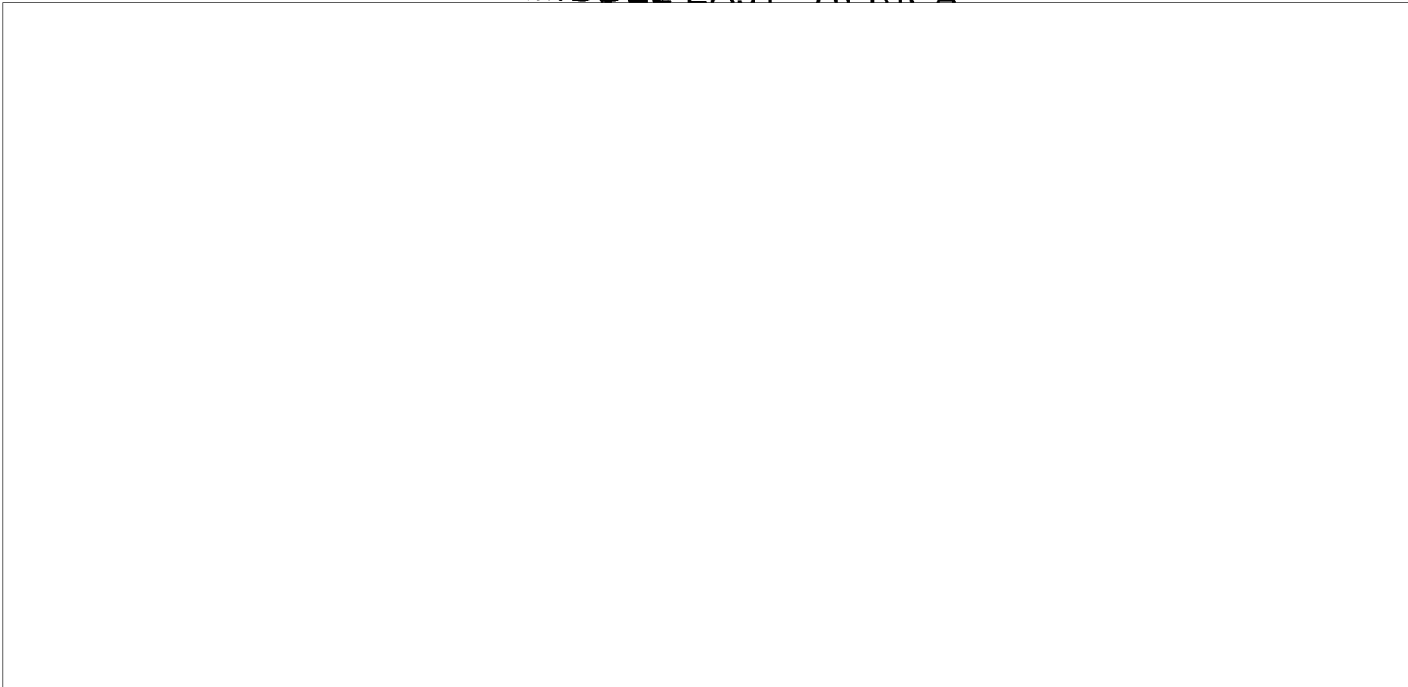
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MIDDLE EAST - AFRICA

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It is doubtful whether the government could adopt a much more forthcoming position on withdrawal and survive. The future course of the National Religious Party (NRP) is crucial to the government, because Mrs. Meir will have to find some way to keep about half of the NRP from joining the opposition even to gain Knesset approval for a settlement such as that outlined in the *Times* interview. The implication in her interview that Israel would give back much of the West Bank to Jordan presented the NRP with a major

crisis of conscience. For the moment, the NRP has been mollified by Mrs. Meir's protest that her statement did not constitute official policy. Also, the value the party places on its alliance with the dominant Alignment and its politically profitable ministerial portfolios will continue to exert a strong pull. Nevertheless, future government commitments regarding the West Bank will almost certainly raise a similar crisis, and perhaps a split in the NRP.

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Cairo Publicizes War-Readiness

Cairo media this week focused on a series of Egyptian political and military meetings designed to increase the state of war-readiness in the country. President Sadat had held daily conferences with various groups of military commanders earlier in the week, ostensibly for the purpose of clarifying the current phase of the confrontation with Israel.

In discussing action on the diplomatic front, Egypt's press played on the theme of increasing US-Israeli differences and termed Foreign Minister Eban's meeting with Secretary Rogers last week "chilly." The Egyptians' belief that they had made a significant move by agreeing to enter into a peace settlement with Israel and that the Israelis now must act was expressed in an *al-Ahram* article that stated, "The ball is now in Israel's court." The press also continued to stress the need for the US to prove its sincerity in wanting a peaceful settlement in the Middle East by pressing Israel to withdraw from occupied Arab territory.

Egypt's continued diplomatic efforts were emphasized by the announcement of Foreign Minister Riad's projected trip to Rome and Paris at the end of the month for discussions with Egypt's ambassadors to Europe. In an interview aired on French television, President Sadat reiterated his continued adherence to the proposal he made on 4 February to reopen the Suez Canal in return for a partial Israeli withdrawal from the Sinai.

Some division of opinion was evident in the Cairo press over the current course of national action. The prestigious *al-Ahram* gave considerable treatment to diplomatic moves as well as to various military developments, while Egypt's other newspapers adopted a more pessimistic and somewhat more militant tone. There also was more evidence of the feud over the state of the country's military preparedness between the chief editor of *al-Ahram*, Muhammad Haykal, and the more hawkish press influenced by Egypt's sole legal political organization, the Arab Socialist Union.

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More Soviet Economic Aid for Egypt

Moscow's recent extension to Egypt of substantial new economic assistance reinforces its influence in Cairo and in the country's long-range economic development. As in the past, however, the aid will have little early impact, and Moscow will continue to avoid becoming involved in day-to-day problems that plague the Egyptian economy. The 1971 trade protocol, also agreed to last week, calls for a continuation of trade at roughly the same level as in recent years.

The new Soviet aid package worked out with an Egyptian economic delegation headed by Minister of Industry Sidqi apparently amounts to as much as \$200 million for various projects. In addition, the discussions covered certain other, unspecified projects valued at more than \$200 million. These may have been included under past aid pacts: about 75 percent of a \$324-million credit extended in 1964 for project assistance remains unused. Total Soviet economic assistance to Egypt so far has amounted to more than \$1 billion.

Included in the nearly \$200 million in new aid is a rural electrification program for which the Soviets have agreed to provide almost \$70 million worth of equipment. This project will use electricity generated by the Aswan Dam and the total cost is expected to be more than \$250 million. In addition, the Soviets agreed to provide \$40 million to cover the reclamation of an additional 100,000 acres of land. Although the USSR extended about \$67 million for reclamation of 200,000 acres in 1964, little information on the progress of this project has been reported. The Soviets also agreed to provide more than \$30

million for the construction and expansion of cement factories and for building a ceramics plant. In addition, \$55 million in Soviet credits will be allocated for construction of silos and flour storehouses.

The Soviet economic aid program in Egypt has slowly been moving ahead despite the problems generated by the Arab-Israeli conflict. Inauguration ceremonies for the Aswan Dam, a Soviet showpiece, were held in mid-January, and work is continuing on the expansion of the Helwan iron and steel complex. Planning has been substantially completed on several other plants that will consume electricity from the Aswan Dam. The Soviets continue to explore for oil in the Western Desert although they have had little success thus far.

Trade this year will remain at about its current level of roughly \$470 million. The protocol specifies that Egypt will ship primarily consumer goods to the USSR and that Moscow will furnish crude oil, petroleum products, fertilizer, and cast iron to Cairo. Bilateral commercial trade is expected to continue to be far more advantageous to Egypt than to the Soviet Union. The USSR and Eastern Europe probably will continue to serve as dependable markets for surplus Egyptian cotton. The USSR probably will again purchase Egyptian crude oil for shipment to other Communist countries and to buy much of the excess output of Egypt's manufacturing industries.

Moscow's support for Cairo is also being manifested in the diplomatic and propaganda fields as well. Israel's reply to the Jarring

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memorandum gave Soviet propagandists a new opportunity to press the line that the US has no intention of exerting pressure on Israel.

Moscow's desire to respond to Cairo's need for progress in the diplomatic arena is probably behind the abandonment of its usual propaganda reticence on the Four Power talks. On several

occasions in recent weeks, the Soviets have publicly castigated the US for its "obstructionist" behavior in this forum. Soviet media, however, have generally evaded any discussion of guarantees or of an international peacekeeping force, and have not acknowledged any of the recent statements by US officials about Washington's willingness to help guarantee a settlement.

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Sierra Leone: *Stevens Regime Shaken by Coup Attempt*

An abortive coup attempt this week by the commander of Sierra Leone's badly factionalized army has plunged the country into new political turmoil that may yet bring down the civilian government of Prime Minister Siaka Stevens. Although some of the army elements that prevailed over the commander proclaimed their loyalty to Stevens, other soldiers have apparently been urging his removal. As of noon on 25 March no one had emerged in clear command of the army, and its squabbling factions were still trying to reach some agreement.

Political tensions in Freetown had been rising in recent weeks as Stevens renewed active consideration of his controversial plan to transform Sierra Leone into a republic. Army chief Bangura had voiced growing disaffection with Stevens' highhanded methods, particularly his attempt to involve the army in support of his political objectives. Increasingly distrustful of the army, Stevens had last week arranged for military support from his political mentor, Guinean President Toure. Over the weekend, an initial contingent of some 40 Guinean soldiers arrived in Freetown to serve as a special security unit for Stevens. Their arrival probably triggered the move on 23 March by an army contingent to kill or capture Stevens, during which Bangura announced that he was taking power. In the face of opposition by other—apparently more powerful—

army elements, however, Bangura's support quickly evaporated and he himself was arrested.

Stevens, in a recorded speech broadcast on 24 March, claimed that he was again in full control. In fact, however, he appears to have retired, accompanied by his Guinean bodyguard, to a sanctuary where he is awaiting a decision by the military. Since Wednesday the army's officers have been conferring among themselves and with the lower ranks of the 1,500-man force to settle on a new leader and to decide whether to allow the Stevens regime to continue. Deep tribal divisions, conflicting loyalties, and personal rivalries are all contributing to the soldiers' indecision. To some extent, at least, Stevens' cause has been damaged by his reliance on Guineans, a move particularly resented by many enlisted men.

In neighboring Guinea, meanwhile, President Toure continues to broadcast statements proclaiming his "unreserved solidarity" with Stevens and pointing, characteristically, to "imperialism" as the source of the trouble in Sierra Leone. In an even more direct effort to influence the outcome, Toure has since 23 March periodically sent Guinean MIGs on low overflights of Freetown. He has also kept Guinean Army units on alert, contributing to fears of a Guinean "invasion" in Sierra Leone.

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Pakistan: *East-West Talkathon*

Some progress apparently has been made in negotiations between President Yahya Khan and political leaders, but a final solution may continue to prove elusive.

Yahya and East Pakistani leader Mujibur Rahman made enough headway in their talks, which began on 16 March, to enlarge their meetings to include top aides on both sides. Zulfiqar Ali Bhutto, whose party holds a majority of seats from West Pakistan in the national assembly, arrived in Dacca on 21 March to join the discussions.

On 22 March Yahya announced that he was again postponing—this time indefinitely—the opening of the national constituent assembly in order to “facilitate the process of enlarging the areas of agreement among the political parties.” Because he made the announcement after consulting with both Bhutto and Mujib, the postponement this time aroused little negative reaction in East Pakistan and was apparently taken as a sign of progress in negotiations.

Although Bhutto claimed on 22 March that he was studying an agreement already reached between Yahya and Mujib, the latter publicly denied that any agreement existed.

[redacted] Yahya in his message to the nation on 23 March, Pakistan's National Day, asserted that “the stage is now set” for the politicians to achieve a “smoothly working, harmonious system.” The next day leaders of several minor West Pakistani parties who had just returned from Dacca claimed that Yahya and Mujib had reached “complete agreement” on a solution to the crisis.

The seemingly contradictory assessments by the three principal figures could stem from their differing views of what remains to be accomplished. Mujib may think that details yet to be worked out are so important as to preclude any statements at present about a solution. Bhutto, by alluding to his role in reviewing the alleged agreement, may be trying to ensure his position as principal spokesman for West Pakistan. Although some press reports at midweek claimed that plans for an interim government had virtually collapsed, Bhutto affirmed there was a 50-50 chance that such a government would be formed.

Occasional incidents of violence have continued in East Pakistan, the most serious on 24 March when several East Pakistanis were killed in clashes with West Pakistani troops. National Day, celebrated in East Pakistan as “Bangla Desh Resistance Day,” was generally peaceful, but unsuccessful attempts were made in Dacca to firebomb two offices occupied by US firms.

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Turkey: *The Long Road Back*

The threat of a military take-over hung heavily over Ankara for two critical weeks, but Turkey's constitutional system now appears to be gradually headed back toward normal. The basic terms of the military ultimatum have been met—Prime Minister Demirel has resigned and a non-partisan government, pledged to restore order and undertake a broad program of reforms, is about to be announced. Although Turkey's political life can never be quite the same as before this military "coup by communiqué," the new regime may, initially at least, be an improvement over its predecessor, which had been dogged by interminable delays, frustrations, and increasing terrorism.

During the two weeks since the military leaders forced Demirel to step down in favor of a nonpartisan coalition government, President Sunay has held meetings with the leaders of all political parties, including the Marxist-oriented Turkish Labor Party. On 19 March he requested



Premier-designate Erim

Nihat Erim, a well-known and respected political moderate, to head a new government. By training, experience, and temperament, he appears to be a reasonably good choice for the assignment. Like many Turks, however, Erim reportedly sees Turkey as being in need of another Ataturk or of a De Gaulle and believes that a clever and able politi-

cian might be able to play that role. As yet he has refrained from casting himself in the part.

Erim has received the necessary pledges of support from the major parties and has moved ahead with the formation of his government. Although it will consist mostly of political technicians from outside Parliament, it will also include several ministers from three of the four largest political parties. Some cabinet posts reportedly will soon be abolished and their functions absorbed by others. Three new ministries may eventually be created, including one for foreign trade. Although no top party leaders will be included in the cabinet, their continued support will be essential. The political situation will remain tense until the new government receives a vote of confidence, probably in about a week. The government's program must first be submitted to Parliament for debate. Meanwhile, the predominant Justice Party continues to press for national elections by October 1971.

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The purge of known and suspected plotters within the armed forces, including several general officers, has been accomplished with no serious disruption. Purges of lower echelons may continue in low key for some time as the military tries to weed out dissidents and to justify its intervention.

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Argentina: *Military Junta Assumes Power*

The commanders of the three armed services assumed power in Argentina on 23 March following President Levingston's abortive attempt to remove army commander General Alejandro Lanusse. The junta claims this represents no interruption of the Revolutionary Government installed by the military in 1966. Most Latin American governments accept this interpretation and see no problems involving recognition.

Levingston's power play came the evening of 22 March following a meeting in which he apparently was taken to task by Lanusse for the firing of the chief of the joint general staff, Air Force General Martinez. General Lanusse was briefly held under house arrest but was released when word began reaching Buenos Aires that troop commanders throughout the nation rejected the President's action. The commanders of the navy and air force expressed their support for Lanusse and even the general named to replace him rejected Levingston's authority. There was a brief show of force by the presidential guard, but Levingston soon recognized that his gamble had failed and he submitted his resignation.

The final rift between Levingston and Lanusse apparently was sparked by the Cordoba riots of the previous week for which Levingston sought to blame General Lanusse. The President's removal, however, was the culmination of a slow deterioration in his position brought on by popular unrest over economic problems and by the

President's increasing proclivity to act independently of the service commanders.

The junta of commanders-in-chief opted to take direct control of the government this time rather than name a figurehead president as they did nine months ago when they selected General Levingston to replace President Ongania. General Lanusse, the strong man of the junta, is known to favor an accelerated return to constitutional processes; moving the country toward elections undoubtedly will be one of the high priorities of the new government. This, of course, will be tempered by a desire to ensure that the Peronists cannot regain control of Argentina.

The junta will be faced with the same domestic problems that contributed to Levingston's downfall including growing inflation, rising unemployment, and continuing labor unrest. The junta has probably bought some time on the labor front with its removal of the wage ceiling imposed by Levingston, but the large wage increases the unions will now demand will complicate the over-all economic problems.

General Lanusse appears to have broad support within the armed forces at this time, but the military now will bear direct responsibility for governing and will view any failures as a blow at its institutional prestige. Thus, the junta is likely to experience considerable pressure from all sides and growing dissension within the armed forces in the weeks and months to come.

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SECRET**Bolivia: *The New Cabinet***

President Torres' long-expected cabinet reorganization has not produced a notable shift in the group's political orientation and is not likely to lead to a significant change in the government's avowedly revolutionary policies. None of the seven new ministers is a significant political personality. The appointments of a well-known Marxist and several leftists were balanced by the removal of several other leftists. The military representation was reduced from seven members to four. This move meets with the approval of the armed forces, which have been pressing for a reduction in the number of military officers in political positions.

The most significant omission is that of leading members of the moderate leftist Nationalist Revolutionary Movement (MNR), the country's largest political party. Their absence could indicate that Torres made a sincere but unsuccessful attempt to convince them of the benefits of co-government. It appears more likely, however, that Torres concluded that there were no significant political gains to be made by public cooperation with members of this broadly based but internally divided political force.

Ousted Minister of State Jose Ortiz Mercado had participated in several meetings with MNR leaders over their possible participation in the government. His removal from the cabinet indicates that these negotiations did not meet with Torres' approval. In his resignation statement, Ortiz said that the government requires the par-

ticipation of the most important political parties—a seeming reference to the MNR. If he chooses, Ortiz now is free to try to weld the divided MNR into a unified group that could attempt to seize power by force. The factions' history of internal disagreement, however, makes it unlikely that a successful coup could be mounted in the near future.

Torres has also announced plans to establish a Political Secretariat for Revolutionary Coordination. Although its role was not specified, the President said the new group would coordinate the country's revolutionary forces in support of the revolutionary process. Such a government-sponsored organization has been under discussion for several months. This new group is probably seen by Torres as a more pliable instrument than the labor/student dominated Popular Assembly, which was created by leftist groups in the aftermath of Torres' seizure of power in October and which has only recently received his grudging approval.

The probable infighting among leftist groups for domination of the new group may take some of the pressure off the government for the next few months. The formation of the new organization also will enable the government to select the political groups that are most amenable to government direction and to try to gain some measure of badly needed popular support. [REDACTED]

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Colombians Propose Hemispheric Arms Control Measure

Colombia has proposed that the Organization of American States (OAS) consider a study of "unnecessary and disproportionate" armaments in order to eliminate by common agreement superfluous military expenditures by member states. The suggestion avoids discussion of

disarmament, but envisions a progressive cutback in military spending. The Colombians are sounding out hemispheric opinion, and if they can obtain the necessary two-thirds support, they will enter the proposal on the OAS agenda at the opening General Assembly session on 14 April.

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The Colombians may be successful in bringing the question before the OAS, as most Latin American states are unlikely to take a strong stand against the principle of arms control. Costa Rica and Chile have already indicated their wholehearted support. Few, however, appear ready to move beyond general discussion and toward any concrete agreement. The area's long-standing territorial disputes and historical animosities, as well as its sensitivity to any proposal that might infringe on a country's "sovereign rights," are substantial impediments to any arms agreement.

There are already indications that the Venezuelans, who are engaged in a border dispute with Colombia, will view the proposal as a cynical

attempt by Bogota to freeze arms purchases. The Venezuelans believe that their neighbor, which recently signed a contract for Mirage aircraft, now has an edge, and they are therefore unlikely to support the measure. In indirect reply to the Colombian initiative Venezuelan President Caldera has reiterated the need to "renew armed forces equipment." In Central America, moreover, mutual suspicion still persists as a result of the 1967 Salvadoran-Honduran war, and both countries remain interested in acquiring further armaments. Also, the Guatemalan foreign minister, because of his government's intention to increase the country's arsenal, has indicated he is opposed to the Colombian plan, although he professes to support arms control in theory.

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Developments in Chile

Political Affairs

Attempts by Chile's political parties to strengthen their positions for the municipal elections on 4 April are beginning to affect the governing Popular Unity (UP) coalition in several potentially unsettling ways, but President Allende is not likely to be weakened by these developments.

The Christian Democratic Party (PDC) has belatedly challenged the Allende government in Congress and, the press, seizing on issues such as the involvement of administration officials in a shady copper sales maneuver on the world market. These actions indicate that the PDC leadership may have realized at last that its accommodating attitude has only helped to strengthen Allende and the UP's steady consolidation of power, and that by continuing to play the government's game the PDC could only damage its slim chances in the elections.

Strains are also showing within the UP itself. Radical Party (PR) leaders suspect that their weak

role in the coalition is threatened by hard-line Socialists (PS). For one thing, the latter are the source of charges that Mines Minister Cantuarias, a Radical, is involved in the copper scandal. All coalition candidates in the election must run on their own party tickets, and the PR is particularly eager to make a good showing. The Communist Party (PCCh), meanwhile, is determined to win the largest vote of any UP party, but is concerned that the PS might surpass it. PCCh leaders are irritated over the increasing and outspoken opposition to the government, and it plans to counter-attack with a series of demonstrations and other mass exhibitions of popular support for the administration.

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Economic Affairs

UP press announcements that major shareholders of two more banks have agreed to sell

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their shares to the government mean that eight private banks, including one of Chile's largest, will soon be under state control. Thirteen remain in private Chilean hands. Two textile mills have been expropriated and a third soon will be. The government claims that production has increased in the seized plants as well as in the nitrate, coal, and other expropriated industries; financial difficulties, however, persist in all of them.

Administration efforts to blame copper production shortfalls on US management have been rebutted by PDC members. One has cited steeply rising absenteeism and lack of discipline among

copper workers, a high turnover in supervisory personnel, and the use of informers, threats, and political pressures by UP labor leaders as the real causes. Increased sales of consumer goods in the first quarter of 1971 have not been reflected in industrial production, which has declined. On 20 March Allende probably reflected government concern when he announced that "committees for the defense of production" would be set up. Strikes by bus drivers and bakery workers in Santiago were settled quickly this week by the government, probably because both had immediate impact on the daily lives of most workers.

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