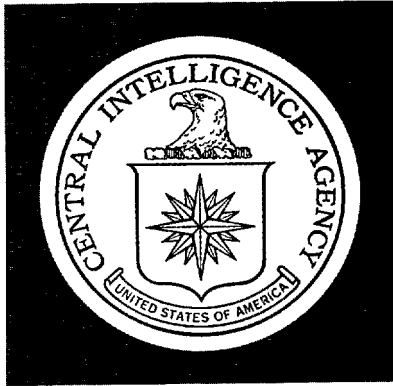


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[Vietnam: Captured documents [redacted] continue to reflect Communist efforts to expand their local guerrilla forces.

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Communist propaganda has for some months reflected renewed emphasis on the importance of guerrilla units and, at least in the delta and in the area around Saigon, the Viet Cong are actively engaged in serious recruiting efforts. One report from Sa Dec Province in the delta indicates that out of 200 recruits from this province in September, almost 80 percent were destined for guerrilla units. Other reports from the Saigon area indicate that new recruits are being rapidly trained. A directive from Subregion 1 and [redacted] from Subregion 3 discuss special training for "spearhead battalions" in preparation for possible attacks on the capital in early November.

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Additional reports of Communist-sponsored demonstrations in support of Hanoi in the next few weeks suggest that the highlight of the world-wide effort may come in Sweden in mid-December. An international conference to coordinate the future activities of all left-wing groups is scheduled for this time. The Liberation Front press representatives who just arrived in Stockholm are already working up steam for the conference and a TASS dispatch claims that the conference will be attended not only by Hanoi and the Liberation Front but by the representatives of the National Alliance as well. If the TASS report is true, this would be the international debut of the Alliance. [redacted]

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Czechoslovakia-USSR: Soviet Deputy Foreign Minister Kuznetsov remained in Prague when the delegation led by Kosygin returned to Moscow yesterday.

Kuznetsov, who had served as Moscow's special representative in Prague in September, will presumably monitor the next stage of Soviet-Czechoslovak relations. He can also be expected to continue his so far relatively unsuccessful efforts to rally pro-Soviet elements in the Czechoslovak Government and party. He may play a role in the negotiations on those aspects of the military agreement that are still unsettled.

So far there have been no reports of popular reaction to the agreement. Concern appears to be growing, however, within the Czechoslovak Communist Party and among the population that pro-Soviet conservatives are about to make a bid for power. Politika, a weekly journal of the party central committee, yesterday attacked "discredited or evidently incompetent" individuals who were attempting to rally around "some prewar party members whom we have always respected."

The article also calls for party unity and support for the Dubcek leadership. It says that Czechoslovakia has no option but to continue with Dubcek's policies, or to return to the Stalinist era "either overnight or gradually and unobtrusively."

Dubcek, meanwhile, kept out of the limelight during Kosygin's visit. He stayed in the background during the signing of the status-of-forces treaty on 16 October, and did not attend the ceremonial banquet which followed. He did not go to the airport either to greet or bid farewell to the Kosygin delegation.

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Communist China: The thorny problem of rebuilding the Communist Party has become the central issue in China.

On 15 October, Peking radio broadcast an editorial published in the theoretical journal Red Flag strongly stressing the importance of purging "disloyal" elements, bringing in new blood from among industrial workers, and reconstituting the party as a viable authority. The editorial is not, however, an adequate blueprint for action. This suggests that leaders are still far from solving underlying issues involved in putting the party together again. The editorial does not mark significant progress toward convening the long-postponed ninth party congress, which presumably will formally remove head of state Liu Shao-chi from his party and government posts.

The central problem is the question of personnel-- who is to be recruited into the party, which old members of the party are to be given key posts, and which old members are to be demoted or forced out of the party altogether. The Red Flag editorial states that members will not necessarily be chosen by election. Disputes over the criteria for selection of party members are probably acute, and seemingly contradictory statements on "party building" in the provincial press suggests that considerable political jockeying is under way.

There is no sign that the party apparatus is fully functional in any province. Many provincial revolutionary committees, the bodies set up to replace the old party and government machinery at this level, are composed of individuals who were in sharp opposition earlier in the Cultural Revolution. These men are unquestionably still struggling for dominance. Until the central leadership is able to end political infighting, progress toward rebuilding the party will be slow.

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Indonesia: Singapore's execution of two Indonesian marines convicted of a terrorist act in 1965 has generated a dangerous atmosphere in Djakarta.

Indonesian leaders are incensed at Singapore's peremptory rejection of appeals by President Suharto and Foreign Minister Malik for a stay in the execution. This incident will provide leftist and pro-Sukarno forces with an emotional issue and embarrass the Suharto government at a time when it is purging Sukarnoists in the marine corps and navy.

Indonesian police and army personnel, ostensibly guarding the Singaporean Embassy, made no attempt to prevent the attack yesterday by several hundred militant students on the embassy. Tension is high and the well-publicized "heroes' funeral" for the executed marines scheduled for today may spark another emotional demonstration possibly including reprisals against the Chinese community.

Foreign Minister Malik publicly expressed deep concern about Singapore's action but indicated a desire to maintain good relations. Another Indonesian official, however, privately expressed the view that the government probably will undertake economic sanctions and other forms of "nonviolent retaliation" against Singapore.

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UK: A threatened strike in the engineering industry could seriously endanger the government's program for ameliorating Britain's international payments problems.

The strike called for 21 October could involve as many as three million workers and would affect precisely those industries--automobiles, machine tools, aircraft--that have accounted for the post-devaluation improvement in the level of exports. Besides the immediate loss of exports--estimated at more than \$50 million a week--British industry would be hard put to meet delivery dates, a shortcoming that has long hurt its competitive position.

The unions are seeking wage increases well above the Wilson administration's guidelines. The government faces a dilemma in negotiations, which are already under way. It cannot afford to set a precedent by allowing an excessive increase nor can it permit more than a short strike.

The strong division that exists among the 30 unions involved could avert a shutdown or limit the duration of a strike. At least three of the larger unions involved have already decided not to participate as a result of votes by their membership. The leader of the largest union, a militant leftist and the principal advocate of a strike, has said that there will be a "fight to the finish." He is backed by a majority of only one, however, in his union's 61-man national committee. [REDACTED]

[REDACTED]

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Peru: The pro-Soviet Communists have decided to support the Velasco government.

Communist leaders apparently believe that President Velasco will pursue policies that will result in the elimination of all US aid, thus making it necessary for Peru to move closer to the Communist nations. [redacted] the party fears that criticism of the government would result in a countercoup by more conservative military officers, led by the current prime minister and the minister of agriculture.

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There are reports of increasing dissatisfaction among senior army officers with the manner in which President Velasco is conducting the affairs of state. The principal complaint is that Velasco is acting on the recommendations of a group of radical-nationalist colonels rather than seeking the advice of his cabinet. Most senior officers disagree with the President on tactics rather than policy, however. They agree, for instance, that the nationalization of the International Petroleum Company's holdings was correct, but contend that it could have been accomplished without jeopardizing relations with the US.

[redacted]

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Jamaica: The most serious rioting in more than a year broke out in Kingston on 16 October.

The trouble began with a peaceful student protest against a ban on the re-entry of a leftist Guyanese lecturer employed at the Jamaica branch of the University of the West Indies. Discontented residents of Kingston's black slums, along with non-student toughs, took advantage of the confusion to engage in violence and looting. According to press reports, police killed three rioters and used tear gas to disperse the students. The government has alerted the Jamaica Defense Force and called up the reserves. The rioting appeared spontaneous and there were no indications of foreign influence.

The disturbances occurred against a background of increasing public dissatisfaction over rising living costs, ineffective handling of labor disputes, and disruption of essential public services. The opposition has stepped up its criticism of Prime Minister Shearer and recently called for nonviolent efforts to force him to call an early election. If the students continue to protest, they may find substantial public support for their cause. [REDACTED]

[REDACTED]

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West Berlin: The decision of the Berlin branch of the rightist National Democratic Party to dissolve itself relieves the Western Allies for the time being of the need to decide whether to meet Mayor Schuetz' request for a ban on the branch. Schuetz acted in part out of concern that such a group with a "neo-Nazi" taint would give the Communists further pretext to harass the city. The dissolution may, however, be less than complete. The small Berlin faction reportedly has had serious differences with the national party leadership and may wish to start a wholly new organization. [REDACTED]

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Argentina: The air force is negotiating with Britain for the purchase of three Canberra bombers. An air force exercise in August showed that obsolescence was seriously jeopardizing Argentine air capabilities. The Canberra purchase, like the one being negotiated in France for Mirage supersonic tactical jets, is part of the two-year-old policy of all the Argentine services to obtain replacements in Europe for worn out equipment. [REDACTED]

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