

DIRECTORATE OF
INTELLIGENCE

Central Intelligence Bulletin

Secret

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1 November 1968

STATE review(s) completed.

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Approved For Release 2003/04/24 : CIA-RDP79T00975A012400110001-1

Approved For Release 2003/04/24 : CIA-RDP79T00975A012400110001-1

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No. 0302/68
1 November 1968

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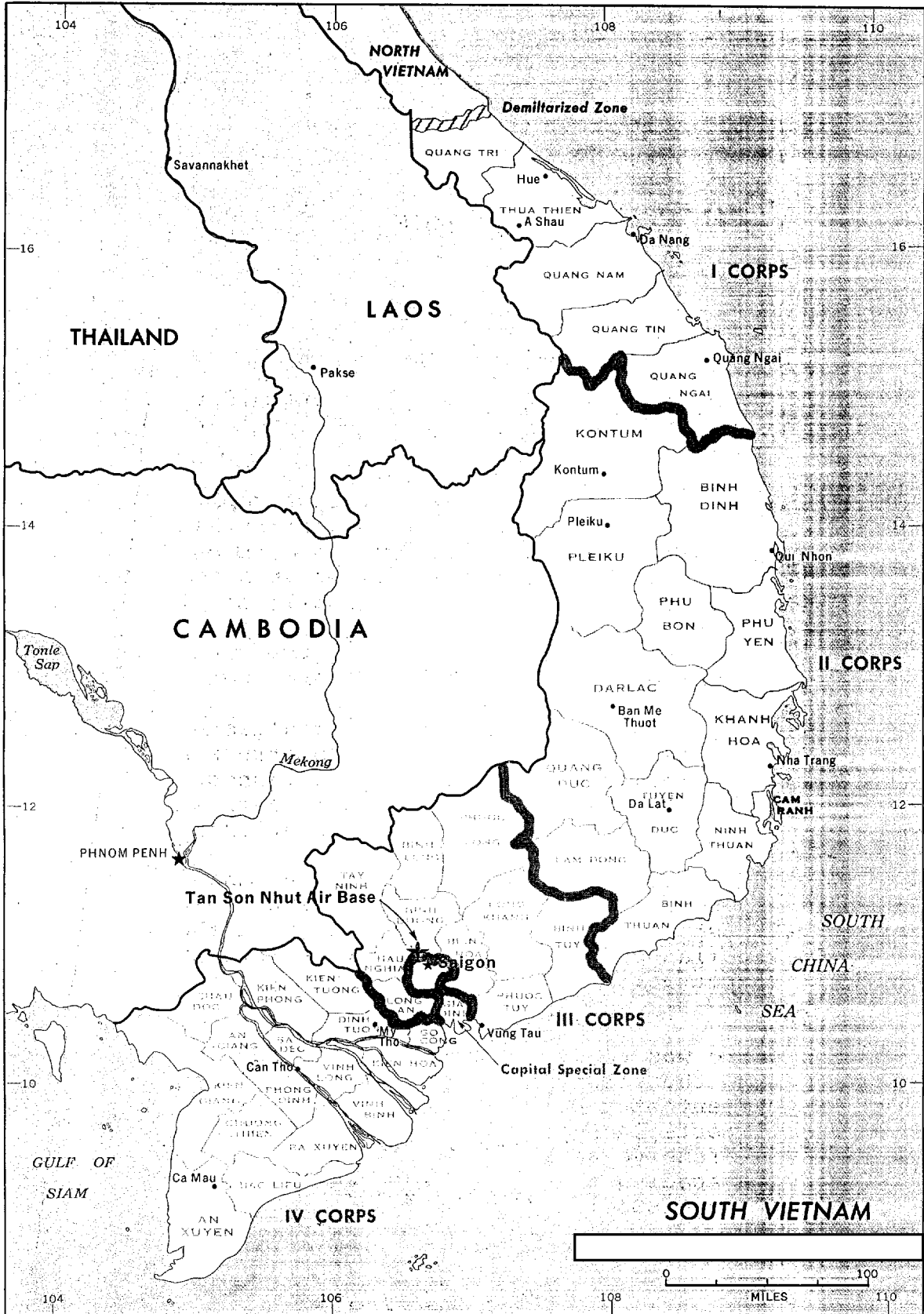
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[South Vietnam: Enemy gunners stepped up harassment of urban areas on the eve of Saigon's national day.

Some twenty rocket rounds hit the capital area in three separate attacks which began on the evening of 31 October and continued into the morning hours of 1 November. The rockets impacted in several areas around and near the downtown area, killing at least 20 civilians and wounding nearly 40. The bulk of the casualties occurred when one of the rounds hit a church while religious services were under way.

Ton Son Nhut airbase, the major allied air facility in the capital area, was also struck by at least four rockets. Some damage was caused to air control facilities at the field, but there were no casualties and the base remained operational.

Enemy rocket attacks were also launched during the same period against Hue in northern South Vietnam and against My Tho, a key urban center in the Delta. Some civilian and military casualties were sustained in these attacks, but physical damage was relatively light.

There was no major enemy military action reported in the first hours following the President's announcement of a halt in the bombing of North Vietnam. Reports indicated, however, that planning for future offensive action was continuing during the period preceding the President's statement.



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USSR: The Soviet central committee, meeting for the first time since the invasion of Czechoslovakia, has given its formal approval to the leadership's handling of Soviet foreign policy.

No details of Brezhnev's report on foreign policy yesterday have been made public and if precedent holds they probably will not be. The inclusion on the list of speakers of Deputy Foreign Minister Kuznetsov, the Soviet government's special emissary in Prague, indicates however, that the central committee was treated to a first-hand briefing on the situation in Czechoslovakia. Only five other officials spoke on Brezhnev's foreign policy report and discussion of the sensitive Czechoslovak issue was apparently kept to a minimum.

Most of the two-day meeting was devoted to a report by Brezhnev on the situation in Soviet agriculture. In his speech, Brezhnev indicated that the state had purchased the second largest amount of grain in history this year, and that the total grain crop was expected to be close to the record harvest of 1966. He was strongly critical, however, of all ministries related to agriculture, claiming that greater efforts were needed to increase the use of chemical fertilizers and agricultural machinery and to implement the land reclamation program. He complained that investment funds earmarked for agriculture had been diverted to other sectors.

Brezhnev clearly dominated the plenum proceedings, giving the report on both subjects on the agenda. His numerous complaints concerning shortcomings in agriculture, however, suggest that the regime's policy in this sphere, with which he is personally identified, is not getting full and ready implementation and that he may be encountering resistance among other Politburo members on this score.

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East Germany - West Berlin: The East German Government has implicitly threatened to harass West Berlin, possibly by interfering with access to the city, when the West German Christian Democratic Party (CDU) holds its convention there next week.

In an official statement issued yesterday, Pankow emphatically demanded that the convention not take place and that "no attempt be made to misuse East German access routes to and from West Berlin." Both the East Germans and the Soviets earlier had hinted on several occasions that some harassment of West Berlin would occur during the convention week. Yesterday's carefully hedged statement, however, is the first official indication of Pankow's intentions. Presumably, any measures will be undertaken only by the East Germans and will not directly effect the three Western allies.

Despite protests against the meetings of West German Bundestag committees in West Berlin this week, the East Germans have not engaged in any serious harassment. Pankow clearly wishes, however, to portray the CDU convention as much more provocative, presumably because the committee sessions are held on a regular basis in the city but no West German party has held a national convention there since 1952. The major purpose of any East German action will be intended to strengthen Pankow's contention that, as a "sovereign state," it can control transit across its territory.

The Soviets have also criticized the CDU convention. In recent diplomatic and working-level contacts with the Western allies, however, they have seemed to be trying to give assurances that Moscow is aware of allied interests and is carefully controlling the situation.

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The West Germans have long been aware of the possibility of Communist harassment, but have given no indication they will cancel the CDU convention. In any event, cancellation of the convention at this late date in response to the East German protest would entail an unacceptable loss of prestige. [REDACTED]

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Hungary: Party chief Kadar has made a number of public appearances in the past few days, evidently intending to squelch rumors about his political or physical health.

Kadar was out of sight from just after the invasion of Czechoslovakia until 16 October, when he posed for pictures during the opening session of the National Assembly and jocularly suggested that the caption read, "Kadar is resurrected." The US Embassy in Budapest believes there is considerable evidence that Kadar was under heavy strain and had been under the care of physicians. The party boss' unsuccessful efforts to mediate between Prague and Moscow and the collapse of his last-minute attempts to avert military intervention--in which his forces had to participate--seem to have led to his seclusion.

Even before the invasion, attacks from the USSR and Eastern Europe on the Czechoslovak reforms concerned Kadar, because Hungary has this year begun a far-reaching economic and political reform. He feared that such criticism could have an adverse impact because it would aid conservative elements in the Hungarian party who are opposed to reform.

Kadar allowed others in the leadership to explain Hungary's involvement in the intervention. This led to so much speculation about the country's future, however, that Kadar apparently thought the time had come to reassure the public that events in Czechoslovakia would not result in any turning back of the clock in Hungary. There are reports that Kadar has been in Moscow to clear this position.

There still may be some repercussions from the invasion, however. Top leaders, including the defense and foreign ministers, may have to pay for their alleged opposition to Hungary's participation in the invasion. There may already have been some shifts, as yet unannounced, in the party's top levels.

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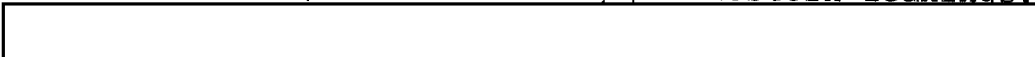
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Yugoslavia: Foreign Minister Nikezic will take over as head of the Serbian Party in an effort to correct the disarray in the Serbian party organization.

In a conversation with the US ambassador, Nikezic confirmed that he will replace Peter Stambolic, who was appointed Serbian Party leader last January. The shift presumably will take place before or during the Serbian Party Congress scheduled to convene on 21 November. Nikezic said that the Yugoslav hierarchy has not been satisfied with Stambolic's performance.

Tito hopes that Nikezic, who is known to be modern and pragmatic, will be more successful than his predecessor in promoting Yugoslavia's liberal reform movement. The Serbs have been disgruntled since the dismissal of Tito's heir-apparent, Rankovic, in 1966. The traditionally conservative Serbs are also vexed by the progressive loss of influence in Yugoslav affairs to Croatia and Slovenia at Serbia's expense. In addition, the Serbians stand to lose if, as seems likely, the Albanian and Hungarian minorities are granted more autonomy in Serbia.

Nikezic's replacement as foreign minister reportedly will be Veljko Micunovic, a former ambassador to the US, who has strong pro-Western leanings.



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Jordan-Israel: The 51st anniversary of the Balfour Declaration on 2 November may provide the occasion for further disorders in Israeli-occupied Jordan.

The Balfour Declaration, issued in November 1917, granted official British recognition of Zionist aspirations for a Jewish homeland in Palestine. Given the existing tensions on the West Bank and mounting opposition among the area's Arab citizenry to Israeli rule, the situation is ripe for some major disturbance on the anniversary.

The West Bank Arabs are rapidly becoming convinced that Israel has no intention of withdrawing. Sentiment for terrorist activity is increasing and anti-Israeli demonstrations have become a common occurrence. School strikes and other demonstrations during October have provoked the Israeli authorities to fire over the heads of demonstrators, to order curfews in key West Bank towns, and to expel a number of West Bank Arab leaders. A general strike is planned for 2 November.

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Nepal: King Mahendra has taken significant steps toward a reconciliation with his non-Communist political opponents.

B.P. Koirala, prime minister in 1960 when Mahendra ousted Nepal's first elected parliamentary government and assumed personal control of the government, has been released after eight years in prison. Koirala is the former leader of the officially proscribed Nepali Congress Party (NCP) and the only popular figure capable of rallying the badly disorganized NCP elements in Nepal. His poor health and the unknown conditions attached to his release, however, may curtail his future involvement in Nepalese politics.

The King's concurrent release of the only other imprisoned top NCP leader and a grant of amnesty to 22 NCP members exiled in India are additional evidence of Mahendra's cautious movement throughout the year toward some liberalization of Nepal's political climate. Included among the pardoned exiles is Subarna Shumshere, NCP acting president, who last May publicly pledged the party's loyalty to the King and sought permission for the exiles to return to Nepal to participate in the kingdom's partyless political system.

These moves, taken only two days before the King's departure for a month abroad, signify Mahendra's great personal confidence in his political position and in the stability of his government. Mahendra appears to be progressing satisfactorily from the heart attack he suffered last March; he will undergo a medical check-up in London this month.

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Ecuador: Student and labor problems encouraged by his enemies are already causing difficulties for President Velasco.

Guayaquil students have staged well-organized disturbances designed to provoke the ouster of Mayor Assad Bucaram, currently a political ally of Velasco. Their clashes with the police have already forced military intervention, and Bucaram expects them to continue and even to get worse.

Meanwhile, cabinet officers are seriously concerned over the large number of strikes and illegal land takeovers that have taken place over recent months.

Several of Velasco's opponents are reportedly inciting unrest. Carlos Julio Arosemena appears to be deeply involved, at least in the labor unrest.

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NOTES

USSR: Ships carrying the main force of the fourteenth annual Soviet Antarctic expedition left Leningrad last month. The expedition has 300 members, 100 more than last year. The Soviets, in addition to conducting their usual research activities, plan to build a powerful radio communications center at their main base and to finish a complex there for launching small meteorological sounding rockets. They also will enlarge their fifth and newest station, Bellingshausen, which opened last year. This is the first Soviet station in the western part of the continent. [redacted]

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Jamaica: Prime Minister Shearer is attempting to curb public criticism of his government by admonishing the clergy to refrain from focusing on current political and socioeconomic problems. On 28 October, Shearer met with religious leaders and urged them to exercise greater control over their preachers. He also implied that work permits of foreign clerics would be cancelled if they did not restrain their criticisms. Shearer took a similar tack during the rioting on 16 October by blaming non-Jamaican West Indians at the Jamaica branch of the University of the West Indies for much of the trouble. [redacted]

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[Israel-Egypt: Israeli airborne commandos struck two Nile bridges and a power station just north of Aswan early this morning. The Israelis stated that this was in retaliation for Egyptian artillery attacks across the Suez Canal last Saturday. No Israeli casualties were incurred in the strike 125 miles into Egyptian territory, according to the Israelis. [redacted]

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