

DIRECTORATE OF INTELLIGENCE

Central Intelligence Bulletin

Secret

50 22 September 1970

OGA and DOS review(s) completed.

No. 0227/70 22 September 1970

Central Intelligence Bulletin

CONTENTS

JORDAN: The situation in the north continues to deteriorate. (Page 1)

YUGOSLAVIA: Tito has proposed a collective leadership for the government. (Page 5)

CAMBODIA: The government is trying to outflank enemy forces blocking the road at Tang Kouk. (Page 7)

LAOS: Government forces have recently mounted a series of guerrilla attacks. (Page 9)

AUSTRALIA: The government plans to limit foreign investment in new uranium discoveries. (Page 10)

CHILE: Allende's supporters are moving quickly to ensure sympathetic news coverage. (Page 11)

BOLIVIA: Student violence continued in La Paz yesterday. (Page 12)

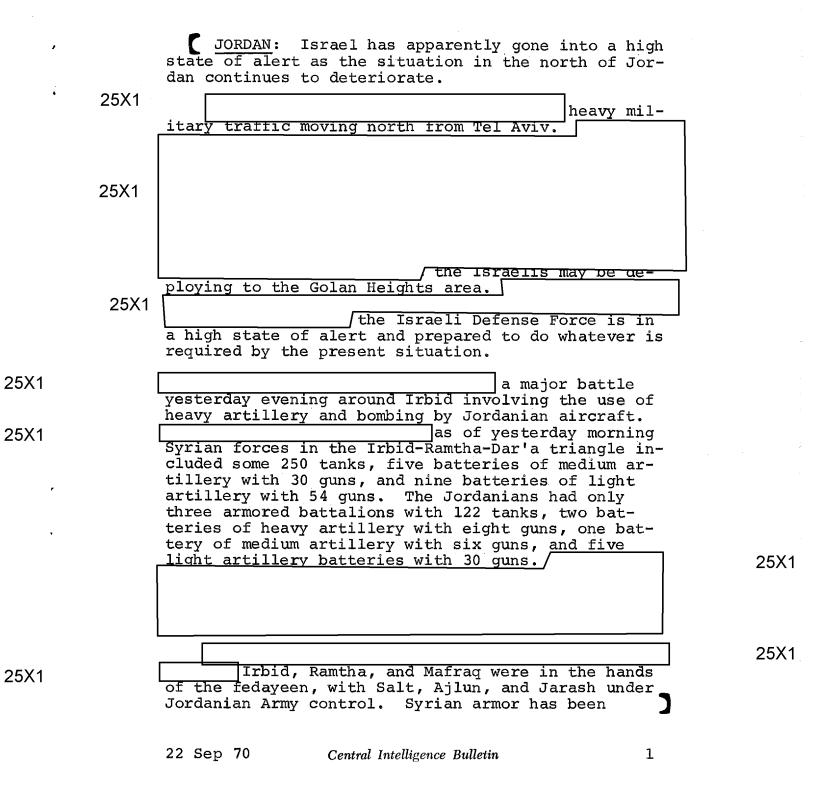
<u>UN:</u> Guidelines for the development program are not set. (Page 13)

TRADE TALKS: West German initiative (Page 15)

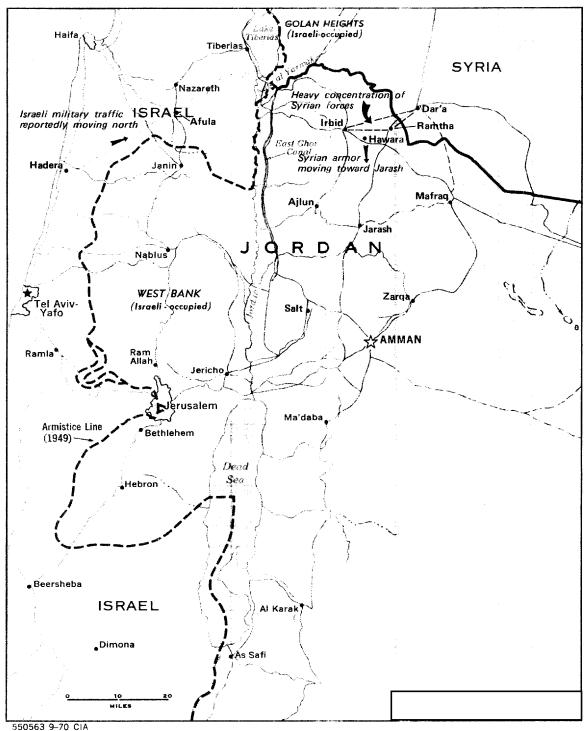
JAPAN-THAILAND: Oil pipeline (Page 17)

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JORDAN: Current Situation



spotted moving south of Hawara toward Jarash, how-ever.

Iraqi Involvement

that the Iraqis had captured a Jordanian radar station does not appear to be true; the Iraqis apparently merely overran the area in which it is located.

Situation in Amman

In Amman, meanwhile, King Husayn ordered the army to cease firing against the fedayeen shortly before noon EDT. Sporadic fighting continued, however; moderate small-arms and machine gun fire could still be heard, and fighting was in progress on Jabal Ashrifiyyah and Jabal Amman. Radio Amman has announced that the curfew will be lifted throughout the city from 0600 to 1800 Amman time (2400 to 1200 EDT). earlier yesterday the Jordanian Army made a big effort to clear the remaining fedayeen strongholds, apparently with suc-Zaid Rifai, the King's confidant, has told an embassy officer that the Jordanian Army has caught four or five top Fatah leaders and obliterated over 200 fedayeen bases in Amman. As of yesterday afternoon, all US mission personnel were safe; there has been no word on the hostages.

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22 Sep 70

Central Intelligence Bulletin

3

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Approved For Release 2004/03/17 : CIA-RDP79T00975A017200020001-8

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Arab Summit Conference

22 Sep 70

An emergency Arab summit conference was scheduled to begin in Cairo today, although it was not entirely clear who was to attend. A Jordanian request for a postponement was rejected. They apparently intended to send only their ambassador in Cairo, but later press announcements indicated that Prime Minister Daud was to attend. Jordan intends to insist that the sole topic of discussion be Syria's invasion of Jordan, but even with the presence of friendly Arab states such as Morocco and Saudi Arabia and the absence of Algeria, it will be difficult to hold to this line, particularly given the likelihood of Yasir Arafat's presence. Nasir and Arafat presumably hope to arrange an early compromise solution that will relieve Nasir of pressure from radical quarters to intervene, and give Arafat a political victory over King Husayn. Syria might also prefer a negotiated settlement.

King Husayn, however, has so far shown no willingness to accept half-way measures; yesterday, in
his first public address since the beginning of the
crisis, he was brief and uncompromising, calling
upon the army to rally against Syrian invasion.
While the Jordanians might be prepared to accept a
mediated solution that accorded with their national
interests, it seems unlikely that today's meeting
will come up with this type of proposal.

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Central Intelligence Bulletin

SECRET

4

10

YUGOSLAVIA: President Tito has proposed a government reorganization which would substitute a collective leadership for the present one-man presidency.

Tito, speaking in Zagreb yesterday, did not say when or how the move would be implemented, other than to remark that the collective body would comprise people with the greatest "respect" for the Yugoslav system. The proposal is clearly on Tito's own initiative, a fact which he underscored in his statement. It is the latest in a series of moves on the governmental level which Tito set in motion earlier this year in an effort to come to grips with the problem of succession. This problem is of major concern to Tito, who, at 78, is well aware of the present inadequate constitutional provisions for presidential succession.

At the party congress last year, Tito set a precedent for collective leadership by setting up a party executive bureau of 15 leading officials including himself. This body, dominated by Tito, provides the nucleus of party authority. The current proposed constitutional change in the structure of the state's top executive echelon is likewise unlikely to diminish the pre-eminence within the Yugoslav Government which flows to Tito from his stature and prestige within the party.

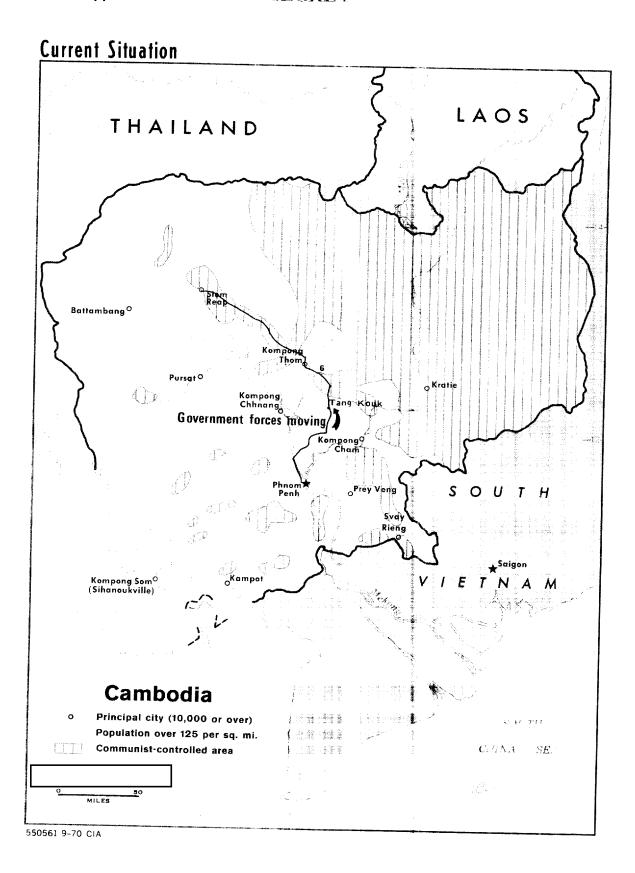
In recent months Tito has made a conscientious effort to delegate some of his authority to trusted associates. There is no evidence that either advancing age or ill health was a major motive for these actions. His latest proposal comes at a time when Yugoslavia is drawing closer to the West and it may well be designed to give the government apparatus a more democratic appearance. It will also provide Tito with a hand-picked group of associates to whom he can further entrust some state functions.

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22 Sep 70

Central Intelligence Bulletin

5



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CAMBODIA: Three government paratroop battalions thrust northeast from Route 6 yesterday in an apparent effort to outflank enemy forces blocking the road at Tang Kouk village.

The operation was launched during a visit by Prime Minister Lon Nol to the column, only his second to a battlefield area. The visit coincided with an announcement that the government had replaced the task force commander, another indication of the importance Lon Nol attaches to the operation and of his impatience with its failure to move ahead.

two battalion-sized Communist units have crossed the Mekong, north and south of the column, and apparently are moving westward toward Route 6.

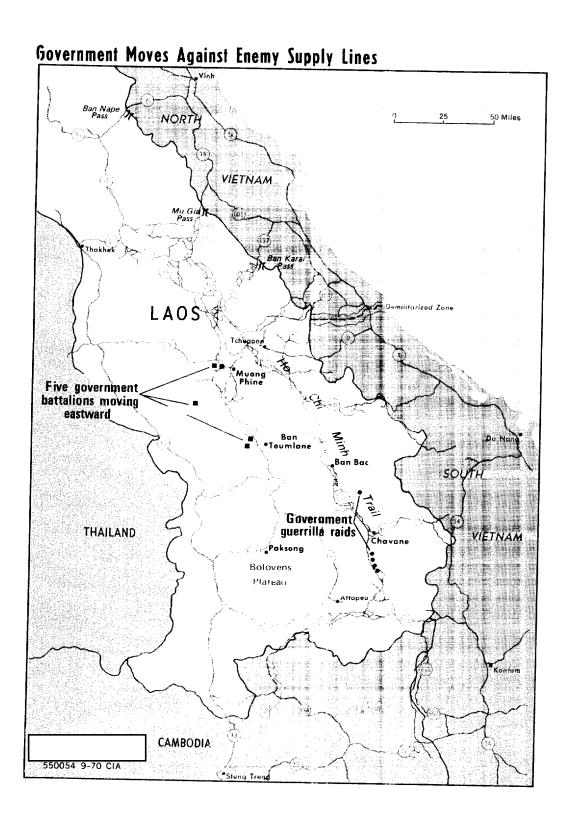
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22 Sep 70

Central Intelligence Bulletin

7



LAOS: Government forces have recently mounted a series of guerrilla attacks against the Ho Chi Minh trail and other enemy-controlled routes in the panhandle.

Small teams of Laotian irregulars have been operating south of Chavane along Route 96 during the past week, mining the road and ambushing North Vietnamese patrols. Farther north along the same route, government forces have become engaged in at least one firefight about 18 miles southeast of Ban Bac. So far the teams involved in these raids have reported only limited opposition.

To the west, at least five battalions of irregulars are moving toward Route 23 in an attempt to deny the use of the road to the enemy. Two battalions, totaling about 600 men, are now within ten miles of Ban Toumlane; since 12 September they have clashed on several occasions with small Pathet Lao and North Vietnamese units. A third battalion is reported to be moving east along the south bank of the Se Bang Hieng River, where the Communists have recently established a logistic control unit. To the north, two additional battalions have been working their way eastward along Route 9 since early this month and are now reported to be within ten miles of Muong Phine.

It seems unlikely that the Communists will permit these incursions to continue much longer without strong opposition. The North Vietnamese have brought significant numbers of new troops into the panhandle from North and South Vietnam this summer, presumably to guard against operations of this sort. In addition to striking back against the government guerrillas, the Communists may also launch some major attacks of their own in the western panhandle-Paksong appears to be a prime candidate-in order to force the Laotian military back on the defensive.

22 Sep **7**0

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Central Intelligence Bulletin

9

AUSTRALIA: The government plans to introduce legislation to head off foreign control of new uranium discoveries.

Prime Minister Gorton announced in Parliament on 17 September that a proposed bill to protect the "national interest" stemmed from the advice of one of the Australian companies involved. The discovery was so rich, the company said, that it could supply free world uranium requirements at a price considerably lower than that now in effect.

An official of the Australian Atomic Energy Commission has told the US Embassy that he doubts the claims as to the extent of the discoveries. It does, in fact, appear that insufficient exploratory work has been done to provide the basis for a reliable estimate.

According to Gorton, the legislation would limit to 15 percent the shares issued to foreign companies or foreign nationals and would limit to five percent the shares issued to a single foreign company or individual. The prime minister's announcement was applauded and supported by both the parliamentary opposition and by the press.

The proposed legislation reflects increasing Australian concern over foreign influence in the economy. Much of the capital that finances Australia's burgeoning economy is foreign, and Australians are increasingly concerned over outside control of their business and resources. Gorton, in particular, has repeatedly stated his conviction that selective controls should be applied. Whatever the actual extent of recent uranium finds, both the government and the opposition feel strongly the urgency of keeping control of them. The proposed legislation would seem to face no significant obstruction.

25X1

22 Sep 70

Central Intelligence Bulletin

10

CHILE: Allende's supporters are moving quickly to ensure sympathetic news coverage of their candidate.

Using intimidation, argument, and manipulation of well-placed leftist newsmen, representatives of Allende are methodically ensuring that news presentation on television, radio, and in the newspapers is based on the premise that Allende will become president on 4 November. Their campaign has met little resistance, and Allende receives favorable treatment in most media. The owner of one of the few independent newspapers is rumored to have agreed to sell out in order to salvage something.

Most of the media have already capitulated to a combination of threats and arguments, and special attention is now being given to El Mercurio, the most influential and widely read daily newspaper. A blunt-spoken emissary from Allende alternately threatened and cajoled an executive of the independent daily last week in an effort to stop the paper's campaign against the Communist-dominated Popular Unity coalition and its candidate. The paper's defiance was adopted in the face of an almost certain take-over by its employee unions.

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22 Sep 70

Central Intelligence Bulletin

11

BOLIVIA: Student violence continued in La Paz yesterday.

Clashes between police and students broke out following the funeral of a student killed in demonstrations last week. One target was the US Embassy, which was attacked by several hundred students. In anticipation of trouble, only a skeleton force was on duty; marine guards had to use tear gas to keep the students from entering. Police, armed with automatic weapons, were sent to protect the embassy from further attacks.

The armed forces have wanted an excuse to intervene in the main university in La Paz, which they believe is a center for subversive activity in the area. The students seized two police detectives on Saturday and are holding them hostage. The government may consider this sufficient provocation to ignore the traditional university autonomy. A raid on the university by security forces could result in intensive fighting, as the students are believed to have been stockpiling weapons and ammunition.

25X1

Central Intelligence Bulletin

12

22 Sep 70

UN: The membership remains deadlocked over the drafting of guidelines for the Second UN Development Decade (DD-II), the 1970s.

The less developed countries have been pushing the DD-II concept for several years and hope to secure adoption of specific guidelines during next month's special session of the General Assembly commemorating the UN's 25th anniversary. They inserted in the tentative draft written by the DD-II preparatory committee a provision that the major powers accept a figure of one percent of their gross national product for official and private capital transfers to the less developed countries. They are also seeking target dates for such a commitment, as well as for others designed to ease the terms of assistance and expand the trade of the less developed countries.

The developed countries are balking at the adoption of specific guidelines for DD-II. They have stated that any Assembly resolution would be recommendatory only, and therefore the setting of precise goals and target dates would be unrealistic. The US will not endorse the one percent capital transfer concept, but will announce soon its intention to increase assistance through multilateral channels.

The Soviets, who boycotted the DD-II preparatory committee meetings over the issue of West German participation, are firmly opposed to the language being pushed by the less developed countries. The Soviet delegate has told the US that Moscow wants the tentative draft scrapped in favor of a shorter, more general text that eliminates specific goals. The USSR also favors insertion of references to the disarmament and decolonization problems that are certain to be opposed by a number of countries. If a compromise is not reached soon, the Soviets and their allies will not associate with any statement of DD-II.

25X1

22 Sep 70

Central Intelligence Bulletin

13

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TRADE TALKS: A West German effort to commit the European Communities to trade liberalization measures in order to counter "US protectionism" has resulted in a request to the EC Commission to draw up concrete proposals in consultation with US, UK, and Japanese representatives in Brussels. The proposals are to include issues of interest to the US such as agriculture, textiles, and nontariff barriers to trade. The German initiative at first met with caution and skepticism on the part of Bonn's EC partners, especially France, and a German official warns that the Commission may still need prodding to sustain the forward momentum.

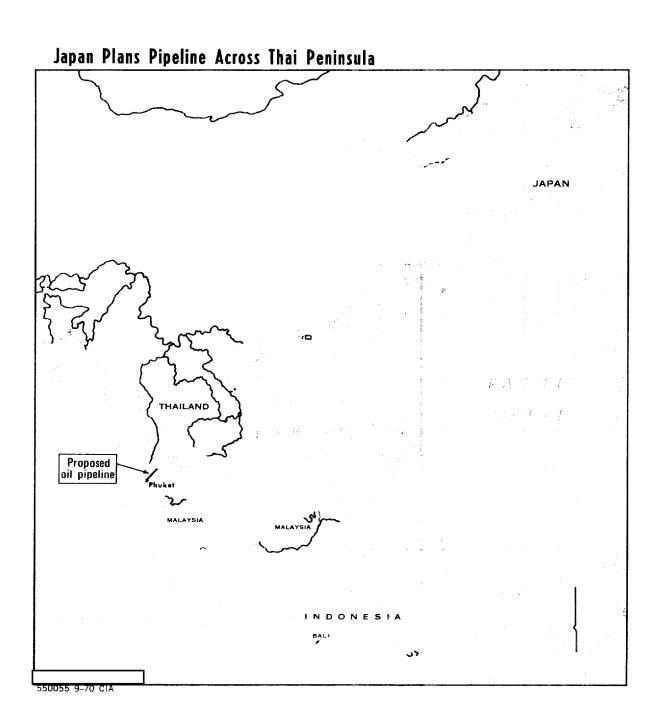
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22 Sep 70

Central Intelligence Bulletin

15



JAPAN-THAILAND: A Japanese firm has disclosed plans to build a 95-mile pipeline across Thailand's narrow peninsula to ship petroleum coming from the Middle East to Japan. The pipeline, to cost about \$150 million, would extend from the port at Phuket on Thailand's west coast to the Gulf of Thailand and would cut down travel time between the Persian Gulf and Japan for the planned mammoth oil tankers of over 500,000 tons. These tankers cannot transit the shallow Malacca Strait through which tanker traffic has moved up till now, but would have to go through the straits off Bali, adding three to four days to shipping time. The feasibility of the pipeline, however, will be determined only after engineering and cost studies have been made.

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22 Sep 70

Central Intelligence Bulletin

17

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