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Top Secret

293

Approved For Release 2003/08/20: CIA-RDP79T00975A023900090002-6 25X1 25X1 25X1 March 1973 Central Intelligence Bulletin CONTENTS 25X1 SOUTH VIETNAM: Military activity increased somewhat over the weekend. (Page 3) 25X1 INTERNATIONAL MONETARY DEVELOPMENTS: The EC finance ministers have put off any decisions on the monetary issue until next weekend. (Page 8) 25X1

CHILE:

(Page 10)

Allende claims victory

Next 1 Page(s) In Document Exempt

SOUTH VIETNAM NORTH VIETNAM DEMILITARIZED ZONE NG TRI Quang Tri Tchepone THUA FSB Veghel THIEN QUANG Que Son Valley FSB West MR 1 LAOS •Tra Bong QUANG Quang Ngai Kontum BINH De Gi Pielku Qui Nhon PLEIKU EBON MR 2 CAMBODIA DARLAC HOA

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SOUTH VIETNAM: Military action picked up somewhat late on the weekend amid further indications that the Communists are continuing to strengthen some of their military units.

Fairly heavy artillery fire was exchanged between North and South Vietnamese units in northern Quang Tri Province. Minor skirmishes continued west of Hue near Fire Support Bases (FSB) Lyon and Veghel, probably reflecting Communist efforts to screen the movement of some of their units toward

screen the movement of some of their units toward the coastal lowlands.

Farther south in Military Region (MR) 1, the Communists are maintaining pressure around FSB West in the Que Son Valley of Quang Nam Province and have resumed harassing attacks along Route 1 in southern Quang Ngai.

the Communists are steadily improving their logistic routes into southern MR-1, and that they have detected large numbers of construction workers and vehicles in western portions of Quang Tin and Quang Ngai provinces. Increased Communist road harassment was reported in scattered provinces of MR-2, and sharp fighting continued near the coastal government radar facility at De Gi in Binh Dinh Province.

Only small-scale actions occurred over the weekend in the southern half of the country, but there are indications that the Communists have strengthened their artillery units north of Saigon. South Vietnam's National Police report that three Communist ralliers claimed on 27 February that they recently saw twelve 130-mm. field guns being towed from Snuol, Cambodia to Loc Ninh District in north-western Binh Long Province. This is the first

5 Mar 73

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Central Intelligence Bulletin

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Approved For Release 2003/08/20 : CIA-RDP79T00975A023900090002-6

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ern half of the country,

The presence of the new

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field guns in this area, if confirmed, would add significantly to the Communists' ability to conduct long-range artillery attacks against several government positions in provinces north of Saigon.

reported sighting of 130-mm. artillery in the south-

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5 Mar 73

Central Intelligence Bulletin

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INTERNATIONAL MONETARY DEVELOPMENTS: The EC finance ministers have put off any decision on the monetary crisis until next weekend.

The EC plans to invite the US and Japan to a Friday conference in Paris, which amounts to a tacit admission that the Europeans continue to experience problems in achieving their own answer to the crisis. Although the finance ministers have agreed that proposals for a joint float, pooling of reserves, and EC-wide capital controls form "an adequate basis for defining a common position," there clearly are still wide differences of opinion among the major capitals. British Chancellor of the Exchequer Barber, for example, demanded stringent preconditions before taking part in a joint float, i.e., before repegging sterling. The preconditions include permission for London to readjust its exchange rate if the first repegging proves unrealistic.

Paris fears a loss of its trade competitiveness if a joint float portends, as seems likely, a revaluation of its franc. In any event, postponement of the problem gives Paris and London time to deal with domestic elections and budget problems, respectively. Bonn remains the chief proponent of the joint float. Meanwhile, major foreign exchange markets will remain closed, and European leaders will have an opportunity to see how free market forces operate on exchange rates in interbank trading.

CHILE: Although they won a majority of the votes, President Allende's opponents will have trouble refuting his claim of victory in yesterday's congressional elections. Final results are not confirmed, but candidates of Allende's Popular Unity coalition apparently won over the 40 percent that he had set as "absolute victory." Allende said last night that the vote signified growing public approval of his socialization program since he was elected in 1970 by only 36.3 percent. Opposition parties combined against the administration retained a majority in both congressional houses, but the decrease in their margin over Popular Unity legislators will also be hailed as a show of strength for Allende.

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