

Top Secret

[Redacted]

25X1



National Intelligence Bulletin

State Dept. review completed

DIA review(s) completed.

[Redacted]

Top Secret

6 September 1974

[Redacted]

25X1

No 652

25X1

Page Denied

National Intelligence Bulletin

September 6, 1974

CONTENTS

[REDACTED]

ISRAEL-FEDAYEEN: Fedayeen incursions increase tension on Israeli-Lebanese border. (Page 3)

25X1

SPAIN-MOROCCO: Madrid augments its air force in the Canary Islands. (Page 5)

VIETNAM: National Day commentaries continue more aggressive propaganda line. (Page 6)

PORTUGAL-MOZAMBIQUE: Agreement on independence reported near. (Page 7)

PORTUGAL: Right-wing parties to form coalition. (Page 8)

ITALY: Political debate resumes. (Page 9)

USSR: New appointment indicates Soviet interest in applying systems analysis to military problems. (Page 11)

[REDACTED]

BURMA: Ten percent of rice crop reportedly destroyed by floods. (Page 14)

25X1

[REDACTED]

ARGENTINA: New leftist labor organization will further divide the Peronist movement. (Page 16)

25X1

FOR THE RECORD: (Page 17)

25X1

Page Denied

Next 2 Page(s) In Document Denied

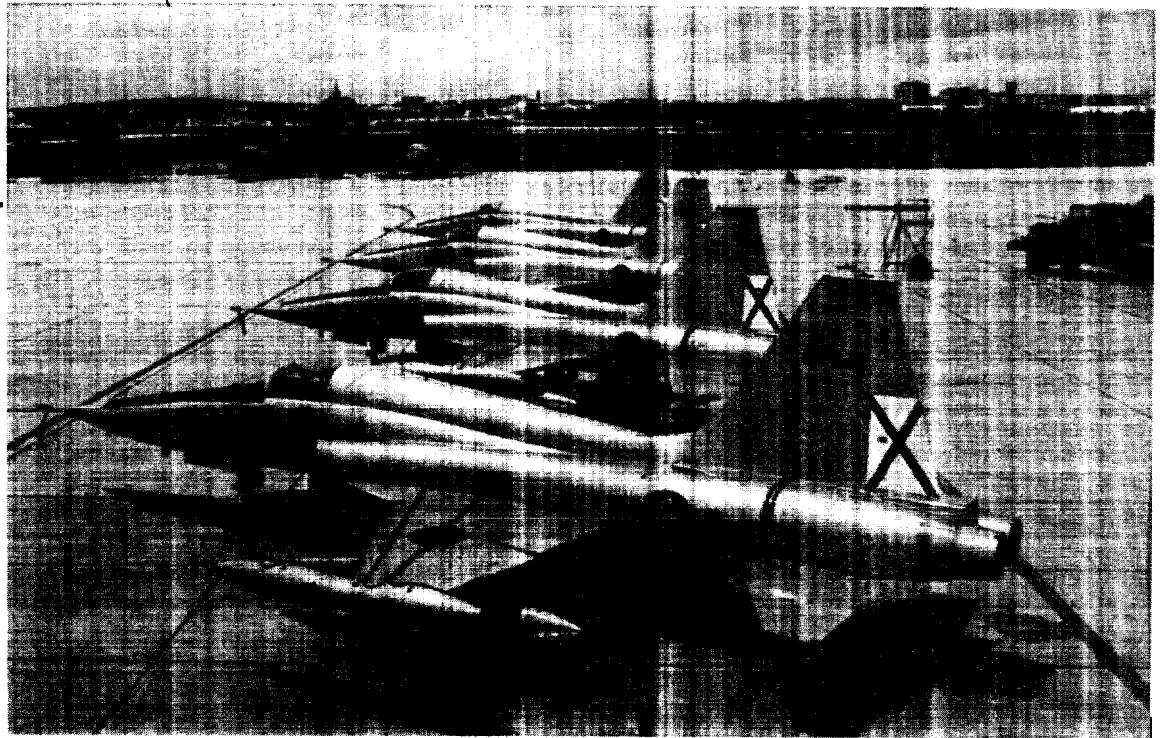
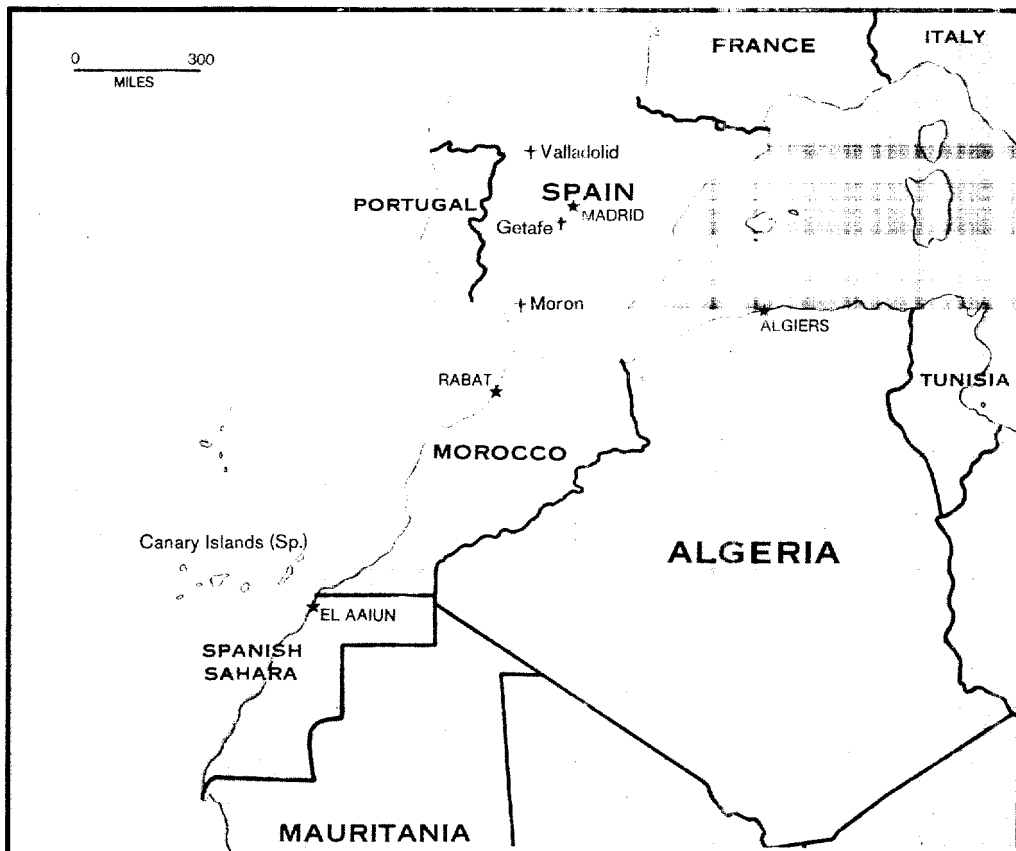
National Intelligence Bulletin September 6, 1974ISRAEL-FEDAYEEN

Attempts by Lebanon-based fedayeen on September 2 and again on September 4 to mount cross-border raids into northern Israel have raised tensions along the Israeli - Lebanese border to the highest level in some weeks.

Israeli forces intercepted both operations before they caused civilian casualties. The death of two Israeli soldiers in the incursion on September 4, however, could result in Israeli retaliation. The Israelis had already stepped up security precautions along the border and have mounted artillery strikes and shallow penetration raids to disrupt fedayeen activity in southern Lebanon.

Although the nominally autonomous Popular Struggle Front claimed responsibility for the operation on September 2, that group has been inactive for some time and the operation may actually have been carried out by Fatah elements. The Popular Democratic Front for the Liberation of Palestine, which has developed close political ties with Fatah and has coordinated some terrorist operations with that organization, announced that it was responsible for the operation on September 4.

These two incidents may have been intended to help focus greater Arab and international attention on the continuing struggle of the Palestinians and thereby ensure that they are not disregarded during the next phase of the Middle East peace negotiations. The participation of two relatively moderate groups in cross-border activities probably also represents an effort by these organizations to refurbish their activist credentials. This comes at a time when moderate leaders of the fedayeen movement are being attacked by the more radical organizations for their alleged willingness to pursue a political solution to the Palestinian problem.



556541 9-74

Spanish F-5 tactical fighters

National Intelligence Bulletin September 6, 1974

SPAIN-MOROCCO

Spain has augmented its air force in the Canary Islands. Although Madrid hopes to settle its dispute with Morocco over the fate of Spanish Sahara by diplomacy, the Spaniards evidently see the need to balance Rabat's buildup of its forces in southern Morocco.

[redacted] 25X1
[redacted] a number of Spanish F-5 tactical fighters have moved from their mainland base at Moron to the islands. [redacted] a number 25X1 of C-54 transports from Getafe and DHC-4 Caribou transport aircraft from Valladolid also have shifted to the islands.

Normally some 40 to 45 F-5 fighters are stationed at Moron. The attaché does not believe that all have been transferred to the islands, however, because it lacks adequate support facilities. The relocated fighters reportedly are to be used in support of the ground units in the Spanish Sahara in the event of fighting along the border. The attaché believes relocation of the transport aircraft reflects Spain's desire to shorten the time needed to airlift the airborne battalion based on the islands, some 150 miles from the African mainland. [redacted] 25X1

National Intelligence Bulletin September 6, 1974

VIETNAM

Vietnamese Communist propaganda surrounding Hanoi's National Day suggests that Hanoi sees a more favorable strategic situation developing in the South and is more optimistic about the prospects for achieving its goals by stepped-up military and political pressure.

Various National Day commentaries persist in calling for the forcible overthrow of the Thieu regime, a line that resurfaced in mid-August for the first time since the cease-fire. Communist propaganda also keeps stressing what it perceives as "new opportunities" in light of its recent military successes and the American political situation.

Premier Pham Van Dong struck a relatively mild tone on the war in his National Day address. In contrast with other Hanoi propaganda, which gave relatively little attention to the Paris Accords, Dong emphasized that Hanoi stood by the accords and that Communist military action was only aimed at forcing US and South Vietnamese compliance with the agreement. An unusual editorial in the official party newspaper, however, attempted to put a more militant cast on the Premier's remarks. It attributed to Dong a theme not touched on in his speech--that a new strategic situation and "turning point" have developed in the South.

Dong's remarks did hint that there are differences within Hanoi's leadership on the situation in the South. His speech concluded with the unusual admonition to party cadre to "achieve a unanimity of views and unity of action in the great revolutionary struggle of the people."

Soviet and Chinese public commentary on Hanoi's anniversary was muted. The Soviets concentrated almost entirely on congratulating Hanoi on its economic achievements in the North, while Peking offered only its standard perfunctory pledges of support for Hanoi.

National Intelligence Bulletin September 6, 1974

PORTUGAL-MOZAMBIQUE

An agreement looking toward early independence for Mozambique appears near, and, according to the Portuguese ambassador to the United Nations, could be announced as soon as today. Talks between the two sides opened yesterday in Zambia.

The agreement reportedly will provide for a transitional government to rule from September 26, 1974 to June 25, 1975, at which time Mozambique will become fully independent. Portugal will appoint the government's high commissioner and the Liberation Front will name the prime minister. Portuguese troops will remain in Mozambique during the transitional period. A joint military commission, half Portuguese and half Frelimo, will be created to deal with security problems.

The Portuguese appear to have given in to liberation movement representatives on several points, presumably to hasten the negotiations. Contrary to Lisbon's expectations, the Liberation Front reportedly will hold two thirds of the cabinet portfolios. Furthermore, Liberation Front negotiators rejected the Portuguese reference to a "democratically selected" government after independence. Lisbon will not insist that this point be included in the agreement, but may publicly express an expectation that the Liberation Front will ensure that the people of Mozambique decide their own future through democratic means.

25X1

National Intelligence Bulletin September 6, 1974

PORTUGAL

After several months of informal discussions, three right-of-center parties in Portugal have decided to form a coalition in order to meet the challenge from the left. The new coalition, which intends to present itself as a "non-Marxist democratic alternative," will attempt to consolidate its forces in time for the elections to the constituent assembly next March.

In preparation for the elections, the provisional government will soon promulgate a law on political parties. The law is expected to establish numerical minimums that political groups must meet in order to participate as a party in elections.

The coalition group is not expected to present a serious challenge to the center-left Social Democrats or to the moderate center-right party. Although the coalition has not yet issued a joint program, anti-Communism is likely to be the main plank in its platform. Unless the coalition softens its right-wing image and improves its grass-roots organization, it is not expected to appeal to more than 5 or 10 percent of the electorate.

25X1

National Intelligence Bulletin September 6, 1974

ITALY

Now that the August holiday is over, Italian political leaders have resumed their public debate on the question of relations between Italy's major governing party--the Christian Democrats--and the Communist opposition.

The fall of Prime Minister Rumor's government in the near future is now taken for granted by many leading personalities in the four governing parties. The Italian press is referring routinely to an imminent political "clarification." No viable alternative to the center-left coalition formula--Christian Democrats, Socialists, Social Democrats, and Republicans--is yet in sight, but the Communists are again pressing hard for a "new relationship" with the coalition partners.

Communist leaders cite the country's new austerity program--passed by parliament in mid-August--as fresh evidence that the coalition cannot govern against them. In parliamentary debate over the austerity measures, Communist-sponsored amendments attracted enough support from left-of-center elements within the coalition to secure their passage. The amendments did not significantly reduce the amount of revenue that will be taken in by the program, but they did lighten the tax burden on low-income groups at the expense of corporations and the more affluent.

The Communists do not appear to be angling for direct participation in the governing coalition at this time. In line with their policy of gradually conditioning the ruling parties to accept such an eventuality, the Communists want some official recognition of their "potential" for sharing power with the other parties. Accordingly, they would probably be satisfied with a limited step, such as the formalization of parliamentary consultations between the Communists and the coalition parties.

National Intelligence Bulletin September 6, 1974

Christian Democratic leader Fanfani recently recited all the practical reasons why the Communist overture should be turned down, but he did not refer to the familiar argument that the Communists were ideologically incompatible. He noted instead that a deal with the Communists would mean a loss of votes for his party, the souring of relations between the Christian Democrats and their coalition partners, and another round of right-wing violence.

Fanfani also claimed that such a development would create security problems in the Mediterranean and upset US-USSR detente--charges that were immediately denied by the Communists. The Communists implied in a series of statements that they could live with NATO, providing Italy did not increase its commitment to the alliance by agreeing to accept bases or US troops displaced by Athens' withdrawal from NATO's military structure.

In what was perhaps the most significant part of his statement, Fanfani emphasized that any change in the Christian Democrats' relations with the Communists would have to be decided by a national party congress. Fanfani may have intended this remark as a trial balloon to determine whether a majority of Christian Democrats are prepared for a full-scale airing of the Communist issue.

The Christian Democrats, however, would probably prefer not to schedule such a meeting before next summer. They would want to await the outcome of two events--the Italian Communist Party congress, set for early 1974, and the regional elections next June, which will provide an important test of strength for the two parties.

National Intelligence Bulletin September 6, 1974

USSR

25X1 [redacted] Moscow has named General Nikolay Ogarkov to a newly created post of deputy minister of defense for systems analysis. The establishment of this position attests to the increased importance the Soviets attach to the application of systems analysis to the solution of military problems.

From 1968 to at least last December, Ogarkov was first deputy chief of the general staff. He was a member of the Soviet delegation during the early SALT negotiations. Although appointed a deputy minister of defense some time last spring, his duties were not immediately specified.

According to a report from the army attaché in Moscow, Ogarkov's role will be both to assess weapons effectiveness and to devise more effective methods for allocating military resources. A specific example cited to the attaché of the kind of problem that would lend itself to systems analysis was whether it would be better to build more ships for the navy or more missiles for the Strategic Rocket Forces.

25X1 Although the Soviet military has taken some interest in operations research since before World War II, it was not until after 1964 that Soviet military studies began to discuss the techniques of applying systems analysis to the areas of command and control and weapons effectiveness. A recent book by Defense Minister Grechko stressed the need to take a "systems approach" to military problems. [redacted]

Page Denied

Next 1 Page(s) In Document Denied

25X1

National Intelligence Bulletin September 6, 1974

BURMA

25X1 Approximately 500,000 tons of rice, or about 10 percent of Burma's crop, were destroyed by severe floods in August [redacted]. This amount, roughly equal to past annual exports, represents a prospective loss of foreign exchange earnings in excess of \$150 million.

The flood losses will aggravate food shortages in Burma that earlier this year helped spark labor disorders. At that time, Rangoon temporarily halted rice exports and promised to increase imports of food and other consumer goods.

[redacted]

25X1

Page Denied

National Intelligence Bulletin September 6, 1974

ARGENTINA

A plan by militant leftist labor leaders to form a national front will be a direct challenge to the orthodox Peronist trade union apparatus that Juan Peron employed to maintain his grip over Argentine workers. Since the new union will apparently include the Peronist working youth, this move is likely to be a further threat to the unity of the Peronist movement that President Peron has struggled to maintain.

Left-wing Peronist and Trotskyite union leaders intend to meet this weekend to draw up details for an organization that will serve as a national coordinator for the "combative" trade unions. While they deny that the new body would be a competitor of the Peronist-controlled General Confederation of Labor, it probably will in fact become a serious rival.

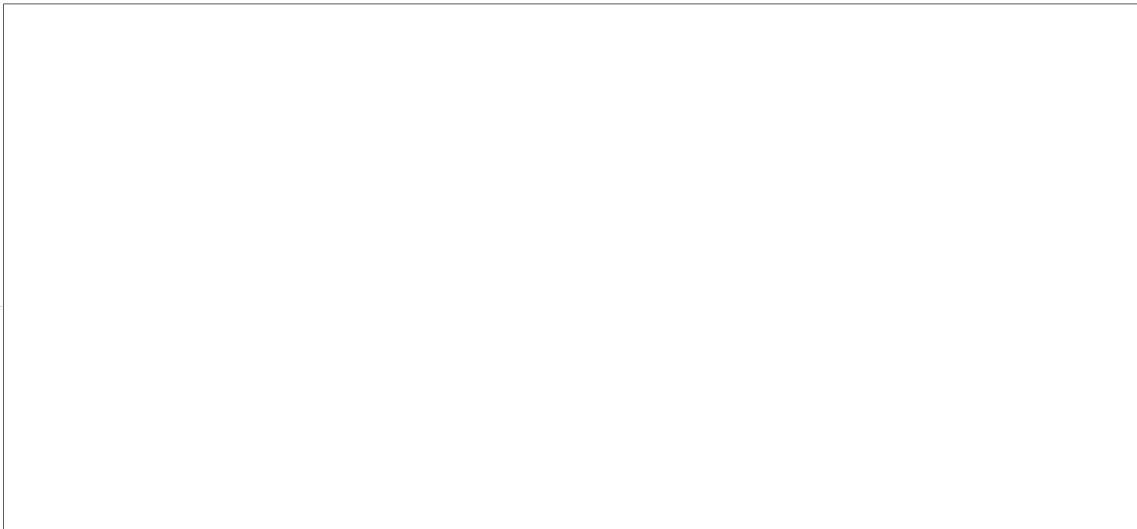
Leftist proselytizers apparently have made strong inroads among younger workers, many of whom now belong to militant unions favoring "class warfare." Political agitation of this sort has been most prevalent in the industrial city of Cordoba where labor unrest is endemic. Even now, leftists are fomenting work stoppages and slow-downs to protest actions by government and national labor officials aimed at eliminating the legal status of the combative unions and expelling their leaders. In addition, a campaign by labor extremists in Cordoba to spread the use of "guerrilla" tactics has provoked almost daily incidents of arson, fire-bombing, and attacks against management and right-wing Peronists.

If leftist labor as well as Peronist youth groups take a stronger stand in defiance of Mrs. Peron's government, they are likely to erode further the broad consensus her husband achieved and provide fertile ground for development of a broad leftist coalition opposed to moderate and right-wing Peronists. [REDACTED]

25X1

National Intelligence Bulletin September 6, 1974

FOR THE RECORD



25X1

New Zealand: The New Zealand Labor Party selected Wallace Rowling today to succeed Prime Minister Kirk, who died suddenly last weekend. Rowling was finance minister in Kirk's government. Rowling is considered a skillful politician and is acceptable to all sections of the governing party. He is a moderate, and will maintain the government's friendly ties with the US.

25X1

Page Denied

Next 6 Page(s) In Document Denied

Top Secret

Top Secret



25X1