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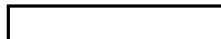
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DIA review(s) completed.

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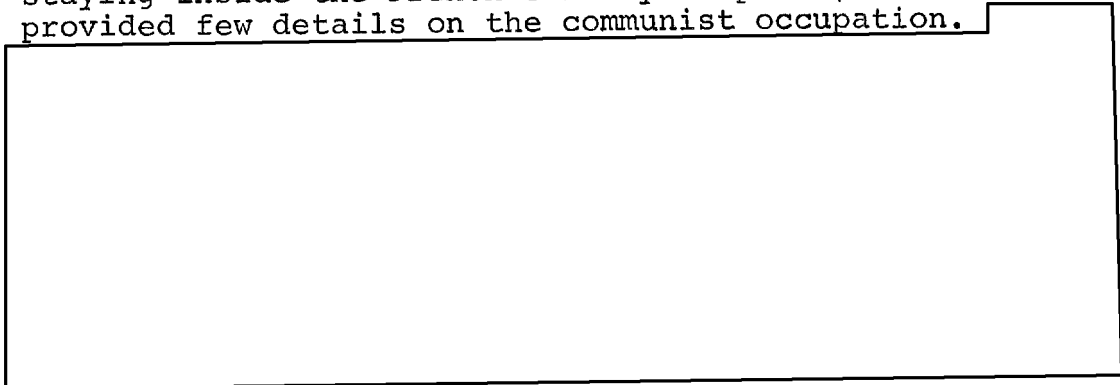
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CAMBODIA

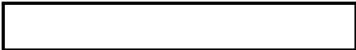
Radio Phnom Penh has been off the air since late on April 17, and the French representative in the capital is the only contact with the outside. He is apparently staying inside the French embassy compound, and thus has provided few details on the communist occupation.

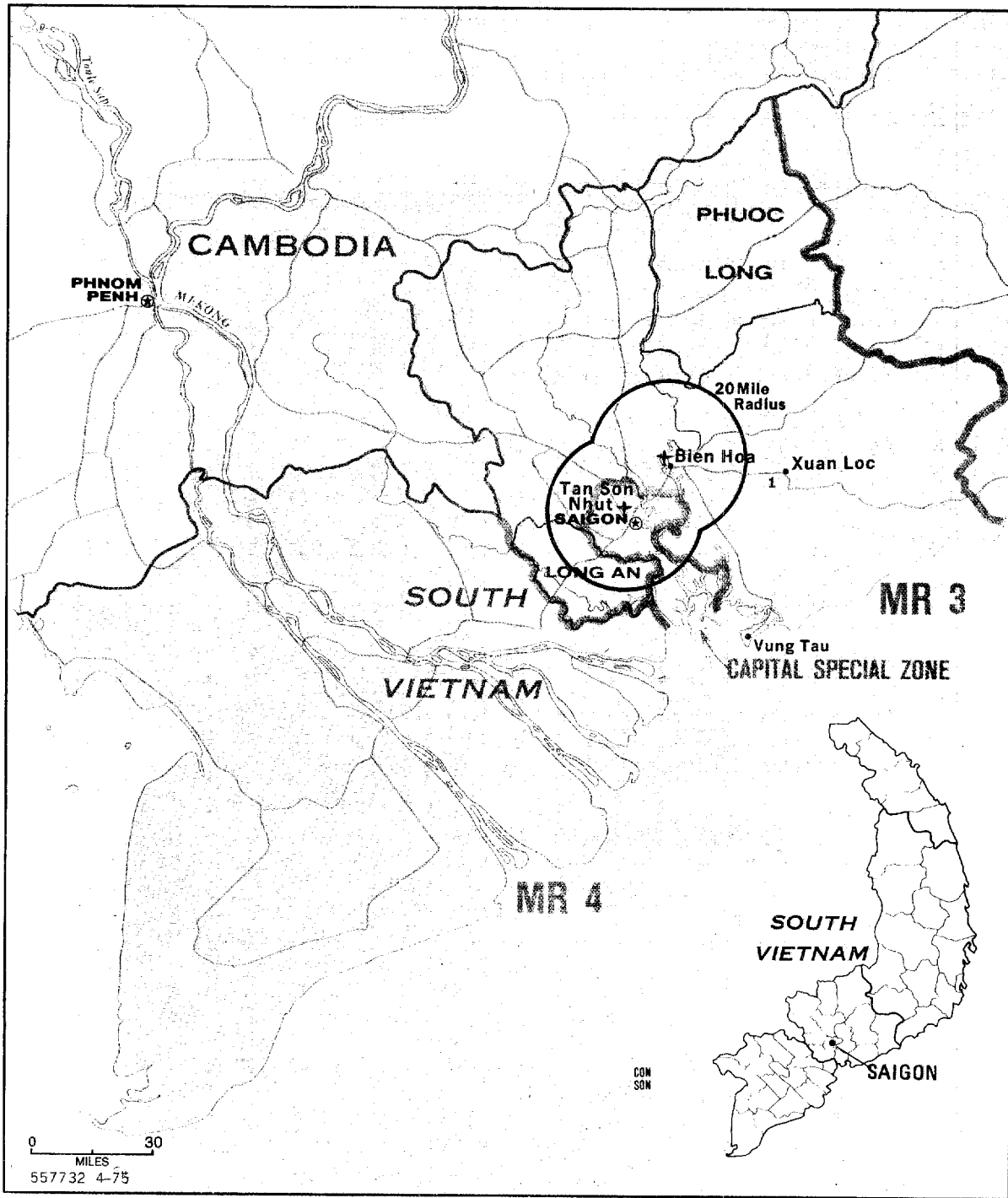


There is still no evidence that senior Khmer communist leaders have entered Phnom Penh to set up their new regime. Their occupation plans called for the establishment of a temporary "revolutionary council" to consolidate control in the city, and press reports indicate that a "council" has indeed been formed.

Prince Sihanouk is still in Peking, where he has received numerous congratulatory messages. The most interesting of these was a telegram from Soviet leaders Brezhnev, Podgorny, and Kosygin, who somewhat lamely claimed that "the Soviet Union has always supported the Cambodian patriots." Moscow also promised support to build an "independent and flourishing Cambodia." Sihanouk for his part is still being coy about his travel plans.

The Association of Southeast Asian Nations--Thailand, Malaysia, Singapore, Indonesia, and the Philippines--yesterday announced joint recognition of Sihanouk's government. Laos and Portugal made similar announcements. Japan followed suit today, even though Sihanouk had told a Japanese newsman that any such move would be rebuffed because of Tokyo's past support for the Lon Nol government.





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SOUTH VIETNAM

The communists are tightening the noose around Saigon.

In a matter of days they will have 17 full divisions to commit against remaining government positions defending the capital and the delta, and will outnumber the government forces by about two to one. The South Vietnamese have only seven divisions left, and many of these have recently been hard hit. Three other divisions are in the process of rebuilding, but they cannot be expected to be ready for combat in the next few critical days. Moreover, communist artillery attacks are threatening to make inoperative the government's airbases close to the capital. Without air support, the South Vietnamese will be greatly outgunned as well as outmanned.

On the eastern end of Saigon's defense line, at Xuan Loc, South Vietnamese forces are still crumbling in the face of sustained communist attacks. It appears likely that the South Vietnamese 18th Division and an airborne brigade will be lost. At least one of the attacking communist divisions--the North Vietnamese 6th--already has pulled away from Xuan Loc and is swinging to the south, headed either for Vung Tau or around the government's southern flank and on toward Saigon.

A large gap in the defense perimeter at Bien Hoa was filled yesterday when a brigade of marines was moved into blocking positions north of the city. Despite airstrikes against North Vietnamese artillery positions, the Bien Hoa airbase has been hit again with large-caliber artillery and rockets.

To the south and west of Saigon, the communists are bringing the fight closer to the capital. During the past two days, a flurry of communist attacks in Long An Province spread to the outskirts of the capital. A number of smaller positions were overrun, and many others were hit hard with shellings and ground attacks.

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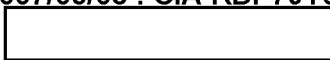
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The communists are threatening to close down the government's two large airbases at Bien Hoa and Tan Son Nhut. The Bien Hoa airfield has already been hit by 122-mm. artillery, which has a range of 13 miles; the communists also possess the heavier 130-mm. field gun, which is accurate up to 17 miles.



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CHINA

Continuing the themes that have typified Chinese commentary on the insurgent offensive in Cambodia since it began early this year, Peking's major statements yesterday on the "liberation" of Phnom Penh emphasize China's solidarity with the rebels and the importance Peking attaches to Prince Sihanouk's past and future role in Cambodia.

An authoritative People's Daily editorial yesterday declared that the Cambodian people were successful against the government because they rallied around a united front that included Sihanouk as well as the communists. Expressing its interest in Sihanouk's future role, the editorial also asserted that the united front, formally chaired by Sihanouk, and the royal government "represent the interests of the Cambodian people."

Moreover, Peking's congratulatory message from Chairman Mao Tse-tung and other Chinese leaders was addressed to "head of state" Sihanouk, as well as to the prime minister and deputy prime minister of the royal government. These references indicate that Peking hopes the Prince will play a significant role in Phnom Penh; they may also mean that the Chinese hope to preempt any possible move to shunt Sihanouk aside, now that the war is over.

The thrust of the Chinese statements is that Peking should be considered the new regime's most consistent ally--now and in the future. The editorial specifically contrasted Chinese support with the duplicity of the Soviets. The editorial carefully balanced criticism of the US role in Cambodia with an attack on the Soviets for supporting Lon Nol until the last minute. It said Moscow had been exposed as "a political gambler who has lost his all."

Neither the editorial nor the congratulatory message made any direct reference to Hanoi--an indication that the Chinese may expect to find themselves in competition with the North Vietnamese for influence in Phnom Penh.



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CHINA-KOREA

Peking appears to be setting down a moderate tone for North Korean President Kim Il-song's visit, which began on Thursday.

A People's Daily editorial that appeared the day before Kim's arrival in Peking pledged support for the "correct policy" of peaceful reunification of the two Koreas. Treatment of the US role in Korea was perfunctory; US involvement in the Korean war was not even mentioned, while the only reference to US troops in the south was a pro forma statement that they "must be withdrawn."

The editorial did not attempt to associate recent events in Indochina and the Kim visit. In fact, the references to "peaceful reunification," as well as the relatively restrained criticism of Seoul, strongly suggest that Peking is in no mood to support any thoughts Kim may have about increasing tensions on the Korean peninsula.

The importance that the Chinese attach to Kim's visit is obvious from the massive welcome given him and the fact that he met with Mao--the Chairman's first appearance in three months--only hours after he arrived in Peking. The very fact that Kim traveled to China--his first official visit in 14 years--in itself suggests that issues of importance to both countries are under discussion.

The pre-arrival editorial suggests concern by Peking that North Korea, perhaps influenced by recent events in Indochina, is seeking support for a more militant posture toward Seoul. Although the editorial clearly comes down on the side of moderation, it also goes to great lengths to emphasize the importance of continuing Sino-Korean friendship.

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Kim's talk with Mao probably centered on military matters because military aid negotiator O Chin-u was participating. If Kim is in Peking to solicit support for any sort of specific military moves, the Chinese will be careful in responding because of concern that the North Koreans will turn to the USSR if they are given the cold shoulder by Peking. Although Moscow has shown no disposition to encourage possible Korean adventurism, the Chinese have continually evinced great sensitivity about Soviet relations with Pyongyang.

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SYRIA

President Asad failed to strengthen significantly his tenuous hold on the Syrian Baath Party at its sixth congress, which ended earlier this week with the election of new members to the regional command, the party's governing body.

Four of the seven new members of the ruling group--like President Asad--are members of Syria's minority Alawite sect. All seven of those dropped were from the country's Sunni Muslim majority. To a limited extent, this will strengthen the President's influence with the party, but it will also risk aggravating Alawite-Sunni tensions. In the past there have been charges that Asad's government is not representative of all Syrians.

The most notable addition to the regional command is Rifat Asad, brother of the President and commander of the elite security force that guards the capital. Rifat's election reportedly was the result of aggressive lobbying on his part before and during the party congress. His elevation was, if anything, opposed by the President, who nonetheless is now open to charges of nepotism. It cannot be taken as evidence that Rifat has put aside his often basic differences with his brother

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Rifat's election at least confirms that the military plays a dominant role in party affairs, and that the President has only a limited ability to force his views on the party.

Prime Minister Ayyubi lost his place on the regional command. Always ineffectual, he has recently been at odds with the President and may be dropped in the near future. Reports in the Arab press suggest that the President plans to form a new cabinet soon. Also dropped from the regional command was Najji Jamil, one of the regime's inner circle who has been serving as air force commander, deputy defense minister, and director of the

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national security apparatus. Jamil may lose his security responsibilities as a result of his failure to be re-elected and the limited effectiveness of government efforts to control the proceedings at the conference and the outcome of the election.

Resolutions passed by the congress on general Middle East issues broke no new ground. They called for total support for the Palestinians--including implementation of President Asad's recent proposal for joint Syrian-Palestinian political and military commands--and better cooperation among the Arab states.

The President stuck mostly to domestic themes in his address to the assembly. He pointed out that the outgoing congress was the first to serve a full four-year term, and he stressed that his government, in power since 1970, has provided Syria with its first extended period of political stability.

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PORTUGAL

Admiral Antonio Alva Rosa Coutinho reportedly will soon be named chief of staff of the armed forces. He will replace General Francisco da Costa Gomes, who will retain the presidency.

Coutinho was an original member of the now-disbanded Junta of National Salvation, and until last January he was the high commissioner in Angola. He has recently been appointed executive director of the ruling Council of Revolution--a position he would be likely to retain, if given the new post.



Admiral Coutinho

The admiral is believed to have the allegiance of the largest faction within the Council, but Prime Minister Goncalves may still wield the most power because of his government position and support from the Communist Party and its allies. Coutinho's group, composed of left-leaning nationalists, is opposed to heavy reliance by the Armed Forces Movement on the Communist Party and its allies. It supports a continuation of Portugal's ties with Western Europe and NATO as well as an expansion of relations with the third-world countries rather than Eastern Europe.

As armed forces chief, Coutinho would assume command of the 2d Division of the General Staff, which is responsible for most internal security and counterintelligence activities, and the Continental Operations Command elements charged with external intelligence. Control of the armed forces and the security structure would provide the admiral with greater influence in an apparent power struggle developing with Prime Minister Goncalves. It would also make him a leading contender to replace Goncalves, should the occasion arise.

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Coutinho's expected appointment as chief of staff coincides with the planned reorganization of Portugal's internal security structure, which may provide him with an even more powerful base. A new organization, with Coutinho in charge, will bring together various intelligence activities. They include those charged with dissolving the internal security services of the Salazar-Caetano regime, investigating the treatment of political prisoners, and examining the ouster of President Spínola last fall as well as the more recent rightist coup failure. The new body will also investigate problems relating to the economy.

Although Coutinho has been characterized as a left-leaning socialist and has shown disdain for most political parties, he is widely respected by Movement officers and politicians of all persuasions. Leaders of the center-rightist Social Democratic Center Party have described him as pragmatic, nationalistic, anticommunist, and "interested in constructing a national brand of socialism adapted to national realities." Furthermore, the admiral recently announced his belief that Portugal's membership in NATO is imperative because of the country's location.

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INDIA

Criticism of the US by Prime Minister Gandhi and other Indian officials, aimed primarily at domestic Indian audiences, is beginning to increase as election campaigns approach.

Early this week, Mrs. Gandhi publicly referred at least twice to foreign "threats," including a new threat from the sea, which she said justify the continuation of a state of emergency in force since the 1971 war with Pakistan. Mrs. Gandhi has used her emergency powers primarily to detain suspected terrorists and smugglers. Her insistence on retaining the emergency powers has been frequently attacked by opponents, including her leading critic, Jayaprakash Narayan.

When asked by newsmen what sea threat she had in mind, Mrs. Gandhi said it was "obvious." US officials in New Delhi believe there is little doubt she was referring to US sea power, including plans for expanding US naval facilities on Diego Garcia Island in the Indian Ocean.

Over the past two months Mrs. Gandhi and other Indian officials have been critical of the US policy change in February that permitted the resumption of arms sales to Pakistan. The rhetoric had been relatively restrained but has become sharper during the past week. Some cabinet members have stated that US arms are sure to make Pakistan a source of intrigue and aggression. The president of Mrs. Gandhi's Congress Party and the chief ministers of two states have gone even further, suggesting that US policies are creating tension throughout Asia.

New Delhi has long opposed the presence of outside powers--particularly the US--in the Indian Ocean, as well as other US policies such as involvement in Indochina and military cooperation with Pakistan. In addition, Mrs. Gandhi has in the past shown a readiness to

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blame foreign countries, especially the US, for India's problems. Such rhetoric may well increase as elections draw nearer in Gujarat state, where they are scheduled for June, and on the national level, where they are expected by early next year.

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INDIA

The navy has expressed renewed interest in purchasing Harrier vertical/short takeoff and landing (V/STOL) strike and reconnaissance aircraft, produced in the UK, to replace obsolescent Sea Hawk fighters assigned to India's aircraft carrier.

25X1 [redacted] it is likely that the navy initially will buy seven of the aircraft, but details of the agreement have not been worked out. Additional aircraft and trainers may be purchased to equip a land-based squadron so that replacements could rotate to the aircraft carrier. Acquisition of the Harrier would provide the navy with an improved strike capability to complement the carrier's antisubmarine warfare mission.

The British Naval Arms Committee stated in September that up to 25 Harriers might be sold to India. It is believed that delivery of the aircraft may be completed in two years if contracts are concluded in the near future.

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JAPAN-AUSTRALIA

Reduction of certain import barriers is among the topics being negotiated by Japan and Australia; the subject is likely to be contentious. Unless these restrictions--imposed during the past year--are eased, they may cut significantly into the two countries' \$6-billion yearly trade.

Japan--now Australia's leading trading partner--will be the hardest hit by new Australian tariffs and quotas. About one quarter of Japan's exports to Australia are affected by the new restrictions, with textiles, steel products, and cars leading the list. Australia, for example, initiated quotas on car imports after imports from Japan doubled in 1974 to \$1 billion. Additional trade restrictions now under consideration in Canberra could increase to 35 percent the share of Japanese goods covered by tariffs or quotas.

Canberra finds objectionable the restrictions Tokyo imposed early last year on imports of beef. These restrictions all but eliminated a \$250-million annual market for Australian meat.

Tokyo, with US support, is pushing for an investigation of the Australian trade curbs by the council of the General Agreement on Tariffs and Trade. Australian officials, for their part, have threatened to embargo coking coal shipped to Japan unless the beef import restrictions are lifted.

No agreements to reduce restrictions are likely to emerge from these meetings. Even a general economic relations treaty that was to be signed at the ministerial-level meetings next month is in trouble. The two countries have not been able to agree on a definition of most-favored-nation status and Australian controls on direct investment.

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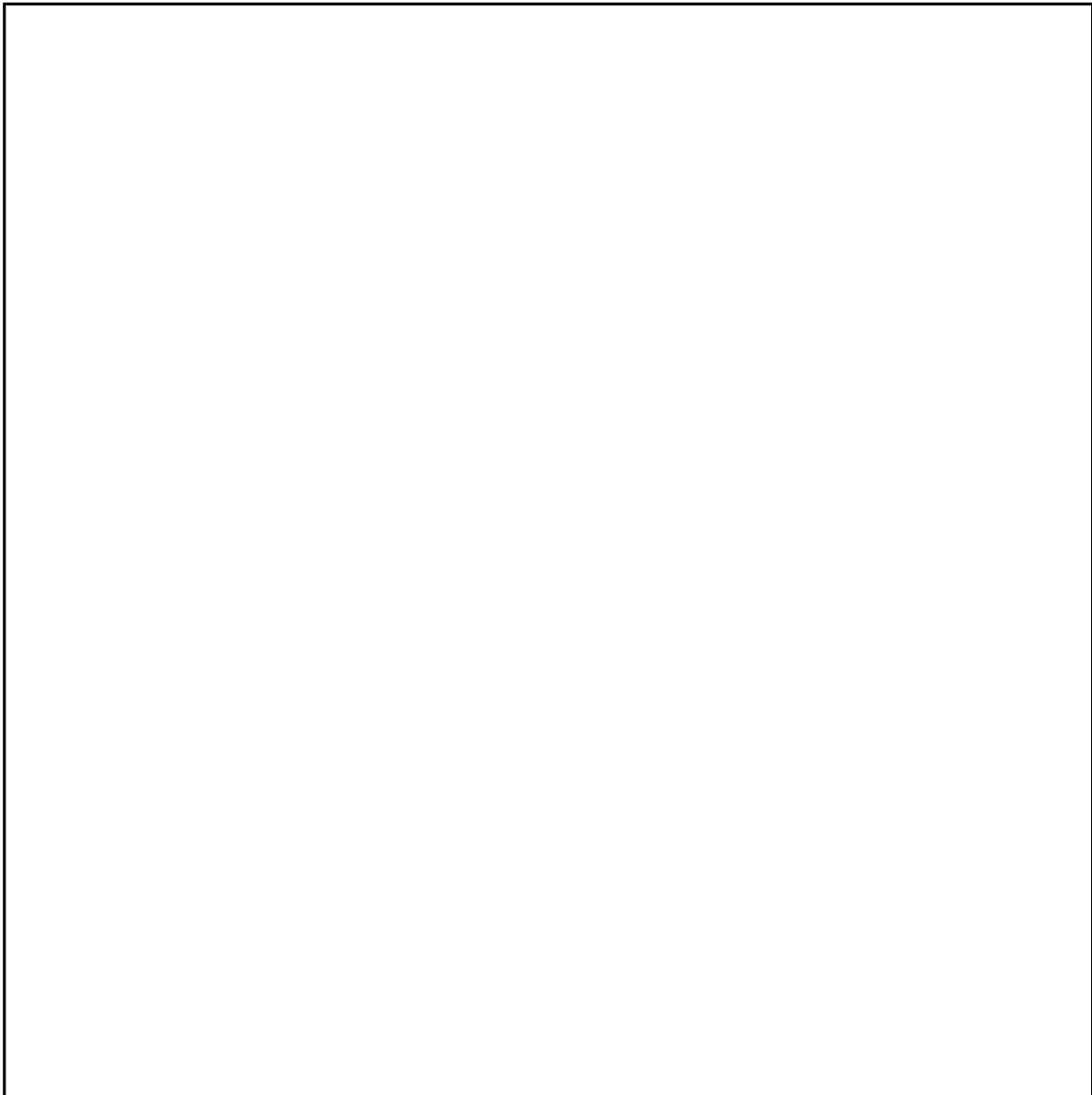
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Cyprus: Rival demonstrations by opposing women's groups in Cyprus tomorrow have the potential for violence. A group of foreign and Greek Cypriot women plans to hold a demonstration on the cease-fire line south of Famagusta to protest Turkish noncompliance with the UN resolution calling for safe return of refugees to their homes. Turkish Cypriot women have responded by scheduling a counterdemonstration for the same time. They plan to protest past injustices at the hands of the Greek Cypriots. The prospect that some of the women sympathetic to the Greek Cypriot cause may try to break through the Turkish lines has prompted UN officials to attempt to arrange a meeting between representatives of the two opposing groups between the Greek and Turkish lines. It is hoped the demonstrators will return peacefully to their respective sectors after the meeting.

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