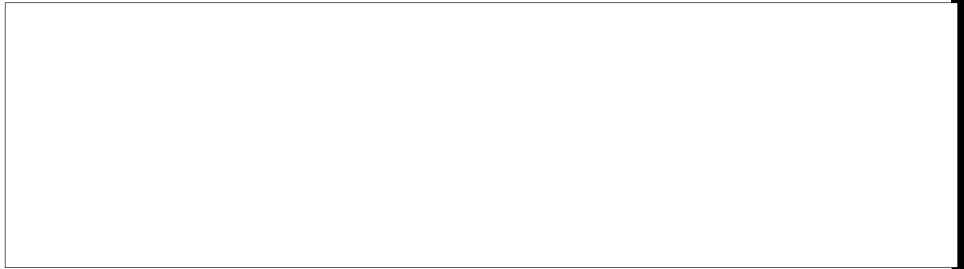




**Director of
Central
Intelligence**

Top Secret



25X1

National Intelligence Daily

***Monday
14 April 1980***

Top Secret

CO NID 80-088JX

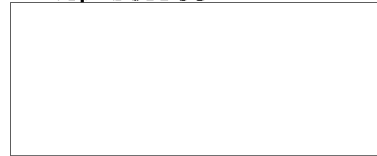
14 April 1980

Copy **388**

25X1

Page Denied

Top Secret



25X1

Contents

Situation Reports

Iran 1

Liberia 3

USSR-Afghanistan 5

Briefs and Comments

Lebanon: *Clashes Between Christian and UN Forces* 7

Indonesia: *Anti-Chinese Violence* 8

Bolivia: *Preserving Stability* 9

Portugal: *Presidential Politics* 10

USSR: *Spring Planting Delayed* 11

East Africa: *Summit Meeting* 11



Iraq: *Economic Aid* 12

Special Analysis

Israel: *The Labor Alternative* 13

25X1



Top Secret



14 April 1980

25X1

25X1


Top Secret




25X1

SITUATION REPORTS

IRAN


The hostages will be visited today by representatives from the International Red Cross and its Iranian equivalent, according to an announcement yesterday by the militants. 

25X1

A spokesman for the militants said the delegation would see "all" of the hostages. If all are actually seen, it would be the first time since the Embassy take-over that every hostage has been accounted for. 

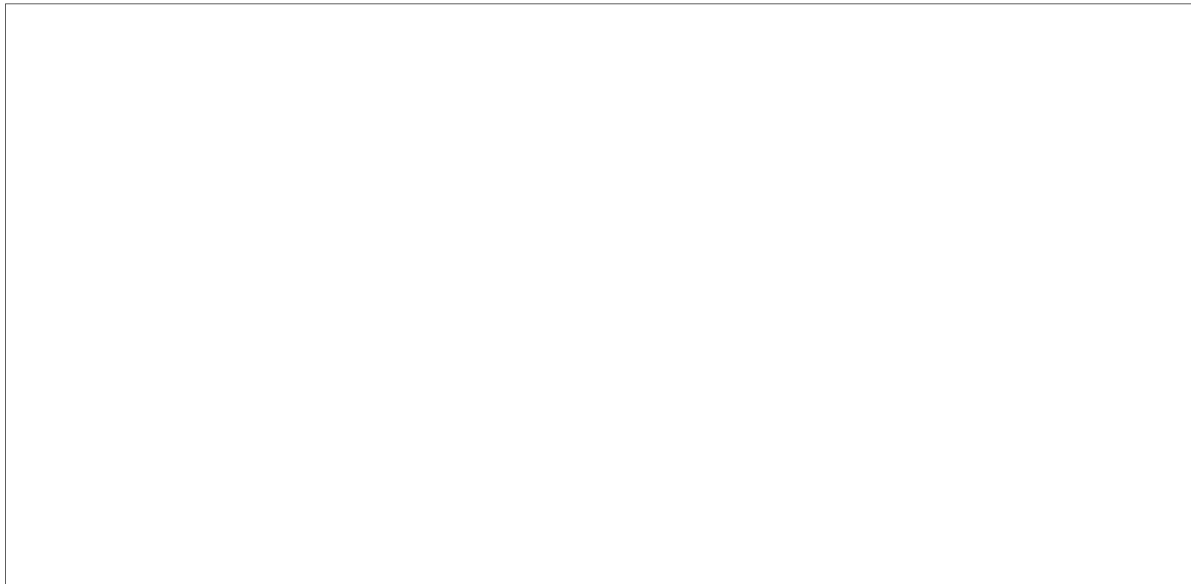
25X1

Internal Situation

According to Tehran radio, a spokesman for the Interior Ministry announced that the next round of voting for the National Assembly will be held on 2 May. Although Ayatollah Khomeini has ruled that the Assembly--when it convenes--will decide the fate of the hostages, Western diplomats in Tehran are increasingly skeptical that the issue will be resolved even then. 

25X1

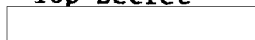
25X1



--continued



Top Secret



14 April 1980

25X1

25X1



626907 4-80

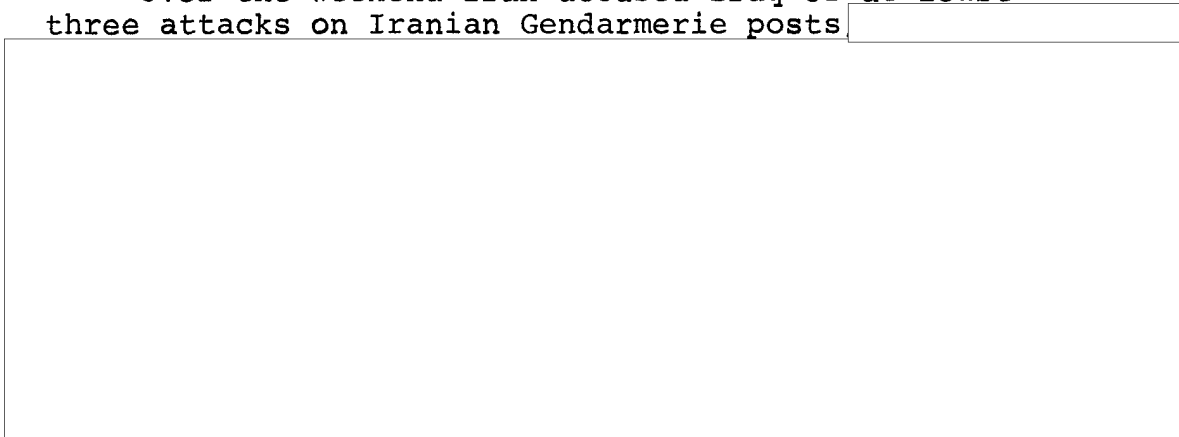
Top Secret



25X1

Relations With Iraq

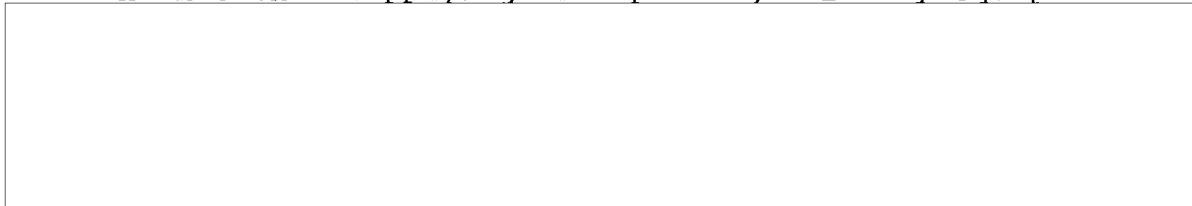
Over the weekend Iran accused Iraq of at least three attacks on Iranian Gendarmerie posts



25X1
25X1

European Military Supplies to Iran

Several European firms continue to cooperate with Iran in either supplying or repairing military equipment.



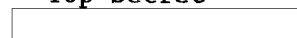
25X1

Romania has offered Iran a wide range of military equipment for the Army and antiship weapons such as depth charges and shipborne launchers for small rockets. Romania's offer of armaments and its recent sale of food and manufactured goods to Iran have clearly been made with an eye toward improving relations with Tehran and increasing imports of Iranian oil, which were severely curtailed last year.



25X1

Top Secret



14 April 1980

25X1

Top Secret

[Redacted]

25X1

LIBERIA

The new government has not yet consolidated its control following the coup on Saturday that resulted in the assassination of President Tolbert. The security situation in Monrovia appears to be deteriorating. [Redacted]

25X1

The coup that toppled the ruling True Whig Party government, although poorly organized, apparently met almost no resistance from Army or police forces. Coup leader Sgt. Samuel Doe reportedly is making all decisions, but he does not appear to have full control over and support from military and police forces. He and his closest advisers seem to be overwhelmed by the task of restoring order and organizing a functioning government. Although the chances of a countercoup from forces loyal to the old regime now appear remote, Doe could face a challenge from more experienced elements in the military.

[Redacted]

25X1

Unruly troops continued to roam the city last night, and several serious incidents of robberies of US citizens and business facilities have been reported. [Redacted]

25X1

Arrests appear to be increasing, as well as reports of mistreatment of prisoners. Although the new government had announced that only those involved in "rampant corruption" would be arrested and tried, most former high-level officials as well as their wives have been arrested. Apparently there is a growing desire among the indigenous enlisted ranks for revenge on the minority elite Americo-Liberian population and anyone associated with the Tolbert family. [Redacted]

25X1

This is an ominous development in view of the military tribunal scheduled to begin trials today. The growing emotionalism may create an atmosphere in which only guilty verdicts will suffice. [Redacted]

[Redacted]

25X1

25X1

--continued

Top Secret

[Redacted]

14 April 1980

25X1

Top Secret

[Redacted]

25X1

The situation is complicated by reports that the country's supply of rice--a staple food--will be exhausted within the next 10 days, with the possibility that a new shipment will not arrive soon. At this stage it is probable that the new government has not focused on such matters as food imports. A severe rice shortage would put tremendous strains on the new regime and the potential for additional violence may increase. [Redacted]

25X1

The new leaders have expressed a desire to maintain close relations with the US, but held out the prospect that they may have to turn elsewhere--in an apparent reference to the Soviets--if expectations of US support are not met. The new leaders assured US officials that they would respect all contracts and agreements between Liberia and the US, [Redacted]

[Redacted]

25X1
25X1

Top Secret

[Redacted]

14 April 1980

25X1



626909 4-80

Top Secret

[Redacted]

25X1

USSR-AFGHANISTAN

[Redacted]
[Redacted] *there have been no significant changes in the military situation.* [Redacted]

25X1

25X1

25X1

[Redacted]

25X1

Soviet-Afghan Relations

Afghan military trainees in the USSR reportedly are meeting resentment from Soviet citizens. [Redacted]

[Redacted]

25X1

25X1

[Redacted] Soviet civilians were upset that the Afghans were safely in the USSR while Soviets were dying in Afghanistan. [Redacted]

25X1

25X1

[Redacted]

25X1

--continued

Top Secret

[Redacted]

14 April 1980

25X1

Top Secret

[Redacted]

25X1

[Redacted]

25X1

The Indian-Pakistani dialogue on Afghanistan continued this weekend with the visit to Islamabad of Indira Gandhi's personal envoy, former Foreign Minister Swaran Singh, who met with Zia. The language of the communique indicated the two sides remain divided on Soviet intervention but have agreed to continue consultations. In a tacit admission that no progress was made on the issue of arms aid to Pakistan, Zia's foreign affairs adviser told a press conference that "concrete proposals" would be discussed at their next meeting.

[Redacted]

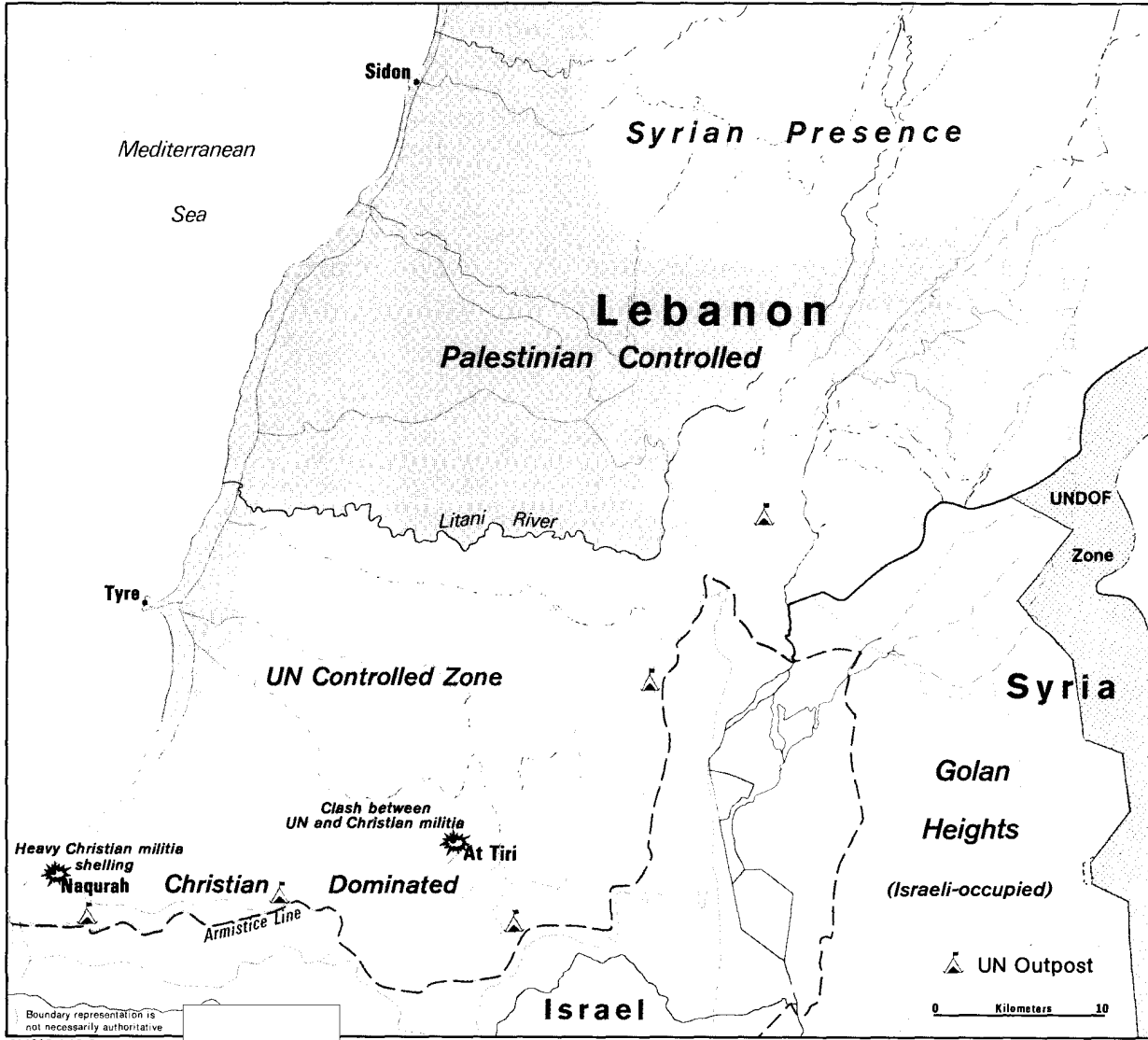
25X1

Top Secret

[Redacted]

14 April 1980

25X1



626895 4-80 CIA

25X1

Top Secret

BRIEFS AND COMMENTS

LEBANON: Clashes Between Christian and UN Forces

Israeli-supported Christian militiamen and UN troops in southern Lebanon, in the worst incident between the two groups to date, clashed on Saturday as Israeli troops were withdrawing from the UN sector. [redacted]

One UN soldier and one militiaman died during the brief exchange of fire Saturday near At Tiri, a village in the UN sector where the militia began attempting to establish a position a week ago. In response to casualties and the loss of an armored vehicle, militiamen fired tank, artillery, and mortar shells at several other UN positions. The UN force headquarters at Naqurah sustained heavy damage. [redacted]

The situation appeared to have calmed yesterday, but the growing problems between the militia and the UN have yet to be resolved. Relations between the militia and the UN have deteriorated steadily since the UN decided earlier this year to try to staff five observation outposts deep within the Christian enclave with new personnel. [redacted]

Christian leader Saad Haddad has opposed manning the outposts with the new teams, probably with tacit Israeli backing. The UN wants to return to staffing all of the outposts, established in 1972, with observers from the UN Truce Supervision Organization. The prospect of experienced UNTSO personnel, including US officers, manning these outposts apparently has made Haddad and the Israelis concerned that their movements and actions in the border area would come under closer scrutiny. Efforts by the UN to carry out the new staffing over the last few weeks have met with consistent harassment by Haddad's forces. [redacted]

Israeli forces apparently have completed the withdrawal promised Friday by Defense Minister Weizman from the positions they established in and near the UN sector last Wednesday. [redacted]

Top Secret

14 April 1980

25X1

25X1

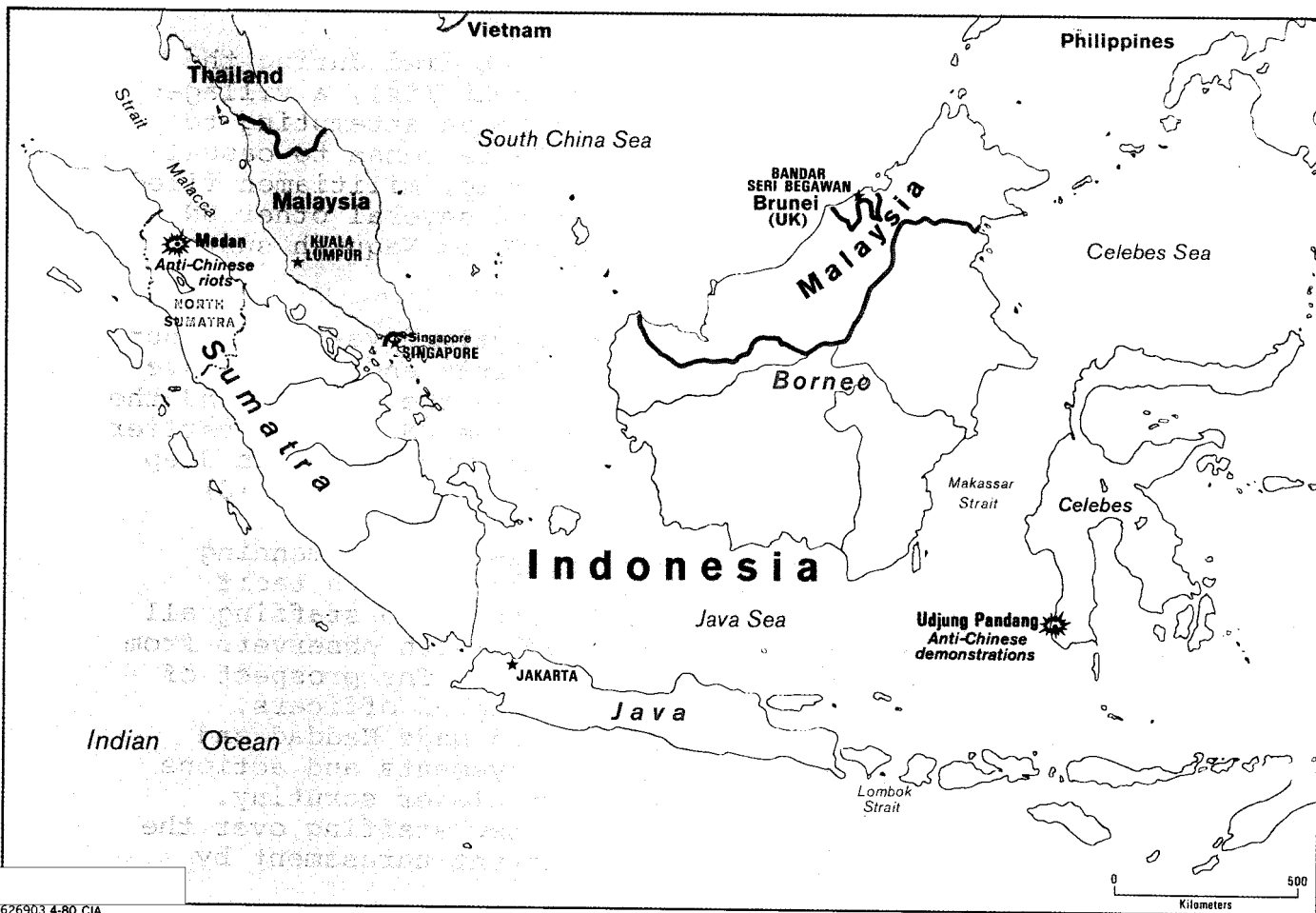
25X1

25X1

25X1

25X1

25X1



626903 4-80 CIA

25X1

Top Secret

25X1

INDONESIA: Anti-Chinese Violence

Security officials fear that anti-Chinese riots in Ujung Pandang, a major city in eastern Indonesia, will incite ethnic violence in other cities. [redacted]

25X1

Indonesian mobs sacked Chinese stores on two successive nights before the government declared a curfew and restored order. The riots were set off by rumors that a Chinese shopowner had tortured an Indonesian maidservant to death. [redacted]

25X1

The Chinese control most urban commerce and much of the rest of the Indonesian economy. The government will try to limit reporting of the Ujung Pandang riots in order to prevent deeply felt anti-Chinese animosity from erupting into violence. [redacted]

25X1

Local officials in Medan, North Sumatra, are particularly concerned; militant students have staged a series of demonstrations in recent days against Chinese involvement in local gambling syndicates and alleged corruption of government officials. [redacted]

25X1

The government's concern about anti-Chinese demonstrations is broader than the obvious fear of spreading civil disorder. Most government officials have close ties to rich Chinese merchants, and the authorities always worry that anti-Chinese protests will take on antigovernment overtones. [redacted]

25X1

Top Secret

25X1

14 April 1980

Top Secret

[redacted]

25X1

BOLIVIA: Preserving Stability

To try to maintain stability until the June elections, President Gueiler has revamped her cabinet, approved a new electoral law, and named a new Army commander. [redacted]

25X1

The new cabinet has been created to ensure government neutrality in the elections and allay military apprehensions over leftist influence in the administration. It will almost certainly not initiate any policy changes to attack Bolivia's basic weaknesses that have caused instability since independence. A multiplicity of parties remain, centered on political personalities, a corrupt military is still reluctant to relinquish the spoils of office, and the economy rests on an outmoded, unproductive tin industry. [redacted]

25X1

The electoral law may prove as ineffective as the cabinet in reducing political instability. Although no candidate won a majority of the popular vote in last year's election--and congress could not agree on a winner--the new law lacks a provision to preclude similar stalemates. [redacted]

25X1

Both of the leading civilian presidential contenders in this year's election, Hernan Siles Zuazo and Victor Paz Estenssoro, refuse to make a deal thus far to avoid another impasse. Gueiler admits that she is powerless to persuade either candidate to adopt a more conciliatory attitude. [redacted]

25X1

An electoral deadlock in June probably would give military hardliners a pretext to seize power again. Major plotters in the military remain in command positions, and coup rumors are rampant. In an effort to appease the military, Gueiler has bowed to armed forces pressure by appointing the principal coup plotter, General Garcia Meza, as the new Army commander. [redacted]

25X1

Top Secret

[redacted]

14 April 1980

25X1

Top Secret

[redacted]

25X1

PORTUGAL: Presidential Politics

Army General Soares Carneiro apparently has agreed to be the ruling Democratic Alliance's candidate in the presidential election later this year--a move that underscores the Sa Carneiro government's feud with President Eanes and threatens to divide the military. [redacted]

25X1

Soares Carneiro had set two conditions--support from the military and freedom to play an active role as president. Prime Minister Sa Carneiro apparently accepted the latter condition. [redacted]

25X1

25X1

President Eanes, who is also chief of the armed forces, is a possible contender. He may have tried to line up support for his candidacy in late March when he reportedly announced his plans to resign his chief of staff position. If Eanes does intend to run, it could lead to bitter infighting in the military. [redacted]

25X1

Soares Carneiro is considered an outstanding troop commander and generally regarded as the "thinker" in the armed forces. He would be a strong opponent for Eanes, though he lacks public exposure so far. Eanes is still the popular figure in Portugal, but his stock with the military is at an all-time low. [redacted]

25X1

The Democratic Alliance hopes to announce its candidate within the next few days in order to preempt Eanes. So long as Eanes is not a declared candidate, Sa Carneiro can avoid criticism that he is splitting the armed forces by putting forth his own military candidate. [redacted]

25X1

Top Secret

[redacted]

14 April 1980

25X1

USSR: Snow Cover as of late March



626883 4-80

Top Secret

[Redacted]

25X1

USSR: Spring Planting Delayed

Snow and colder-than-normal weather during the past few weeks have delayed spring planting and threatened to damage fall-sown grains. Several areas now report at least two-week delays in fieldwork and spring sowing.

[Redacted]

According to a Soviet forecast, temperatures in parts of the European USSR are likely to turn colder in the second half of April with more snow a good possibility. It is too early, however, to predict the effect of the late spring on grain crops. [Redacted]

25X1
25X1

25X1

25X1

[Redacted]

EAST AFRICA: Summit Meeting

Kenyan President Moi will play host to Tanzanian President Nyerere, Ugandan President Binaisa, and Sudanese President Numeiri in Mombasa today and tomorrow. They probably will discuss border security and other concerns, but the mutual suspicions that prevented much progress at a meeting between Nyerere, Binaisa, and Moi last January are likely to continue hampering cooperation. [Redacted]

[Redacted]

25X1
25X1

Top Secret

[Redacted]

14 April 1980

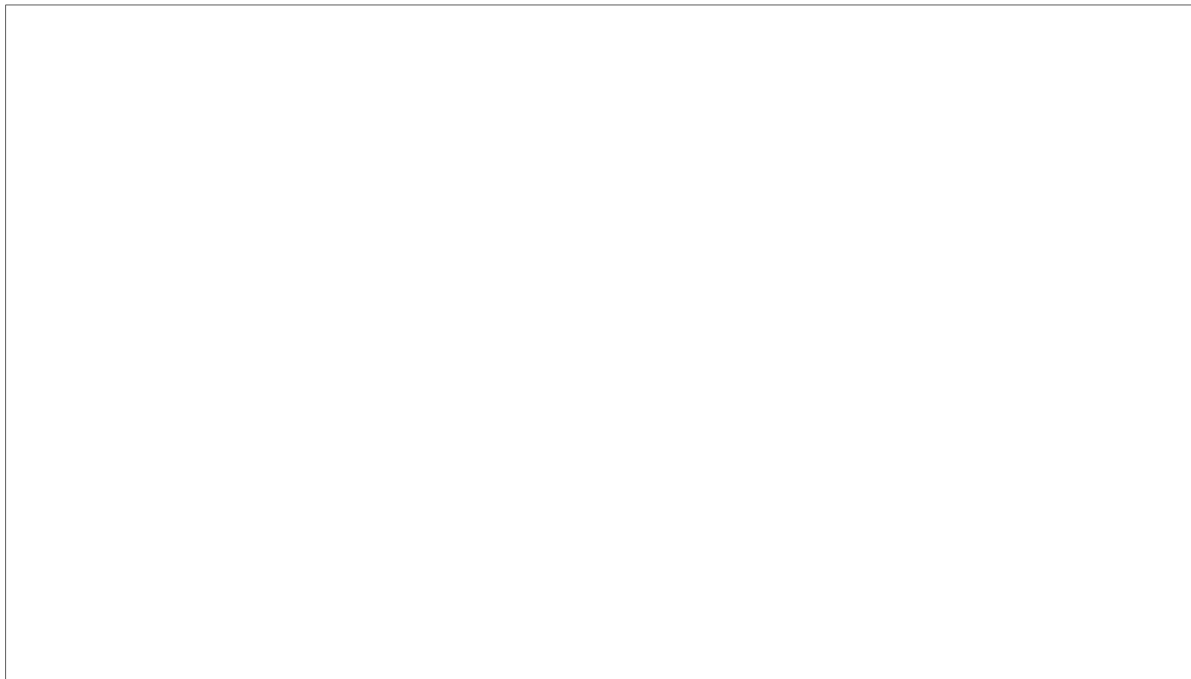
25X1

Page Denied

Top Secret

25X1

25X1



IRAQ: Economic Aid

Baghdad last year tripled its aid commitments and doubled its disbursements of economic aid to developing countries without major petroleum resources. Iraq's aid commitment of \$1 billion in 1979 places it second only to Saudi Arabia among Arab OPEC aid donors. Iraq also is implementing a loan program of roughly \$200 million to compensate selected developing countries for oil surcharges levied last year. The Iraqis were primarily responsible for the decision made at the Arab Summit in November 1978 to extend over \$3 billion in grants to Syria and Jordan. Baghdad was the first donor to fulfill its commitment--over \$500 million--in 1979 and has already disbursed the first of three installments this year.

25X1

Top Secret

25X1

14 April 1980

Top Secret

[Redacted]

25X1

SPECIAL ANALYSIS

ISRAEL: The Labor Alternative

[Redacted]

25X1

Labor Party leaders, buoyed by polls showing that the electorate clearly prefers them to Prime Minister Begin's Likud-dominated government, have been discussing how the party should proceed with the peace negotiation process if it is returned to power. There appears to be a broad consensus within Labor favoring a strategy using the transitional framework of the Camp David accords to attract Jordan into negotiations for a final peace agreement.

[Redacted]

25X1

Labor Party chief Shimon Peres, whose views dominate Labor thinking on the negotiations, met with West Bank and Gaza leaders last week

[Redacted]

25X1

[Redacted]

25X1

Labor is committed to the Camp David process and would carry out any agreement on transitional arrangements reached in the current negotiations. If Labor were to come to power with negotiations for the proposed self-governing authority still going on, the party would continue with them--despite some misgivings about the framework. It would probably be willing to offer concessions, however, on important areas like land, water, and Jewish settlements, in the hope of attracting Jordan and Palestinian representatives to the talks. Labor would probably use the five-year transition period to test its ideas for arranging a final peace agreement with Jordan.

[Redacted]

25X1

The major difference between the Likud and Labor lies in their approaches to the ultimate disposition of the West Bank and Gaza territories occupied in 1967. The Likud favors permanent Israeli control--perhaps through annexation--while Labor leans towards territorial concessions to Jordan.

[Redacted]

25X1

--continued

Top Secret

[Redacted]

25X1



Top Secret

25X1

Labor's policy toward the West Bank and Gaza has traditionally rested on the "demographic argument." Pointing to the slow growth of Israeli Jewish population due to low birth rates and declining immigration, Labor's leaders have argued that the extremely high birth rate among West Bank and Gaza Arabs would mean an Arab majority in Israel as early as 2000 if those areas were permanently annexed. Israel could therefore maintain its Jewish character only by denying electoral freedoms to the Arab population, leaving a disenfranchised, hostile Arab majority and eroding the democratic character of the state.

25X1

Labor's Partition Plan

If Labor could entice Hussein into negotiations for a final agreement, the party probably would agree to a territorial partition along the following lines:

- Return of most of the populated areas to Jordanian control.
- Transfer of the Gaza Strip to Jordan.
- Retention by Israel of Greater Jerusalem, the Latrun Salient, and the Etzion Settlement Bloc. Other, generally minor, territorial demands might also be made.
- An Israeli security presence--perhaps based on some of the existing Israeli settlements--in the Jordan River Valley and the foothills of the eastern Samaritan Mountains. Other security requirements such as demilitarization, monitoring devices, and international guarantees would also be sought.

25X1

Peres has hinted that he would be willing to negotiate the future of existing Israeli settlements in the areas to be returned to Jordan and might be prepared to work out a deal whereby Jordanian sovereignty would be

--continued

Top Secret

14 April 1980

25X1

Top Secret
[redacted]

accepted over some settlements. Labor would prefer that the areas returned to Jordan form a Palestinian entity under Jordanian sovereignty. Most of the party is as adamant as the Begin government that no Palestinian state be created. [redacted]

Critics Within the Party

Some Labor Party members question the wisdom of pursuing an agreement with Jordan. They note that the proposal for negotiations with Amman originated several years ago when Hussein was more moderate than he now appears to be and before his rapprochement with the Palestine Liberation Organization. These critics note that Hussein has flatly ruled out negotiations with Israel on terms other than complete withdrawal to the pre-1967 lines and that he has given no hint that he would be interested in a process that involves yielding territory to Israel. Thus, they argue, territorial partition is no longer a viable negotiation approach. [redacted]

The extreme left of the party advocates total withdrawal to the 1967 borders--except for Jerusalem--and would accept the creation of a Palestinian state. More moderate members, like former Foreign Minister Abba Eban, have advocated a confederation of Jordan, Israel, and the West Bank along the lines of the Benelux federation. A few right wingers in the party more or less support Begin's position. [redacted]

Coalition Problems

Despite its impressive showing in recent polls, Labor is unlikely to win a parliamentary majority if elections are held in the near future. The party would probably have to form a coalition to govern, most likely with the hawkish National Religious Party. Coalition politics--particularly if the Religious Party is a member--might well force Labor to modify its preferred negotiating position and follow a harder line. [redacted]

Top Secret
[redacted]

14 April 1980

Top Secret

25X1

Top Secret