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National Intelligence Daily (Cable)

16 February 1982

State Dept. review completed

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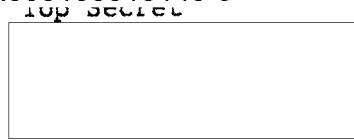
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16 February 1982

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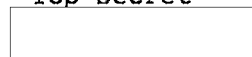
Special Analysis

South Africa: *Foreign and Domestic Policy Pressures* 9

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POLAND: Pressure on the Church

The government is increasing pressure on the Church to help stem the rising level of popular resistance. Party hardliners, meanwhile, may seek to oust moderates at the Central Committee session scheduled for this weekend, and the government is urging some internees to emigrate.

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Polish media yesterday criticized some members of the clergy for making "provocative statements" that will further encourage the "extremist minority," presumably such as the youthful demonstrators on Saturday in Poznan. The media also are blaming radicals in Solidarity for inciting a "bloody civil war," and for giving prominence to alleged terrorist incidents, such as the discovery of a homemade time bomb at a gas station in Lublin.

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Comment: The rare public criticism by the regime of the Church may have been prompted by the activities of some priests who are student advisers at the universities and who in the past were militant supporters of the independent student association. By playing on Archbishop Glemp's fear of a breakdown in social order that will result in civil war, the authorities might hope that the Church leadership will exert greater discipline over local clergy.

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The demonstration in Poznan apparently was the first protest to occur there since the imposition of martial law, and students at the newly reopened universities seemed to be the driving force. The conspicuous presence of military and police patrols during the past few days

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in other major cities probably intimidated many would-be demonstrators. For example, the local authorities in Gdansk yesterday claimed there had been no demonstrations and announced some easing of martial law restrictions.

[Redacted]

Central Committee Meeting

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A high-ranking Polish party official recently told US Embassy officers that party hardliners will try to oust moderates at the next Central Committee session, tentatively scheduled for this weekend. The hardliners will seek to reduce Premier Jaruzelski's authority, but the official expects them to be defeated overwhelmingly.

[Redacted]

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Comment: The long-delayed Central Committee session is not likely to settle the intraparty strife, but Jaruzelski, who at this point is immune to attacks from hardliners, will probably orchestrate a meeting that emphasizes party unity. The contest between hardliners and moderates will continue at the local level and in the party apparatus for an indefinite period, giving greater influence in the regime to the military.

[Redacted]

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Emigration for Internees

Press reports, citing Western diplomats, indicate that the regime has begun implementing its announced policy of offering emigration to internees who request it. The authorities reportedly have threatened renewed prison terms for released internees who do not leave.

[Redacted]

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Comment: The regime probably prefers to force militant intellectuals and Solidarity activists to leave the country rather than risk more domestic resistance. The closing of the internment camps also will eliminate a major source of international criticism of the government.

[Redacted]

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[Redacted]

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SPAIN: Trial of Coup Plotters

//The trial opening this week of rightists accused in the coup attempt a year ago could pose the severest challenge to democracy in Spain since that event.//

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//A military court will begin on Friday to try the 32 officers and one civilian. Prosecutors have asked 30-year sentences for three accused ringleaders--General Armada, General Milans del Bosch, and Lieutenant Colonel Tejero--and much lighter sentences for most of the others.//

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//The trial will be held in a volatile political atmosphere. Disarray in the governing Center Democratic Union Party has raised the possibility of early elections that could produce a Socialist government--anathema to many rightists in the military.

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Comment: //Much of the military is disenchanted with the government, but only a small minority has directly challenged it so far. The trial could weaken the resolve of the majority to stand in the way of the radicals, particularly if press coverage makes it appear that the military as a whole is being tried. Rough treatment for the highly respected Armada and Milans del Bosch also could make tempers flare.//

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//The trial, moreover, may weaken King Juan Carlos's ability to restrain the military. Defense assertions that the plotters thought that they had the King's tacit consent could imply betrayal by Juan Carlos, who moved forcefully and publicly against the plotters after the attempt was under way. Such charges would be especially damaging because the King had long been close to Armada.//

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//The government probably will be able to contain these challenges. Although the government and its parliamentary opposition both want verdicts that would discourage other disgruntled officers, they may try to limit military unhappiness through private assurances of good treatment and early pardons for those convicted. The sensitivity to military concerns shown by the government over the past year, combined with recent top-level personnel changes, will help the government keep ahead of discontent.//

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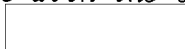
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EGYPT-USSR: Status of Relations


President Mubarak is making a careful and measured effort to improve the tone of relations with the USSR, but a significant upgrading of ties is unlikely. 

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Mubarak has curtailed public criticism of the USSR and indicated a willingness to renew some ties as long as they provide economic benefits and Moscow understands that it will have to respect Egyptian sovereignty. The recent announcement of the temporary return of 60 Soviet specialists out of the group of several hundred expelled from Egypt last September was primarily motivated by Cairo's need for technical assistance. 


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Although Mubarak is personally hostile to the Soviets, there are several important constituencies in Egypt that favor improved bilateral ties. Some Foreign Ministry officials are worried that Egypt's reliance on the US damages Cairo's nonaligned credentials. 

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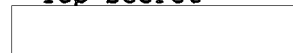
Opposition leaders charge that the government's pro-US policies unnecessarily involve the country in superpower tensions. Some military personnel would like to regain access to Soviet weapons and spare parts, but few would favor a return to the close ties that existed in the early 1970s. 

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Comment: The thaw in Soviet-Egyptian relations is likely to be gradual and limited. Egypt's desire to strengthen its nonaligned image, however, could lead Mubarak to appoint a new ambassador to fill the vacant post in Moscow later this year. The Soviets, meanwhile, probably will play on Egypt's need for economic assistance and military spare parts in order to improve their standing in Cairo. 

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SYRIA: Fighting in Hamah Continuing

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//Syrian forces are conducting mopping-up operations against dissidents in Hamah, where resistance in the old quarter of the city continued yesterday.



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A sympathy strike called in the northern city of Aleppo reportedly was ended on Sunday when troops forced shops and businesses to open.//



//Although the government has issued statements that the operation against the dissidents was over, continued fighting forced Damascus to cancel a planned trip by journalists to Hamah on Sunday. The road through the city, also scheduled to open on Sunday, was still closed yesterday.//

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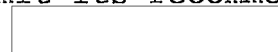


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ARAB STATES: Foreign Ministers' Conference Ends

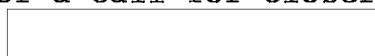
The Arab Foreign Ministers' Conference in Tunis ended on Saturday with Syria unable to persuade the participants to adopt sanctions against the US. The meeting called to forge a common policy on Israel's annexation of the Golan Heights, was able to agree only on a commitment to work for Israel's expulsion from the UN and the formation of a ministerial-level committee to reevaluate relations between Israel's supporters and the Arabs. The committee will submit its recommendations to the next Arab summit meeting.

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Comment: The final statement of the conference included anti-US rhetoric, but Arab moderates, led by Saudi Arabia, opposed more concrete anti-US moves. The Saudis apparently were also responsible for the deletion from the final statement of a call for closer relations with "socialist" states.

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ZIMBABWE: Mugabe Threatens Nkomo

Prime Minister Mugabe on Saturday threatened to take harsh actions against his coalition partner Joshua Nkomo over the recent discovery of several secret arms caches belonging to Nkomo's Zimbabwe African People's Union. In his most bitter attack to date, Mugabe accused Nkomo of personal disloyalty to the government. Nkomo so far has not responded to the charges but is calling an emergency meeting of his party's executive committee to discuss the matter. [redacted]

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Comment: Relations between Mugabe and Nkomo have been deteriorating steadily in recent months, and the government has accused some ZAPU members of collaborating with South Africa and whites in Zimbabwe in subversive activities. Mugabe probably believes that the discovery of the arms caches offers him the opportunity to force Nkomo into choosing between continued participation in the government or cracking down on ZAPU malcontents. The government probably will decide today what action to take at its scheduled cabinet meeting. At a minimum, Mugabe will demand that Nkomo and the other four ZAPU cabinet members reaffirm their loyalty to the government, but hardliners within Mugabe's party will argue for measures that could destroy the coalition. [redacted]

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NAMIBIA: Moderate Black Leader Resigns

The Democratic Turnhalle Alliance, the multiracial coalition that is principal political opponent in Namibia, of the South-West Africa People's Organization, yesterday lost its most important black leader with the resignation of Peter Kalangula. Kalangula, the DTA's president, also withdrew his Namibia Democratic Party from the coalition. Kalangula's party competes with SWAPO for support among the Ovambos, Namibia's largest black tribe which accounts for almost 50 percent of the territory's population. [redacted]

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Comment: Kalangula had become increasingly dissatisfied recently with the policies of the DTA's white chairman, Dirk Mudge. Kalangula's departure is a serious blow to the South African - backed DTA's chances in independence elections and will further harden Pretoria's bargaining positions in the current Namibian negotiations. South Africa realizes that the DTA's electoral fortunes depended in large part on gaining the support of those blacks who opposed SWAPO and considered Kalangula a legitimate black spokesman. [redacted]

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THAILAND-BURMA: Impact of Antinarcotics Operations

//Government military operations under way in the Thai corner of the Golden Triangle against the Shan United Army are causing some disruption to drug processing and trafficking. Last year, the Shan United Army controlled 50 to 60 percent of the narcotics trafficking in the Golden Triangle and was the principal heroin exporter. Heroin from that region accounted for 15 percent of the heroin smuggled into the US in 1980. A considerable number of opium refineries are located near the region occupied by the Thai Army but on the Burmese side of the border.//

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Comment: //The Thai action will have little impact on raw opium production, most of which occurs in Burma, away from the border region. Production this year is likely to be about 600 tons, the same as in 1981. Even an extended Thai occupation would probably have little effect on heroin exports from the Golden Triangle, however, because the lucrative nature of the drug trade will provide a strong incentive for the Shan United Army or other groups to revive the operations at a safer location.//

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NETHERLANDS: Surveys for Cruise Missile Sites

//Defense Minister van Mierlo last week read a statement into the parliamentary record--agreed to by all three coalition parties--to prepare the way for surveys of cruise missile sites in the Netherlands. He emphasized the purely technical and legal nature of the decision on basing, and the opposition Liberals promised not to make an issue of it. Antinuclear leftists, apparently caught off guard, had little reaction.//

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Comment: //The government's statement, intended primarily to demonstrate that the Netherlands is a good ally, is not likely to remain unchallenged for long. When it becomes public or when surveys actually begin, antinuclear forces almost certainly will mount a major campaign to halt any preparations for basing. Pressure will be most intense from the large number of antinuclear groups, the Labor Party, and van Mierlo's own Democrats '66 Party, which is badly split on the issue. The pressure is likely to be strong enough to force a "postponement" of further preparations pending the outcome of the talks in Geneva.//

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SURINAME: Military Consolidates Power

Army strongman Bouterse has announced plans for the rapid installation of a new and completely restructured government. He has appointed an Acting President, stated that a new cabinet will be named soon, and indicated that he will not tolerate factionalism. [redacted]

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Comment: Bouterse's actions will help consolidate the power of the left-leaning military clique and will muzzle dissent within the government. Nevertheless, the moves are likely to produce greater polarization and increased opposition from conservative elements, including those in the Army. Current labor support, moreover, may evaporate as unions push to gain a greater share of the country's shrinking budget resources. [redacted]

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CHINA: Industrial Targets for 1982

Early projections from the State Economic Commission call for an industrial growth rate of 4 to 5 percent in 1982. Light industry is scheduled to rise by 7 to 9 percent and heavy industry by 1 percent. Overall industrial expansion last year was 4 percent, with a 13.6-percent growth in light industry offsetting a 4.5-percent decline in heavy industry. [redacted]

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Comment: The Chinese should have no trouble meeting their targets. Heavy industrial production began to pick up late last year, after the earlier decline led to minor policy changes. Light industry--which produces mostly consumer goods--continues to receive top priority. [redacted]

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SPECIAL ANALYSIS

SOUTH AFRICA: Foreign and Domestic Policy Pressures
[REDACTED]

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The South African Government this year will be particularly sensitive to the domestic impact of its foreign policy decisions. Pretoria will negotiate more cautiously on Namibia because of a growing conservative trend in the ruling National Party, which followed the unprecedented defections of Afrikaner voters to the far right in the general election last April. In addition, the conservative backlash and the current economic recession in South Africa virtually eliminate the possibility of significant racial reform and increase the chances for racial unrest. [REDACTED]

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Namibia has the potential for intensifying the rightwing backlash to Prime Minister Botha's efforts at limited racial reform, but the far right has not yet made government cooperation in the Western-sponsored negotiations on Namibia a major issue. Botha is aware, however, that heated debate over security issues in the next phase of the settlement process would leave his government open to charges of abandoning the interests of whites and could strengthen the rightwing parties at the expense of the National Party. [REDACTED]

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Botha's concern will reinforce his already tough negotiating stance on Namibia. The government is likely to demand a limited role for the UN during the transition period and guarantees that an independent Namibia will not be host to either black insurgents or their Communist backers. Pretoria also will insist on a Cuban withdrawal from Angola as a prerequisite for any settlement on Namibia. [REDACTED]

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The government's recent tough rhetoric on Namibia appears aimed at creating a domestic consensus that it could point to in pushing its demands. It also is part of an effort to attract disaffected Afrikaner voters back to the National Party. Pretoria's strategy, however,

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could limit its future flexibility in the negotiations as well as give the far right ammunition to counter government efforts to sell an eventual settlement to the white electorate. [redacted]

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The government also will be reluctant to push for racial reform because of mounting economic problems. Real economic growth dropped from a record 8 percent in 1980 to about 5 percent in 1981 and probably will fall below 3 percent this year. [redacted]

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External economic factors are largely to blame for the decline. Rising US interest rates prompted international currency traders to turn from gold--South Africa's major export--to the US dollar after the middle of 1980. Gold prices declined steeply last year, cutting foreign exchange revenues by about \$3.5 billion. Nongold exports also lagged, reflecting reduced demand because of economic recession in major Western countries. [redacted]

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Pretoria probably realizes that the economic slow-down further reduces the tolerance for racial change among working-class whites, who feel threatened by black labor and resent government spending on black social welfare. Many of these same whites defected from the National Party to the far right in the elections last April. Moreover, lower growth rates will ease the skilled labor shortage and reduce the drive among South African businessmen to eliminate many restrictions on black workers. [redacted]

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The government will be less inclined to increase spending on black education and housing. The budget last year had been increased 51 percent for black education and 10 percent for housing. A major reduction of profits in the gold mining industry, however, have cut government revenues, making similar increases unlikely in the budget to be presented to Parliament in March. [redacted]

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Black frustrations will rise as government social and economic programs aimed at blacks lose momentum. The already economically depressed eastern area of Cape Province--which has a highly politicized black population--probably will become a major trouble spot. [redacted]

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Pretoria's current emphasis on repressive security measures to control black political and labor union activities is designed to head off unrest but may only precipitate it. The government detained over 600 individuals for political or security reasons last year, including about 300 trade unionists. Some of these detainees will be tried during the next few months, and their trials could create public outbursts. 

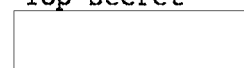
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The reluctance to proceed with even limited racial reforms is helping to discredit moderate black leaders willing to cooperate with the government. The main beneficiary of this trend is the Soviet-backed African National Congress, which is gaining more political support for its terrorist campaign from South African blacks. 

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