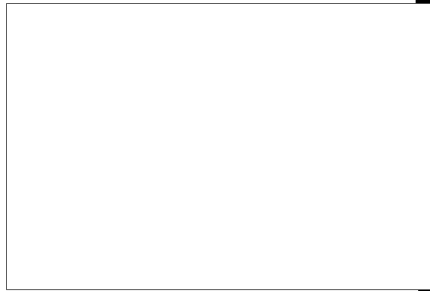


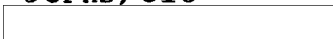


Director of
Central
Intelligence

~~Top Secret~~



OCPAS/CIG



CY# 281

25X1

National Intelligence Daily

Wednesday
9 February 1983

~~Top Secret~~

CPAS NID 83-034IX

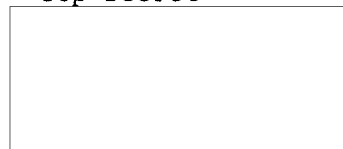
9 February 1983

Copy 281

25X1

Page Denied

Top Secret



25X1

Contents

Israel: *Cabinet Debates Commission Report* 1

Iran-Iraq: *Military and Diplomatic Moves* 2

El Salvador: *Maneuvering in the Military* 3

USSR - East Germany: *Support for Military Traffic* 4



25X1

Sudan: *Official Debt Rescheduled* 5

Warsaw Pact: *Soviet Inspections of Polish Units* 6



25X1

India: *Opposition in Disarray* 7



25X1

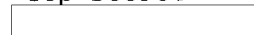
Special Analyses

USSR - The Koreas: *Changing Soviet Relations* 8

Saudi Arabia - Lebanon: *Riyadh's Concerns* 11



Top Secret



9 February 1983

25X1

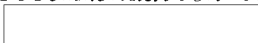
25X1

Top Secret



25X1

ISRAEL: Cabinet Debates Commission Report

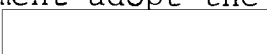
Prime Minister Begin's cabinet is having difficulty agreeing on its reaction to the inquiry commission's recommendation that Defense Minister Sharon resign or be fired. 

25X1


The cabinet's failure to reach a decision yesterday reportedly resulted from a struggle between pro- and anti-Sharon factions in the governing coalition. According to press accounts, the coalition's ultraorthodox Agudat Israel and the far-right Tehiyya party support Sharon, while the National Religious Party and the Likud's Liberal Party faction have demanded his ouster.



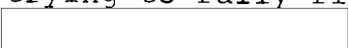
25X1

The cabinet will meet again today to discuss the issue. The opposition Labor Party, meanwhile, is demanding that the government adopt the commission's recommendations in full. 

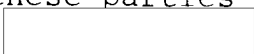
25X1

Comment: Begin probably would like to see Sharon step down but is reluctant to take the lead in removing him. The Prime Minister appears to be coordinating cabinet pressure to convince Sharon that he has no choice but to leave. Begin has made no effort to support Sharon publicly, and the public call yesterday by a high-level official of the National Religious Party for Sharon's resignation will add to the pressure on the Defense Minister. 


25X1

Without support from Begin, Sharon's position is weak. Even so, he clearly is reluctant to leave and apparently is trying to rally rightwing support for his position. 

25X1

If Begin cannot persuade Sharon to resign, he may try to get the coalition to agree to hold new elections to end the controversy. He would have difficulty, however, convincing some of the smaller member parties to go along. Recent polls have indicated that these parties would do poorly if a new vote were held now. 

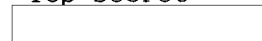
25X1

Labor party leaders probably hope that disputes within the coalition become so bitter that some members decide to desert Begin and join Labor in forming a new government without elections. 

25X1



Top Secret



9 February 1983

25X1

25X1

Page Denied

Top Secret

[Redacted]

25X1

IRAN-IRAQ: Military and Diplomatic Moves

Iran's new offensive and tougher conditions for peace have led Iraq to intensify its search for diplomatic support.

[Redacted]

25X1

25X1

[Redacted]

Tehran has reverted to its sternest conditions for ending the war. Assembly Speaker Rafsanjani--Ayatollah Khomeini's representative on the Supreme Defense Council--has renewed the demand for the overthrow of Iraqi President Saddam Hussein, and Iranian radiobroadcasts have repeatedly called on Iraqi soldiers to revolt. The regime has warned its domestic audience to expect a major battle.

[Redacted]

25X1

Baghdad, meanwhile, has launched a diplomatic campaign. The Iraqi Foreign Ministry has called in ambassadors from countries on the UN Security Council and representatives from the Nonaligned Movement, the Islamic Conference, and the Arab League to urge sanctions against Iran similar to those applied during the hostage crisis.

[Redacted]

25X1

Comment:

[Redacted]

25X1

25X1

[Redacted]

Iraq's diplomatic moves are unlikely to gain it greater support.

[Redacted]

25X1

25X1

[Redacted]

Top Secret

[Redacted]

25X1

9 February 1983

Top Secret

[Redacted]

25X1

El SALVADOR: Maneuvering in the Military

Defense Minister Garcia has moved loyalists in the military to key posts to shore up his faltering support, but his actions are likely to precipitate renewed efforts to unseat him.

[Redacted]

25X1

25X1

[Redacted]

Comment: Garcia probably will resign if a majority of officers and President Magana ask him to do so, but he apparently wants to retain his post at least for the short term.

[Redacted]

[Redacted]

25X1

25X1

Nevertheless, Garcia's opponents--including Air Force Commander Bustillo and 1st Brigade leader Colonel Blandon--could see Garcia's tactics as a signal that he plans to renege on his promise to step down soon.

[Redacted]

[Redacted]

25X1

25X1

Top Secret

[Redacted]

9 February 1983

25X1



Top Secret

[Redacted]

25X1

USSR - EAST GERMANY: Support For Military Traffic

The construction of a large ferry and rail transfer system linking the USSR and East Germany across the Baltic Sea probably is prompted by worries about the efficiency and reliability of transportation routes through Poland. [Redacted]

25X1

The ferry system will connect Klaipeda in the USSR and Sassnitz in East Germany. It is scheduled for completion in 1986 and will have six 11,700-ton ships to carry loaded rail cars. The ferries reportedly will handle up to one-third of the commercial traffic between East Germany and the USSR and will allow the East Germans to avoid delays and transit fees encountered when their goods move through Poland. [Redacted]

25X1

Comment: The ferries also will give the Soviets another way to move reinforcements from the USSR to Central Europe before hostilities. Most Soviet units designated for reinforcement--more than 25 divisions with accompanying support units and supplies--are presently organized to move by rail through Poland. [Redacted]

25X1
25X1

The Sassnitz ferries will be able to supplement but not replace the overland routes. For example, the number of troops they could transport to East Germany in a day would comprise less than half of one division. [Redacted]

25X1
25X1

A similar ferry at Ilichevsk, on the Black Sea, was used by the Soviets last fall during Shield 82 to carry military equipment to Bulgaria. The route enabled them to avoid longstanding Romanian restrictions on overland transit of military units. Construction of the Baltic ferry system parallels other improvements in the USSR's regional military sealift capabilities using modern roll-on and roll-off ship technology. [Redacted]

25X1

Despite Soviet concerns about the reliability of the routes through Poland, Moscow continues to urge the Poles to improve transportation facilities which would be used by Soviet reinforcements. Meanwhile, the USSR is continuing to work on a broad gauge rail line through Poland that could be used for military traffic but which would still require facilities to transfer shipments to Europe's narrow gauge lines. [Redacted]

25X1

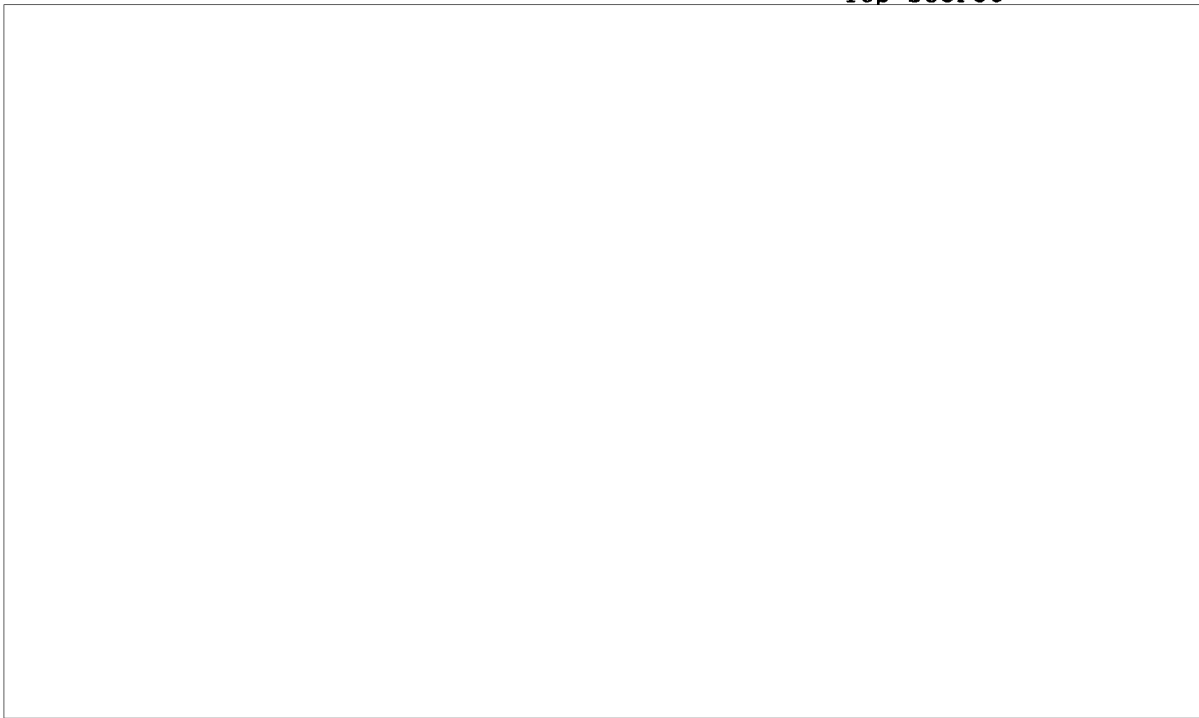
Top Secret

[Redacted]

25X1

Top Secret

25X1



SUDAN: Official Debt Rescheduled

Western governments to which Sudan will owe some \$500 million in payments and overdue debts this year have agreed to a generous rescheduling program. The terms established at a meeting in Paris last week call for a 16-year repayment schedule, with a six-year grace period during which only 50 percent of the interest due is to be paid. The remainder of the interest due is to be added to the rescheduled debt. Sudanese payments to the Western governments this year are to total only \$20 million, which the IMF believes is all that President Nimeiri's financially strapped regime can handle. [redacted]

25X1

Comment: Khartoum, with the IMF's help, will now try to reschedule \$1 billion in payments and overdue debts for this year that it owes to Arab oil-producing states, as well as \$1.2 billion owed to commercial creditors. [redacted]

25X1

Top Secret

[redacted]
9 February 1983

25X1

Top Secret



25X1

WARSAW PACT: Soviet Inspections of Polish Units

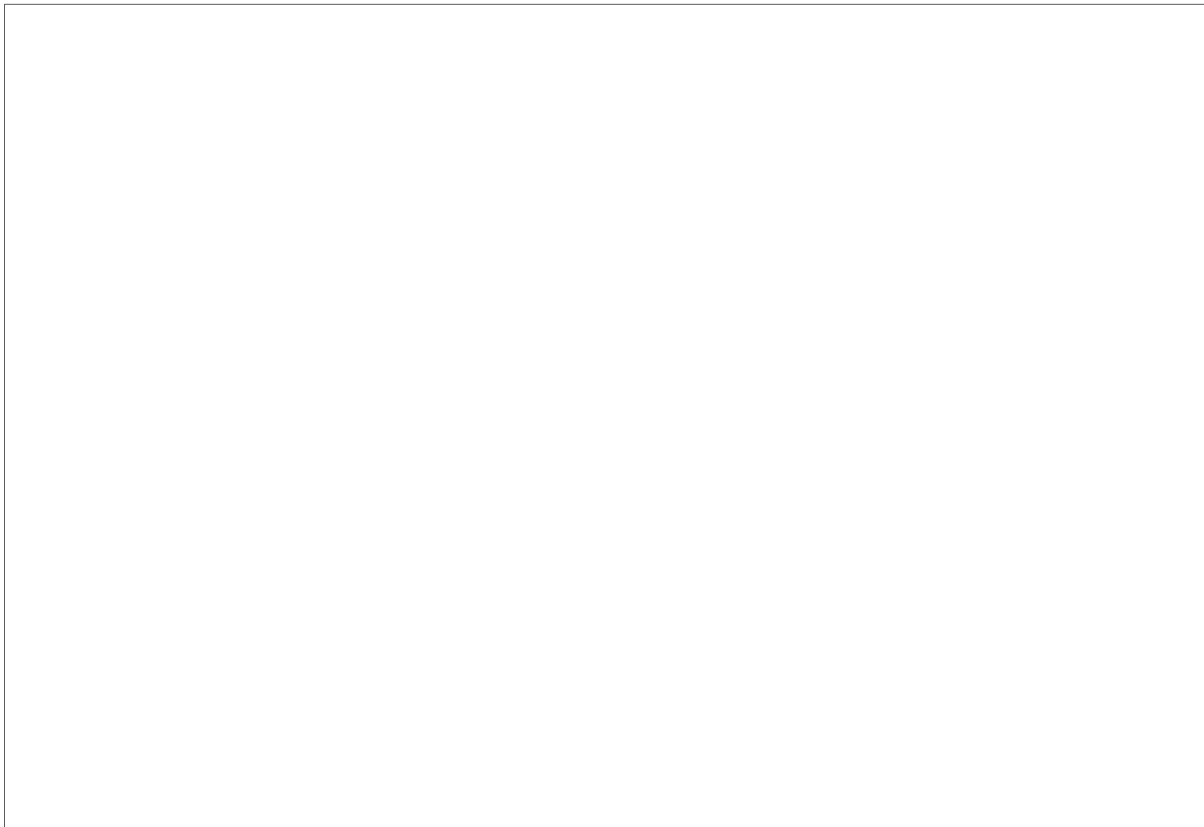
Several Soviet generals recently inspected the status of training, including political and ideological work, in unidentified Polish units, according to the US military attache in Warsaw and a Polish military newspaper. The attache reported that [redacted] the Soviets were paying special attention to political training to judge how effectively young soldiers' attitudes toward Solidarity had been counteracted in recent months. [redacted]

25X1

25X1

Comment: The inspections could be used to evaluate the ability of units to fulfill their general combat obligations to the Pact and to gauge the political attitudes of new soldiers. During the past several years, the Soviets have administered extensive general readiness inspections to non-Soviet units committed to the Combined Armed Forces of the Warsaw Pact. General readiness evaluations also focus on combat skills and unit administrative procedures. [redacted]

25X1



25X1

Top Secret



9 February 1983

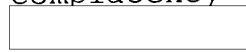
25X1

Top Secret

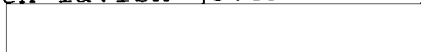


25X1

INDIA: Opposition in Disarray

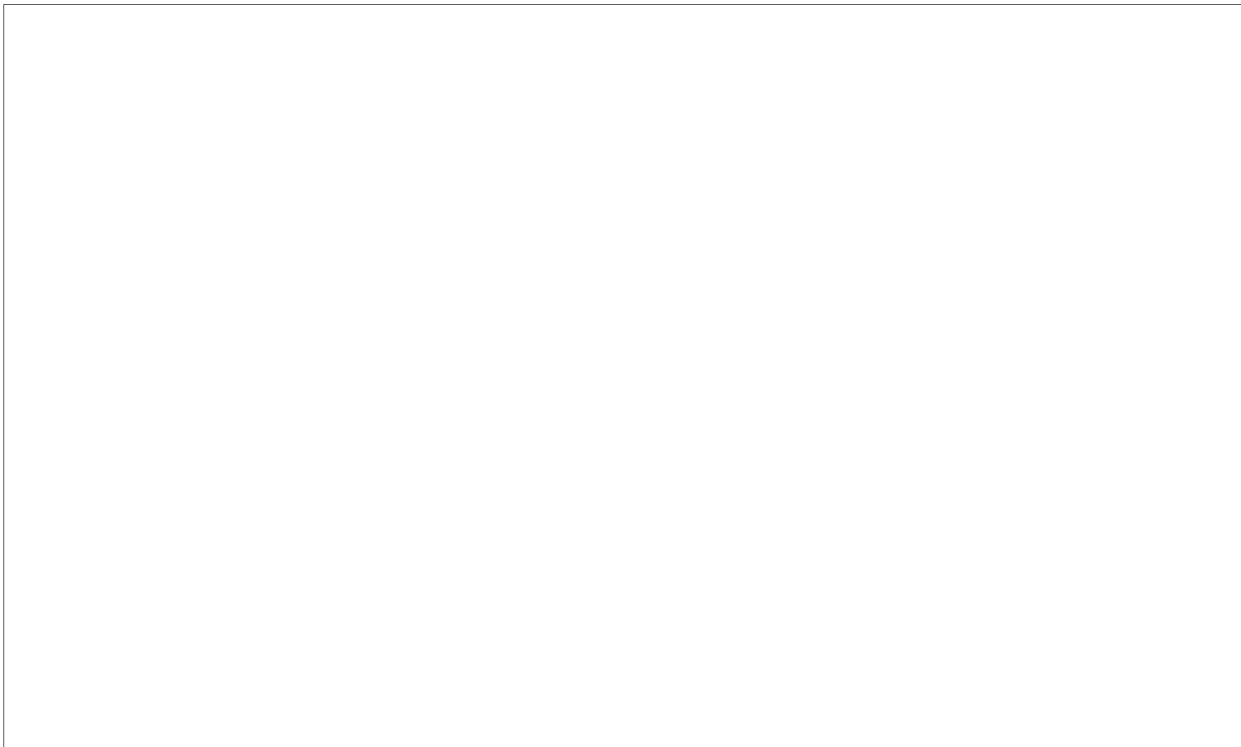
Prime Minister Gandhi's clear victory in municipal elections in the Delhi area last weekend is more a measure of the disarray among opposition parties than the popularity of her Congress Party. According to the US Embassy, Congress candidates won a large number of seats by slim margins and profited in many constituencies from the inability of the opposition parties to submit unified slates. The leader of the major opposition party has taken personal responsibility for his party's complacency and organizational weakness and has resigned. 

25X1

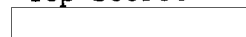
Comment: The victory in the Delhi area will improve the morale of Gandhi's party after its recent election losses in southern India. The results, however, do not necessarily point to successes for Gandhi in elections to be held in two northeastern states later this month. Government corruption and maladministration were not the key issues in the Delhi area, as they are in the larger states. Moreover, Gandhi has cultivated voters in the capital with lavish government spending on public works projects. 

25X1

25X1



Top Secret



9 February 1983

25X1

Top Secret

[Redacted]

25X1

Special Analysis

USSR - THE KOREAS: Changing Soviet Relations

The USSR is responding to political and economic changes on the Korean peninsula by opening a dialogue with South Korea while allowing relations with North Korea to remain cool. South Korea's economic success--which makes it a potentially valuable trading partner--and its growing international stature have attracted Soviet interest. The Soviets, however, do not want the many tensions in their relationship with P'yongyang to lead to an open break. Unless North Korea adopts markedly different policies, these trends in Soviet policy are likely to continue. [Redacted]

25X1

Moscow, after ignoring persistent efforts by Seoul to interest it in economic and political ties, recently initiated an indirect dialogue through South Korean professors, scientists, athletes, and middle-level officials. The first Soviet officials to visit Seoul were three TASS representatives and a middle-level cultural official who attended international conferences there last October. [Redacted]

25X1

The Soviets are sounding out the South Koreans on regular direct trade and development cooperation. [Redacted]

25X1

25X1

[Large Redacted Area]

--continued

Top Secret

[Redacted]
9 February 1983

25X1

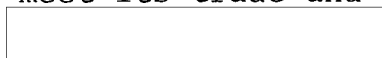
Top Secret



25X1

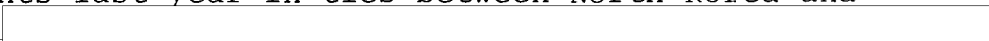
Cooler Relations With the North

Relations between Moscow and P'yongyang have cooled during the past two years. Late last year North Korean President Kim Il-song, in answering questions from the Japanese press, reprimanded Moscow for the Soviet visits to Seoul, and he also indicated that his country's relations with China were better than those with the USSR. Moscow, meanwhile, has shown displeasure with Kim's moves to make his son his successor and with P'yongyang's failure to meet its trade and payment agreements with the USSR.



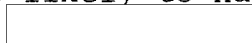
25X1

The Soviets probably are also irritated over improvements last year in ties between North Korea and China.



25X1

September are likely to have been particularly disturbing to the USSR.



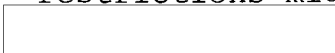
Kim's visit to China in

25X1

25X1

25X1

The USSR continues to provide P'yongyang with essential economic aid, however, even though North Korea has not always fulfilled its trade plans. Moscow probably calculates that the imposition of major trade restrictions might only drive Kim closer to the Chinese.



25X1

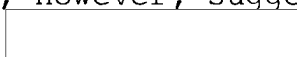
The Soviets are likely to welcome North Korea's sale of arms to Iran, because this earns P'yongyang badly needed foreign exchange or oil supplies and makes Tehran more dependent on Soviet-designed weapons. The USSR is unwilling to supply North Korea with advanced armaments, however, because it fears they might be used to start a new Korean war.



25X1

Prospects

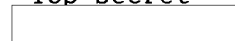
The change of Soviet leadership does not seem for now to have affected relations with the two Koreas. The positive tone of recent messages between Kim and General Secretary Andropov, however, suggests that both hope for better relations.



25X1

--continued

Top Secret



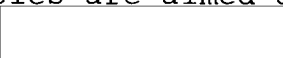
25X1

9 February 1983


Top Secret




25X1

The Soviets are unlikely to provoke a break with P'yongyang. They will continue to provide economic assistance and technological aid to North Korea's military industry and probably will reluctantly accept Kim's son. These policies are aimed at maintaining Soviet influence there. 

25X1

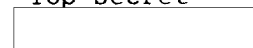
Unless P'yongyang adopts more pro-Soviet policies, the USSR probably will seek greater economic and political access to South Korea. Indirect and unofficial contacts are likely to increase, and Moscow will probably look for a formula that permits direct official contacts in the absence of diplomatic recognition. 

25X1

In addition, the Soviets are likely to offer limited opportunities for South Korea's recession-troubled export industries. At the same time, Moscow probably recognizes that it has little chance of loosening Seoul's military dependence on the US. 

25X1

Top Secret



9 February 1983

25X1


Top Secret



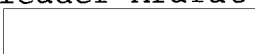
25X1

Special Analysis


SAUDI ARABIA - LEBANON: Riyadh's Concerns

Saudi leaders are worried that Lebanese President Jumayyil will accommodate Israel's demands for normalized relations as the price for its withdrawal from Lebanon. If he does so, the Saudis probably will agree to any Arab consensus to isolate Jumayyil and withhold economic aid from his country. 

25X1

The Saudis believe that Jumayyil cannot establish his authority until all foreign forces withdraw from Lebanon. They also fear that a protracted impasse over troop withdrawal would undermine the US peace initiative. As a result, King Fahd has worked hard to secure what he considers to be firm commitments from both Syrian President Assad and PLO leader Arafat to withdraw Syrian and Palestinian forces. 


25X1

In return, Fahd expects the US to press Israel to soften its conditions for withdrawal. He has made clear that Israeli demands for normal relations with Lebanon are unacceptable--particularly the concept of "open borders." 

25X1
25X1



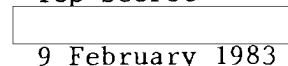
Fahd's Concerns

Fahd worries that any major Lebanese concessions would weaken Jumayyil's position and increase the chances of renewed civil war. Furthermore, the King believes that such concessions would scuttle Saudi efforts to obtain the withdrawal of Syrian and Palestinian forces and lead to a radical Arab backlash that would shatter the moderate Arab consensus he has tried to build. 

25X1

--continued

Top Secret



25X1

Top Secret

[Redacted]

25X1

In addition, Fahd fears a potential domestic backlash. Israel's invasion of Lebanon last summer and the massacres in Beirut spawned severe public criticism of the royal family, and of the King in particular, over Saudi ties to the US. He would again become the target of criticism--even within the royal family--if the US were viewed as allowing Israel to impose on Lebanon a one-sided settlement. [Redacted]

25X1

Outlook

[Redacted]

25X6

[Redacted] He is unlikely, however, to expend additional political capital with the Syrians and the PLO if he believes that the US is unable to temper Israeli conditions for withdrawal. [Redacted]

25X6

25X1

If an Arab consensus to isolate Lebanon developed, the Saudis would go along to avoid Arab criticism. At a minimum, they probably would withhold economic aid and might go so far as to impose trade sanctions. [Redacted]

25X1

Israeli gains in Lebanon also would diminish Saudi confidence in the ability of the US to obtain concessions from Tel Aviv on the West Bank and Gaza. As a result, Fahd probably would be less willing to push the PLO to give Jordan's King Hussein its proxy in negotiations with Israel. [Redacted]

25X1

Top Secret

[Redacted]
9 February 1983

25X1

Top Secret

25X1

