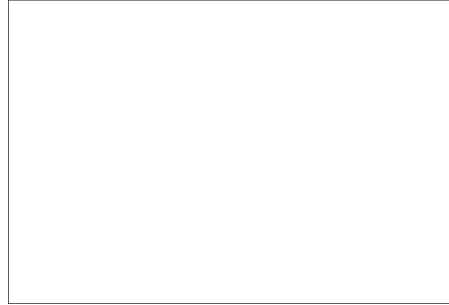




**Director of  
Central  
Intelligence**

~~Top Secret~~



25X1

OCPAS/CIG  
CY# 285



25X1

# National Intelligence Daily

*Monday  
23 May 1983*

~~Top Secret~~

GPAS NID 83-121JX  
23 May 1983

Copy 285

25X1

**Page Denied**

**Top Secret**



25X1

**Contents**

---



25X1

**El Salvador: Extreme Rightist Activity** ..... 2

**West Germany: Opposition to Trade Restrictions** ..... 3

**EC: Foreign Ministers' Meeting** ..... 4



25X1

**Zimbabwe-US-USSR: Strained Relations** ..... 6

**Argentina: Safeguards at Newest Power Reactor** ..... 7



25X1

**USSR-Angola: Results of dos Santos's Visit** ..... 9

**Malawi: Violent Political Purge** ..... 9

**Australia: Proposal for Nuclear-Free Zone** ..... 10

**Iran-Japan: Petroleum-Related Deals** ..... 10

25X1

**Top Secret**



23 May 1983

25X1

**Page Denied**


Next 1 Page(s) In Document Denied

**Top Secret**




25X1


**EL SALVADOR: Extreme Rightist Activity**

*Assembly leader D'Aubuisson has indicated that elements of the military and security forces are engaging in illegal actions against alleged subversives.* 


25X1

D'Aubuisson has told a US official that military and security personnel are planning to eliminate suspected leftists. He noted that corruption and political pressures often protect insurgent sympathizers in their operations and said that safeguarding human rights is impossible as long as the war continues. The Assembly leader also advocated a more aggressive war strategy, including "extra-official" operations. 


25X1

Meanwhile, Col. Nicolas Carranza, who has extensive ties to D'Aubuisson, is lobbying to be named Armed Forces Chief of Staff. Carranza has a reputation as a strong leader but was isolated by former Defense Minister Garcia, who felt threatened by his political ambitions and feared he would undercut efforts to keep the military out of partisan politics. 

25X1

**Comment:** D'Aubuisson's candid admissions—which are tacit support for the existence of death squads—may also reflect the belief that the extreme right can expand its influence now that Garcia has been replaced as defense minister by the less dynamic General Vides. Moreover, chances are increasing that extreme rightist violence will escalate as political prisoners are released under the new amnesty law. 

25X1

Carranza's lobbying may become a serious dilemma for Vides. The Defense Minister probably recognizes that Carranza's presence on the General Staff might help him conduct a more aggressive war strategy. At the same time, the appointment of Carranza to a high military post probably would result in renewed politicization of the armed forces. 

25X1

**Top Secret**



25X1

**Top Secret**

[Redacted]

25X1

**WEST GERMANY: Opposition to Trade Restrictions**

*West German Government and industry officials are increasing their criticism of revisions to the Export Control Act that are currently under consideration by the US Congress.* [Redacted]

25X1

Economics Minister Lambsdorff, in an interview in a West German financial periodical, said West Germany considers the Act unacceptable. Bonn particularly opposes the extraterritorial provisions, which would penalize US companies' European subsidiaries that do not comply with US controls on East-West trade. Lambsdorff said his country wants to avoid a repetition of the dispute last year over pipeline sanctions and will make its position clear to US officials at all levels, including at the Williamsburg Summit. [Redacted]

25X1

Bonn is under pressure from West German industry, especially the machine tool sector, to resist US provisions that would restrict its trade with the East. The Eastern market accounts for up to 50 percent of sales for some firms, and industry officials are especially concerned about provisions that would require—on a case-by-case basis—proof that the exports do not improve Soviet military or strategic capabilities. They would prefer that the burden of proof rest with those seeking to restrict technology transfer. [Redacted]

25X1

Opposition to the proposed provisions of the Export Control Act is the majority view in all West German political parties. This view is reflected in a recent West German economic study, which claims that a technology embargo could seriously affect certain civilian sectors in the USSR but would have little effect on Soviet arms production.

[Redacted]

25X1

**Comment:** West Germany's concern about the Act is shared by other European countries and could seriously hamper efforts to reach an accommodation on East-West trade issues in OECD, COCOM, and NATO studies now under way. In addition, many West German officials have commented that a dispute similar to the one over pipeline sanctions would do irreparable harm to US-European industrial cooperation. [Redacted]

25X1

**Top Secret**

[Redacted]

25X1

**Top Secret**

[Redacted]

25X1

**EC: Foreign Ministers' Meeting**

*EC Foreign Ministers are to convene tomorrow in Brussels to discuss budgetary problems and prospects for improving foreign policy coordination.* [Redacted]

25X1

West German Foreign Minister Genscher, who will preside at the two-day session, is expected to call for reactions to an EC Commission proposal to increase the ceilings on country payments to the budget by as much as 40 percent. The increases would be directly linked to benefits received from agricultural subsidies and to each member's wealth. [Redacted]

25X1

The budget proposal does not directly curb farm spending, a key demand of both West Germany and the UK. In addition, it increases substantially the contributions from Denmark, the Netherlands, and Luxembourg. [Redacted]

25X1

The Foreign Ministers also will debate the Solemn European Declaration, which seeks to bind the existing informal system of foreign policy coordination to the EC's formal institutions. The declaration calls for more frequent use of voting by majority instead of by consensus in EC policymaking and for increasing the powers of the European Parliament. [Redacted]

25X1

Passage of the declaration—which would require unanimous approval—is opposed by Denmark and Greece. They insist on maintaining consensus as the basis for EC policies. [Redacted]

25X1

**Comment:** Both issues are contentious, and little progress is expected on either. Unless a budget adjustment is agreed on soon, however, EC funds could run out next year. [Redacted]

25X1

The declaration on foreign policy coordination would do little to foster a common position for the Community's members. It has been heavily amended and largely amounts to a statement of existing practices. [Redacted]

25X1

**Top Secret**

[Redacted]

25X1

**Page Denied**



**Top Secret**

[Redacted]

25X1

**ZIMBABWE-US-USSR: Strained Relations**

*Recent frictions in Zimbabwe's relations with the US and the USSR reflect Harare's conflicting foreign policy objectives.* [Redacted]

25X1

The anti-US positions that Zimbabwe has taken since becoming a member of the UN Security Council in January have increased strains in bilateral relations. Although US demarches persuaded Zimbabwe to tone down its rhetoric during the recent debate in the Security Council on Central America, it did not change its pro-Nicaraguan stance. Anti-US statements continue to appear frequently in Zimbabwe's government-controlled media despite several protests by the US Embassy. [Redacted]

25X1

25X1

[Large Redacted Block]

**Comment:** Zimbabwe's desire to demonstrate its credentials as a progressive state conflicts with its efforts to maintain close ties with Western aid donors. The Foreign Minister's recent statement that Zimbabwe would lose its freedom of action if Harare were to bend "even once" to Western pressure suggests that this need for self-assertion will continue to trouble relations with the US. [Redacted]

25X1

Mugabe's distrust of the Soviets—which stems from Moscow's backing of his guerrilla rivals during the civil war—hampers Zimbabwe's efforts to use relations with the USSR to gain leverage with the West. [Redacted]

25X1

25X1

[Redacted]

**Top Secret**

[Redacted]

25X1

**Top Secret**

[Redacted]

25X1

**ARGENTINA: Safeguards at Newest Power Reactor**

*Argentina's newest nuclear power reactor will operate for at least a year without complete safeguards monitoring by the IAEA.*

[Redacted]

25X1

The US Embassy reports that the Argentines reached an agreement with the IAEA late last month to put Canadian-designed surveillance equipment into operation when their new heavy water reactor begins commercial operation. The Agency, however, acceded to Argentina's demand not to use the information derived by the equipment to make a positive finding of any diversions of nuclear fuel from the reactor for at least a year. [Redacted]

25X1

Nevertheless, the IAEA expects to be able to use the information from the surveillance equipment to alert it to a potential problem. At that point, it could make a statement that it is unable to assure that it can account for all nuclear material. The reactor began operation in March without safeguards and is expected to achieve full commercial power by November. [Redacted]

25X1

Argentina had originally agreed to the special safeguards monitoring procedures, which are currently in operation at three Canadian-designed reactors in other countries. More than a year ago, however, Buenos Aires began maneuvering in negotiations with the IAEA to avoid accepting the arrangement. [Redacted]

25X1

25X1

[Redacted]

**Comment:** Argentina's unwillingness to abide by the data from the new safeguards equipment will make it more difficult to certify a fuel diversion if one takes place. Monitoring the movement of fuel into and out of these reactors is difficult, making it easier to obtain plutonium by secretly irradiating fuel. [Redacted]

25X1

**Top Secret**

[Redacted]

25X1

**Page Denied**

Next 1 Page(s) In Document Denied

**Top Secret**



25X1

**USSR-ANGOLA: Results of dos Santos's Visit**

President dos Santos evidently sought to reassure the Soviets during his visit to Moscow last week that his discussions with the US on southern African issues do not mean Angola is shifting toward the West. The US Embassy in Moscow reports that the joint communique issued at the end of the visit took a much stronger stand against the US and its policies toward southern Africa—and was more positive about Soviet-Angolan relations in general—than earlier Soviet commentary on the trip. Moreover, dos Santos sent a message to General Secretary Andropov just before leaving on Friday referring to the "splendid" relations between Moscow and Luanda and the atmosphere of "cordiality and mutual understanding" that surrounded the discussions.



25X1

**Comment:** The composition of dos Santos's entourage and the fact that he met with key Soviet officials responsible for military and economic assistance indicate that these issues were high on the agenda. The US Embassy believes that the Soviets probably did not promise as much new aid as dos Santos would have liked but that the communique and particularly the message to Andropov indicate Angolan satisfaction on this score. Moscow probably also pressed the Angolans to make more effective use of Soviet assistance.



25X1

25X1

**MALAWI: Violent Political Purge**

At least three prominent Malawian politicians have been murdered during the past week, according to the US Embassy in Lilongwe. Two of the men—the Secretary General of the country's only political party and a former senior cabinet minister—had been widely viewed as potential successors to octogenarian President Banda.



25X1

**Comment:** The killings could lead to the first major political crisis in almost two decades for Malawi—a pro-Western country that also maintains cordial relations with South Africa. It is not yet known who is responsible for the murders or whether they were authorized by Banda. The US Embassy believes that ambitious Central Bank governor and potential presidential successor John Tembo may have ordered the killings to eliminate key rivals. The leadership of the Army, whose support is essential for any regime in Malawi, is likely to remain loyal to Banda but has not yet indicated its position concerning a successor.



25X1

**Top Secret**




25X1

Top Secret




25X1

**AUSTRALIA: Proposal for Nuclear-Free Zone**


The government is moving ahead with its proposal for a South Pacific nuclear-free zone, an idea first advanced last year when the Labor Party was not yet in power. Prime Minister Hawke says the proposal would ban nuclear testing, storage, and waste disposal in the region. It would not restrict the movement of or visits by US nuclear-powered warships or US military aircraft capable of carrying nuclear weapons. 

25X1

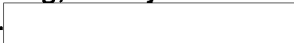
**Comment:** In defining its proposal now, Australia says it is trying to head off consideration of military restrictions by South Pacific island heads of government when it hosts their annual meeting in August. The proposal is aimed particularly at the French nuclear testing program. Hawke probably will elaborate on Australia's position when he visits the US next month. 

25X1

**IRAN-JAPAN: Petroleum-Related Deals**

Iran and Japan during the past week agreed to complete the \$3.5 billion petrochemical project at Bandar-e Khomeyni in Iran despite Iraqi threats to attack the project if work resumes. In exchange for Japan's renewed participation, Tehran is to finance the remaining construction. Iran had less success negotiating new oil sales contracts with Japan. The remaining contracts expire in July, and only one new sales agreement is known to have been concluded at Iran's official price. 

25X1

**Comment:** Bandar-e Khomeyni is within easy range of Iraqi aircraft and surface-to-surface missiles, and Iran probably will not be able to finish the petrochemical project until there is a cease-fire. The Japanese have said they will not send construction crews to the site until the war is over. The Iranians probably will have difficulty signing major new oil contracts with Japan unless they offer price concessions. Tehran currently is reluctant to offer the discounts Tokyo is seeking, mainly because spot prices are close to Iran's official price. 

25X1

Top Secret



25X1



**Top Secret**