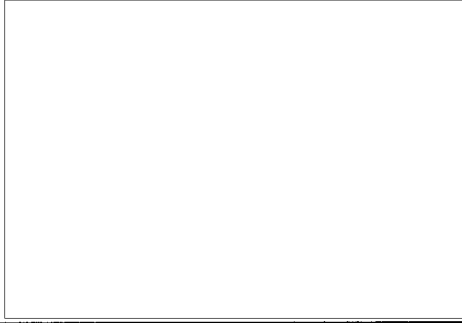




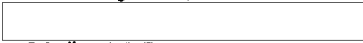
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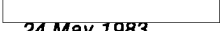
CY# 285

# National Intelligence Daily

*Tuesday  
24 May 1983*

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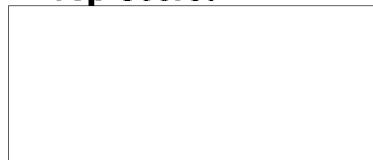
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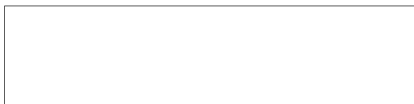
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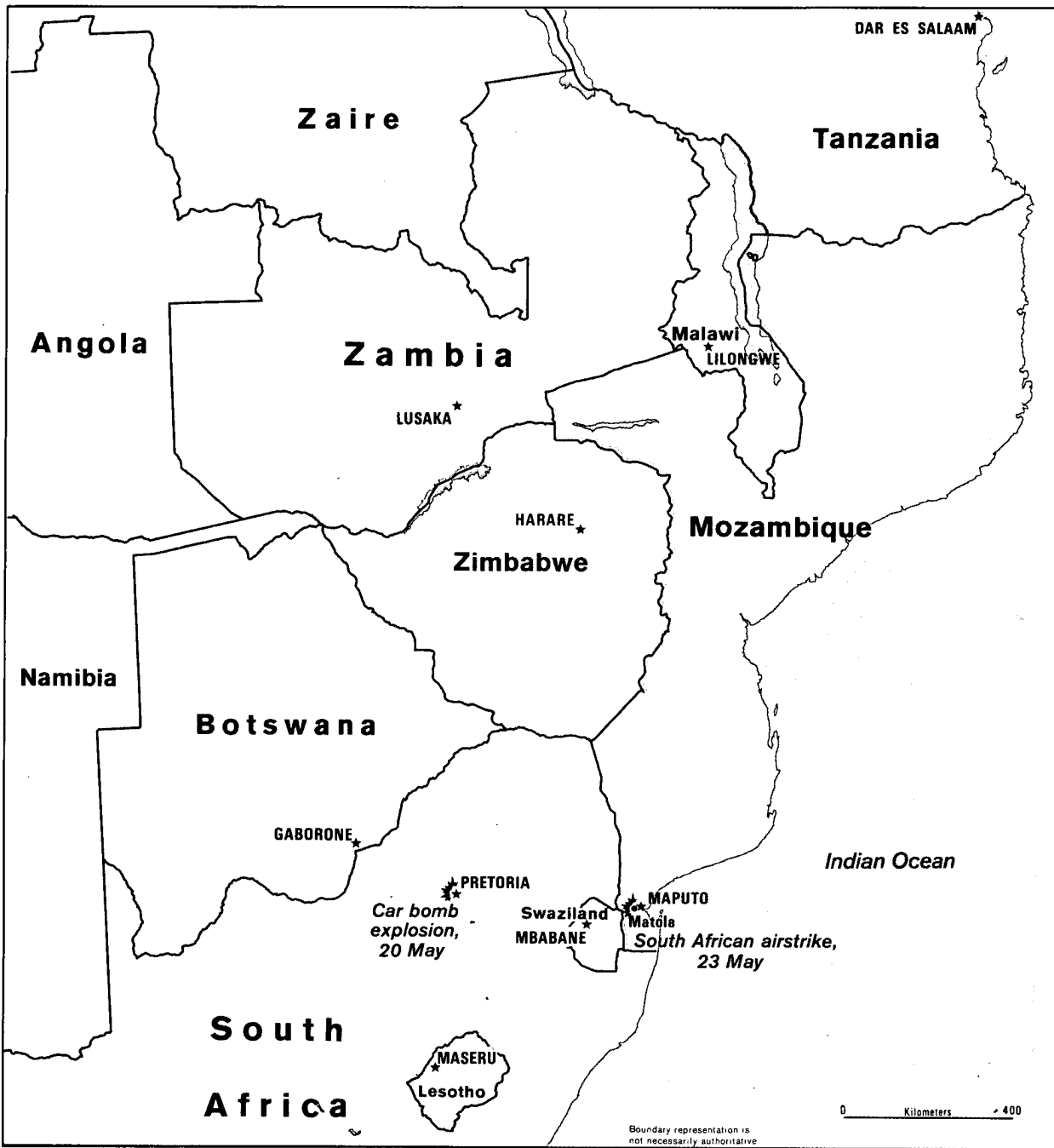
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**SOUTH AFRICA-MOZAMBIQUE: Retaliatory Raid**

*South Africa's air attack yesterday against alleged African National Congress bases near Maputo may be only the first in a series of cross-border raids following the bombing last week in Pretoria.*

[Redacted]

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South Africa says it attacked six ANC targets and a Mozambican surface-to-air missile site. Maputo says five to 10 South African planes strafed and bombed the suburb of Matola, killing at least six civilians and wounding another 40.

[Redacted]

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[Redacted] the armored units at the military camp in Matola may be preparing to disperse following Pretoria's attack.

[Redacted]

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Foreign Minister Botha said publicly before the raid that he had given Mozambique, Lesotho, and Botswana details of the ANC presence in those countries and had warned them of the consequences of continued terrorism in South Africa.

[Redacted]

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**Comment:** The swift retaliation against Mozambique reflects Pretoria's desire to reassure South African whites that it will act decisively against the insurgent threat. Although a series of cross-border raids might lead the neighboring countries to reduce further the ANC presence on their territory, the insurgents would remain capable of mounting terrorist operations. More terrorist attacks would lead Pretoria to adopt more stringent internal security measures aimed at controlling black South Africans.

[Redacted]

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The neighboring countries probably will renew their calls for the US to restrain Pretoria, and they are likely to raise the issue this week during the UN Security Council debate on Namibia. They also may seek further military assistance from the USSR and Cuba.

[Redacted]

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Mozambican officials privately told US officials last year that Maputo might request Cuban combat troops if South Africa were to attack. The likelihood of such a request will increase substantially if Pretoria follows up with ground operations inside Mozambique.

[Redacted]

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### Proposed New Regional Boundaries in the South



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**SUDAN: New Political and Economic Moves**

*President Nimeiri reportedly has decided to carry out several controversial political and economic measures that could provoke additional unrest in Sudan.* [Redacted]

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Sudan's government-controlled press announced on Sunday that Nimeiri intends to divide the country's non-Muslim south into three regions. The south's largest tribe, the Dinka, has long opposed such a division for fear its political role in the area would be weakened.

[Redacted]

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Nimeiri also has decided to change his cabinet and impose additional economic austerity measures.

[Redacted]

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[Redacted] First Vice President and security chief

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Tayyib is rumored to be in danger of losing at least one portfolio.

[Redacted]

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**Comment:** Nimeiri's apparent decision to partition the south will aggravate the already tense security situation there. Loyal government forces recently quelled mutinies at two southern posts and appear to be preparing for an assault on another rebellious southern garrison at Pachala.

[Redacted]

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Although budget cuts may be limited to trimming unessential items from government operations, many Sudanese fear that an impending IMF review will lead to another currency devaluation. New economic austerity measures, moreover, could provoke unrest in the north at a time when the military is increasingly distracted by events in the south.

[Redacted]

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[Redacted]

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**IRAN-IRAQ: Mediation Efforts by the Gulf States**

*Iran is encouraging the Saudi-dominated Gulf Cooperation Council to pursue mediation efforts.* [Redacted]

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Saudi Deputy Foreign Minister Mansuri says the Council mediators returned last week from their first visit to Tehran and Baghdad somewhat optimistic. The mediators will go back this week to both capitals to present a plan that includes demilitarization of Persian Gulf waters and ports and limitation of the war to military targets. [Redacted]

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Senior Iranian officials, according to Mansuri, recently had "nonconfrontational" meetings with Foreign Minister Saud in Saudi Arabia. [Redacted]

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[Redacted]

**Comment:** The Saudis want to minimize the risk of confrontation with Iran and will respond, unilaterally and through the Council, to any softening of Tehran's policy toward its Gulf neighbors. Riyadh will remain skeptical, however, about Iran's real intentions. [Redacted]

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Any Iranian decision to seek a mediated solution would be made by Ayatollah Khomeini, who thus far has not publicly relaxed his hardline position, which includes removing Iraqi President Saddam Hussein. Some key Iranian leaders, however, appear to favor negotiation. Assembly speaker Rafsanjani and President Khamenei, for example, have occasionally argued for moderation, and they may genuinely want to use the oilspill issue to begin a larger effort toward peace. [Redacted]

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Other influential leaders—including Ayatollah Montazari, Khomeini's heir apparent—continue to argue for a military solution, but they may be cooperating with the Council initiative in the hope it will split the Gulf states from Iraq. There does not yet appear to be a consensus in Tehran for negotiations. [Redacted]

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[Redacted]

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[Redacted]

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**JAMAICA: Economic Troubles Grow**

*The IMF and Jamaica have reached a preliminary agreement on financial aid for a third year, but the terms of the program will severely limit the country's economy in the short term.* [Redacted]

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A \$150 million loan promised by Kuwaiti lenders is an important part of the aid package. Jamaica has reluctantly agreed that, if the loan falls through, it will automatically implement difficult austerity measures. [Redacted]

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The agreed actions would include shifting an additional \$150 million in imports from the subsidized official rate to a more costly commercial level. The agreement also requires Jamaica to make major reductions in government spending, in the money supply, and in the growth of credit. [Redacted]

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**Comment:** The US Embassies in Jamaica and Kuwait are skeptical that the Kuwaiti loan will materialize and believe that the contingency provisions are likely to come into effect soon after final IMF approval, perhaps late next month. Jamaica probably will be unable to avoid a contraction of its economy this year or to keep unemployment from rising above the current level of 28 percent. [Redacted]

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Increased foreign purchases in the costlier commercial foreign exchange market will help to push inflation above the 15-percent rate that is already anticipated. The failure of the economy to improve next year would damage Prime Minister Seaga's chances in the next election, which has to be held by October 1985. [Redacted]

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[Redacted]

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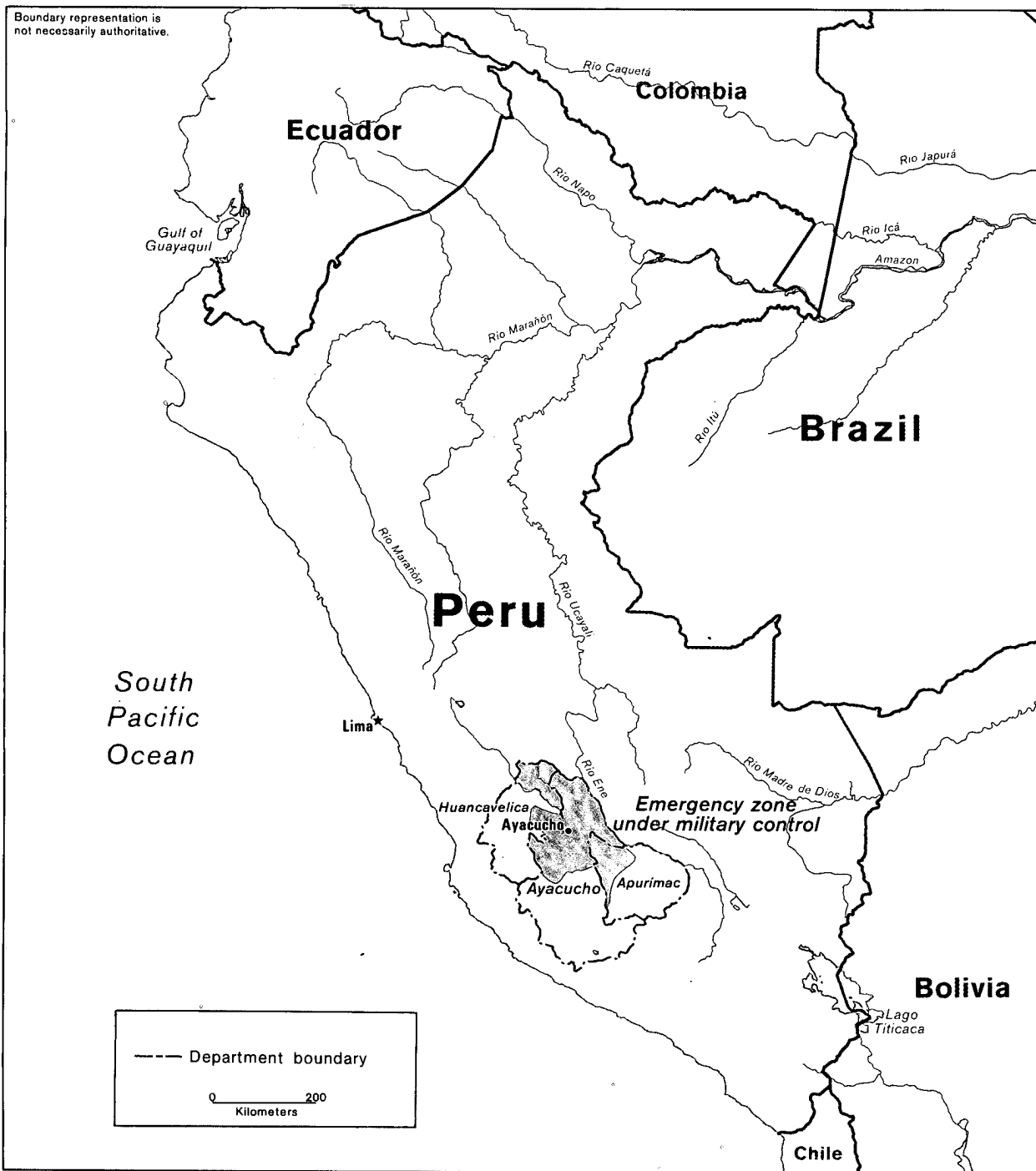
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**PERU: Insurgent Attacks**

Renewed attacks last weekend by the Sendero Luminoso insurgent group will increase public, military, and opposition criticism of President Belaunde's handling of the problem. According to press reports, the insurgents attacked police headquarters in Ayacucho City and struck several isolated villages throughout the department. Security forces have increased patrols, rounded up suspects—including students from Ayacucho's Huamanga University—and reinforced police units. The press has begun to dispute the government's claim that it has been regaining control of Ayacucho Department in recent months. [Redacted]

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**Comment:** The assaults by the Sendero Luminoso demonstrate that it is still able to launch well-coordinated operations despite suffering heavy casualties since January. The government is not likely to reverse the situation soon, and Belaunde probably will have to accede to the military's desire for a greater counterinsurgency role. [Redacted]

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**USSR-MEXICO: Proposed Technical Cooperation**

The US Embassy in Mexico City reports that earlier this month a Soviet delegation led by a deputy minister of petroleum toured the facilities of the Mexican state oil company, Pemex, and signed a memorandum calling for technical cooperation. The memorandum proposes scientific and technical exchanges in oil-related areas such as drilling, production, and transportation. Details of future cooperative projects reportedly are to be worked out by specialists. One Mexican official played down the memorandum by telling a US diplomat that it is only an offshoot of the Soviet-Mexican scientific and technical cooperation agreement of 1975. [Redacted]

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**Comment:** The USSR may hope to use any new cooperative arrangements to acquire advanced US oil-related technology from Mexico, which is not a member of COCOM and which imports substantial oil equipment and technology from the US. Mexico's efforts to avoid violating US export controls, however, could limit Soviet opportunities to obtain such technology. Moscow may also hope to make additional sales of oil-related equipment to Pemex, which has purchased some Soviet-manufactured drilling equipment in the past. [Redacted]

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**WEST GERMANY-US: Reluctance To Provide More Reserves**

Press reports say Defense Minister Woerner expects the US this month to ask West Germany to provide 80,000 additional reservists to compensate for US troops that might be diverted to Southwest Asia. He reportedly says that Bonn already has agreed to provide more than 90,000 additional reservists to support US reinforcements to Europe in wartime and that "there will not be any more." Defense Ministry officials told a US briefing team last week that West Germany shares the US assessment of the importance of Southwest Asia. They expressed concern, however, about the cost of the compensation effort and warned that there is little more Bonn can do in this area because of current manpower and financial constraints.

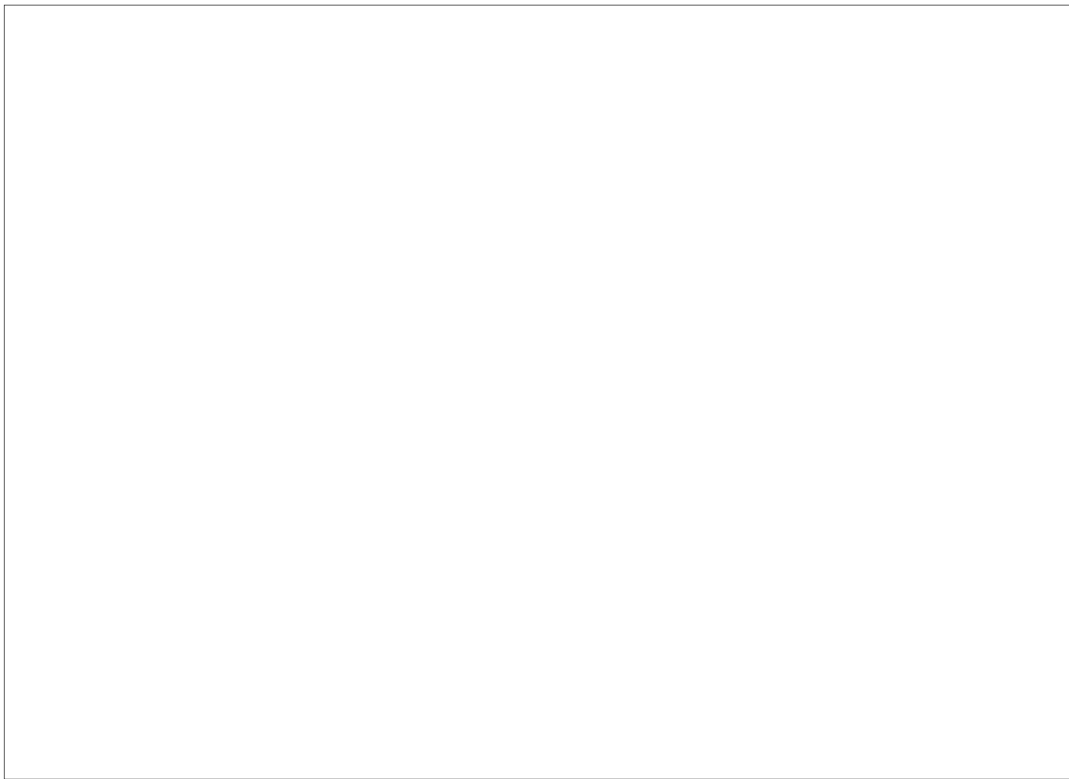


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**Comment:** The West Germans anticipate other requests for additional financial contributions to the NATO Infrastructure Program and to a US Army program for relocating some troops in West Germany. They probably will assign a lower priority to the proposal to compensate for the diversion of US troops outside Europe.



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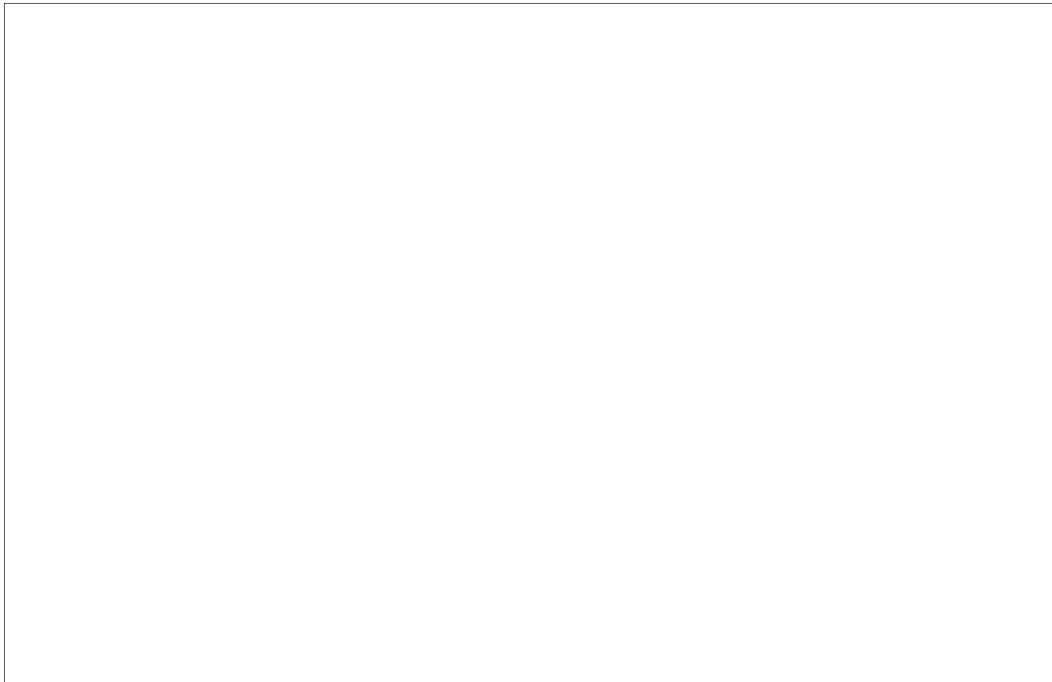


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**INDONESIA: Army Cracks Down on Crime**

Armed Forces Commander Murdani has accelerated the campaign against spreading crime in urban areas, which in recent months have been disrupted by youth gangs and violent attacks against the middle class and foreigners. He has quietly transferred responsibility for the effort from the national police to the armed forces and has approved harsh enforcement measures. Press reports say unidentified gunmen have killed some 20 criminal suspects in Jakarta this month and 86 others in the central Java city of Jogjakarta in recent months. [Redacted]

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**Comment:** The crackdown reflects high-level impatience with the inability of the police—widely regarded as corrupt and inept—to check the increase in crime. Although the extraordinary measures against criminals will be applauded by the general public, excesses are likely to prompt criticism from domestic legal circles and the foreign media. Relations between the police and military security forces—poor even under normal circumstances—will be further strained. [Redacted]

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