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	Director of Central Intelligence	
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National Intelligence Daily

Wednesday 25 January 1984

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Cyprus: Prospects for Negotiations 12

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USSR-US: Andropov's Response to President's Speech		
General Secretary Andropov—again using the format answering questions from Pravda—responded yesterday Reagan's speech of 16 January by affirming that the USS ready to engage in a dialogue, but he indicated no Soviet on the stalled INF and START talks.	to President SR also is	25X1
Andropov prefaced his remarks by asserting that the danger in Europe has increased and that the world situat become "acute and dangerous" as a result of US actions stated that the USSR believes in the utility of a dialogue I should be conducted on an equal footing and directed at specific accords. The Soviet leader accused the US of se negotiate from strength and of offering no new ideas or process.	tion has s. He then but that it achieving seking to	25 X 1
As possible bases for improving East-West relations, repeated Soviet proposals that the US duplicate the USS not to be the first to use nuclear weapons, that NATO according to prevent an arms race in outer space, that NATO according proposals at the MBFR talks, and that the US agree to a nuclear arms. In addition, as a condition for resuming talk weapons in Europe, Andropov repeated the standard der the West display readiness to return to the situation exist the start of US missile deployments.	R's pledge cept the orts be made de to Soviet freeze on as on nuclear mand that	25 X 1
Comment: Andropov's statement appears designed polemics and affirm a willingness to engage in a dialogue however, offer any departure from previous Soviet position. The statement also is designed to present a construction.	. It does not, ons.	25 X 1
regarding those negotiations in which the Soviets are will participate, while holding firm on their INF and START posoviets probably hope that West Europeans will now view responsible for making the next move to improve East-West Property of the Property	ositions. The v the US as	25X1
The use of the question-and-answer format has again Andropov to act as the USSR's ultimate spokesman on perhaving to make a personal appearance.	n enabled olicy without	25 X 1

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EGYPT-JORDAN-PLO: Diplomatic Activity		
Egypt is trying to arrange an agreement between Joi PLO, even though it is uncertain about its readmission to Conference.	rdan and the o the Islamic	25 X 1
A senior adviser to President Mubarak told a US Em that Cairo's effort is intended to facilitate early negotiation librael, in spite of the US election campaign and the PLC preoccupation with its internal problems. The adviser sa Hussein and PLO Chairman Arafat had agreed to Egypt	ions with O's aid that King	
and that an Egyptian-Jordanian-PLO meeting might take spring.	e place this	25 X 1
Spring.		25 X 1
The Egyptian adviser said Arafat would return to Ca According to the Embassy, Hussein concluded after a retelephone conversation with Mubarak that the Egyptian probably would visit Amman and Baghdad.	ecent	25X1
		25X1
The adviser indicated Egypt would n invitation from the Islamic Conference that would cast d	ot accept any	25X1
commitment to the Camp David accords.	loubt on its	25 X 1
Comment: Cairo will continue to promote a comprel Israeli settlement and assert its regional leadership, regardhether it rejoins the Islamic Conference. Arafat's meeting with Mubarak strengthened the confidence of Egyptian peace process and their own role in it.	ardless of ng last month	25 X 1
Egypt is refusing to endorse past resolutions by the Conference—as required by the Casablanca summit—p complicating its relations with the US and Israel. face-saving formula for Cairo to rejoin the organization worked out.	partly to avoid	25X1 25X1 25X1



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WARSAW PACT: Military Exercise Announced		
The Czechoslovak news agency on Friday annound Warsaw Pact exercise involving Soviet, Czechoslovak, units will be held early next month.	eed that a major and Hungarian	25 X 1
The press release,		25 X 1
states that the military exercise—Druzhba	a-84—will take	25 X 1
place in northwestern Czechoslovakia on 6-11 Februar	ry. The	
announced objective of the maneuvers is "to test cool between commanders and units of allied armies in wint	peration	25 X 1
Total Co. In an across and arms of a mod armies in with	er conditions.	20/(1
The Drughhe series has been held even winter since		
The Druzhba series has been held every winter sind involving Soviet and Czechoslovak units. Hungarian ur	e 1972, initially hits began to	25X1
participate in 1982.	o bogan to	207(1
The announcement did not specify troop figures.		25X1
The armouncement and not specify troop liquies.		
		25 X 1
Comment: Because the announcement comes less days before the event required by the Helsinki According to troop figures, the exercise presumably will not mee troop notification level. The Czechoslovaks announced	s and provides t the 25,000-	
exercises in 1979 and 1982 as involving 25,000 troops		
announcements of exercises not meeting that threshol		
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ECUADOR: Presidential Election		
The presidential election on Sunday, which is likely runoff, probably will be respected by the military—partic conservative candidate remains in contention.	to require a cularly if the	25X1
Frontrunner Leon Febres Cordero heads a coalition conservative parties, and he is followed in a field of nine by center-leftist Rodrigo Borja. Recent polls indicate the are losing ground. If no candidate wins a majority, a runc in May between the two top contenders.	candidates at both men	25 X 1
Febres Cordero has advocated a free market appro austerity measures in a campaign otherwise characterize rhetoric and antigovernment diatribes. No candidate has comprehensive economic program, and most support may government intervention and social spending.	ed by populist s presented a	25X1
		25X1
Comment : President Hurtado, who is ineligible for r may have encouraged caution by interventionist-minded through his adept handling of coup plotting last year. Reperceived fraud could prompt the military to consider st however, particularly if Febres Cordero is eliminated.	l officers eal or	25X1
A runoff between a conservative and a center-leftist provide a clear-cut ideological choice but would help po voters. This would make it more difficult to fashion a no	larize the	25 X 1
approach to the country's economic problems.		25 X I

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PORTUGAL: Abortion Issue		
The current debate in the National Assembly abortion is likely to weaken the Socialist-Social		25 X 1
The Assembly will vote on two bills, one intr	oduced by the	
opposition Communists, the other by the Social	ists. Although the	
Socialist proposal removes legal sanctions again three special cases, the Social Democrats opposed		
say that, if their measure fails, they will support	the Socialist bill.	25 X 1
The conservative opposition Center Democr	rata raigat bath	
bills and have hinted at presenting a censure me	otion against the	
government. The Catholic Church also has cond is holding protest rallies.	demned both bills and	25X1
Comment: Last November the coalition par	tners had agreed to	
put off dealing with this issue. Socialist Prime M	linister Soares is	
caught between the strongly proabortion faction his antiabortion coalition partner. He apparently	is gambling that	
addressing the issue now is less likely to split the when public discontent over tight economic policy	e coalition than later,	
and the presidential election will be closer.	Side Will Have grown	25 X 1
Soares may have underestimated the depth	of antiabortion	
emotion among the Social Democrats. The gove the issue could provoke a challenge to Deputy F		
Pinto's leadership of the Social Democrats at the March.	e party's congress in	25 X 1
	ull bio poutu aut af	
To survive, Mota Pinto might be forced to p the government. Even if the coalition remains in	tact, however, the	
divisions created over the issue will impair the g	overnment's overall	25X1

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USSR: Gromyko on Andropov's Health

A senior Western foreign policy official reports that Foreign Minister Gromyko told the Yugoslav Foreign Secretary in Stockholm last week that General Secretary Andropov is recovering from a long-term kidney problem. Gromyko said that Andropov is in better shape than he was a few months ago but that he still is not in physical condition to move around. Although Gromyko emphasized that Andropov is back at work and active in decisionmaking, the Soviet leader is spending only a few hours a day at his desk and avoiding all ceremonial activities.

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Comment: This is the first known discussion of Andropov's kidney problem by a top member of the leadership. Gromyko made his remarks on the same day that the chief editor of *Pravda* mentioned the kidney problem to a US television interviewer, and this timing suggests a high-level decision to be more forthcoming. The editor predicted that Andropov would show up in about two weeks, during preparations for elections to the Supreme Soviet, but Gromyko's remarks indicate that Andropov might not be able to appear by then. The elections are not until 4 March, however, and the General Secretary customarily makes a speech to his designated election district only a day or two before the voting.

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NATO: Compromise on CDE Policy

NATO members have put aside remaining differences on proposed confidence and security building measures, clearing the way for the West to present its package this week in Stockholm. The UK and West Germany last Friday bowed to US pressure and dropped their demands that the measures include prior notification of non-European forces that transit through Europe. On Monday Turkey agreed to compromise language proposed by the US on the level of information to be exchanged on military forces.

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Comment: The willingness of the Allies to defer to Washington on the transit issue almost certainly will end if the East demands that transiting forces be included in notification provisions. Moreover, Western delegates have not yet begun to formulate a response to the proposals advanced by Soviet Foreign Minister Gromyko and his East European counterparts last week, and deliberations will be difficult. Many NATO members and most neutral and nonaligned countries favor an agreement on nonuse of force and constraints on military activities—ideas advanced by the East that the US opposes.

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NON: Druze Position on Security Pla	n
ıze leader Walid Junblatt may have c	Iropped his opposition to
oposed Lebanese security plan. In a m	neeting with US officials in

Druze leader Walid Junblatt may have dropped his opposition to the proposed Lebanese security plan. In a meeting with US officials in Damascus on Monday, an aide to Junblatt said the Lebanese National Salvation Front was willing to resume talks on the plan with Lebanese Government representatives and officials of the Christian Lebanese Forces militia. The aide noted that Junblatt, as a goodwill gesture, had ordered an end to shelling by Druze forces so long as actions by the Lebanese Army do not reach the "intolerable" levels of last week.

Comment: Junblatt's new position contrasts with his recent statements criticizing Gemayel and threatening a return to full-scale civil war. It probably reflects his desire to forestall a possible assault by the Army against Druze forces along the Alayh ridgeline. The Druze have been hurt by US naval gunfire in the past, and they probably fear that the US would become involved in any move by the Army. The more conciliatory attitude also may be the result of Syria's efforts to avert greater US military involvement.

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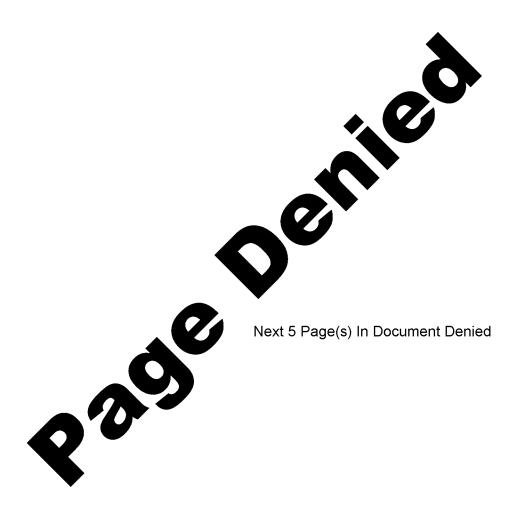
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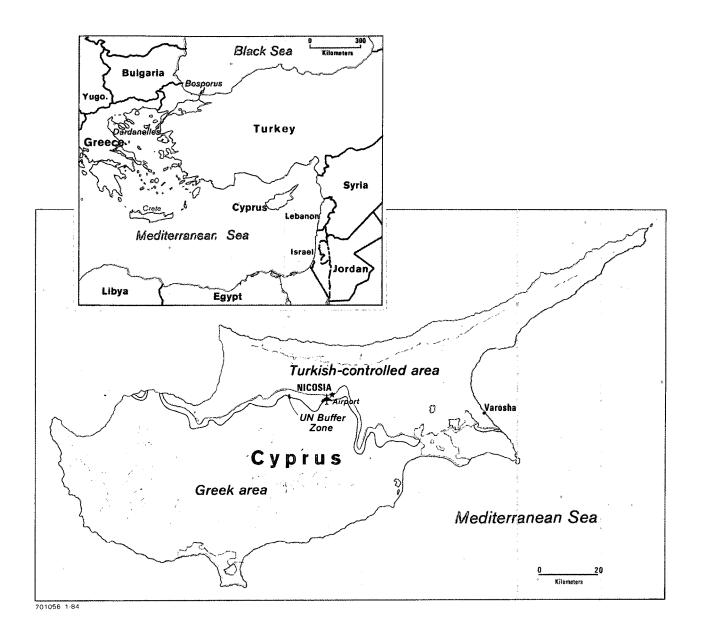
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Special Analysis

CYPRUS: Prospects for Negotiations

Both the Greek and Turkish Cypriots have proposed plans in the past two weeks aimed toward a solution of the Cyprus problem. Each is offering a complex blend of previously held positions, many of which each knows will be unacceptable to the other, and currently there are no indications that compromise is possible on fundamental issues. Even so, there are hints of accommodations that might get the protagonists talking. Negotiations are likely to begin in earnest, however, only if a third party assumes the reponsibility for organizing and directing them and if the two sides demonstrate the requisite political will.

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The "goodwill" proposals announced by Turkish Cypriot leader Denktash on 2 January, and the somewhat more ambitious plan for a settlement proposed by Cypriot President Kyprianou during his trip to the US earlier this month, represent little change in mutually exclusive positions that have surfaced in one form or another since Cyprus gained independence in 1960. The two proposals reflect longstanding disagreements about the structure of a unified government, the amount of land to be controlled by each side, basic freedoms and human rights, economic issues, internal security, the presence of foreign troops, and even the nature of a federal state. Some 15 years of intercommunal talks, and a major initiative pushed by the US, Canada, and the UK in 1978, have failed to break the deadlock.

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The gulf between the two sides has widened since last November, when the Turkish Cypriots declared independence. The Greek Cypriots claim they will not negotiate or agree to a summit until UN Resolution 541, which, in part, demands a rollback of Turkish Cypriot independence, is fully implemented. The Turkish Cypriots insist they will not rescind the declaration of independence as a condition for talks.

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Signs of Flexibility

The outlook is not completely bleak.

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The Turkish Cypriots continue to insist that, now that they have

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asserted their independence, they are more willing to bargain.

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Both sides, moreover, recently have hinted at flexibility status of Varosha and the Nicosia airport. These two part difficult issues may hold the key to serious talks about moreaching matters.	icularly	25 X 1
Agreement on Greek resettlement of Varosha—an are by the Greeks and controlled by the Turks, but for the moclosed to settlement by Turkish Cypriots since 1974—is lithe greatest potential for breakthrough. Accord probably reached without the Greek Cypriots having to recognize the state and without the Turkish Cypriots having to renounce independence. In addition, it now appears that the Turks willing to allow UN control of a section of Varosha to comfollowed by the start of negotiations on the question of Greesettlement of the area.	ost part kely to hold could be ne Denktash e would be mence	25X1
Agreement is also possible, although perhaps less like	ely, on	
reopening Nicosia airport, which has been closed and occu UN since 1974. As in the case of Varosha, a compromise airport would not have to impinge on the questions of sove independence.	upied by the on the	25X1
If some progress could be made on these matters, it is be possible to begin negotiations on the more fundamental At that stage, the major sticking point would be whether the could agree on the modalities of negotiating.	ıl questions.	25 X 1
The Turkish side believes that the long-dormant intercetalks can and should be revived. According to the Greek's however, the Turkish Cypriot declaration of independence change in approach that draws in the international commiss no evidence that the two sides are ready to stop talking other on procedural questions.	side, e required a unity. There	25 X 1
Need for a Third Party		
If the impasse is to be broken at all, it will not be done direct intervention of a strong third party acceptable to be the UN, the US, and the UK would be the most likely to we necessary support. UN Secretary General Perez de Cuella	oth sides. vin the	25 X 1
to get talks started, but he is unlikely to succeed.		20/(1
The UK would appear capable of playing an effective role. It has the most experience in the area and a permane on the island.		25X1
As a first step toward a settlement, the UK has offered talks with Greece and Turkey, the other two guarantors o independence. Athens, however, thus far has blocked a g	f Cypriot	
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meeting. The Government of Cyprus has not rejected a direct British	0EV4
role, but it has shown little interest in London's proposal.	25 X 1
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