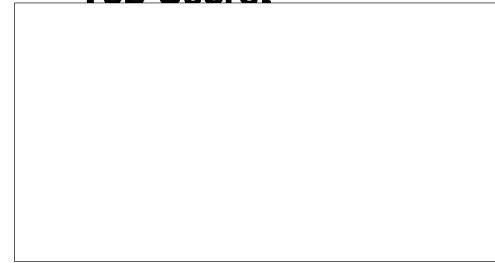




**Director of
Central
Intelligence**

~~Top Secret~~

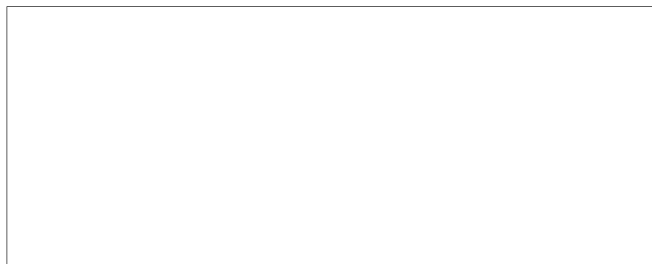


25X1

National Intelligence Daily

25X1

**Thursday
5 March 1987**



25X1

~~Top Secret~~

CPAS NID 87-052JX

5 March 1987

25X1

Page Denied

Top Secret



25X1

Contents

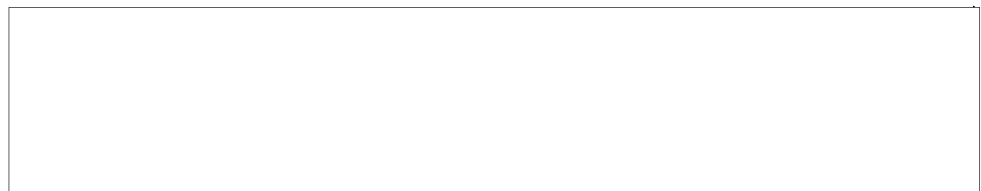


25X1

Australia: Possible Opposition Split 3

Notes

Kuwait-USSR-US: Negotiations To Protect Tankers 4



25X1

Turkey-Iraq: Turks Strike Kurdish Camps in Iraq 6



25X1

USSR-Libya: Lukewarm Support for Qadhafi 7

South Yemen-North Yemen: Oil Find 8



25X1

In Brief 9

Special Analyses

Nicaragua: Counterinsurgency Strategy 10



25X1



Top Secret



5 March 1987

25X1

25X1

25X1

25X1

25X1

25X1
25X1

25X1

25X1

Page Denied

Next 1 Page(s) In Document Denied

25X1

25X1

25X1

25X1

Top Secret

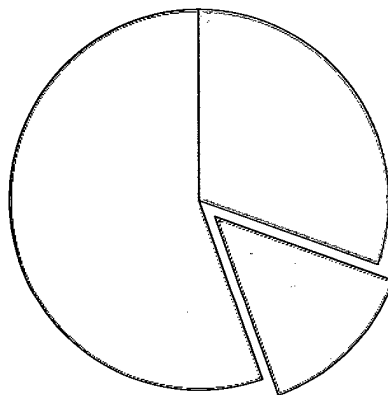


25X1

The Australian Parliament: The House of Representatives

Number of seats

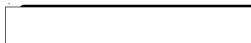
Labor Party
82



Opposition Coalition

Liberal Party
45
National Party
21

Total: 148 members



312034 3-87

25X1

Top Secret



5 March 1987

25X1

Top Secret



25X1

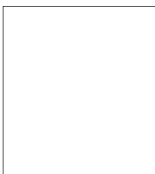
AUSTRALIA:

Possible Opposition Split

X

Queensland State Premier Bjelke-Petersen's apparent bid to become Australia's next prime minister threatens to divide conservative opposition to Prime Minister Hawke's Labor government and improve Hawke's chances of reelection.

25X1



Bjelke-Petersen, who has dominated politics in Queensland for 19 years, has announced he will leave his state post to seek a seat in the federal parliament in the next election, which must be held by April 1988. Bjelke-Petersen's political base is the Queensland branch of the National Party, the junior partner—with the Liberal Party—in the conservative coalition opposing the Hawke government.

25X1

25X1

In a move to gain control of the National Party, Bjelke-Petersen last week engineered the withdrawal from the state coalition of the Queensland Nationals. According to the US Embassy, the Queensland Nationals have urged the federal National Party to break from the coalition, citing their disagreement with the coalition leadership's tax policies.

25X1

Bjelke-Petersen's strength against conservative rivals will be tested this weekend in the election for the Northern Territory Parliament where he is backing candidates to challenge the ruling conservative coalition government. According to the Embassy, a strong showing by his allies in the Northern Territory might persuade Bjelke-Petersen to accelerate his campaign to replace Ian Sinclair as leader of the federal National Party.

25X1

Comment: In recent public opinion surveys, an opposition coalition led by Bjelke-Petersen outpolled Hawke's Labor government. Bjelke-Petersen's sudden popularity, however, probably stems largely from growing public discontent with Hawke's handling of the economy, which is in its second year of slow growth, and with the lackluster performance of Liberal Party leader Howard as head of the opposition coalition.

25X1

Bjelke-Petersen's strongly conservative policies—especially his opposition to trade unions—are unlikely to stand up well under closer scrutiny by the Australian public. It is also unlikely that the National Party could win enough seats in the next election for him to become prime minister. Nonetheless, Bjelke-Petersen stands a good chance of gaining control of the federal National Party and is almost certainly positioning himself to become a power broker for the conservatives at the national level.

25X1

Top Secret



25X1

Top Secret
[Redacted]

25X1

X

KUWAIT-USSR-US: Negotiations To Protect Tankers

[Redacted]

Kuwait may sign a tanker protection agreement with the USSR unless the US allows 11 Kuwaiti tankers to be put under the US flag. The US Embassy in Kuwait says that Kuwaiti officials would rather not turn to the Soviets but are disappointed with the delay in the US offer and feel compelled to protect their petroleum exports. Moscow's offer to place as many as 11 Kuwaiti tankers under the Soviet flag with Soviet crews and to supply limited military escort for them has been swift by comparison, according to the US Embassy. Putting all 11 Kuwaiti tankers under the US flag would be difficult because only six of them meet US specifications. [Redacted]

25X1

25X1

Comment: Kuwaiti officials would probably abandon the negotiations with the USSR if the US were to agree to protect all 11 tankers. Protection for liquefied petroleum gas and product tankers is particularly important because of the highly explosive nature of such products, which make up the bulk of Kuwait's petroleum exports. Initially Iran would probably be cautious about attacking reflagged or escorted Kuwaiti ships and, at least at first, seek other ways to limit Kuwaiti petroleum exports, including terrorist operations against Kuwaiti oil facilities. An agreement between Kuwait and the USSR would increase the Soviet presence in the Persian Gulf and would aid Moscow's efforts to expand its ties to other Arab Gulf states. [Redacted]

25X1

25X1

[Large Redacted Area]

Top Secret
[Redacted]

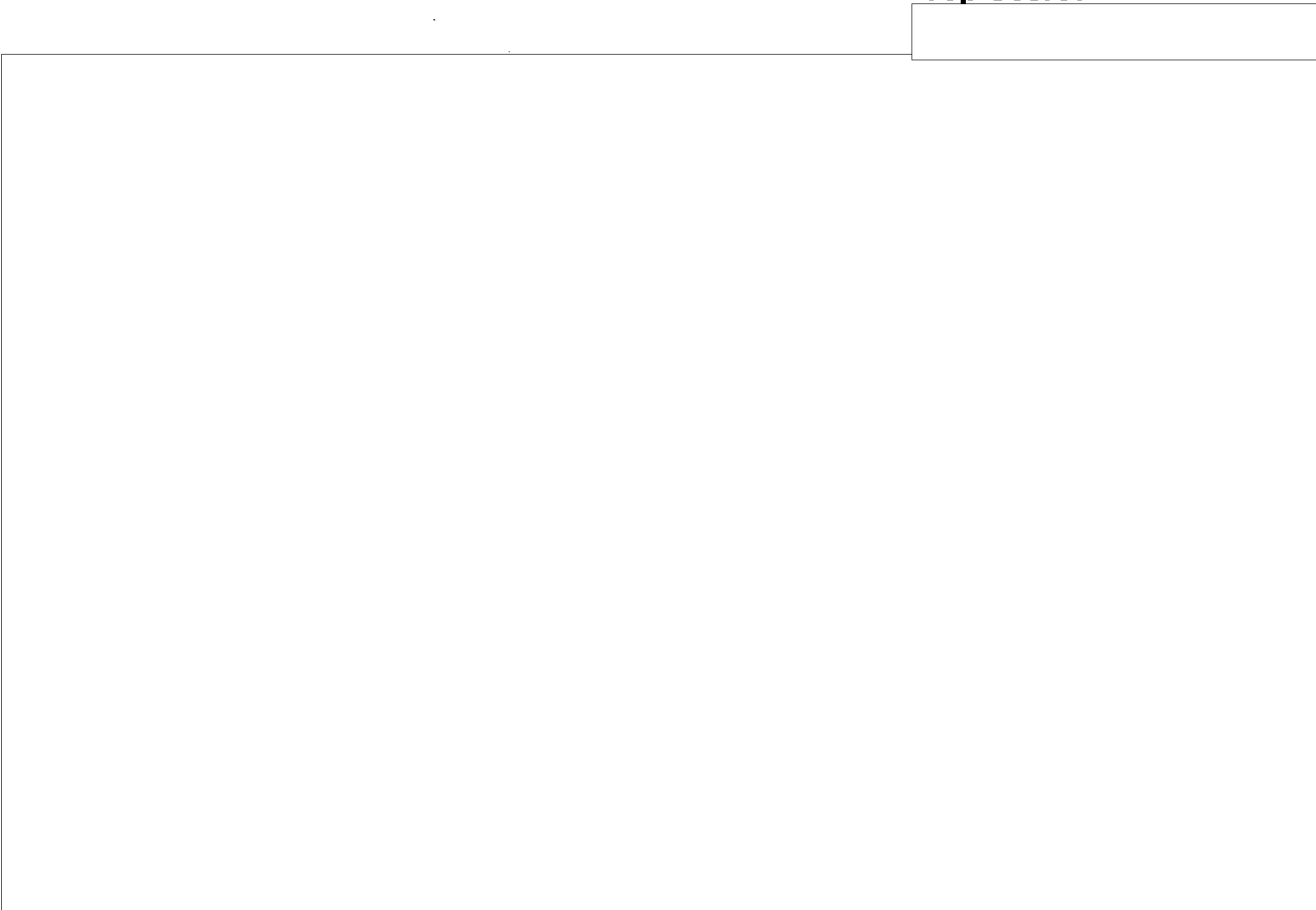
25X1

25X1

Page Denied

Next 2 Page(s) In Document Denied

Top Secret



TURKEY-IRAQ: Turks Strike Kurdish Camps in Iraq

R

Turkey has announced that 30 of its aircraft bombed Kurdish rebel strongholds in northern Iraq yesterday. The raid was in retaliation for a Kurdish attack that killed 14 people in a Turkish village last month. The Turkish air operation was carried out under terms of a 1983 understanding with Iraq that permits hot pursuit of rebels by Turkish forces. Unconfirmed press reports indicate that Turkish commando units also are operating against the Kurds inside northern Iraq.



25X1

25X1

Comment: This is the fourth major cross-border operation by Turkey since the 1983 understanding was reached with Iraq. This year 35 Turks have been killed in Kurdish attacks, and Ankara has been under increasing pressure after the attack last month to retaliate. The airstrike probably will curtail Kurdish activities for awhile, but the advent of better weather will probably bring another round of Kurdish attacks and Turkish retaliation. Baghdad will relish the almost certain negative reaction in Tehran to the raid against Iranian-supported Kurds and will welcome any reduction in Kurdish pressure on Iraqi troops in the north.

25X1

Top Secret



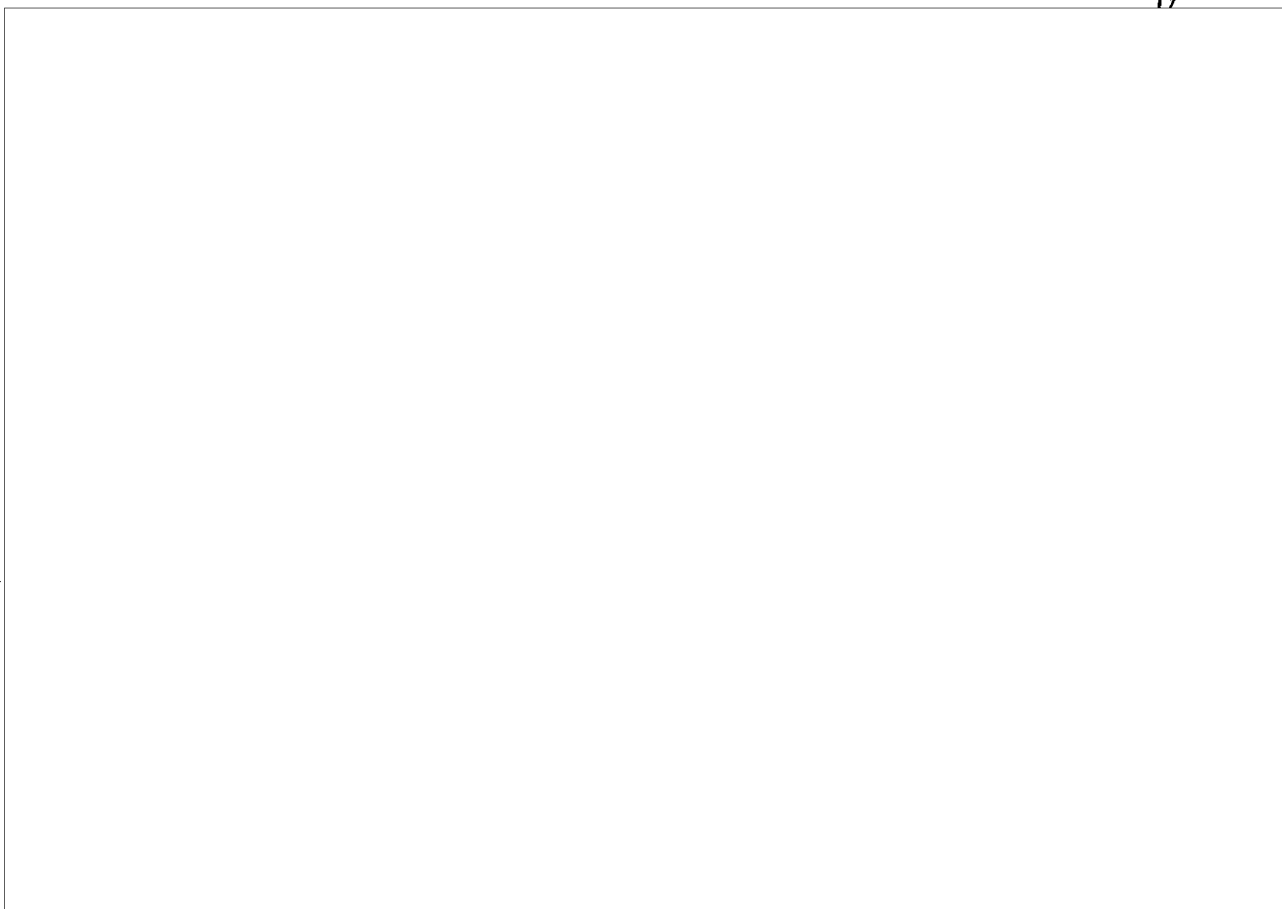
25X1

Top Secret

[Redacted]

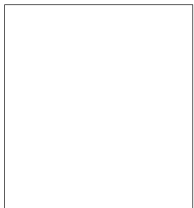
25X1

25X1



USSR-LIBYA: Lukewarm Support for Qadhafi

In a speech in Tripoli on ^{2 March} Monday, Soviet Politburo candidate member Solovyev expressed strong condemnation of "imperialist" interference in Chad, solidarity with the Libyan people, and criticism of Arab disunity. Solovyev, in Tripoli for the 10th anniversary celebration of "people's rule" in Libya, also read a cable to Libyan leader Qadhafi from the Supreme Soviet, which, although it offered no explicit support, wished him success in his fight for peace, progress, and independence. [Redacted]



25X1

25X1

Comment: Solovyev's speech was typical of Soviet official pronouncements on Libya—long on sympathy for the Libyan people but short on tangible support for the regime. Libyan anniversaries have received similar high-level treatment in the past. Politburo candidate member Demichev was in Tripoli last September for the 16th anniversary of the revolution. Although Solovyev, the Leningrad party boss, has traveled abroad and has met foreign visitors to the USSR, this was his first speech addressing a foreign policy topic. He may have been sent to Libya to gain exposure and experience. [Redacted]



25X1

25X1

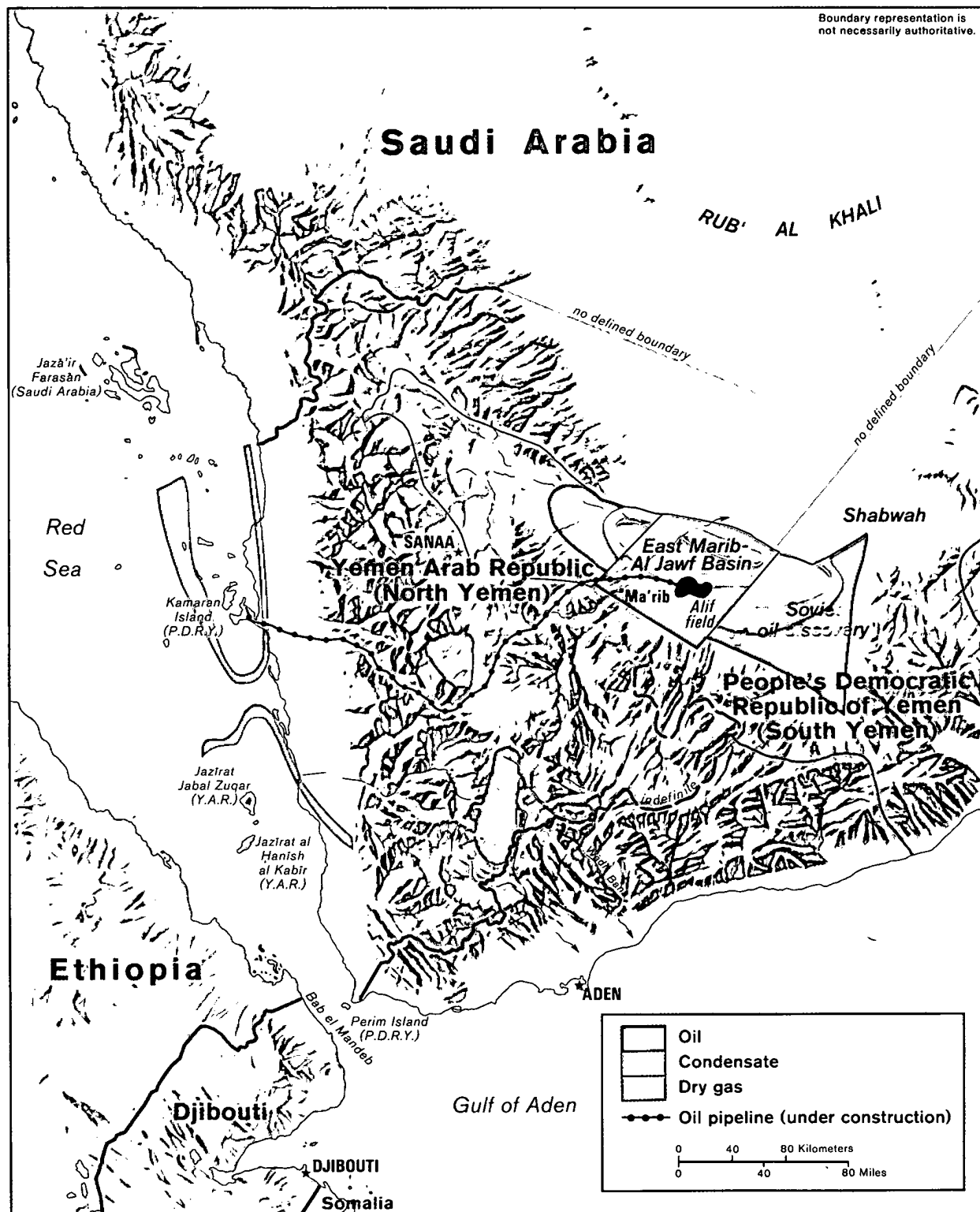
Top Secret

[Redacted]

25X1

Top Secret

25X1



709707 (A05967) 3-87

25X1

Top Secret

5 March 1987

25X1

25X1
25X1
25X1

Top Secret

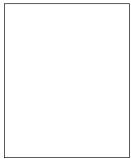


SOUTH YEMEN-NORTH YEMEN: Oil Find

The USSR has discovered oil in commercial quantities in the Shabwah region of South Yemen, about 35 miles (60 kilometers) from North Yemen's find in 1984, [redacted] The South Yemenis hope to develop the find quickly and are preparing for construction of a gathering system and a pipeline. Aden is seeking non-Communist participation in further exploration and development and has expressed interest in working with US and other Western firms. [redacted]

25X1

25X1
25X1



Comment: The find appears to be substantial, perhaps as large as that in North Yemen. South Yemen hopes that the development of the find will ease its chronic economic troubles and domestic political tensions. The South Yemenis almost certainly prefer Western oil technology to that of the Soviets, but Western participation would add further strains to Soviet-South Yemeni relations, which have been tense since the coup in January 1986. South Yemeni exploration in the undefined border area between the North and the South is also likely to add to the pressures, primarily over the South Yemeni exile issue, that are already building between the two Yemens. Overlapping Saudi border claims in this area will further complicate the problem.

25X1



25X1

Top Secret



25X1

Top Secret

[Redacted]

25X1

In Brief

[Redacted]

25X1

Europe

— **British** Labor Party's defeat in recent byelection aggravating infighting over how to control radical local party organizations ... voter perception that Labor too fragmented to govern effectively will increase. [Redacted]

✓

25X1

25X1

Americas

Key **Salvadoran** cleric tacitly endorsed government demands for end to rebel violence before new peace negotiations ... refused role in guerrilla-orchestrated national debate ... indicates widening gulf between Church leaders, extreme left. [Redacted]

[Redacted]

25X1

25X1

East Asia

China's Railway Ministry evidently budgeted no more than \$1 billion for locomotive imports for 1986-90, according to press ... dims prospects for US exports, worth \$450 million in 1984-86 ... bartering for Soviet locomotives more attractive now. [Redacted]

✓

25X1

Oceania

South Pacific Forum urging **France** to postpone midyear referendum on self-determination in **New Caledonia** ... effort by **Fijian** Prime Minister, moderate head of Forum, to win time for elements favoring independence to build political support. [Redacted]

✓

25X1

[Redacted]

25X1

South Asia

[Redacted] — **Pakistan** beginning aerial eradication of opium poppies in North-West Frontier Province, according to US Embassy ... limited to one helicopter ... spraying a response to US pressure. [Redacted]

[Redacted]

25X1

25X1

Top Secret

[Redacted]

25X1

Page Denied

Top Secret

[Redacted]

25X1

25X1

[Redacted]

Special Analysis

NICARAGUA:

Counterinsurgency Strategy

Managua has adopted a two-prong strategy aimed at keeping the insurgents on the move while denying them support from the rural population. Its forces are reacting aggressively to the latest cycle of rebel infiltration. On the political front, the government is concentrating scarce economic resources on the rural sector and is increasing the distribution of land titles to give peasants a greater stake in the revolution. Although all is not going well for the Sandinistas, their recent performance suggests that the better trained and newly equipped rebels will face a more proficient and formidable foe than in the past.

[Redacted]

25X1

25X1

[Redacted]

25X1

[Redacted]

Controlling the Rural Population

Since 1985, [Redacted] high-ranking Sandinista officials have been concerned about the government's loss of popular support in rural Nicaragua. Anticipating a renewed rebel offensive once US military-aid was resumed, the regime last year began to redirect scarce social services, economic development funds, and internal security operations to rural areas. US Embassy reporting indicates that the regime's economic plans for 1986 and 1987 emphasize rural development programs at the expense of projects in urban areas. [Redacted]

25X1

25X1

continued

Top Secret

[Redacted]

25X1

Top Secret

[Redacted]

25X1

Accelerating the distribution of land titles to peasants in the northwest and central regions has been a key element in the government's strategy of denying rural support to the insurgents. Nearly 1 million acres were to be confiscated and more than 15,000 peasant families were to receive land last year, according to the US Embassy. Nearly all this land was to be confiscated from regime opponents or suspected rebel sympathizers. [Redacted]

25X1

At the same time, the government's security forces have increased efforts to intimidate supporters of the insurgents. The Interior Ministry, which is responsible for internal security, has assumed control of neighborhood defense committees in rural villages and recruited networks of informants to discourage peasants from selling food to the rebels, according to recent defectors. When the lack of supplies forced the insurgents to abandon some operating areas last fall, security forces arrested hundreds of their supporters and forcibly relocated thousands of them, according to Embassy sources. [Redacted]

25X1

[Large Redacted Block]

25X1

Outlook

Although the Sandinistas' aggressive military strategy has failed to stem the flow of insurgents into Nicaragua, it will probably slow the guerrillas and keep them on the move. The greater number of insurgents inside the country and the increasing tempo of the war will test the flexibility of the government's forces, however, more severely than in the past. [Redacted]

25X1

Other measures by Managua will hinder efforts by the rebels to develop support networks and to live off the land. President Ortega told farmworkers and cattlemen last month that the regime planned to press ahead with its land reform program, confiscating more farms and turning them over to peasant cooperatives. [Redacted]

25X1

[Redacted] By forming strings of cooperatives garrisoned by the militia, the regime hopes to limit further the insurgents' ability to obtain food. [Redacted]

25X1

25X1

Top Secret

[Redacted]

25X1

25X1

25X1

25X1

25X1
25X1

25X1
25X1

25X1

Next 1 Page(s) In Document Denied

25X1

25X1

Page Denied

25X1

Top Secret

25X1

25X1

Top Secret