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	Moscow probably intends to exclude from SRINF talks the 400-kilometer range SS-23, which is replacing the Scud—a missimore widely fielded with Soviet Ground Forces than the SS-12. Gorbachev's statement echoes recent Soviet proposals that the nore numerous short-range ballistic missiles—with ranges of less than 500 kilometers—be discussed in broader, multilateral talks the ground and air forces from the Atlantic to the Urals, whose mandate is under discussion in Vienna.	nuch ss
	Gorbachev evidently decided, perhaps at the urging of the militar that, despite the propaganda value of a unilateral troop withdraw from Czechoslovakia, such a move would have little chance of influencing Western governments.	

Declassified in Part - Sanitized Copy	Approved for Release 2012/12/24 : CIA-RDP88T00091R000500250001 Top Secret	-5
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USSR-CHI <u>NA:</u> Re	esumption of Political Talks	25X
re	ne biannual Sino-Soviet deputy foreign minister talks aimed at solving political disputes begin next week in Moscow in an	25X
, pi	mosphere of improving ties, but lingering major problems robably will prevent any breakthrough at this round.	25 X
sic	nce the generally unproductive ninth round last October, the two des have resumed boundary negotiations after a nine-year hiatus and opened consulates. Moscow announced that on 16 April it will	
M	egin pulling out slightly more than a division of its troops from ongolia and yesterday stated that the process has begun. In dition, late last year the Soviets stopped jamming Radio Beijing's ussian-language broadcasts and ended broadcasts to China from a	25X
cl: Bo	andestine radio station on Soviet territory. oth sides have portrayed the boundary negotiations positively, but	25X
wi th	e Chinese have publicly played down the significance of the Soviet thdrawal from Mongolia. Vice Foreign Minister Qian, who will head e Chinese delegation, was upbeat about this round of political talks a press conference last week but said Beijing has no plans to send	
Fo Co	oreign Minister Wu to Moscow this year. omment: Soviet support for Vietnam's occupation of Cambodia is	25X
ro fo	e main stumblingblock in improving Sino-Soviet ties. At the last bund, Beijing welcomed Moscow's willingness to discuss this issue r the first time but was dissatisfied with the unvielding position of oviet Deputy Foreign Minister Rogachev.	25X
pr hi Co m ho	an effort to detect any flexibility in Moscow's position, Qian may ress Rogachev to elaborate on Foreign Minister Shevardnadze's nts during his trip to Southeast Asia last month that elements of the ommunist resistance Khmer Rouge—although not its leadership—ight be allowed to participate in settlement talks. Chinese media, owever, have claimed Shevardnadze revealed no change in support r the Vietnamese occupation of Cambodia, and Qian is likely to	
re	iterate that only strong Soviet pressure on Hanoi to withdraw will ad to a settlement.	25X
be si	nnouncement of a date for the next session of boundary talks may the only real achievement of the Qian-Rogachev discussions. Both des agreed in principle in the opening talks in February to meet gain; a resumption in the second half of 1987 seems likely.	25X
M	ne Soviets will be assessing the impact on Beijing's policy toward oscow of Hu Yaobang's ouster as party general secretary in January and the conservative drift of China's domestic policy since then.	
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SURINAME:	Democratization Ploy Advar	nces	25X1
	have yielded to pressure fr proceed with his "democra	litional political parties apparently om Head of Government Bouterse to stization" program, even though a es the military a continued political	25X1
			20/1
	Topberaad, last week approvapprovappointed National Assembly changes requested by the tra	the supreme policymaking council, the yed the draft constitution, after the y incorporated only a few of many aditional parties. Bouterse reportedly election will be held on 25 November, erendum in September.	25X1
	The Embassy-says that Suring assembly, which will then ele constitution, however, report separate, military authority a	namers will'vote for a 51-member ct a president and vice president. The edly calls for the establishment of a nd_stipulates that the military will not be	25X1
	subject to the civilian judicia	TY -	25 X 1
	said his 25 February Moveme recent press conference, Boo	se may seek the presidency, although he ent will not participate in the election. In a uterse said he would seriously consider	0EV4
	becoming the candidate of a	nother party.	25X1 25X1
	have accepted Bouterse's in	eader Derby and his labor federation vitation to participate in the government, verby reportedly plans to form a labor	25X1
	democratization gambit but on his efforts to retain power work probably regard cooperation	bably remain skeptical of Bouterse's evidently fear that strong challenges to buld lead him to act against them. They with Bouterse as their best chance of cal influence and hope to push the s dominant role.	25 X 1
	the military are likely to conti constitution probably guaran	reased civilian opposition, Bouterse and inue dominating politics. The draft tees that military personnel cannot be of 15 regime opponents in 1982.	25X1
	of the traditional parties and the government probably wil	r labor might weaken the political power business groups. Derby's participation in I complicate economic policy making by se government to adopt needed austerity	25X1
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SOUTH AFRICA:	Black Labor Problems
	Growing black labor unrest in South Africa has increased government concern about union militancy and could provoke a
	crackdown before the white election in May.
	A month-old, illegal strike by at least 14,000 black employees of the government-run South African Transport Services, the country's largest employer, continues despite management threats to fire strikers. The strikers are demanding recognition of their union—an affiliate of the 660,000-member Congress of South African Trade Unions, the largest black labor federation
	Other black unions, including some outside the labor federation, are supporting the strikers. A wildcat strike this week by an independent black postal and telecommunications union has closed all post offices in Soweto and some in Johannesburg. According to US-Embassy-and-press reports, the two strikes are the worst in the public sector in the Johannesburg area since 1980. Government officials recently accused the labor unions of seeking to
	shift political conflict to the workplace. Foreign Minister Pik Botha warned in a campaign speech this week that "irresponsible" union behavior could lead to "the end of trade unionism."
	Comment: Although black unrest and protest remain at low levels, Pretoria is worried about growing union militancy—particularly in such strategic sectors as transportation—and recently banned a labor rally to launch a national campaign for a "living wage." President Botha's recent decision to make the first-Friday in-May an annual labor holiday was designed to defuse tensions but backfired because most unions resented not being consulted and insisted that 1 May be designated the official holiday.
	Pretoria wants to prevent more significant labor problems before the 6 May election for whites. If the railway strike spreads or leads to more violence, such as the two recent bombings of rail lines, the government probably will crack down on unions by dismissing strikers and detaining more union leaders. An outright ban on unions is less likely because Pretoria has long showcased them as one of the most successful elements of its reform program.

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	EGYPT: Results of Assembly Election		
	Egypt's ruling National Democratic Party has e		
	winner in this week's election, according to pre-		
	Embassy in Cairo. Although a handful of runoff		
	party has won about 75 percent of the 448 electric makeshift Labor-Liberal-Muslim Brotherholders.		
	17 percent of the seats—taking the title of office		
	centrist New Wafd Party, which barely received		
	minimum vote needed to win elected seats. Th		-
	shut out altogether.		25 X 1
	Comment The section is the Comment		
	Comment: The results are a victory for Preside party retains the two-thirds majority necessary		
	October. At the same time, the almost doubled		
	will enable him to claim a step toward more re		
	government.		25 X 1
			25 X 1
	ISRAEL: Debate on International Conference		Y
		*	/\
	The sharpened debate between Prime Minister		
	Minister Peres over an international Middle Ea		
	will not threaten the stability of the unity gover leader Peres has continually stressed this weel		
	forum should serve as a framework for direct r		
•	Israel and a joint Jordanian/non-PLO Palestini		
	coming weeks, he plans to follow up on recent		
	officials and Palestinians from the West Bank a		
	Likud leader Shamir has stiffened his resistand		
	conference because he believes it would create Arab bloc demanding Israeli concessions.	e a powertui Soviet-led	25X1
	Alab bloc demanding islaen concessions.		20/(1
٠	Comment: Neither Shamir nor Peres is inclined		
	decision on an international conference because		
	interlocutors have not yet agreed to a framewo		
	contrasting views of the two Israeli leaders wer Both men are likely to retreat soon from the ex	e aiready well known.	
	recent days. Shamir has probably been embole	dened by his recent	1
	reelection at the Herut party convention, and,	with a view to the	
	national election next year, is playing to his national	ural hardline party	_
	constituency.	• •	. 25X1
	constituency.		. 20/(1



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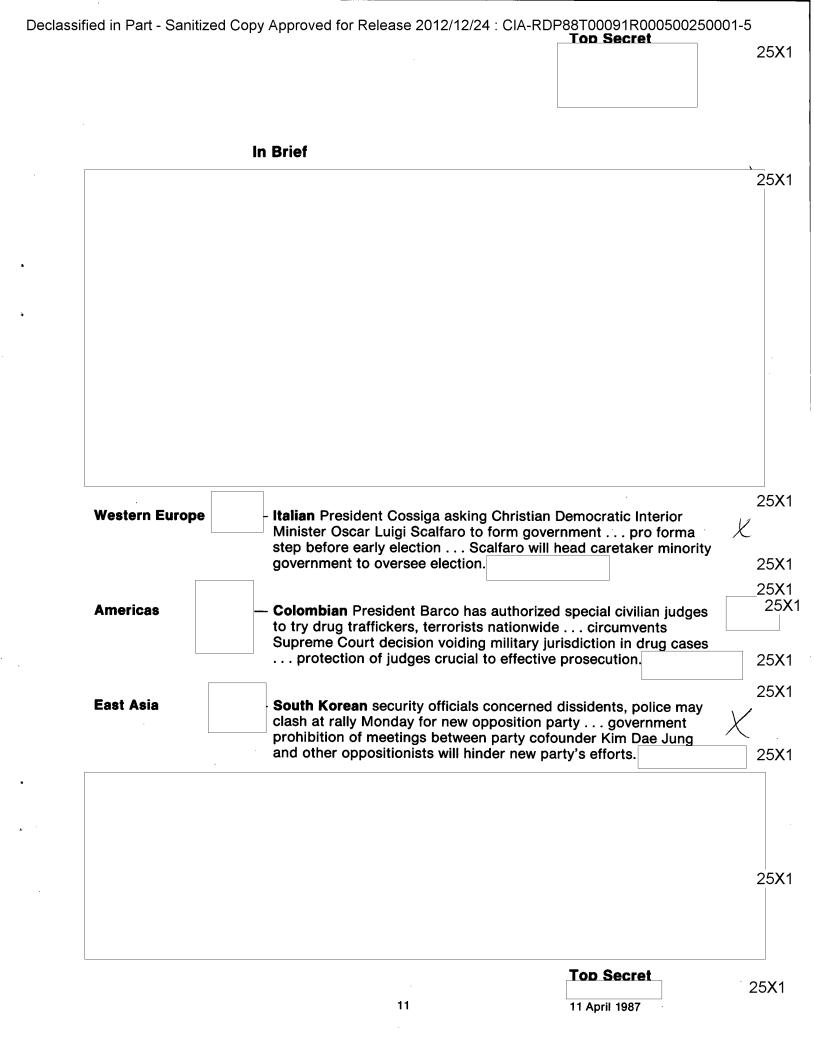


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		DENMARK: Defense Agre	ement Rejected		X
		Denmark's opposition Soc government's proposed fix Embassy in Copenhagen, increases totaling 6 percent Democrats are still calling inflation. Unless reversed, ends 20 years of interparts parliament. Comment: A new accord pelection, likely to be held to will have to be debated in Democrats and leftist parts probably will be zero grown administrative adjustment zero-growth defense budge to replace dwindling ammand would continue the street	ve-year defense planthe government's plant over five years, where the Social Democraty accords on defensions of the full parliament, which in the next five-years and of the full parliament, with in the next five-years may allow for some let would result in the unition stocks and o	a. According to the US an called for annual hereas the Social udget indexed for ts' rejection of the plane budgeting outside of eached before the next an accord, the budget where the Social As a result, there ear plan, but e additional funds. A e cancellation of plans ld air defense missiles	25 X 1
					25 X 1
					X
		USSR-PHILIPPINES: Offe	r To Build Power Pla	ant	
		The Philippines will probat \$350 million, 300-megawa A senior Philippine energy Affairs has not authorized serious negotiations, which begin until late this year, a	Itt coal-fired power p official says that the even preliminary dis h he implies will prov	plant in northern Luzon. Department of Foreign scussions and that we fruitless, cannot	
		Comment: The offer is contheir profile in the Philippin tempted by the offer—white ASEAN country—because caused by last year's scra	nes. Moscow probat ch would be the large it would reduce ele	oly thinks Manila will be est Soviet venture in an ctrical shortages	ı
	:	Senior Philippine officials concerns about technical demands for concessions plant unlikely.	have been wary of S standards, financing	oviet overtures, and , and potential	25X1 25X 25X
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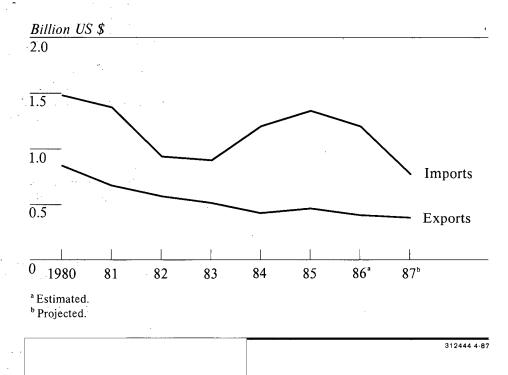
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Some Trade Continuing

Despite these problems, a few countries remain willing to trade with Cuba. Spain has granted concessional trade credits in order to retain a market share and political influence. Madrid almost certainly will be Havana's leading Western trade partner in 1987.

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	Trade with the UK is declining, but British businesses have scheduled four trade shows for 1987, despite reports that Havana cannot repay the debts it already owes to 185 British firms trade with France fell sharply in 1986 and Italy will no longer ensure exports to Cuba	25X1 25X1 25X1
	Outlook Cuba's economy will continue to deteriorate as Western imports become harder to acquire. Cuba is unlikely to receive new money or new trade credits, even if it eventually reaches rescheduling agreements with its commercial creditors. Havana for the most part will continue to have little success finding alternative credits and suppliers in South America.	25 X 1
	Further deterioration in trade with the West will not only drive Havana closer to the USSR and other CEMA nations but also will probably make it impossible to implement any new program to revive and diversify the stagnating Cuban economy.	25X1

Special Analysis

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25X1

ETHIOPIA:

Seeking Legitimacy

25X1

Ethiopian Chairman Mengistu, who marked a decade in power in February, is proceeding with his plans to establish a people's republic next September in an effort to put a civilian face on his military regime. Mengistu appears to be firmly in control, and he and a few key military colleagues will dominate the new government. He probably hopes that the appearance of civilian control and popular institutions will please his Soviet allies and counter a growing perception in the Ethiopian military that his dictatorial rule has betrayed the goals of the revolution that toppled Haile Selassie. The next major step in the regime's drive for legitimacy will be the election of a national parliament—ostensibly the country's most powerful institution—in May.

25X1

Since the overwhelming approval of the new Soviet-style constitution in a government-controlled referendum in February, Mengistu and his aides have turned their full attention to selecting candidates for the top posts in a new administration. In March, Addis Ababa announced a shuffle of high-level government and military personnel in part to prepare the way for a new regime. Mengistu, who will become the new president, hopes to calm ethnic tensions by appointing representatives—all longtime members of his ruling-clique—of the country's main ethnic groups to vice-presidential posts in the civilian government:

25X1

Growing Role of the Party

Mengistu's eagerness to increase at least the nominal authority of civilians probably reflects his growing confidence in the 60,000-member Workers Party. Founded in 1984 with Soviet assistance, the party has steadily expanded its role in managing the regime's day-to-day affairs.

25X1

25X1

The party is playing the leading part in the regime's controversial resettlement and villagization programs, which are designed to increase Addis Ababa's control over the countryside and to prepare the rural population for collectivized agriculture. Although Mengistu has announced that resettlement will not resume as expected this year, the party's participation in the expanding villagization effort and its role as a watchdog against disloyalty in the government and the military will probably ensure its growth as a lever of power.

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	Signs of Discontent	
	The public has shown little enthusiasm for Mengistu's efforts to legitimize his rule, despite intense propaganda and the regime's painstaking attempts to create the image of popular involvement. Although some Ethiopians voiced reservations about the new constitution and the sweeping powers it grants to Mengistu, the vast majority appear to be resigned to his rule.	25X1
	The military continues to back Mengistu and to remain the regime's key pillar of support, but there is increased private criticism of Mengistu's heavyhanded methods, his handling of the stalemated northern-insurgencies, and the country's ties to the USSR. Large numbers of senior officers are listening to attacks on Mengistu's policies by the former Ethiopian Foreign Minister on the Voice of America.	25X1 25X1 25X1
,		25X1
	Outlook	
	Mengistu probably hopes that his elaborate efforts to establish a civilian regime and the appearance of representative institutions will increase popular support for his regime and counter the perception that his rule has become increasingly authoritarian. Although Mengistu and a few key military supporters will continue to dominate the regime, he probably believes that giving the party more of a role will raise his status in Soviet eyes.	25 X 1
	The regime's pervasive security network will probably be able to deter any active coup plotting, at least for the short term. But the main causes of the military's unhappiness—particularly, the protracted northern insurgencies—are likely to persist. Should the Voice of America broadcasts contribute to increased unrest, Mengistu will probably crack down on disloyal officers and other officials and may	

Cases of AIDS Symptoms

	Reported Cases		
	Per Million People	Total	
Austria	7.1	54	
Belgium	20.9	207	
Britain	12.1	686	
Denmark	25.0	131	
Finland	2.8	14	
France	22.6	1,253	
Greece	3.5	35	
Italy	8.0	460	
Netherlands	14.9	218	
Norway	8.4	35	
Portugal	4.5	46	
Spain	6.1	242	
Sweden	11.1	93	
Switzerland	29.6	192	
US	136.2	32,825	
West Germany	14.4	875	

Based on data as of 16 March from the World Health Organization and the Center for Disease Control. The numbers indicate those people who have symptoms of the disease, not carriers of the AIDS virus.

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11 April 1987

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Special Analysis	
Response to AIDS	
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increasing. Most governments are developing prevention and treatment programs. Political controversy is likely to grow,	/
groups, including foreigners.	
According to the World Health Organization, some 4,000 West Europeans are reported to be ill with AIDS. This number is expected to double every 9 to 11 months. In addition, a half million to 1 million	
30 percent of them actually develop AIDS, as seems likely, there will be from 50,000 to 300,000 deaths from AIDS in Western Europe over	
•	
150 percent over the past year. France has the most cases in Western	
Reactions by Governments	
France has launched a \$2 million prevention campaign and has increased funds for testing for the virus from \$4 million to \$5.7 million this year. Concern about AIDS has prompted Paris to repeal a 20-year-old law banning condom advertisements. The Minister of Health has proposed mandatory AIDS testing for all couples wishing to get married.	
and to develop a vaccine against AIDS. It also began a \$30 million crash education program in November; the government sent	
ways to avoid it, including the use of condoms.	
West Germany has committed \$22.2 million for information campaigns and the establishment of 10 centers for AIDS victims. Another \$82 million has been earmarked for clinical researchors. The	
State of Bavaria has adopted controversial mandatory testing for high-risk groups, including prostitutes, prison inmates, and some	
individuals who knowingly infect others, but it has sharply criticized Bavaria's mandatory testing decision, arguing that high-risk groups	
can be located best on a voluntary basis, without driving them underground	
continued	
	Response to AIDS Public concern about the AIDS problem in Western Europe is Increasing. Most governments are developing prevention and treatment programs. Political controversy is likely to grow, however, over proposals for mandatory screening of specific groups, including foreigners. According to the World Health Organization, some 4,000 West Europeans are reported to be ill with AIDS. This number is expected to double every 9 to 11 months. In addition, a half million to 1 million people in Western Europe are carrying the AIDS virus; if 10 to 30 percent of them actually develop AIDS, as seems likely, there will be from 50,000 to 300,000 deaths from AIDS in Western Europe over the next five years. In West Germany and France, the number of cases of AIDS jumped 150 percent over the past year. France has the most cases in Western Europe—1,253. Switzerland and Denmark have the highest per capita rates. France has launched a \$2 million prevention campaign and has increased funds for testing for the virus from \$4 million to \$5.7 million this year. Concern about AIDS has prompted Paris to repeal a 20-year-old law banning condom advertisements. The Minister of Health has proposed mandatory AIDS testing for all couples wishing to get married. The UK will spend \$122 million in a three-year program to seek a cure and to develop a vaccine against AIDS. It also began a \$30 million crash education program in November; the government sent pamphlets to 23 million households describing the AIDS virus and ways to avoid it, including the use of condoms. West Germany has committed \$22.2 million for information campaigns and the establishment of 10 centers for AIDS victims. Another \$82 million has been earmarked for clinical researchers. The State of Bavaria has adopted controversial mandatory testing for high-risk groups, including prostitutes, prison inmates, and some foreigners. The federal government favors strict penal sanctions for individuals who knowingly infect others, but it has sharply criticized Bavaria's mandator

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· .	Political Fallout	
à	Proposals for mandatory testing of high-incidence groups and for registration of known AIDS carriers have been criticized by some West Germans on human rights grounds. The controversy will undoubtedly spread to other countries. Governmental promotion of condoms in Italy, Ireland, and Austria has drawn criticism from the Catholic Church and conservative groups, which argue that such programs implicitly endorse contraception.	25X1
	Anti-AIDS programs may complicate West European relations with some countries outside of Europe. Belgium's mandatory testing of African students and withdrawal of scholarships from those who test positively have drawn charges of racism from Zairian officials.	25X1
	Soviet disinformation that AIDS was developed in the US has made little headway in Western Europe. Nonetheless, US citizens—particularly military personnel, but also tourists—might increasingly become the focus of European scrutiny because the US has the highest reported incidence of AIDS. A recent British poll shows that 82 percent of respondents believe that all visitors to Britain should be tested before entry. As public concern grows, AIDS is likely to become a major consideration in West European policies on tourism, foreign labor, and immigration, and possibly on other issues.	25X1

