EO 12958 3.3(b)(1)>25Yrs EO 12958 3.3(b)(6)>25Yrs EO 12958 3.5(c)

T	0	p :	Se	:61	et	-



DIRECTORATE OF INTELLIGENCE

APPROVED FOR RELEASE: 06-Apr-2010

Central Intelligence Bulletin

Top Secret

C 207 19 June 1972

Inh aceter			
		•	

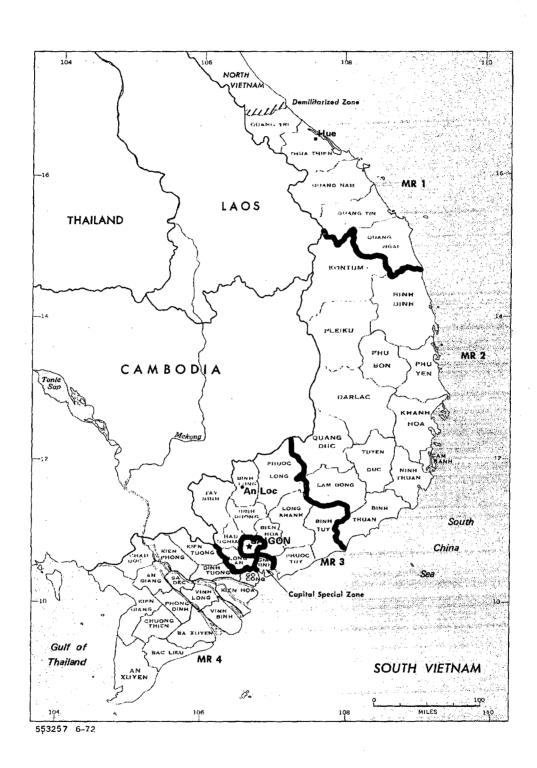
Top Scoret

TOP SECRET	
------------	--

19 June 1972

Central Intelligence Bulletin
CONTENTS
VIETNAM: Situation report. (Page 1)
WEST GERMANY - EAST GERMANY: Pankow negotiator presents draft treaty on general relations. (Page 3)
CHILE: Cabinet reorganization leaves internal conflict in coalition unresolved. (Page 5)
BURMA-USSR: Ne Win approaching Soviets for military equipment. (Page 6)

TOP SECRET	
------------	--



TOP SECRET

VIETNAM: North Vietnamese politburo member Le Duc Tho has returned to Hanoi after stopovers in Moscow and Peking.

Tho, who had been in Paris since his secret talks in early May with Dr. Kissinger, left France on 10 June to attend an official state function in Bulgaria. His one-day layover in Moscow has so far been mentioned only in a brief North Vietnamese news agency dispatch on 17 June, suggesting that he had been welcomed and seen off at the airport by a relatively low-ranking Soviet delegation. Peking Radio, which announced Tho's departure for Hanoi yesterday, reported that during his short stay in China, Tho had been feted at a banquet "amid a warm atmosphere of friendship" and had held a "very cordial conversation" with Premier Chou En-lai.

Tho's return comes just after Soviet President Podgorny completed his visit to North Vietnam. Podgorny told reporters in Calcutta yesterday, where he touched down en route back to Moscow, that his talks with North Vietnamese leaders had gone "as we desired," that the peace talks in Paris would be resumed soon, and that the USSR would do everything possible to bring about a de-escalation of the Vietnam conflict. Both Soviet and North Vietnamese news media continue to maintain silence on Podgorny's visit.

Light Communist shellings and ground probes occurred in several areas of South Vietnam during the weekend, but no major new fighting was reported. In the far north, four battalions of South Vietnamese Marines have launched another operation into enemy-held territory north of the Quang Tri - Thua Thien provincial border. The marines so far have encountered little resistance.

(continued)

19 Jun 72

Central Intelligence Bulletin

1

TOP SECRET

TOP SECRET	
------------	--

In the provinces around Saigon, pressure has eased somewhat, but the government relief column trying to reach An Loc is still stalled south of the town on Route 13. New skirmishing was reported east of Saigon in Phuoc Tuy Province. Fighting is continuing in the upper Mekong Delta region in the Kien Tuong Province - Cambodian border area, but the intensity has diminished and much of the activity apparently stems from government operations on the Cambodian side of the border.

19 Jun 72

Central Intelligence Bulletin

TOP SECRET	
------------	--

TOP SECRET	
------------	--

WEST GERMANY - EAST GERMANY: East German negotiator Kohl presented a draft treaty on general relations to West German negotiator Bahr on 15 June.

The draft and an accompanying "declaration of principles" stress East German demands for the establishment of normal diplomatic relations between the two German states and their simultaneous entry into the UN as soon as possible. Kohl rejected any reference to a "special relationship" between the two--a Western concept that both Germanies enjoy only limited sovereignty in the absence of a German peace treaty. This issue probably will be the biggest obstacle to inter-German agreement. Kohl did indicate, however, that Four Power rights in Germany as a whole might be treated implicitly in a clause declaring that this treaty would not affect previous treaties dealing with the two Germanies.

Kohl's presentation of a comprehensive draft treaty may alter Bahr's previous assessment that Pankow would put off a general treaty and seek to settle the various issues in a piecemeal fashion. Kohl warned, however, that no progress would be made on a treaty unless Bonn stops obstructing Pankow's efforts to gain international acceptance. This will doubtless reinforce Bahr's belief that selected East German participation in conferences and organizations—but not in the UN itself—would help negotiations along. The two sides will meet

	neip negotiations	arong.	The	TWO	staes	MTTT	meet	
	again on 21 June.							
Г								
ļ								
l								

19 Jun 72

Central Intelligence Bulletin

TOP SECRET	

TOP SECRET	
------------	--

- 1				
- 1				
1				
		•		
- 1				
- [
- 1				
1				
1				
-				
1				
1				
-				
	•			
		F		
1				
1				

19 Jun 72

Central Intelligence Bulletin

4

TOP SECRET

TOP SECRET	
------------	--

CHILE: President Allende's reorganization of his cabinet on 17 June does not mean that the internal conflict in his coalition has been resolved.

The Socialist Party kept the four key posts it held before and added the ministries of economy and, temporarily, mining. The Communist Party retained the same three ministries but replaced two incumbents with ranking party leaders. This should strengthen the Communists' influence in the government. The Radical Party lost one of its three posts, and the small parties retained their allotted one apiece.

The most important change, the replacement of independent Marxist Pedro Vuskovic as economy minister, is probably in response to the strong criticism of his drastic policies. Allende has promised, however, to name Vuskovic to another important post next week when he announces changes in economic programs and his plans to establish additional cabinet portfolios.

Although the Socialists now hold a numerical advantage in the cabinet, the Communists have probably made few real concessions. Over Socialist objections, the Communists and Allende--reportedly at Soviet urging--are completing work on an important economic compromise with the Christian Democrats. The compromise may for the present slow the pace of the nationalization of industries and enable the government to consolidate the inroads it has already made on the private sector of the economy. The Christian Democrats reportedly have made some important concessions that are dividing the opposition forces.

The absence of any military officers in the
revised line-up bears out reports
that the army high command refused Allende's
recent request to take a larger role in the cabinet.
The frustrating experience of the army general who,
as mining minister, found himself outflanked by gov-
ernment politicians evidently increased the mili-
tary's distrust of the administration.

19 Jun 72

Central Intelligence Bulletin

TOP SECRET	
------------	--

THE DO	OD	TATE	
TOP-SE	← ⊀	<u> </u>	ļ

BURMA-USSR: Burdecided to approach tequipment.		
The second secon		

Ne Win reportedly plans to visit the Soviet Union in a few weeks. The Burmese trade minister is already in Moscow and while he is said to be negotiating a commodity aid loan, he also could have initiated the military equipment negotiations. From the USSR, the trade minister will go on to Czechoslovakia, East Germany, Poland, and Romania. He may brief Ne Win in Switzerland before the prime minister proceeds to Moscow.

Burma is primarily interested in automatic weapons and ammunition, mortars, and artillery shells. Ne Win may also ask for modern aircraft to replace the obsolescent planes now in use. Burma's dire financial situation and shortage of foreign exchange presumably will necessitate a generous credit or concessional sales arrangement.

Burma's military equipment previously has come mainly from the UK and, more recently, from the US. A modest procurement program from the US dating from 1958 was largely completed in 1971. Burma's needs for re-equipment and replacement remain substantial, however. About half of the government's military effort is devoted to counterinsurgency, especially in the northeast where Communist rebels on the China border receive some arms from Peking.

In keeping with Burmese non-alignment, the government may calculate that arms purchases from Communist nations will balance previous procurement from the West. More important, however, may be Ne Win's idea of going to Eastern Europe and Moscow in the hope of getting both generous purchase terms and leverage with the Chinese.

19 Jun 72

Central Intelligence Bulletin

TOP SECRET	
------------	--

Top Secret

Top Secret