

~~Top Secret~~



DIRECTOR OF
Central
Intelligence

OC
CABLE
Ed



25X1

National Intelligence Daily (Cable)

16 November 1982

~~Top Secret~~

CPAS NIDC 82-267C

16 November 1982

Copy 402

25X1

Page Denied

Top Secret



25X1

Contents

USSR: *Andropov's Role in Foreign Policy* 1

Poland: *Possible Divisions in the Leadership* 2

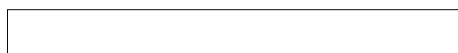
China-USSR: *Meeting of Foreign Ministers* 3

Yugoslavia: *More Austerity Ahead* 3

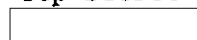
Sudan: *Currency Devaluation* 4

China-UK: *Contract for Naval Missile* 4

Belize: *Move to the Left* 5



Top Secret



25X1


25X1

Top Secret




25X1


USSR: Andropov's Role in Foreign Policy

General Secretary Andropov's meetings with Vice President Bush and other foreign leaders yesterday indicate that he is already moving to establish himself as the chief spokesman in foreign policy. 


25X1

Comment: It took Brezhnev several years to assert his authority in foreign affairs. In 1971, for example, it was Premier Kosygin rather than Brezhnev who signed the SALT communique with President Nixon. The fact that Premier Tikhonov did not participate in Andropov's meeting with the Vice President suggests the General Secretary may play the dominant role from the outset. 


25X1

This demonstration of Andropov's political strength also raises the possibility of his taking over Brezhnev's job as president. The constitution of 1977 gave the president considerable formal power in foreign policy. 

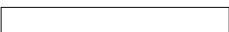
25X1

At this stage, however, Andropov probably will be denied the presidency. In past successions, Soviet leaders have acted to prevent the new party head from assuming the full measure of his predecessor's power. 

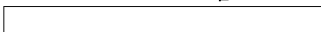
25X1

Moreover, the formulation of policy under Brezhnev was based more on consensus. The public statements of Politburo members since Brezhnev's death have stressed collectivity. 

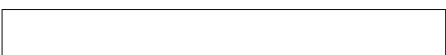
25X1

The informal institutionalization of decisionmaking processes also will almost certainly put significant constraints for now on Andropov's power. As General Secretary, however, Andropov may already exercise greater actual influence in foreign policy than any other leader. 

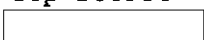
25X1

In his eulogy at the funeral, Andropov sounded a somewhat more positive note about the prospects for a relaxation of international tensions than he had in his speech to the plenum. He presumably wanted to reassure his domestic audience of his commitment to the cardinal principle of Soviet military power. Having made his policy priorities clear, Andropov then advised Western statesmen of the regime's continuing interest in improving relations in ways consistent with Soviet national goals. 

25X1



Top Secret



25X1

25X1

Top Secret

[redacted]

25X1

POLAND: Possible Divisions in the Leadership

The anomalies surrounding Lech Walesa's release suggest that Premier Jaruzelski may have encountered opposition in letting him go. [redacted]

25X1

A senior Foreign Ministry official, explaining why Walesa remained hidden from view for 24 hours after his release and why a taped television interview was not broadcast, said privately that the release did not work out as planned. The US Embassy reports that some Solidarity members fear that Walesa may have agreed to collaborate. [redacted]

25X1

The former union chief told Western correspondents yesterday that he needs time to consult with friends and that he will have to confront his ideas with "reality." He also said that he would work "with courage and prudence" for the release of the remaining internees and for pluralism in the union movement. [redacted]

25X1

Premier Jaruzelski, meanwhile, has told Greek Prime Minister Papandreou that he will keep to his timetable for lifting martial law by the end of the year. [redacted]

25X1

Comment: Jaruzelski's critics may have believed that Walesa was not sufficiently repentant and forced additional talks with him about his future activities. They also may have used the time to bargain with the Premier about government policies. [redacted]

25X1

Jaruzelski and other moderates in the regime have consistently opposed returning to conditions as they were before the emergence of Solidarity. As a result, some hardliners may fear that the Premier is serious in his promises for economic and bureaucratic reforms. Some also may believe he is moving to dismantle martial law too quickly. [redacted]

25X1

Walesa seems to expect to play a role in Poland's future and does not appear to be contemplating leaving the country. He risks losing credibility with workers if he appears too conciliatory or seems to be acting without first consulting Solidarity supporters. [redacted]

[redacted]

25X1
25X1

Top Secret

[redacted]

25X1

Top Secret

[redacted]

25X1

CHINA-USSR: Meeting of Foreign Ministers

Foreign Minister Huang Hua, who represented China at Brezhnev's funeral, reportedly is delaying his departure from Moscow until tomorrow to meet today with Foreign Minister Gromyko. Before leaving Beijing, Huang called for a genuine improvement in bilateral relations and said that China hopes the USSR will now make new efforts to improve ties. [redacted]

25X1

Comment: This is the highest level Sino-Soviet contact since the mid-1960s. Huang's positive remarks may set the tone for China's public characterization of the relationship for the next several weeks as Beijing continues to probe for any indication of willingness to compromise on the basic issues. Huang's statement implies that the Chinese are looking to the Soviets to take the first steps. [redacted]

25X1

YUGOSLAVIA: More Austerity Ahead

Deputy Premier Dragan, citing prospects of further cuts in foreign credits, recently proposed more stringent economic goals for 1983. He called for export increases of 15 to 20 percent, import reductions of 3 percent, personal consumption decreases of 6 to 7 percent, and investment cuts of 20 percent. He also announced that the government will introduce legislation by the end of the year to reform the financial and monetary system. Dragan warned that failure to adopt these policies would force Yugoslavia to reschedule its foreign debt. [redacted]

25X1

Comment: Belgrade almost certainly will be unable to achieve these ambitious goals. A decline in imports and investments of such magnitude would disrupt industrial output and preclude increases in exports. Without new foreign credits, moreover, Belgrade's \$3.8 billion financing requirement for the first half of 1983 is likely to force debt rescheduling regardless of the austerity program. Dragan probably hopes the threat of rescheduling will help push controversial reforms through the legislative process. [redacted]

25X1

Top Secret

[redacted]

25X1

Top Secret

[REDACTED]

25X1

SUDAN: Currency Devaluation

Sudan's devaluation of the pound yesterday from 90 to 130 piasters per dollar--about 30 percent--meets one of the IMF's primary conditions for a standby loan. Khartoum and the Fund are still at odds, however, over the size of the government's proposed budget deficit.

[REDACTED]

25X1

Comment: The action may indicate that the government is now seriously considering acceptance of IMF terms for a loan. The devaluation will lead to higher prices for essential imported consumer goods, which is likely to cause additional public protests in Khartoum. Without an IMF agreement, however, it would be difficult for Sudan to obtain additional assistance from bilateral aid donors or multilateral support for rescheduling its massive foreign debt.

[REDACTED]

25X1

CHINA-UK: Contract for Naval Missile

//A British news service reports that China has signed a contract worth more than \$170 million to have the UK equip destroyers being built in China with an air defense missile and advanced electronics. US attaches in Hong Kong say the British are to install the Sea Dart missile as well as sensors, early warning and fire control radars, and electronic warfare equipment on two new Luda-class destroyers.//

[REDACTED]

25X1

Comment: //The contract is one of the largest arms agreements China has concluded with a Western country, and it may signal the beginning of a renewed drive to acquire Western weapons and technology. The reported cost of the contract is much lower than the \$370 million previously quoted and may indicate the deal is less comprehensive than originally planned. The modernized destroyers will improve the capabilities of China's fleet when they become operational in the mid-1980s.//

[REDACTED]

25X1

Top Secret

[REDACTED]

25X1

Top Secret



25X1

BELIZE: Move to the Left

//The foreign policy initiatives of Prime Minister Price may be moving Belize slowly into the leftist camp.



25X1

Price decided last month to establish diplomatic relations with Grenada and did not oppose Nicaragua's candidacy for a UN Security Council seat.//



25X1

25X1

Comment: //Price has aggravated a rift in the ruling party by giving the small leftist faction more influence than the moderate majority over foreign policy. Further moves accommodating the leftists, such as establishing relations with Nicaragua, could split the party. A continuing leftward drift by Belize also may provoke new antagonisms with Guatemala, which still holds claims to Belizean territory.//



25X1

Top Secret



25X1

1

2

Top Secret