Central Intelligence Agency



17 July 2020

John Greenewald, Jr. 27305 W. Live Oak Road Suite #1203 Castaic, CA 91384

Reference: EOM-2020-00342

Dear Mr. Greenewald:

This is a final response to your correspondence of 23 April 2020 requesting an Executive Order 13526 mandatory declassification review of the following document:

National Intelligence Daily (cable) Document Number (FOIA) /ESDN (CREST): CIA-RDP79T00975A031100090002-5

We have completed a thorough search of our records and determined that the document may be released in sanitized form. We have deleted material that must remain classified on the basis of Section 3.3(b)(1) of the Order. Additional information must be withheld because withholding is authorized and warranted under applicable law as provided by Section 6.2(d) of the Order. Enclosed is a copy showing our deletions and citing our exemptions.

As the CIA Information and Privacy Coordinator, I am the CIA official responsible for this determination. You have the right to appeal this response to the Agency Release Panel in my care, within 90 days for the date of this letter. Should you choose to do this, please include the basis of your appeal.

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Please note, contacting CIA's FOIA Public Liaison or OGIS does not affect your right to pursue an administrative appeal.

Sincerely,

Mark Lilly

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Information and Privacy Coordinator

Enclosure

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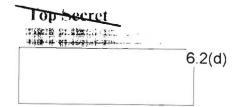


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# National Intelligence Daily (Cable)

10 February 1979

Top Secret

CG NIDC 79-0035C SC 00035/79 10 February 1979

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(WNINTEL)

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SITUATION REPORTS			
IRAN			7
Troops of the elite Impervith dissident Air Force personal last night. Although the classificand shortlived, they are a fixtrains in the Iranian military	sonnel at a s ishes were ap irther indica	Tehran airbase oparently limited	
The incident followed was the military leadership that tary would not be tolerated. Air Force personnel participated in TehranUS Embassy opersonnel participated in the	dissidence of Last Thurson ted in a proposervers established to demonstrate	vithin the mili- day, uniformed b-Khomeini mass timated that 200 ion and another	
1,000 paid homage to Khomein: south Tehran.	i at his head	dquarters in	6.2(c
Another sign of the weal tary is the steady increase			
and absentee personnel from a			3.3(b)(1 6.2(d)

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BRIEFS AND COMMENTS

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### LEBANON: Deteriorating Security Situation

The security situation in northern Lebanon has deteriorated in recent days, and the government's dispute with Christian militias in southern Lebanon also threatens to cause increased violence.	6.2(d
Christian militiamen and Syrian troops in Beirut this week have been engaged in some of the heaviest fighting since a UN-sponsored cease-fire began in early October. The Christians in the north may have stepped up their activity in Beirut as a show of solidarity with their Christian allies in southern Lebanon. Lebanese Army Major Haddad, the renegade leader of the Christian-controlled southern enclaves, said on Thursday that the government's recent decision to stop paying the salaries of his troops might lead to a declaration of independence for the enclaves.	6.2(d
Haddad's approximately 500 regular troops have operated independently of Beirut since the army disintegrated during the 1975-76 civil war. They remain nominally under the army's command, however, and had continued to be paid.	6.2(d
The payments had increasingly embarrassed President Sarkis as Haddad defied government and UN efforts to restore Beirut's authority in the area. Haddad probably hopes his threats will cause the government to reconsider its decision; he is likely at least to step up shelling of Palestinian positions in southern Lebanon if Beirut persists.	6.2(d
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#### LEBANON: Government Finances and the Economy

The Lebanese Government is in an extremely strong financial position even though the productive capacity of the economy has been severely damaged since the outbreak of civil war in 1975. Despite the disruptions caused by the fighting, remittances from Lebanese living abroad and money flows to armed groups in Lebanon have enabled Beirut to accumulate \$2.3 billion in foreign exchange reserves. If an internal agreement can ever be reached, foreign exchange reserves, idle deposits in the banking system, and foreign aid will provide a pool of funds to finance the reconstruction effort.

The government estimates that physical damage during the 1975-76 civil war totaled \$2.5 billion at original cost and \$3.5 billion to \$4 billion at replacement cost. Additional damage was inflicted in the sporadic fighting that erupted last year. Transportation and communications networks, housing, and commercial property have suffered extensive physical damage. Rebuilding efforts thus far have been stymied by the uncertain political and security situation.

Government revenues in recent years have been only a fraction of their prewar level; the government has relied on customs duties for almost all its cash. Government spending, which has primarily been limited to payments of wages to the army and the civil service, has also fallen. The public deficit has increased in recent years, but financing it has not been a problem. Deposits accumulated prior to the war and central bank advances covered the 1975-76 shortfalls. The government recently has tapped the large reservoir of bank liquidity by selling treasury bonds to Lebanese banks and has been able to obtain extremely low interest rates.

Despite existing political conditions, the government hopes to begin rebuilding the economy this year and has drawn up a five-year reconstruction program to present to the next meeting of Arab finance ministers. The government has placed a high priority on projects in relatively peaceful areas in the hope that success there will spread.

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CHAD: Situation Remains Murky

Sudanese and French efforts to mediate the dispute between Chadian President Malloum and Prime Minister and former Muslim rebel leader Habre have been unsuccessful. The presence of French troops in Ndjamena apparently is the key factor preventing the outbreak of widespread fighting and the complete collapse of the coalition government.

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//Malloum appears determined to resist French and Sudanese pressure to delegate more authority to Habre, who has backed off from the strong-arm tactics that prompted scattered violence in Ndjamena last month. The President may well be heartened by Habre's failure to gain the support of Ndjamena's predominantly Muslim population for a general strike and French reluctance to switch their critical military backing to the Prime Minister.//

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//Malloum recognizes that acquiescence to Habre's demands would almost certainly provoke members of the military council that ruled the country until last Au-

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//Another factor in Malloum's footdragging may be Toubou rebel chieftain Goukouni's willingness to open negotiations with Malloum. Goukouni represents the largest guerrilla faction and appears to have regained Libya's support in his efforts to restore control over the badly split insurgent groups. A deal between Malloum and Goukouni--while far from certain--could well prompt Habre to take some military action to protect his position.//

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LIBYA: Air Force Capabilities

//Libya force, which trative, and until Libya' improved.//	maintenance s air combat	set by seric problems.	ous morale, a It will be s	dminis- ome time

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CHINA: Economic Disruptions

Military preparations so far have had only a minor effect on the Chinese economy.

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Resources have not been drawn away from the civilian sector, and the few disruptions to date have mostly been in remote border areas at a time when local economic activity is relatively low. The major areas of military activity—along the Sino-Vietnamese border in the southwest and along the Sino-Soviet border in the northwest—are sparsely populated and unimportant industrially. The three provinces affected account for only about 2.5 percent of China's total industrial production. The military activity, moreover, is taking place during the slack season for agriculture, when manpower and equipment are not being fully utilized. The evacuation of nonessential civilians from border areas has so far had only a minor impact.

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In some instances, rail traffic has been disrupted as military shipments took priority over normal civilian freight shipments. Some of the disruptions to railroad scheduling late last month and early this month were related to the Spring Festival--China's Lunar New Year.

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NIGERIA: Oil Developments

Nigeria, which a year ago was suffering from a sharp drop in oil production and revenue, is likely to produce oil at record rates during the first half of this year, largely because of the cutback in Iranian oil output. Production started to rebound late last spring in response to Nigerian price discounts and the shift by Saudi Arabia toward a heavy crude export mix; it hit a four-year high in November when the government lifted production ceilings. The Iranian cutback has enabled Nigeria to maintain output at near capacity levels of about 2.4 million barrels per day since December and to market its light, low-sulfur crude at premium prices. The US and Western Europe, Nigeria's traditional customers for oil, have benefited most from the increased produc-Nigeria's persistent revenue needs are likely to continue to take precedence over any temptation to use oil as a political weapon against Western countries, particularly in support of its policies toward southern Africa.

CZECHOSLOVAKIA: Dissident Activity

Charter 77, the Czechoslovak human rights group, has named three new spokesmen in an effort to reinvigorate the movement. The regime had largely subdued the Chartists by jailing one of the previous spokesmen and through intense surveillance of the other two. Although two of the new leaders are relatively unknown, the third--Jiri Diensbier--was a prominent broadcaster during the Dubcek period, and his professional skills should serve the movement well. The activists, however, face such formidable handicaps as the steady loss of adherents through regime harassment and emigration, differences among themselves over tactics, and public apathy. Charter 77's prospects probably depend less on its domestic activities than on success in attracting foreign publicity and support.

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HAITI: Coup Rumors

//Rumors of a plot to overthrow President Jean-Claude Duvalier have intensified in the final week of the campaign for the election tomorrow to Haiti's rubber-stamp national legislature. Duvalier, who used his heavyhanded security forces to intimidate the sole "independent" candidate, has been deeply shaken by several incidents of arson around the National Palace and by reports that some military officers have turned against

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Top Seeset SC 00035/79 SPECIAL ANALYSES

USSR: Options on Chinese Border

If the Chinese were to attack Vietnam, we believe that any Soviet military response would be contingent on the extent and severity of the Chinese action and its political effects. The following discussion enumerates the measures the Soviets have available to them with the forces they now have facing China. It focuses on Soviet capabilities, and does not seek to evaluate Soviet intentions or the Soviet reading of the risks involved, including the risk of escalation.

The Soviets have a wide range of options for the use of military force in responding to a Chinese attack on Vietnam. They range from a nuclear strike to limited conventional operations employing forces already in place.

There is no indication of impending large-scale operations. A credible military response with in-place Soviet forces could be carried out, however, with little or no detectable preparation. The alternatives for such a reaction range from border guard probes to regimental-size raids by regular ground forces with tanks, artillery, and air support, perhaps up to 200 kilometers into China.

The Soviets have nearly 60,000 well-armed KGB border guards posted along the frontier. Border guard units--now equipped with BMP amphibious infantry combat vehicles and armored personnel carriers--would be readily available for small-scale offensive operations against the Chinese within a matter of hours. The objectives of such operations could include temporary occupation of disputed river islands using troops and amphibious vehicles.

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Another option requiring little time for preparation	<mark>n</mark>
would be raids by regimental-size ground force units in the immediate border area.	_ 
the indiedrate border area.	3.3(b)(1
These forces are	
armed with tanks and artillery, and air support is	
readily available. More than half of the divisions	
could be brought up to full strength using local reserv-	
ists within a day or twothe remaining divisions and support forces in a week or so.	3.3(b)(1
Support forces in a week of Bo.	6.2(d)
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The Chinese maintain only lightly armed, widely	
scattered border defense units in the immediate border	
area. Static defense complexes manned by local defense force units are located farther back in the first de-	
fensible terrain. These units, which are heavily	
equipped with artillery, are designed to slow down a	
major Soviet incursion and probably would be capable of halting an unsupported regimental-size advance.	٦
naiting an unsupported regimental-size advance.	3.3(b)(1
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	(,
The Soviets have substantial numbers of ground-	
attack and air-superiority fighters that could carry out	
conventional operations against peripheral areas of	
northern China almost immediately. Their number and superior performance characteristics would ensure Soviet	
air superiority in the border area from the outset and	
could provide support for any ground operations. TU-16	
Badger medium bombers could be launched on punitive	T = =
raids	3.3(b)(1
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Concurrent with the initiation of small cross-border operations, the Soviets almost certainly would begin to prepare their forces for major contingencies. Within a day or so, preparations for uncoordinated multi-division operations would be complete, giving the Soviets the	
capability to defend against Chinese main force units that might move toward the border. The Soviets could	
also operate in Chinese territory with these forces.	
	3.3(b)(1) 6.2(d)
A large-scale, coordinated, conventional assault would require up to a few weeks' preparation, awaiting the mobilization of high-echelon command and support forces and possibly reinforcement from other areas of the USSR.	3.3(b)(1) 6.2(d)
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ZAIRE:	Mobutu'	s Shaba	Problem

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Zaire's Shaba Region (formerly Katanga Province) still is plagued by serious economic, political, and social problems that Shabans blame on the neglect and indifference of the central government. Although President Mobutu has initiated some modest reforms, he is unlikely to take meaningful steps to resolve the basic causes of discontent. He will be fortunate to get through 1979 without some new trouble in Shaba.

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The most immediate concern for Mobutu and his foreign supporters is the uncertain status of the Inter-African Force, which was organized by Zaire's allies-principally France and Morocco-after the rebel incursion into Shaba last spring. The IAF now seems likely to depart within the next few months. The 2,400-man force-almost 90 percent Moroccan and Senegalese-is tiring of its duties and has become obliged to concentrate on protecting civilians from the Zairian Army; if it does leave soon, the army will pose as great a threat to civilians as do the rebels.

6.2(d)

//Despite continuing reports that camps of the rebel Front for the National Liberation of the Congo exist just across the border in Zambia and Angola, and occasional rumors of preparations for a new invasion, the rebels do not appear to have the organizational capability or the military strength to launch an effective, large-scale operation into Shaba as long as the IAF remains. The Angolan Government still seems to be restraining the rebels inside Angola in keeping with its rapprochement with Zaire.

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Although the French, Belgians, and Moroccans are training Zairian military units, it is unlikely that Zaire's Army will be ready to replace the IAF any time

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soon. Mobutu seems unwilling or unable to make the sweeping changes necessary to make the army effective, perhaps because he fears it would become an independent political force that could threaten him. Although Mobutu and his senior commanders do not actually encourage army depredations against Shaban civilians, they appear incapable of controlling the army's behavior.

6.2(d)

The Shaban people regard the central government and its representatives with suspicion and hostility and believe Mobutu is intentionally ignoring their plight. Although the President in his own fashion has kept his promise to return Shaba to civilian rule at the beginning of the year, he has not shown a serious interest in a reconciliation with the estranged region. He has not appointed Shabans to important positions in the newly formed civilian administration. Shabans are also underrepresented in the central government and the military.

6.2(d)

The tension in Shaba is aggravated by the presence of tens of thousands of Zairian refugees--including some former dissidents--who have returned to the region in recent months in response to Mobutu's amnesty. Thanks largely to the UN High Commission for Refugees and the Red Cross, as well as the presence of the IAF, the repatriation has gone fairly smoothly. Once the IAF leaves and the Red Cross and the UN group terminate their assistance, the refugees are likely to be victimized. If Shaba should be threatened again, the newly returned refugees probably would be the first victims of harsh government measures to control the situation. Many of them would again be forced to flee the country.

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Mobutu's major outside supporters, the Belgians and French, would like to see the IAF remain in Shaba for another six months. Although they have growing doubts about the prospects for long-term stability in the region, they are reluctant to press Mobutu further to implement political and social reforms.

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On the surface, Shaba appears calm, and some aspects of life show signs of returning to normal. An early, abrupt departure of the IAF would be a blow to Shaba's stability and could pose a setback to Zaire's overall economic recovery, but it is not likely that conditions in Shaba will be appreciably better if the force departs six months or a year from now. Given the region's long-smoldering economic, social, and political problems--Mobutu's attitude on reforms--stability in Shaba can be assured only if the IAF were to remain indefinitely.

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Mobutu may make additional, limited reforms involving Shaba, and perhaps even the military, but he will be careful to avoid the appearance of acting out of weakness or in response to Western pressure.

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International support among Mobutu's backers has eroded over the last two years, and once the IAF leaves Mobutu will have more difficulty than he has had in the past in getting outside help to deal with any new threat to Shaba. If a new Shaba crisis is prompted by internal problems, it is even less likely that outsiders could be persuaded to intervene. If white lives are not endangered during a new crisis, Mobutu probably would be left to resolve his own problems. The result could be a repeat of the pandemic violence and turmoil that characterized the country in the 1960s.

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#### OVERNIGHT REPORTS

(The items in the Overnight Reports section have not been coordinated within the intelligence community.)
They were prepared overnight by the Office of Current Operations with analyst comment where possible from the production offices of NFAC and were printed in the NID of 9 February.)

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#### Poland

party Politburo were removed from their posts as Deputy Premiers and appointed heads of government ministries. This action, announced by Premier Jaroszewicz at a session of the parliament Thursday, reduces the number of Deputy Premiers from nine to six. The two removed were Jozef Kepa and Jozef Tejchma; another Deputy Premier, Franciszek Kaim, who is not on the Politburo, was also removed from his post. Jaroszewicz said only that the reshuffle was intended to streamline the government's performance.

COMMENT: No high-level changes have been made in the Polish Government in over a year. These personnel shifts are likely to be followed by additional changes over the next several months.

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