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HIGH LEVEL EXERCISE PLANNING GROUP

DRAFT PRE-EXERCISE SETTING FOR EXERCISE HILEX-7

Note by the Director, Council Operations Directorate

The attached draft pre-exercise setting for HILEX-7, which covers events in the six months preceding the start of the exercise, has been prepared by the Political Division of the International Staff and the Intelligence Division of the International Military Staff.

2. This draft will be discussed at the first meeting of the Planning Group, due to be held on Wednesday 14th May next.

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This document consists of 16 pages.

N A T O C O N F I D E N T I A L

DRAFT SETTING FOR EXERCISE HILEX-7

I. POLITICAL AND ECONOMIC DEVELOPMENTS
OUTSIDE THE NATO AREA

(1) EASTERN EUROPE

A. The USSR

(i) General

Notwithstanding the possible divergencies between the leadership and elements who are thought to place the ideological struggle above détente, the firm grip of the present Soviet leadership on the current situation has been considered as an indication that present policies will continue in the foreseeable future. However, the tone of major statements by Soviet leaders and the tactics they employ in the conduct of their foreign relations have confirmed that their long-term goals remain unchanged, and that they are prepared to take certain risks where and when an opportunity presents itself.

2. The 28th Congress of the CPSU has been a major success for the Kremlin leaders who have sought party endorsement of their policies both on the domestic and external fronts. The representation of all Warsaw Pact countries at the highest level, with the exception of Rumania, and the public statements which have praised the achievements of the Socialist countries through collective efforts have confirmed the impression that the USSR is firmly in control of the Warsaw Pact and COMECON partners.

3. Recent economic trends have also been to the advantage of the Soviet Union in the COMECON organization. The possession of ample energy and other raw material resources at a time when the world at large is conscious of its growing dependence on these commodities has greatly strengthened the Soviet economic position vis-à-vis the other members and reinforced its dominance over the East.

4. The holding of the Conference of European Communist Parties which was regarded by the Soviets as a necessary preliminary to a conference of communist parties of the world strengthened the position of the CPSU in the international communist movement. However, the conference also reflected certain divergencies of view among the participants and the decision to have further consultation on the question of a world conference caused considerable disappointment in Moscow.

5. In a major foreign policy statement at the conference, the Secretary General of the CPSU introduced a phased approach to a European system of collective security. According to the Secretary General the first phase of this process, i.e. the normalization of relations between the countries of Europe, had ended with the conclusion of the CSCE and the era of developing bilateral relations between European countries with different economic and social systems had started. This phase would lead to better understanding and closer relations in Europe which would lead to reduction of the military confrontation on the continent and eventual withering away of blocs.

6. In the economic sphere the prospects for the Soviet economy seem to be promising. The Soviet economy, in contrast to Western experience, has not suffered from the energy crisis and the associated escalation of world prices. The Soviet international financial position is expected to be further strengthened through the reduction of grain imports, and the improved terms of trade resulting from the rise in prices of oil and other raw materials. Nevertheless, the Soviets continue to require Western credits particularly in a period when, as a result of the high rate of inflation in world prices, credits at low interest rates would be more profitable.

7. The Soviets, fully aware of their improved economic situation, have exploited these trends to the maximum extent in the propaganda activities. They have taken special care to underline repeatedly the vulnerability of the Western economies as opposed to the positive developments in their own economy which they link directly to the socialist economic model. However, such propaganda had limited impact on the public opinion of most Eastern European countries where governments face deteriorating terms of trade and rising external deficits.

(ii) The USSR and Northern Europe

8. During the last year the Soviets have taken a closer interest in the Nordic area. They have taken every opportunity to stress that historically they have never shown aggressive intentions towards their Nordic neighbours and that the primary Soviet interest is to prevent the area from becoming a strategic base from which attacks could be mounted against Soviet territory. Emphasizing the disappointment caused by the rejection of Finland's proposal to create a nuclear free zone in Scandinavia, the Soviets have repeatedly expressed the view that a formal security arrangement could increase confidence and mutual trust among the countries of the region. The Soviets, according to confidential reports from Moscow, have underlined in their recent private contacts that the two outlets to the North Atlantic, the sea lanes off Northern Norway and the Baltic Straits are of vital importance to Soviet security. These

reports have been substantiated by the increasingly extensive Soviet exercises in the Norwegian Sea, including amphibious forces and marines. With regard to the Baltic Straits, the Soviets have so far refrained from renewing their attempts to establish the Baltic as a closed sea, which had no success in the past. However, articles which have appeared in the Soviet press have been increasingly critical of Norway and Denmark because of these countries' opposition to initiatives for regional arrangements which could further increase security in the area and thus contribute to the process of détente. The tone and the frequency of such articles recently took the form of a press campaign which could no longer be seen in the context of routine criticism of NATO members.

9. On 18th February, the Soviet Union delivered a Note to the Norwegian Government accusing it of stationing foreign troops on its soil under NATO-exercise cover. The Note referred to this practice as "intentional efforts to undermine détente," and requested Norway to take necessary measures so that in the future only Norwegian troops conducted exercises on Norwegian territory. In a subsequent interview, the Norwegian Foreign Minister told the Soviet Ambassador in Oslo that the NATO exercises held on Norwegian territory were designed to improve the defensive capability of Norway, and that he considered the Soviet allegations about "semi-permanent" stationing of foreign troops on Norwegian territory as an erroneous presentation of realities. On the same day, the Soviet Government handed to the Danish Government a Note proposing bilateral preparatory talks with a view to arriving at a common understanding on the limits of the territorial waters of the Baltic prior to the next session of the International Conference on the Law of the Sea.(1)

10. Soviet policy towards Sweden, on the other hand, has been characterized by extreme caution. The Soviets have taken care to praise Sweden's rôle in contributing to preserve stability in the Nordic area, through her policy of active neutrality. Considering the degree of receptiveness or rather reluctance shown by Sweden to proposals for regional security arrangements in the Nordic area, the present attitude of the Soviets has generally been explained by their concern to avoid a situation where the Nordic countries would be compelled to act as a bloc against Soviet initiatives.

11. In Finland the development of domestic policies has been influenced by the strengthening of the Social Democrats and the division within the Communist Party. The split among the Communists had its root in the attitude taken by the party towards the Warsaw Pact invasion of Czechoslovakia in 1968, when the majority of the Party did not support the military actions of the Soviet Union and her allies. The Party voted unitedly against the ratification of Finland's trade agreement with the EEC in November 1973, but internal dissent has grown since then. The tendency of the majority of the members of the Party to be willing at least to consider participation in the ruling coalition and the isolation of a minority advocating closer co-operation with the Soviet Union have been observed with concern in Moscow.

(1) This paragraph will be further elaborated in the light of developments at the Conference on the Law of the Sea.

12. During party contacts with the Soviet Union the Finnish Communists have been told that their internal situation must be remedied and that unity must be restored. The Russians have above all warned their Finnish counterparts against popular front tactics which in their view might jeopardize the opportunities that could result from a period of economic difficulties.

13. In the field of foreign relations, the convening of the CSCE in Helsinki has crowned the Finnish policy of maintaining the balance between the East and West. The enthusiastic Finnish support given to the CSCE project and the constructive policies followed during the preparatory and final stages of the conference marked a major step in the high profile line developed by Finland. However, Soviet-Finnish relations have suffered to some extent from the growing strength of the Social Democrats and the weakening of President Kekkonen's personal impact on internal politics. The special relations enjoyed by the Finnish President with the Soviet leadership in the past and the constitutional change which will keep him in the presidency until 1978 have no longer been considered by Moscow as sufficient guarantees of the continuation of benevolent Finnish neutrality.

14. In January 1975, the Finnish Government announced a forthcoming visit by the Finnish Minister of Commerce to two EEC capitals. Articles in the press hinted that the aim of the visit would be to seek long-term investment credits in exchange for exports of Finnish commodities such as timber and paper which so far have been exported almost exclusively to the Soviet Union. The Finnish press has welcomed this visit as an attempt to diversify Finnish foreign trade.

15. In a recent article which appeared in "Pravda", certain elements in Finnish politics were criticized as attempting to put the country on a dangerous course by seeking to deviate from Finland's traditional policy of neutrality. This public expression of dissatisfaction by Moscow, which caused concern in Helsinki, was also considered as a setback for President Kekkonen who had in the past been able to solve differences with the Soviets without their coming into the open. Soviet policies have also resulted in deliberately exaggerated reports from anti-Soviet circles in Helsinki about Soviet intentions in order to provoke Soviet denials and so counteract Soviet pressures.

16. Finnish-Soviet relations have been further strained over the question of the ratification of the protocol which extended the Finnish-Soviet Treaty until 1990. Article 8 of this Treaty states that "The Treaty will be valid for 10 years.

Unless any of the parties denounces the Treaty 1 year before the expiration of the 10-year term, it will remain in force for 5-year terms until either of the parties gives notice in writing of its intention to terminate its operation." However, through a protocol signed in July 1970, the Treaty was extended for a period of 20 years. The protocol was ratified in October 1970.

17. In early February 1975 a group of Social Democrat deputies made a surprise announcement and claimed that the ratification of the protocol had taken place in "unusual circumstances". The deputies further asked for a public investigation which could, in their view, clarify certain questions before the Finnish and world public opinion. On 16th and 18th February, 1975 the Soviet Ambassador to Helsinki visited President Kekkonen and, according to reports from the Finnish capital, drew the attention of the President to the serious repercussions such an initiative could have for the relations between Finland and the Soviet Union. Since then there have been continuous rumours about a second announcement by Social Democrat deputies but these have so far failed to materialize.

18. The hardening in Soviet policies towards northern members of the Alliance has also extended to the United Kingdom which has recently been the target of attacks in the Soviet press for allegedly collaborating with Norway and Denmark in undermining peaceful initiatives in Northern Europe. On E-20, TASS accused UK strategists of considering placing some British North Sea oil/gas fields under NATO control. These charges were later rejected by the spokesman of the UK Foreign Office.

B. Other countries of Eastern Europe

(i) German Democratic Republic

19. GDR's progress in establishing diplomatic relations with the outside world, including the members of the Alliance, has failed to increase substantially the content of the external relations of this country. On the contrary, having consolidated their international position by wider diplomatic recognition, the GDR leadership has shown itself ready to adopt harder policies on questions which the establishment of diplomatic relations were expected to solve.

20. The renewed harassment of travellers on the access routes to West Berlin has created new tensions and the greater tolerance and understanding between the two German states have not yet materialized.

21. The rising prices of oil and other raw materials have slowed down, to a limited extent, the rate of economic growth and have increased the dependence of the GDR on the Soviet Union as a source of raw materials.

(ii) Poland

22. Poland's tendency to intensify her activities in the field of foreign policy has been discontinued. There has been increasing strain in relations with Bonn and the Polish authorities have virtually stopped granting exit visas to people claiming to be of German descent who want to emigrate to the FRG. The main reason for this attitude and the anti-Bonn campaign in the Polish media has been the disappointment of Poland at failure to obtain the desired amount of credits from the FRG.

23. In fact, Poland's economic situation has not been satisfactory during the past year. There have been reports of public dissatisfaction and unrest over food shortages despite assurances by Polish leaders that adequate measures were being taken. Consequently, the hardening in Poland's policies has been explained by the desire of the régime to divert attention from its economic problems by exploiting difficulties in the area of foreign policy.

(iii) Czechoslovakia

24. There has been no relenting in the firm grip of the party over intellectual life. In the international field the leadership has continued to pursue a hardline policy out of phase with the policy of détente and the tendency among the intellectuals for improved contacts with the West have found no reflection in Prague's tough foreign policy line. Although the present leadership appears to be in control, the possibility of major changes under pressure from the party's rank-and-file cannot be excluded, in view of the reluctance of Moscow to associate itself with Prague's present policies.

(iv) Hungary

25. With the departure of Janos Kadar from the political scene, the balance he had tried to strike between the conservative and reformist elements in the party has ceased to exist and the hardliners have gained the upper hand. The concept of "framework planning" has been replaced by compulsory plan indicators and party control over economic life has increased. However, the new leadership has not been able to solve Hungary's economic difficulties. The rise in the price of Russian oil together with other raw materials has badly hurt the Hungarian economy which is almost devoid of mineral resources.

26. In the field of external relations Budapest has kept a low profile and has reflected basic Soviet policies on major issues. The prominent position achieved by the hardliners in the party has interrupted the country's gradually growing relations with the West even in the economic field, where Hungary badly needs additional sources to overcome its difficulties.

(v) Bulgaria

27. The pressure put on Bulgaria by the Soviet Union with regard to the question of minorities in Yugoslavia has caused disappointment in Sofia. Although there has been no public expression of grievances against Moscow, several unconfirmed reports have indicated that the Bulgarian leadership is contemplating reviewing its position within the Warsaw Pact. Although major changes are most unlikely to occur in the foreseeable future, the Bulgarians have, during recent diplomatic contacts with Western diplomats, given the impression that they wish to reduce their dependence on the Soviet Union through gradual diversification of their external relations.

(vi) Rumania

28. In Rumania the position of President Ceausescu has remained strong.

29. Although Rumania has continued to attach fundamental importance to the policy of independence, there have been efforts to improve Soviet-Rumanian relations and the need for continuing friendship has been stressed both in Moscow and Bucharest. In reality, certain developments have rendered the carrying out of an independent foreign policy more difficult for the Rumanians. In the first place, the unpredictable state of affairs in China has shaken the balance which the Rumanians have always sought to strike between Moscow and Peking. Although the solidarity and friendship between Bucharest and Peking have been re-affirmed on various occasions, Chinese interest has turned more towards the internal situation and projects like the development of Rumanian arms industry with Chinese assistance have been left in abeyance. In the second place, the policies adopted by Albania and Yugoslavia have left Rumania in an exposed situation. Despite efforts to harmonize their opposition to a world conference of the communist parties, both Yugoslavia and Rumania have carefully avoided adopting policies diametrically opposed to those of the Soviet Union. With the traditional basis of their policies somewhat shaken, the Rumanians have turned their attention more towards Europe and have stressed on every occasion their dislike for bloc-to-bloc relations between the East and West, which, in their view, reduces them to a simple tool of Soviet foreign policy within the Warsaw Pact and the COMECON.

(vii) Yugoslavia

30. The relations between the Soviet Union and Yugoslavia have entered a period of unpredictability. Following a Yugoslav law introduced in April 1974, which allowed all foreign ships to undergo repairs in Yugoslavia, Soviet naval vessels have made

frequent use of Yugoslav ports, and the flexibility shown by Belgrade in the implementation of the law has resulted in an almost permanent Soviet naval presence in Yugoslav waters. Moscow has, in return, put pressure on Bulgaria to take a more conciliatory line on the question of minorities. However, Soviet-Yugoslav relations have not been entirely free of difficulties. Despite Soviet assurances of non-intervention, the discovery of a pro-Moscow plot in Serbia has brought greater caution to Yugoslav leadership. On the other hand, Yugoslav efforts to discourage a world conference of communist parties have been viewed with great dissatisfaction in Moscow. The Soviet leadership has also tried to undermine Yugoslavia's growing economic and cultural links with the West and has pressured Belgrade to rest within certain limits.

(viii) Albania

31. During 1975 there have been fundamental changes in Albania's relations with the Soviet Union and the other members of the Warsaw Pact. Following initiatives by the Soviet Union, emphasizing that the difficulties in Soviet-Albanian relations only played into the hands of the enemy, diplomatic relations were re-established between the two countries. The principal reason for the dramatic change in Albanian policy was the uncertain nature of Yugoslav-Soviet relations which raised doubts in Tirana about the reliability of Yugoslavia as a buffer between Albania and the Warsaw Pact. The internal situation in China, which left Albania without Chinese support against Warsaw Pact pressure was also an important consideration which brought about the change.

32. There has been much speculation on the future of Soviet-Albanian relations, including unconfirmed rumours that the Soviets are likely to obtain in the near future a submarine base in Vlore from which they were expelled following the rupture of Soviet-Albanian relations.

33. On 25th March, the Italian Embassy in Tirana reported the arrival of a Soviet delegation there to engage in negotiations with a view to obtaining facilities in Albanian ports in exchange for Soviet financial aid.

34. Internally, little has changed in Albania. The dissatisfaction created by years of austerity has resulted in liberal tendencies, particularly among the youth who have not yet found an outlet to influence Albanian policies.

(2) MIDDLE EAST AND MAGHREB

35. The Geneva peace conference finally entered into substantive negotiations following months of discussion on matters of procedure and representation. Although agreement reached on these questions created some optimism among the participants, progress has been slow and a final settlement still seems to be a long way ahead. The efforts on the part of the Arab states to forge a unified Arab position have apparently been successful, but reports of dissent have not ceased completely.

36. A major development in the area has been the reopening of the Suez Canal which has increased Soviet naval flexibility by enabling her to distribute her forces more easily between the Mediterranean and Indian Ocean. Although Egypt has agreed to let certain Israeli cargo pass through the Canal on certain conditions, the question of passage for Israeli ships remains unresolved.

37. In Egypt President Sadat's position seems to be strong and his policies are widely supported. The cool period in the relations with the Soviet Union, which started with the expulsion of Soviet advisers from Egypt in 1972 has ended, following the visit of Mr. Brezhnev to Cairo. The visit apparently removed the major obstacles to improved cooperation between the two countries on the question of arms deliveries. However, Egyptian reluctance at restoring the pre-1972 situation appears to have disappointed Moscow. According to reports from Cairo, the Soviet Ambassador delivered on 17th March a personal message from the Secretary General of the CPSU to the Egyptian President stressing the need for closer cooperation between the two countries and inviting the Egyptian President to Moscow for a summit meeting. Allied Embassies in Moscow have indicated that according to rumours the Soviet leaders have made clear to the Egyptians that the continuation of Soviet arms deliveries will depend in the future on the extent of naval and intelligence gathering facilities provided to the Soviet Union. These reports seem to have been confirmed by the recent publication of anti-Soviet articles in the Egyptian press. Reports reaching Allied capitals by 21st March indicated that the invitation to Sadat to visit Moscow had been declined for the moment.

38. In Jordan King Hussein has concentrated his efforts on the major economic questions facing the country. Although the King has given up his claim to represent the Western Bankers, Jordan's position in the Arab world remains shaky.

39. In Syria President Assad has strengthened his position vis-à-vis the military through major changes in the higher levels of the armed forces. Extensive Soviet military assistance has continued and there have been continuous reports of Syrian personnel receiving training in the Soviet Union.

40. The relations between Iraq and Syria have improved considerably due to efforts by the Soviet Union. However, the question of use of the waters of the Euphrates remains a major issue. Baghdad's dependence on Soviet arms deliveries has been reduced following agreement reached with Iran.

41. The new Saudi leadership have continued to follow broadly the policies set by King Faisal but do not enjoy the same weight and prestige. Saudi Arabia has remained a moderating power in the Arab world, particularly with regard to the oil-politics game.

42. The relations of the Soviet Union with the People's Democratic Republic of Yemen (PDRY) have been characterized by increasing political influence and access to facilities. Soviet ships make frequent use of port facilities in Aden and the presence of Soviet military personnel there has been confirmed. This situation has been observed with growing concern by Saudi leaders who have increased their influence in the Yemeni Arab Republic (YAR) to prevent the Soviets from seeking to gain a similar significant position of influence there.

43. The internal political situation has not changed in Libya. Relations with the Soviet Union have improved considerably and there have been further deliveries of advanced aircraft. Libyan military personnel have been sent to the Soviet Union for training particularly on the use and maintenance of the aircraft received. Qadhafi has financed these purchases from his vast oil income and according to some reports has even paid in foreign currency for the weapons that Syria has wanted outside the Soviet-Syrian aid programme.

44. In Algeria the position of President Boumedienne appears to be strong despite signs of dissent in the leadership. While pursuing their active rôle as the spokesmen of the Third World countries, Algerian leaders have improved their relations with the Soviet Union to the extent that they have received substantial arms supplies. However, reports of closer military cooperation between the two countries, including rumours about Soviet use of Algerian air bases, have been vigorously denied.

45. Tunisia has kept a low profile in international relations and has concentrated its efforts on the immediate economic issues which face the country. Relations with the Soviet Union which seemed to improve following naval visits to Tunisian ports have ceased to grow, and the leadership has increasingly sought Western assistance for overcoming its economic difficulties.

46. In Morocco, King Hassan's improved position in the Arab world resulting from his country's involvement in the 1973 Middle East War has not continued. Anti-régime activities have grown and, in order to divert attention from the internal situation, the King has placed greater emphasis on the question of the Spanish Sahara which remains a major issue between the parties concerned.

(3) AFRICA

47. The African countries have continued to be occupied with the problems of economic development and the conflict with the minority régimes in South Africa and Rhodesia. Relations with the Arab countries have been somewhat strained due to the amount of Arab financial aid to Africa which is considered insufficient by the African states. African relations with the West have taken a more satisfactory trend, particularly in view of the developing economic relations with the European Economic Community.

48. In Ethiopia, the military régime seems to be in control of the situation and the secessionist movement in Eritrea has lost much of its force. However, further developments in this region cannot be excluded.

49. The close cooperation between the Somali Democratic Republic and the Soviet Union which led to the signature of a treaty of friendship and cooperation has continued to grow. The Somali armed forces receive substantial military equipment from the Soviet Union and Soviet naval vessels have increasingly made use of the port facilities in Berbera.

50. In Tanzania, Soviet attempts to replace the declining Chinese presence have not been successful, and the leadership has turned its attention more towards cooperation with the West.

51. In Mauritius, rumours about the Soviets being provided with a naval base have been discredited.

52. Nigeria has considerably accelerated its economic growth due largely to increasing oil revenues. The Soviets have provided Nigeria with experts and have assisted in the exploration of off-shore oil. However, Nigeria has also developed her relations with the West with a view to securing the necessary technology for its industrialisation effort.

(4) FAR EAST

53. Far Eastern politics have been dominated by the political currents which surge through the Chinese political structure. The power struggle between the army, the radicals and the bureaucrats appears to have entered its decisive phase and the unpredictability of the tendencies of any of these groups has brought a great degree of uncertainty over the future. However, it has generally been accepted that the changing of the guard would not lead to the creation of an entirely new foreign policy line by Peking, and that the policy of playing one super-power against the other would continue. On the other hand, some changes could evolve in Peking's relations with Moscow, Washington and Tokyo.

54. Chinese developments have been followed with close interest and concern in Moscow. The Russians seem to have no clear preference among the three key power groups in China as candidates for power. Indeed, there is yet no evidence that any major faction in Peking is ready to fulfil Moscow's expectations. However, the possibility that the future leaders of China might seek more freedom to increase their influence elsewhere by reducing the tension along the Sino-Soviet border remains open.

55. In Japan, the energy crisis and inflationary trends have increased the anxiety about the economic future. Failure to secure from the Soviet Union a commitment for vast quantities of oil deliveries in exchange for Japanese participation in Siberian development has caused disappointment among Japan's businessmen who have been waiting for the Siberian scheme to materialize. The main obstacle to closer relations between Tokyo and Moscow is the question of the Kirile islands seized by the Soviets during the Second World War. Moscow has so far refused to make any concession on this issue fearing that this might lead to other territorial claims, particularly by China.

56. Having been locked into a stalemate with the Soviet Union, Japan has increased her oil dealings with China whose production has considerably increased through exploitation of off-shore oil. Although long-term arrangements between the two countries seem to be rather unlikely in view of the current political situation in China, Japan has increasingly relied on Chinese oil for its immediate needs. Unlike the case of Soviet-Japanese relations there are no serious territorial or political issues between China and Japan, and closer cooperation in the future seems likely.

57. In India, the insurmountable economic difficulties and the failure of the government to find satisfactory solutions to these problems have resulted in political turmoil which seems likely to continue for some time. Relations with Moscow have remained satisfactory, but there has been no change in New Delhi's policy of denying naval bases to the Soviet Union.

58. South Korea's rapid economic growth has not yet been accompanied with measures of political liberalisation and internal opposition to President Park's policies has continued to grow.

(5) L A T I N A M E R I C A

59. The Latin American scene has been dominated by problems of economic development and dissent among the various countries of the continent. The "new dialogue" with the United States has considerably improved the climate for closer cooperation. Moscow has continued its propaganda campaign against the military junta in Chile and has made progress in its relations with Argentine, Brazil and Peru. The desire on the part of the Latin American countries to express a common political will within the Third World has not yet been realized, and oil exporting countries of the continent have found themselves on the same front with the Arab states because of their community of interests.

60. The relations between Chile and Peru have continued to deteriorate and the Soviet Union has increased its military aid to Lima, including the provision of advisors for training purposes. Chile, on the other hand, does not seem to be prepared for military adventures in a period of internal economic and political strains.

61. Cuba has maintained its close relations with the Soviet Union and a return to the OAS seems to be unlikely.

62. In Argentina, the struggle for power has continued. The activities of the terrorist movements has left the government in a vulnerable position and the army has not yet committed itself to a fight against terrorism.

II. MILITARY DEVELOPMENTS

A. Warsaw Pact

1. Throughout the winter months, Warsaw Pact ground and air forces in the regions facing ACE have followed a similar pattern of training activities as in recent years. So far this year, three TRAs have been declared and both GSFG and GDR ground forces have carried out exercises up to divisional level. Air forces have conducted an average number of air defence, mobility and re-deployment exercises and have provided support to ground forces during FTXs. SAM units have been active in all areas, using aircraft participating in exercises as targets of opportunity. SA-4 and SA-6 units have been noted deploying with ground forces into TRAs on two occasions.

2. Soviet naval forces have maintained a normal level of deployments throughout the world. The Soviet Black Sea Fleet has used the Suez Canal to augment Pacific Fleet deployments to the SOVINDRON. The KIEV deployed to the Mediterranean in November 1975, but did not have aircraft embarked. Clearly this was a trial of the ship rather than an operational deployment.

3. In early March, a number of small destroyers of the SKORY and RIGA classes were noted deploying from Northern and Baltic Fleet areas. They appeared to be relieving the AGIs, AGSs and ATRs which are normally deployed around UK and Nordic coastlines. This was noted as an unusual occurrence and no explanation was formulated.

4. On E-8, reports were received of destroyers passing through concentrations of Norwegian and Danish fishing vessels. On E-10 and E-9, the destroyers previously reported on patrol around UK and the Nordic coastline had been relieved by the usual watch-keepers, which had returned to Baltic waters, probably for replenishment purposes. The destroyers have not yet returned to their bases but no pattern of operations is discernible.

5. On E-5, the harassment of Norwegian and Danish fishing fleets were reported to have increased and several fishing skippers reported that their nets had been cut.

6. On E-4, the CINC of the GSFG declared TRA 4/75 covering an area in Northwest of GDR for the period 0001Z E-4 to 2359Z E+3. Indications are that this TRA will screen a major FTX by second GTA and GDR V MD.

7. On the same day, preparations for a large-scale exercise in the KOLA area were reported. An unevaluated source reported military activity by units in the LENINGRAD MD.

8. On E-3, a Norwegian Fishery Protection Ship reported that a Soviet SKORY class destroyer was manoeuvring at high speed in the vicinity of a large concentration of Norwegian fishing boats. The destroyer made off to the southward when challenged and in so doing nearly caused a collision. Norwegian and Danish fishing fleets owners say they will consider withdrawing their ships if the present situation is not stopped; they are claiming compensation from their governments, on the grounds that the protection afforded them is inadequate.

9. On E-3, the FTX which was forecast in TRA 4/75 started. It was noted that a SCUD battalion had deployed with the Ground Forces. FOXBAT aircraft carried out reconnaissance missions around the perimeter of the TRA, at first light.

10. Elements of 45 MRD started what appears to be a large-scale exercise. Some reports indicate that the forces in the KOLA area have been reinforced by airlift and that the aircraft have remained in the area.

11. Further reports on E-2 indicate that troops and equipment were sighted leaving LENINGRAD after dark last night. Military Attaches in MOSCOW have been informed that an exercise will be held shortly in the LENINGRAD MD and that travel to the area will not be permitted.

12. On E-1, the Norwegian Military authorities reported that they believed some Norwegian workers had strayed across the border and that they had been arrested by Soviet Border Guards. A request by the Norwegian border authorities for a meeting with their Soviet counterparts has gone unanswered.

B. The Alliance

13. On E-14, NATO announced an AMF exercise to take place in Eastern Turkey beginning on Thursday 1st April. Units involved in this exercise will be:

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