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Spencer City, South
April 26, 1976

WE HAVE NO CHOICE BUT TO CONFRONT THE
ACTIVITIES OF OUR ENEMIES, and we must gather
ourselves ^{as soon as} and ^{to the best of}
our ability to do so. in the interest of peace and
justice.

— Much SMO About Abuses.

Old Profession -

Sun Tue "The Art of War"
BOO B.C. - Ching

An army without secret agents
like mine without even a gun.

"The Supreme Art of War - to
subdue the enemy without fighting."

Book goes on to describe agents,
double agents, propaganda.

There is a threat today

You read about the abuses
The Past - a ^{such} number of
incidents - connected with

Flaga - Died in service

Monkys - Bruto with out of
Cannon ball

1) This morning I went
to Church - center

2) Wandering to Belle Abbey

Harvard
Oct 1

2

2

11-2-11

27/07

1

21

The Product of our business
is intelligence

1. objective -
2. no political bias - budgets etc.
- 3.

Collected in various ways
some spy
some overt reporting
some technological -

Analyzed by real pros - educated,
dedicated to their country -
PH.D.'s - M.A.'s -

A Few Spots we are
watching carefully

1. Current States + some projection
- 1 - China -

NO MATTER HOW DIVERGENT
OPINIONS -
I think we could agree that
certain activities is essential

1. Nuclear Proliferation

2. Political Change - with China
will open to U.S.S.R.

3. Terrorism -

4. Instability Flow of Drugs

5. Early warning of conflict
to avoid war -

6. Maps

7. Economic Inflation to

help avert boycotts

8. A role in security that Russia hopes will

There is our business and

Much will move

Economic Problems

Oil

In recent years, the growing interdependence of the world has meant that economic developments overseas have had a considerable impact on US domestic as well as foreign policy. Two examples come readily to mind. One, of course, is the energy crisis, and the other is foreign demand for US food. Our own substantial dependence on foreign oil, in particular Arab oil, was readily demonstrated at the time of the oil embargo in October 1973 and the subsequent quadrupling of the price of OPEC crude. For some time to come, the United States--and its allies even more so--will remain vulnerable to an oil embargo,

The oil problem has another important dimension--the potential worldwide financial and political instability stemming from the vast flow of petrodollars. OPEC countries now hold foreign bank deposits, bonds, stocks, and real estate worth more than \$100 billion. We have no real indication that the oil-producing countries will use these petrodollars in a political way, but this is a possibility that must be watched.

Grain

Until recently, periodic Soviet crop shortfalls had little impact outside of the bloc. But as the USSR under Khrushchev

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pushed cultivation into marginal crop lands to meet the needs of its population--not only for grains but also to increase meat in the diet--the implication of Soviet shortages has assumed a worldwide dimension. The price of meat and bread in the US is now affected by what happens in the USSR. About half of the instability in world food prices these past few years can be directly traced to crop developments in the Soviet Union. The Soviets are almost certain to experience crop shortfalls in the years ahead, and some could be as serious as the 1975 disaster (140 million tons). Indeed, as the leadership seeks to further increase the amount of meat in the Soviet diet, an even greater burden will be placed on Soviet agriculture to provide the necessary feed grains.

Moscow's needs for Western help are illustrated by the recent 5-year agreement to buy 6-8 million tons of US grain annually. It seems highly unlikely that the Soviet leadership will change the fundamental structure of the agricultural sector; hence, gross inefficiency of their system will continue. The government has, however, been substantially increasing the amount of chemical fertilizer and machinery devoted to agriculture. While these added resources will help, the nature of the system and the unavailability of large new crop areas suggest that output will continue to lag behind needs. In the absence of substantial world stockpiles of grain, considerable instability in the world grain market seems likely in the years ahead.

Terrorism

Over the next few years, governments such as ours are likely to find terrorism the most urgent, and least tractable, international threat with which they have to cope. Whatever be its actual or alleged motivation, the concrete results of this terrorism are likely to be acts of mindless, disruptive violence including bombings, the taking of hostages, and the kidnapping or murder of civilian and military government officials. These terrorist acts, which will be almost impossible to prevent, will exploit the vulnerability of complex, interdependent societies such as ours to severe disruption by the acts of small numbers of fanatics who care little for human lives, including their own.

At some point within the next decade, the terrorist problem will probably take a quantum jump in severity and complexity by acquiring a nuclear dimension. The extent of nuclear weapon stockpiles stored around the world makes theft of a weapon a continuous danger, no matter how stringent be the precautionary measures taken. The world-wide expansion of technological knowledge and sophistication, plus the steadily increasing number of countries with nuclear materials which could be diverted or stolen, inexorably increases the odds in favor of some terrorist group's acquiring the capability of fabricating some sort of nuclear device.

Soviet Military Posture

During the past decade, the Soviets have improved their military capabilities over a broad spectrum. They have expanded their strategic forces, improved their posture in the West opposite NATO, expanded their forces opposite China, and given the navy new capabilities for extended operations. In recent times, the emphasis has been on modernization rather than expansion, but gradual growth is continuing in some elements.

The Soviets are modernizing their strategic missile forces. They have developed several new intercontinental ballistic missiles in the last few years, and some are now in the field. Most of these new missiles can carry multiple independently-targetable reentry vehicles.

Since the early fifties, the naval doctrine in the USSR has changed from one that concentrated on local operations to defend the homeland to one that now encompasses world-wide operations. In line with this new doctrine, the Soviet navy has acquired modern ships and submarines which now regularly operate in all of the major oceans of the world. In addition to its combat potential, the navy is increasingly able to provide a tangible presence in many parts of the world that acts to support Soviet diplomacy.

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The Soviets have a large air force deployed throughout the USSR and East Europe. The bomber force is largely outdated in terms of both age and capabilities, but new aircraft designs are coming along. Over the past three years, the Soviets have been replacing some older tactical aircraft with modern aircraft that have improved ranges and load carrying capabilities.

The Soviets have a large and gradually expanding army. The main concentrations of troops are along the Sino-Soviet border and opposite NATO in the western USSR and Eastern Europe. The ground forces are being supplied with new equipment, including tanks, armored personnel carriers, artillery pieces and antiaircraft weapons. Also, in the last few years there has been an increased trend toward tactical mobility.

The Soviets ^{do not} ~~have always~~ ^{em} stressed defensive aspects of military planning and they have an impressive force of surface-to-air missiles and interceptors defending the USSR. The interceptor force ranges from the newest high-speed, high-altitude aircraft to some designed more than twenty years ago. They have, however, only a limited antiballistic missile defense system. This system, located near Moscow, has remained essentially unchanged for the past several years.

Lebanon

The civil war that has ravaged Lebanon for the past year stems from an attempt to change the political balance on which the government is based--a careful division of power between Christians and Muslims. The pressure for change comes from a growing Muslim population--partly due to the influx of Palestinians in recent years--and from an increasingly assertive Muslim left. The collapse of innumerable cease-fires and attempted political solutions is not only due to hardening attitudes but to the availability of arms to the various factions on both sides from a variety of foreign suppliers.

The chances of ending the fighting with a workable political arrangement now rests primarily on Syria, with its troop-supported mediation effort, and on the Palestinians, whose military forces are supporting the Syrian effort. The Syrian-Palestinian agreement announced on April 16 calls for a cease-fire and for a joint Lebanese-Palestinian-Syrian supervisory committee. For the moment, at least, both the Muslim leftists and the Christians are tentatively cooperating with the agreement, which calls for the early election of a new president to replace Christian President Franjiyah.

If the elections are delayed beyond the end of this month, however, the situation is likely to deteriorate rapidly. A large-scale renewal of the fighting could cause Syrian President Asad to send in additional forces in an effort to restore

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order quickly. Such a move, however, would entail grave danger of misjudging the limits of Israeli tolerance of Syria's presence in Lebanon.

Egypt and the USSR

President Sadat's abrogation of the Soviet-Egyptian friendship treaty last month and his subsequent termination of Soviet access to naval repair facilities at Alexandria are the latest manifestations of the steady decline in relations that began when Sadat took office in 1970. The Soviets' virtual embargo on arms was the main reason for Sadat's actions. Since the 1973 war, Soviet arms deliveries to Egypt have dropped off sharply, and only a few shiploads of spare parts have arrived since mid-1975.

The abrogation of the treaty has been a political embarrassment to Soviet leaders, who are already smarting under other setbacks to Moscow's prestige in the Middle East. The Soviets have reacted by intensifying their polemic with Egypt and, for the first time, attacking Sadat by name. The Soviets, however, are not likely to take any open, dramatic action against Egypt--such as breaking diplomatic ties--because they want to retain some ability to influence future events in Egypt. Nonetheless, the Soviets may adopt an even tougher line in their economic dealings by gradually curtailing work on remaining economic aid projects in Egypt and by welching on trade commitments,

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The Soviets probably are calculating that any discontent with Sadat will eventually lead either to a change of policy toward Moscow or to a new regime in Cairo. They are banking on Western inability to meet Sadat's military and economic needs and think that the Egyptian military will not stand for their armaments becoming "scrap." In this regard, the Soviets undoubtedly are upset by reports that China has agreed to provide Egypt with some limited military aid.

Cuba/Africa

The end of the civil war in Angola does not mean that the large Cuban contingent in Angola will soon return home. Cuban troops and military and civilian advisers will be in Angola for some time to come performing a variety of military, economic, and political tasks aimed at consolidating the authority of the Angolan government. The reservoir of Cuban manpower in Angola also may be tapped eventually to support insurgencies in Rhodesia and Namibia. Indeed, a small number of Cuban advisers reportedly is already in Mozambique to survey the potential and needs of the Rhodesian guerrillas being trained in that country. The Cubans undoubtedly regard their Angolan venture as a signal success. In particular, it has in their eyes strengthened their revolutionary credentials among Third World countries.

The size of the Cuban presence in Angola has tended to obscure the fact that Havana has personnel in a number of other African countries, including Algeria, Congo, Guinea, Guinea-Bissau, Tanzania, and Zambia. The number of Cubans in these nations is relatively modest, and most serve as military advisers or as civilian technicians working in local industries, providing medical services, and participating in various military and civilian construction projects.

China

The recent sudden changes in the upper levels of the Chinese regime are a reflection of a leadership struggle that has been underway for more than ten years. The latest go-round is almost certainly not the end of the struggle, which could break out again at almost any time. Further rapid shifts and dislocations are virtually certain in any event after Mao dies. In recent years the instability in Peking has not resulted in any abrupt changes in Chinese domestic or foreign policies, but the potential for such changes remains so long as the leadership question remains unresolved.

Although it is not likely, a slide into the domestic chaos and violence of the Cultural Revolution period (1966-69) cannot be ruled out. Major shifts in foreign policy are also unlikely, but the struggle for power, if it becomes acute enough, could lead to an attempt to ameliorate current tensions with the Soviet Union, or, conversely, to a move away from the present emphasis on fairly good relations with the United States and other developed nations.

Look around world think what that means

- 1) NATO -
- 2) Pressure - So. France of Europe
Africa -
- 3) Japan - Korea