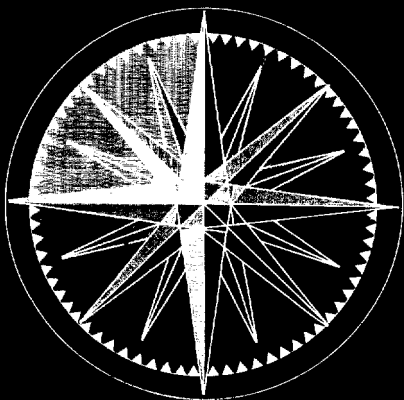


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11 October 1963

OCI No. 0301/63

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WEEKLY SUMMARY

OFFICE OF CURRENT INTELLIGENCE

CENTRAL INTELLIGENCE AGENCY

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C O N T E N T S

(Information as of 1200 EDT, 10 October 1963)

<u>CUBA</u>	<u>Page</u>
FURTHER NATIONALIZATION OF CUBAN FARM LAND A decree nationalizing remaining private farms of more than about 167 acres will leave only some 34 percent of the farm land under private ownership.	1
<div data-bbox="175 653 1321 886" style="border: 1px solid black; height: 111px; width: 706px;"></div>	
LARGE-SCALE RELOCATION OF CUBAN FAMILIES The regime may be trying to choke off local support for guerrilla bands by relocating families in areas where insurgent activity has been chronic.	3
<u>THE COMMUNIST WORLD</u>	
EAST GERMAN ELECTION PREPARATIONS BRING PROTESTS Party functionaries are trying to bring out the largest possible vote for the single list of candidates without making concessions to the populace.	4
THE SKOPJE EARTHQUAKE AND ITS AFTERMATH Belgrade, estimating that reconstruction will cost over \$1 billion, is seeking more foreign aid to minimize the effects on the country's economic stability and rate of growth.	5
TITO'S LATIN AMERICAN TOUR The trip seems to have done little to advance Yugoslav influence in the area other than to establish a degree of rapport with some leaders and to open the door a little wider for Yugoslav trade.	6
<u>ASIA-AFRICA</u>	
SITUATION IN SOUTH VIETNAM Political unrest continues, and both Buddhists and Ngo Dinh reportedly are planning action against American personnel or installations.	7

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ASIA-AFRICA (continued)

Page

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BACKGROUND FOR ELECTIONS IN SOUTH KOREA

The mood of bitterness and factionalism in which the elections are being conducted is not due to "issues," but is rooted in basic attitudes shared by the military junta and the civilian politicians who are opposing it. Regardless of who wins the voting, the real outcome of the elections could be another violent confrontation between the regime and an aroused populace. (Published separately as Special Report OCI No. 0301/63C)

SYRIAN-IRAQI COOPERATION GROWS

9

Announcement of military unity between Syria and Iraq may be the first of a number of moves toward a full union of the two countries.

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IMPROVED SOVIET-ALGERIAN RELATIONS

11

The reception in Moscow of Algerian Deputy Premier Boumedienne is a further sign of increasingly open Soviet friendship for Algeria since the consolidation of Ben Bella's rule in that country.

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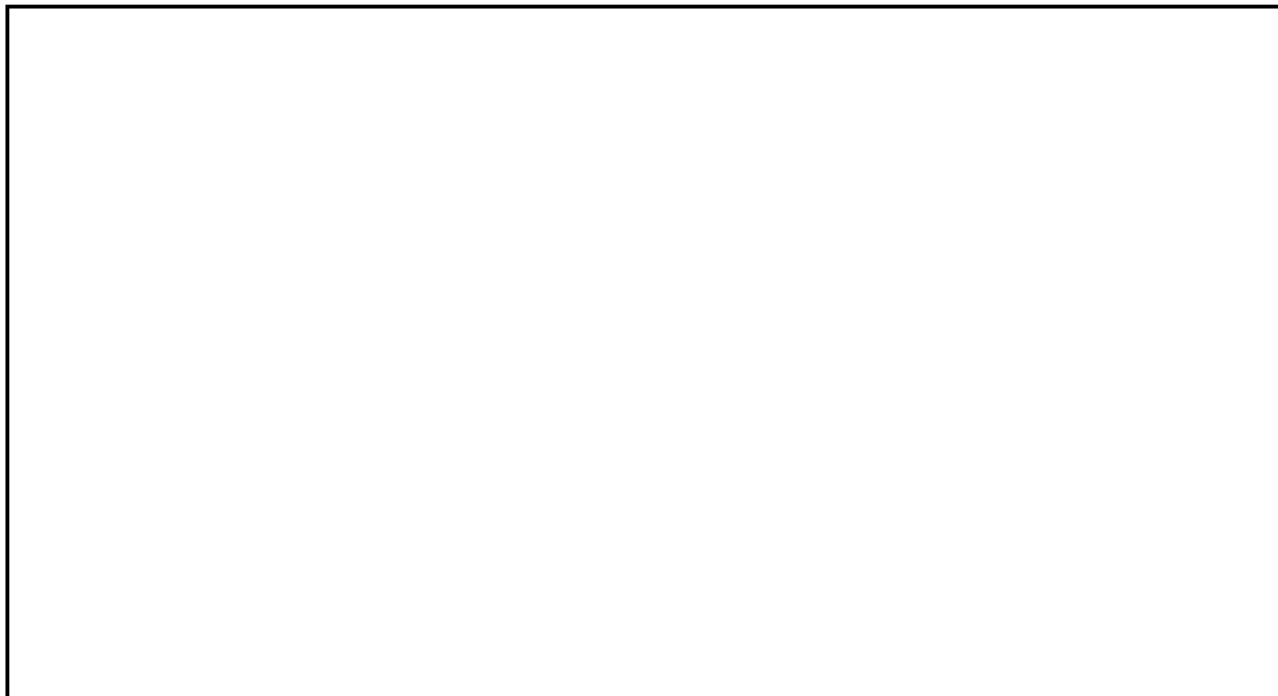
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Cuba

FURTHER NATIONALIZATION OF CUBAN FARM LAND

A decree of 4 October has nationalized Cuba's remaining independent farms of more than five caballerias (about 167 acres) and left only some 34 percent of the country's farm land under private ownership. The decree states flatly that the move was necessitated by stepped-up "Yankee aggressions" against the Cuban revolution--aggressions which had the sympathy of the remaining "rural bourgeoisie."

This outlook was underlined by Castro in a speech on 5 October explaining the decree. He stated categorically that in the future there will be no medium-sized or large landowners in Cuba because they will always be "irreconcilable class enemies of the revolution." He estimated that 7,000-8,000 landowners would be affected by the decree and added that this group now would lose its social and economic influence.

Some of Cuba's best farmers are to be found among those holding 5-30 caballerias, and the economy will undoubtedly suffer noticeably if they are driven off their land.

It is still not clear what will happen to the small farmers. In his speech of 9 August before

the congress of the National Association of Small Farmers, Castro attempted to assure his listeners that they could feel secure in their future. He estimated that about 70 percent of the farm land would eventually be in "national lands" and about 30 percent in plots owned by small farmers.

This is undoubtedly one of the dilemmas facing the regime in its agricultural policies. Despite the huge investment the government has made in state farms, the independent farmers are still the better producers and account for well over half the production of such staple items as sugar cane, tobacco, coffee, corn, yuca, and potatoes.

A Western observer in Havana, commenting on Castro's August speech, states that the regime appears to have two motives for eliminating the "rural bourgeoisie." From the ideological point of view it feels that the state should own the land, while politically it fears the opposition of the wealthier farmers. He feels that the small farmers are also scheduled to disappear as soon as the regime has satisfactorily organized the existing state farms.

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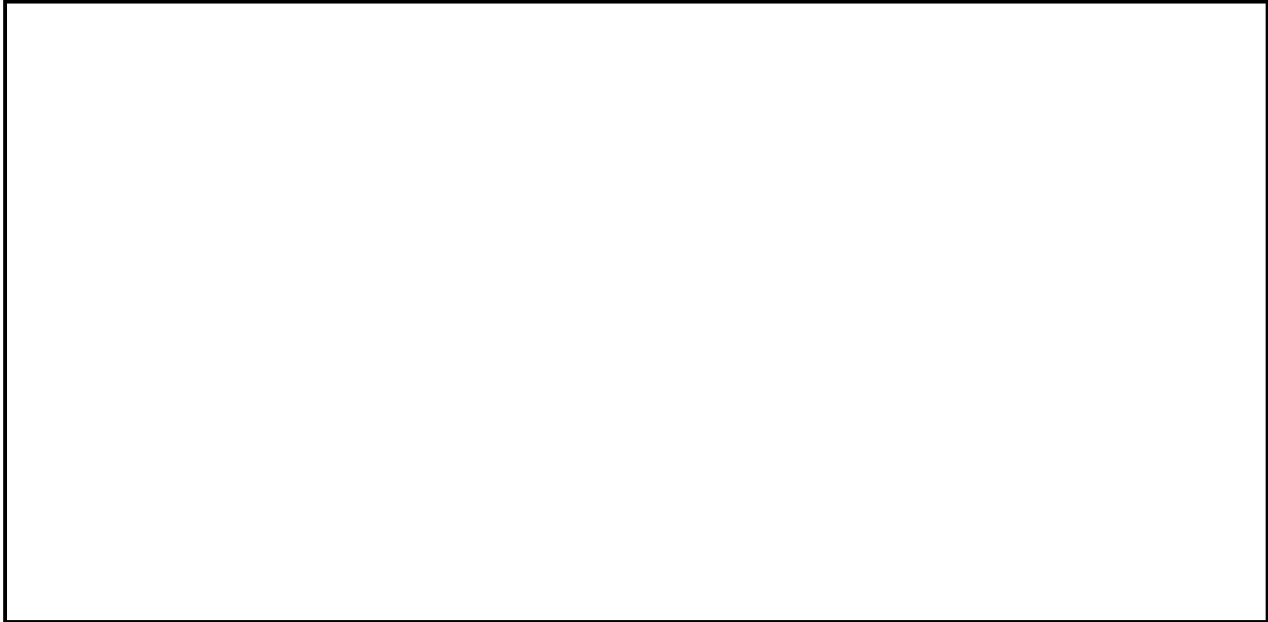
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Cuba

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LARGE-SCALE RELOCATION OF CUBAN FAMILIES

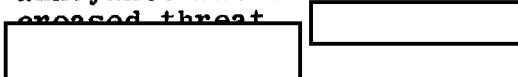
The Castro regime appears to be trying to choke off local support for guerrilla bands. One technique may be large-scale relocations of families from areas where insurgent activity has been chronic.

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Insurgent activity in Cuba is still on a small scale and has not increased in recent months. The relocation program, therefore, would appear designed to reduce a chronic annoyance rather than an increased threat.

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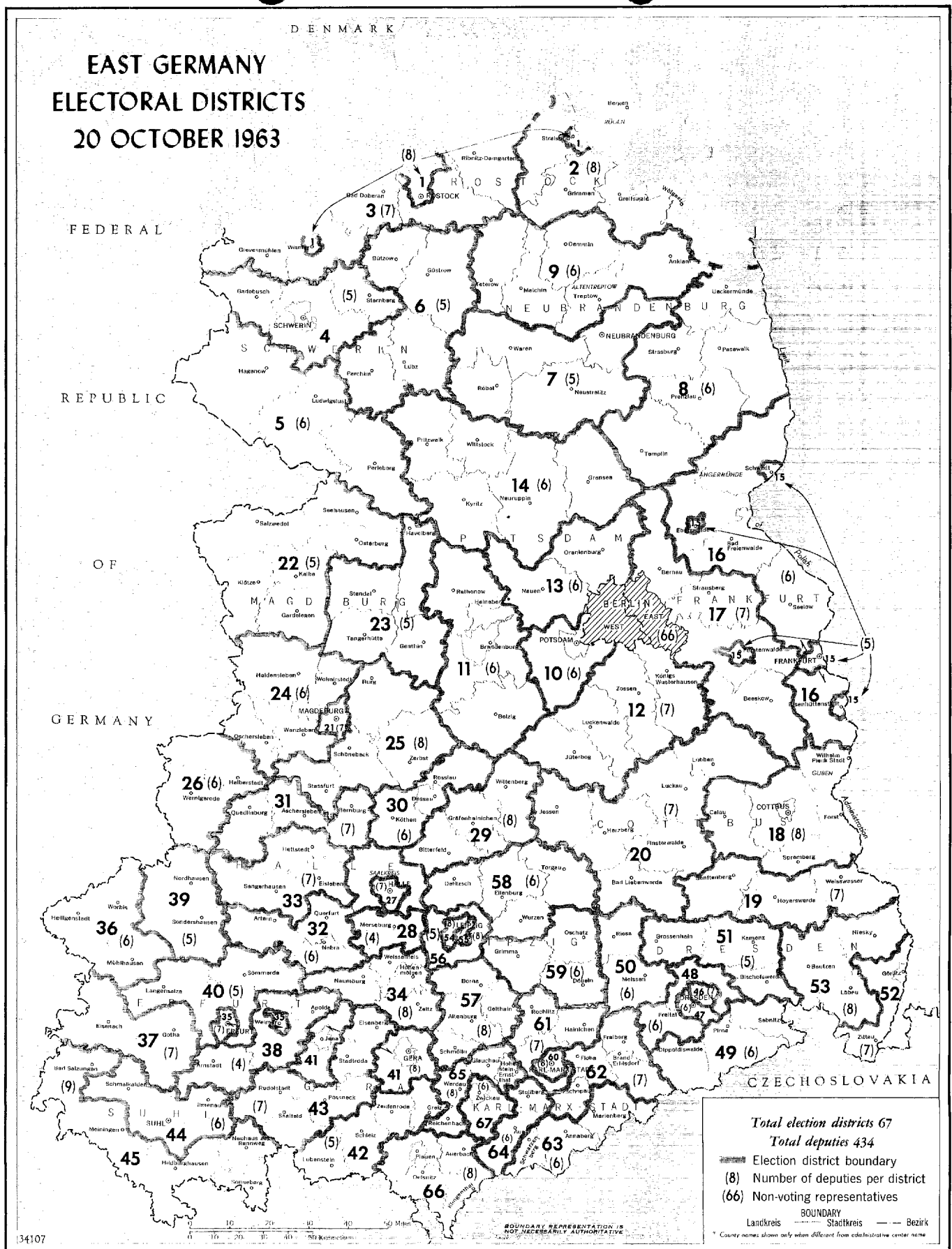
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CURRENT INTELLIGENCE WEEKLY SUMMARY

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The Communist World

EAST GERMAN ELECTION PREPARATIONS BRING PROTESTS

Some elements of the East German population are threatening to boycott the 20 October People's Chamber elections. Party functionaries, however, confidently continue to try to bring out the largest possible vote for the single list of candidates without making concessions.

In the face of such attitudes, top officials are making speeches in all parts of the GDR "answering" public grievances. Soviet prestige is being enlisted to support the regime--cosmonauts Valentina Tereshkova and Yuriy Gagarin are to visit the GDR from 17 to 22 October. Collaborating churchmen and fellow travelers from the East German Christian Democratic Union are printing appeals for support of the elections. Refugees are being urged to return from West Germany to cast ballots--a propaganda gambit which has caused East Germans to point out that these refugees until recently were branded as traitors.

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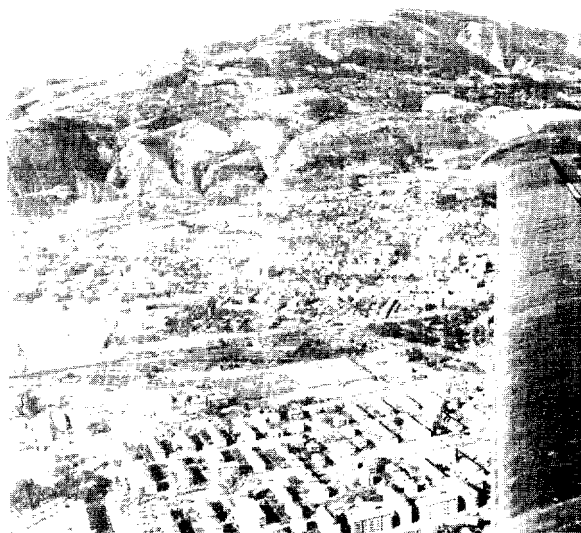
Although the regime is resisting pressure for concessions, more than half of the 400 members in the present house have been dropped from the list of nominees. Many of the new nominees are younger SED officials with technical training who recently have achieved high party or government position.

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An aerial view

Tito escorting Khrushchev
through Skopje ruins



Yugoslav volunteer clean-up corps



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The Communist World

THE SKOPJE EARTHQUAKE AND ITS AFTERMATH

Two and a half months after its devastation by earthquake, Skopje, capital of Yugoslav Macedonia, is again functioning as a city. However, most of its 180,000 inhabitants are still living in tents, and present plans will provide housing for only two thirds of them. Belgrade estimates that reconstruction will take five years and cost over a billion dollars. It is seeking additional foreign aid to minimize the effects on the country's economic stability and rate of growth.

The earthquake which struck Skopje on 26 July rendered 80 percent of its buildings uninhabitable. Of the 36,000 houses and apartment buildings, only 10,000 can be repaired. Of 45 factories, 14 were destroyed and 13 more needed major repair. Damage to roads, railways, and warehouses completely disrupted supply and distribution.

Demolition of the most seriously damaged buildings has been generally completed, and the rubble removed. Most industrial plants left standing are back in full production, and reconstruction of housing and the building of new factories is going ahead at full steam. As a result, employment is apparently close to the pre-quake level, and Macedonian industry has exceeded production goals set before the disaster. With cold weather and winter rains beginning, priority now is being given to construction of semipermanent housing.

By mid-August over \$9 million in aid for Skopje, in both cash and goods, had been received from abroad and other parts of Yugo-

slavia. Many foreigners are currently working in Skopje. The British have a 50-man engineering unit supervising erection of 1,600 donated housing units for 10,000 people. The USSR's aid, however, apparently has made the greatest impact. Moscow sent a 500-man engineering unit for construction work, donated a factory for prefabricated apartments, and reportedly has offered 1,800 more men. The Czechoslovaks are apparently about to begin a housing project, and the East Germans and Poles are planning still others.

The long-term task of reconstructing Skopje is to be incorporated into Yugoslavia's new Seven Year Plan, which begins next year. Belgrade hopes to make around \$200 million available in 1964. Part of this will come from special taxes and sale of bonds, the rest from general federal revenues and, it is hoped, foreign aid.

The cost of rebuilding Skopje does not greatly affect Yugoslavia's prospects for continued rapid economic growth, but it does increase the strain on some resources, especially building materials.

The Yugoslavs hope to get foreign aid in meeting their balance-of-payments problem by loans and postponements of \$200 million in foreign debts scheduled for repayment in 1964. The International Monetary Fund has already responded favorably to a Yugoslav request to make a new drawing of \$30 million and postpone a \$45-million repayment scheduled for next year. [REDACTED]

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IN BRAZIL



Tito seated with President Goulart during Yugoslav-Brazilian official talks.

TITO'S ITINERARY IN LATIN AMERICA

SEPTEMBER															OCTOBER														
18	19	20	21	22	23	24	25	26	27	28	29	30	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
BRAZIL					CHILE					BOLIVIA			PERU		MEXICO										US & CAN				



Mme. Tito with the two heads of state.

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The Communist World

TITO'S LATIN AMERICAN TOUR

During his Latin American goodwill tour, which will conclude with a 3-16 October visit to Mexico, Tito has received a mixed reception which has probably fallen short of his expectations. He seems to have achieved little toward advancing Yugoslav influence in the area other than establishing a degree of rapport with some leaders and opening the door a little wider for Yugoslav trade. The critical reaction of some sections of the Latin American press has tarnished Tito's image as an important figure in world affairs.

The tour got off to a bad start in Brazil, when the refusal of two conservative governors to receive him caused cancellation of traditional visits to Rio de Janeiro and Sao Paulo. A third governor followed suit, claiming to be unable to guarantee Tito's security. As a result, Tito saw only two Brazilian cities and shortened his visit by two days. Conservative opposition also explained in large part why only 75 of Brazil's 475 congressmen showed up to hear him address the National Congress.

Conservative opposition to a Tito visit was also strong in Chile. Two conservative ministers resigned from the government in protest, and the mayor of one town visited by Tito refused to receive him officially. The conservatives were also able to keep him from addressing the Chilean Congress--apparently only the second time in Chilean history that this privilege has been denied to a visitor of Tito's rank.

The Yugoslavs were so concerned that an assassination might be attempted by anti-Tito Latin Americans of Yugoslav origin that Tito made little contact with the people. In Bolivia, for example, Tito was seldom seen except in a closed, bullet-proof car which passed through the city "like a tornado."

A number of potentially significant economic agreements were signed during the trip, however. A joint economic commission was set up with Brazil to study ways of stabilizing and increasing trade. Yugoslavia and Bolivia signed a most-favored-nation trade agreement and also established a joint economic commission. In addition, a financial and technical cooperation agreement which provided La Paz with a \$5,000,000 credit for purchase of Yugoslav industrial equipment was signed. Talks in Chile identified likely products for trading and produced an agreement to establish a \$500,000 swing credit to provide short-term trade financing.

Apparently Tito and his hosts readily achieved a meeting of minds on such questions as the need for easing international tensions and fostering the economic growth of underdeveloped states. These two subjects have dominated the joint declarations signed thus far, and cooperation in working for these goals has been pledged. Apparently only in Chile, however, did Tito find a responsive echo to Yugoslavia's policy of nonalignment.

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Asia-Africa

SITUATION IN SOUTH VIETNAM

Continued political unrest in Saigon was sharply pointed up on 5 October by another Buddhist self-immolation--the sixth--and by the defection to Cambodia of a South Vietnamese Air Force fighter pilot. These events, which came when the Buddhist issue was being brought before the UN General Assembly, may foreshadow further incidents during the forthcoming UN-sponsored fact-finding visits by Afro-Asian representatives. Antigovernment leaflets, allegedly prepared by underground student and Buddhist groups, have appeared in Saigon, and [redacted]

[redacted] reports that groups of monks are independently planning actions, possibly including terrorist tactics against Americans, in the belief that this will force the United States to abandon President Diem.

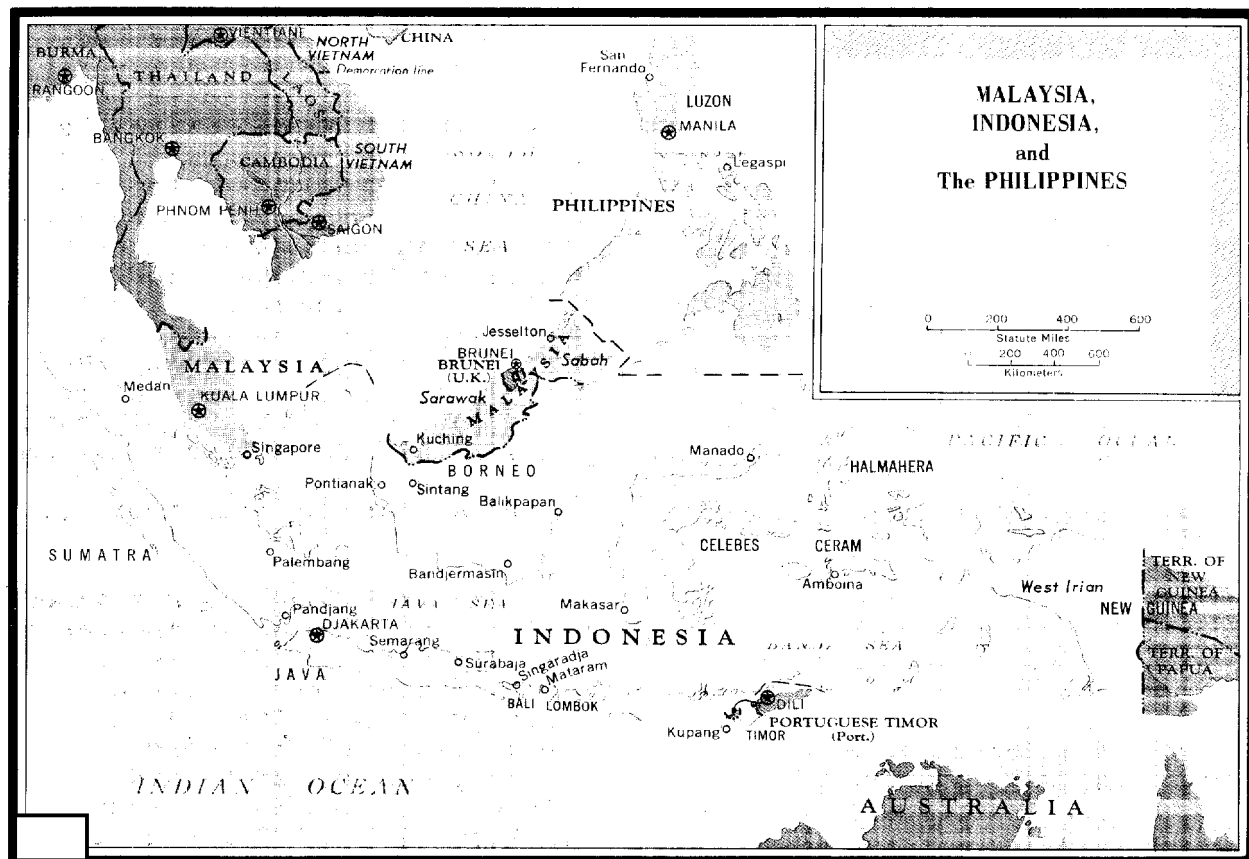
Diem, in a speech on 7 October, nevertheless reiterated that the Buddhist issue was resolved, and on 8 October the government reopened Hué University and released over 100 additional Buddhist prisoners. Saigon University remains closed, however, and reports continue of searches and arrests--

[redacted] 25X1

Government officials and the government-controlled press, meanwhile, have continued to charge that American officials and newsmen foster much of the political discontent. Reports are circulating that the government may announce some internal changes by 26 October, South Vietnam's National Day, and that these might include economic measures to counteract any reduction in US aid. Several reports during the past month have alleged that Nhu is planning some kind of demonstrations or disorders at the American Embassy.

The Viet Cong has sustained military attacks at an increased rate for the past five weeks, demonstrating its continued offensive capability. A recently captured Viet Cong soldier, who stated he had entered northern South Vietnam via Laos with a 107-man unit in April, provided the most substantial evidence to date of the infiltration of any military unit from North Vietnam during 1963. [redacted] 25X1

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Asia-Africa

SYRIAN-IRAQI COOPERATION GROWS

The 8 October announcement of military unity between Syria and Iraq appears to be another step leading toward some kind of political union of the two Baathist-ruled countries.

The announcement states that a supreme defense council consisting of a commander in chief and three members from each country is to be established. No date for this move has thus far been set, however. Iraqi Defense Minister Ammash will be commander in chief and will make his headquarters in Damascus, the announcement adds.

In the week prior to this announcement, Syria moved some of its armed forces across the border into Iraq. According to numerous unconfirmed rumors, an Iraqi force has also been moved across the border to the Aleppo region in northern Syria.

Syria evidently intends to send more forces to Iraq soon, and Syrian troop deployment there may eventually total 3,000-5,000. Most of the Syrian forces probably will be stationed in northern Iraq, thereby freeing Iraqi support forces for front-line duty against the Kurdish insurgents in that area.

As the fighting against the Kurds continues, there has been some evidence that the Iraqi Army has been experiencing a shortage of both troops and officers. The Iraqis may also

be planning a "final" push against the Kurds before late October rains bring heavy fighting to a halt, but firm evidence of such a move has not yet developed.

Both the government and the Baath Party in Syria have recently issued statements implying that some form of union with Iraq would soon be announced. The question is high on the agenda of the conference of the international leadership of the Baath Party now meeting in Damascus. Further unity announcements may be forthcoming shortly.

The Iraqi leaders may be somewhat less anxious than the Syrians for immediate union; the Iraqi radio has not yet broadcast the Syrian statements on the subject in full. However, a feeling of need to move toward the Baath ideal of full Arab union may overcome any reluctance on the part of Iraqi party members.

Egyptian President Nasir will almost certainly regard these steps as a direct challenge. Cairo radio has already criticized the movement of Syrian troops to Iraq. Unrest and demonstrations by elements who believe that any Arab union must include Egypt are possible, particularly in northern Syria. (SECRET NO FOREIGN DISSEM)

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Asia-Africa

IMPROVED SOVIET-ALGERIAN RELATIONS

The reception in Moscow of Algerian Deputy Premier Boumedienne is a further sign of increasingly open Soviet friendship for Algeria since the consolidation of Ben Bella's rule in that country. In September the USSR granted Algeria a \$100-million line of credit, and its recent propaganda treatment of Algeria's choice of "the road of noncapitalist development" has been favorable. It seems apparent that the Soviets estimate that Algeria will follow a policy sufficiently independent of French interests and sufficiently radical to give hope for the long-term development of Soviet influence in that country.

Before the credit grant, Soviet activities in Algeria had been limited largely to demining operations in the border areas, training of Algerian air force and naval personnel, and small-scale medical assistance.

The only announced result of the Boumedienne mission was the initialing on 4 October of an economic and technical cooperation agreement. It seems likely however, given Boumedienne's position as defense minister and Soviet press treatment of the visit, that a military aid agreement may have been negotiated during the visit. There now are 450 Algerians in the Soviet bloc undergoing military training--largely naval and air training--and Moscow may feel that the Algerian mili-

tary will soon be able to absorb quantities of modern weapons.

Thus far there has been no clear indication of how Algeria will use the \$100-million line of credit. Apparently at least a part of it is to be applied to the development and mechanization of agriculture, as well as to mining, industrial, and vocational training projects. The Algerian press has announced that Moscow will provide 500 agricultural tractors and a number of repair shops for agricultural machinery. The industrial aid reportedly will be directed at the development of light industry.

Moscow's increased interest in Algeria, despite the extensive French role in the Algerian economy and the restrictions placed on the Algerian Communist Party, may be explained by Soviet relations with the Chinese and broader Soviet state interests. Soviet comment on events in Algeria indicates that Moscow regards its aid there as tangible evidence of its support of national liberation movements, in refutation of Chinese charges of indifference to the revolutionary movements in the Afro-Asian world. The Soviet Union had been circumspect in its attitude toward the Algerian rebellion out of regard for its relations with France, but political developments in Algeria now may appear to offer more tangible results than the elusive goal of Soviet-French cooperation in Europe.



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