

13 March 1964

OCI No. 0322/64

Copy No. 74

WEEKLY SUMMARY

State Dept. review
completed

DIA review
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CENTRAL INTELLIGENCE AGENCY

OFFICE OF CURRENT INTELLIGENCE

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(Information as of 1200 EST, 12 March 1964)

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DE GAULLE'S LATIN AMERICAN POLICY

Paris says De Gaulle's visits to Mexico next week and to South America this fall are intended mainly to promote closer economic ties, but this objective will be subordinate to De Gaulle's longer range goal of encouraging Latin American governments to emulate France in asserting greater "independence" of the US. (Published separately as Special Report OCI No. 0322/64A)

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President Paz has restored some degree of unity in the ruling party, recouped some popular support, and assuaged the military by accepting the air force chief as his new running mate for a second term.

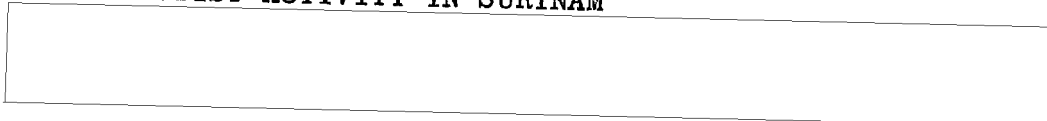
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A union controlled by leftist Premier Jagan has been on strike for five weeks demanding recognition as sole bargaining agent for all sugar workers.

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The Communist World

RUMANIAN DELEGATION LEAVES PEIPING

The Rumanian delegation which apparently has been attempting to head off an impending showdown between the Soviet and Chinese parties left Peiping on 11 March for North Korea. Peiping's coverage of the ceremonial aspects of the visit, which was climaxed by a meeting with Mao on 10 March, attempted to give the impression that the Chinese made progress in enlisting the support of the Rumanians. The noncommittal Chinese statement of 11 March, however, noted only that the talks held between

3 and 10 March had been "friendly," suggesting that there had been no real meeting of minds.

The Russians so far have avoided commenting on the Rumanian visit. There are mounting rumors and reports that the Soviet party is preparing the way for an international conference to condemn the Chinese. Apparently the Soviets are merely awaiting the return of the Rumanians before taking action.

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USSR ENCOURAGES PENSIONERS TO WORK

The USSR last week liberalized its social security laws in an attempt to induce older persons to stay on the job and to persuade some of its seven million old-age pensioners to return to the labor force, which is increasingly short of skilled workers. Heretofore pensions were limited to 15 rubles monthly (a ruble equals \$1.11 at the official rate) for persons who continued to work and earned up to 100 rubles a month. Payments were cut off entirely if earnings exceeded 100 rubles. According to a decree to become effective on 1 April, pensioners employed in various urban occupations may retain half their pensions regardless of earnings, while those employed in agriculture and mining will receive the entire amount.

This change is the latest of several indications that the Soviet labor market is feeling the effects of a slowdown in employment growth--from 2.6 million in 1960 to 1.3 million in 1963--the lowest since the early 1950s. This has resulted principally from an increasing full-time school enrollment in the 14- to 17-year age group as well as the falling rate of employment among pensioners. In the Russian Republic, for example, only 8 percent of pensioners were employed in 1961, in comparison with 36 percent in 1956--probably as a result of higher pensions and the penalties imposed by a 1956 law.

In addition, the current labor shortage also provides justification for regime concern

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The Communist World

over the relatively poor income position of the rapidly increasing elderly population. The population in the retirement ages (60 and over for men and 55 and over for women) is expected to increase about three times as fast as the total population in the next decade.

The pension program will continue to apply only to employees at state-owned enterprises--currently about 70 million. The 30 million collective farmers are slated for a pension program of their own soon but it is not known whether this pension will also be paid to farmers who continue to work.

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SOVIET ATOMIC ENERGY ASSISTANCE TO UNDERDEVELOPED COUNTRIES

Soviet foreign aid in atomic energy research--initiated in 1956 by agreements with Egypt and Yugoslavia--has since been extended to a number of other countries, among them Iraq, Indonesia, Afghanistan, and Ghana. The USSR has built and installed nuclear reactors for training, basic research, and the production of isotopes for use in agricultural, industrial, and medical research. It also has provided scientists and technicians to assist in developing research programs and is providing technical training as well as academic scholarships in nuclear physics in Soviet universities.

An agreement with Cairo signed last month provides for the continued supply of Soviet scientific equipment and technicians to Egypt to assist in research being conducted at the Inchass atomic energy center. The major facility of this center--a two-megawatt research reactor supplied by the USSR--

was completed in July 1961 and Soviet scientists have been guiding laboratory experiments.

In January 1963, Moscow signed an agreement with Yugoslavia providing for expanded cooperation in the nuclear energy field, including assistance in the design and construction of nuclear power plants.

Construction work at Iraq's Tammuz atomic reactor center is progressing under the supervision of Soviet personnel. Approximately 60 percent of the buildings have been completed and 75 percent of the equipment received. The center, scheduled for completion before the end of next year, will include a reactor, radioactive isotope laboratory, and auxiliary facilities. Soviet aid for this center, estimated to cost about \$5 million,

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Soviet assistance for Indonesia's atomic energy program has consisted of supplying a research tool called a subcritical assembly and a two-megawatt research reactor at a total cost of about \$1.3 million. The subcritical assembly, at Gadjah Mada University, has been used for training purposes since late 1961 and now needs a new neutron source costing about \$250,000--which Indonesia has asked Moscow to finance under the 1960 economic credit. Preliminary engineering work for the reactor project, at Serpong, is virtually complete, and working designs have been submitted, with completion scheduled by 1966. [REDACTED]

The USSR is to provide the universities of both Afghanistan and Ghana with nuclear reactors for research purposes. In September 1963 Moscow agreed to

give Kabul University a \$300,000 reactor, and to send technicians to install it and operate it until Afghan personnel have completed their training in the USSR. However, construction is not known to have been started.

The necessary housing and storage facilities at Kwabenya near the University of Ghana are almost finished, and construction of the building to house the reactor will probably begin soon.

[REDACTED]

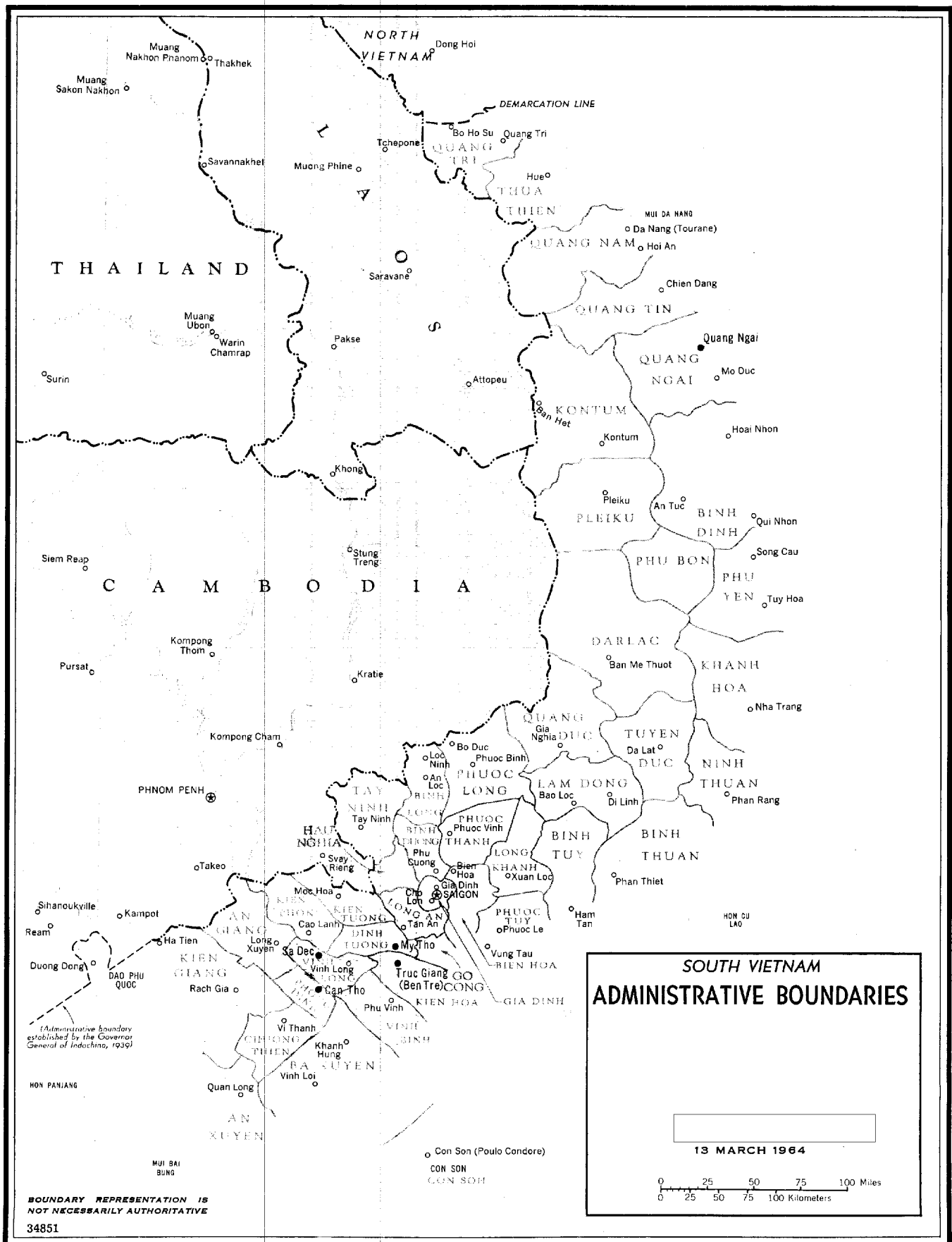
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Although the October 1961 Soviet-Indian atomic energy agreement provided a framework for extensive Soviet assistance to India's nuclear energy program, actual implementation to date has been slight. [REDACTED]

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Asia-Africa

THE SITUATION IN SOUTH VIETNAM

South Vietnam's General Khanh appears to be making some progress in establishing a broadly representative base of power and in consolidating control by balancing power factions.

Khanh has announced new reforms for bolstering the counterinsurgency effort. The measures include health aid to villages, improvement of paramilitary and military forces, land reform, encouragement of private industry, and improvement of social conditions. Details have not yet been revealed. Khanh has also assigned a large number of civil servants in Saigon to work in the provinces. However, there has been little actual effort so far to implement the new policies.

Some politicians continue to criticize the Khanh regime. The leader of the northern branch of the Dai Viet Party--an element in the government--claims that the coup led by General Khanh has destroyed the people's confidence in the military. On the other hand, the leader of the Dai Viet's southern branch, Deputy Prime Minister Nguyen Ton Hoan, is reported to have settled his differences with Khanh.

Some political and military leaders are apprehensive that the recent appointment of a gen-

eral of the Cao Dai sect as a province chief may encourage a resurgence of an autonomous Cao Dai movement.

Communist activity increased slightly during the first week of March, but remained at a comparatively moderate rate with emphasis on terrorism. Viet Cong military activity appears to be intensifying, as three Viet Cong company-sized attacks have been reported since 8 March.

Also in the delta, the Viet Cong this week destroyed a large POL dump near Can Tho. At Sa Dec, headquarters of South Vietnam's 9th Division, they attempted to sabotage a Civil Guard ammo dump and did destroy the district signal center. Field reports suggest possible concentrations of Viet Cong troops near Can Tho and two other provincial capitals farther east, My Tho and Truc Giang (Ben Tre).

In the north, Viet Cong movements of battalion-size strength in the mountains near the town of Quang Ngai have been reported, but there is as yet no indication that large-scale attacks are imminent in these areas.

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Asia-Africa

CAMBODIA TAKES NEW ANTI-US MOVES

Sihanouk's evident sponsorship of the 11 March attack on the American and British embassies and his renewed sharp criticisms of US policy suggest that he may be planning to isolate Cambodia further from the free world.

Sihanouk has long been sensitive to what he regards as the territorial designs of Cambodia's neighbors, and his latest statements indicate a heightened concern over the demarcation of its boundaries. Differences persist with South Vietnam over the disposition of coastal islands and Laotian Premier Souvanna Phouma refused during his visit to Cambodia last week to accord formal recognition of the present boundaries.

In statements since the mob demonstrations, Sihanouk has renounced a large Geneva-type conference to guarantee Cambodia's neutrality because of alleged US obstruction. He claims the same thing was happening to his proposal for a conference with participation restricted to Cambodia, the US, South Vietnam, and Thailand. On 11 March, he declared that he would recognize North Vietnam. Last month, he had threatened to do just this --as well as to conclude a military pact with Communist China--

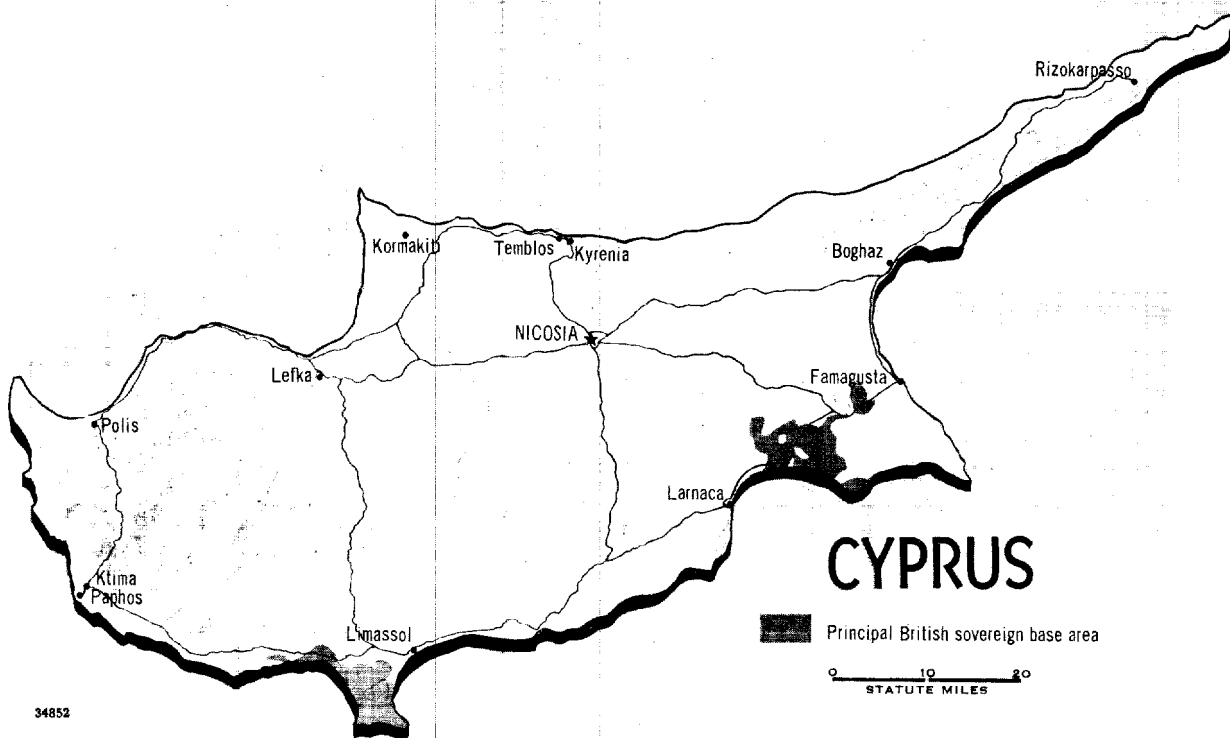
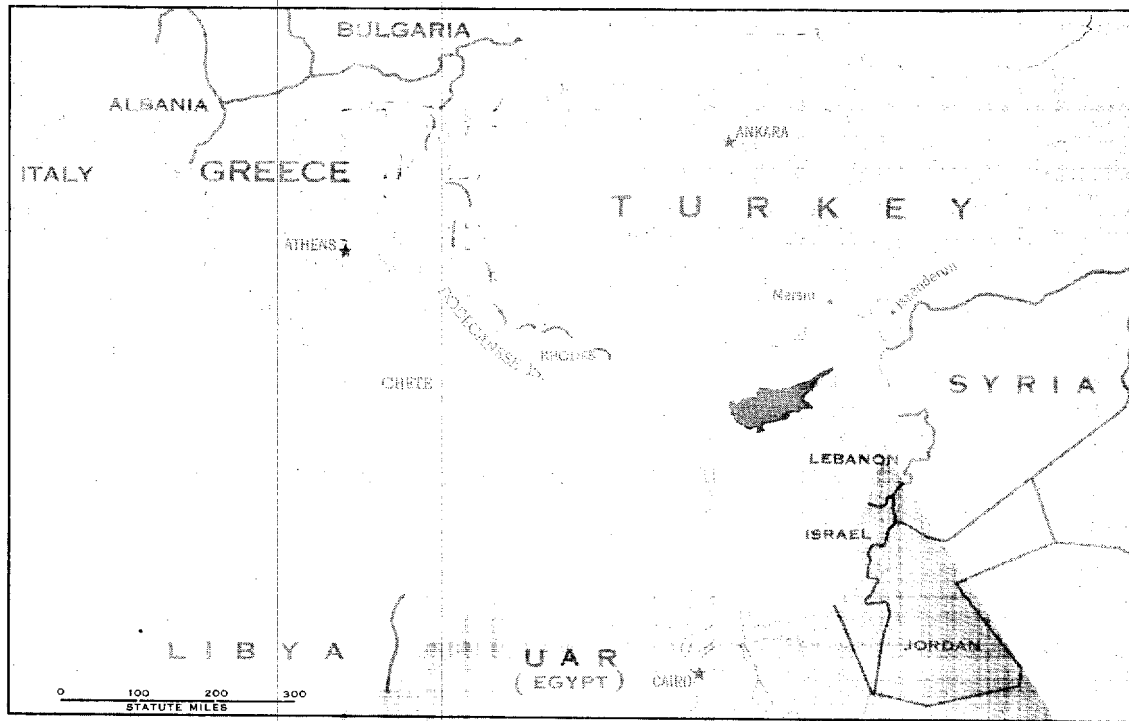
unless his demands for international guarantees were met.

[REDACTED] 25X1
A high-level Cambodian military mission, now in Communist China and scheduled to proceed to the USSR, probably will discuss additional military assistance.

The length of the mission's stay in Communist China--three weeks--suggests that the party will be given an extensive tour of China's military showplaces to impress it with Peiping's power. It seems likely that the Chinese will offer to supply additional modest shipments of trucks, small arms, and other infantry weapons and would probably be prepared to sign a formal military aid agreement.

However, Peiping's over-all attitude toward Sihanouk remains wary. The Chinese have been reluctant to grant substantial material aid to Phnom Penh until Sihanouk's policies become clearer. Peiping has limited itself to statements of support for Cambodia's neutrality, without any advance commitment to a specific line of action. [REDACTED] 25X1

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Asia-Africa

VIOLENCE ON CYPRUS NEARS OPEN CIVIL WAR

During the past week, violence increased on Cyprus to the point of virtual civil war. The possibility of intervention by Turkish armed forces also increased, as Turkish Cypriot communities either surrendered to the better armed Greek Cypriots or were placed in a state of siege.

North of the Kyrenia mountain range which parallels the north coast, only one village, Temblos, remains in Turkish Cypriot hands. New attacks against Turkish positions in Limassol, Polis, and Lefka are probable. A cease-fire prevails in Ktima, following a battle earlier in the week, but the Turkish community there is surrounded and in desperate straits.

A major battle appears to be shaping up in Nicosia, which has the largest concentration of Turkish Cypriots. Greeks have again manned roadblocks and machine-gun posts near the cease-fire line which divides the city. Press reports state that part of the 650-man Turkish Army contingent on Cyprus has moved closer to the Turkish quarter--indicating that the Turkish troops will, if necessary, help defend the Turkish Cypriots as they did in December.

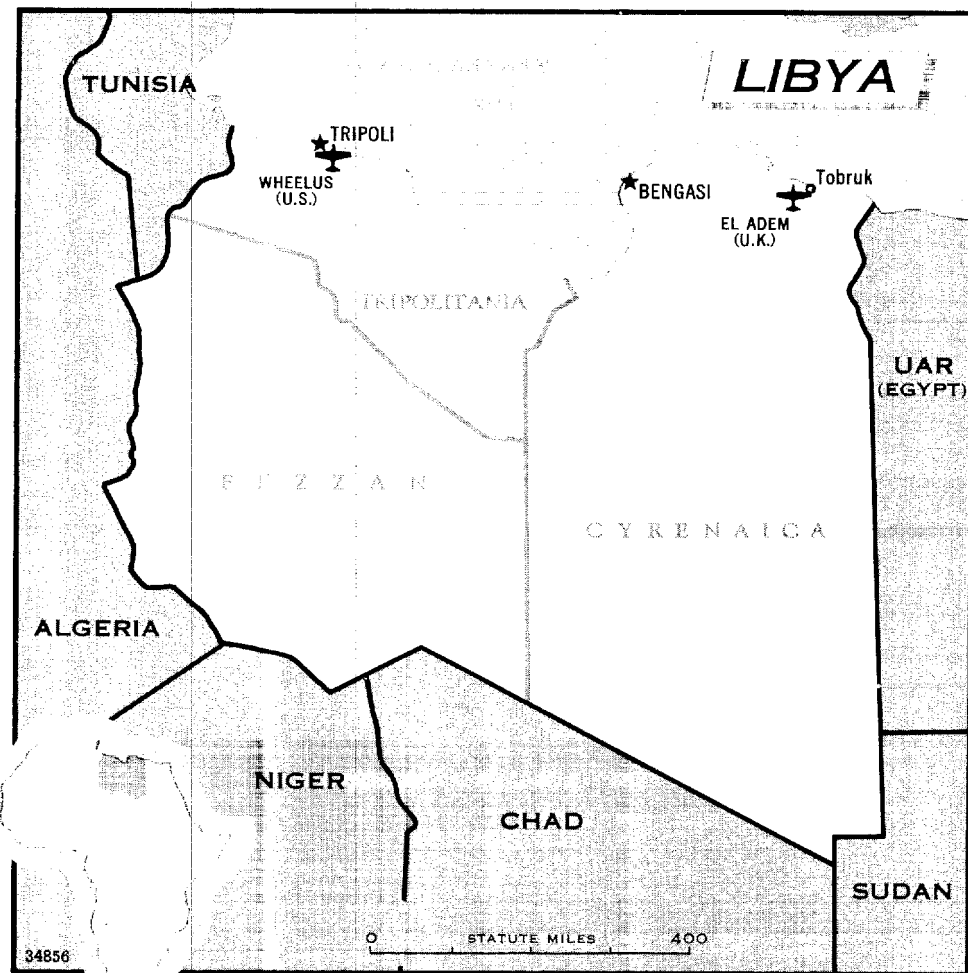
The Greek Cypriots are eager to use any opportunity to establish control over the entire island. They probably hope to eliminate most organized opposition before the arrival of the UN peace-keeping force tends to freeze the existing tactical situation. The Turkish Cypriots, described as despondent over their future, may be provoking incidents in the hope of forcing Turkish intervention.

Turkish forces in the Iskenderun-Mersin area near Cyprus continue in a high state of readiness. On 10 and 11 March, fleet units based in Iskenderun engaged in what were termed "routine exercises." 25X1

In Turkey, public and parliamentary pressure is again mounting for the government to send troops to Cyprus. The Inonu government, however, is aware that unilateral military intervention now could lead to war with Greece and incur world-wide condemnation for initiating hostilities while the international peace-keeping force is being created. Further deterioration of the security situation on the island, however, could lead to another request by Ankara to both Athens and London to participate in joint intervention before taking such action alone.

Secretary General Thant's efforts to create the UN force have been aided by assurances of financing aid by some NATO members. Sweden and Canada appear ready to provide troops, although Stockholm insists that at least one other neutral nation must also do so. Finland is likely to join now that the financial burden of participating has been removed, and there is some possibility that Brazil might also volunteer. London has indicated that it will permit 3,500 of the present 7,000-man British force on Cyprus to be placed under UN command. 25X1

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Asia-Africa

PRESSURE ON WESTERN BASES IN LIBYA

The Libyan Government finds itself increasingly hemmed in by rising domestic and foreign pressure on the issue of the American and British bases in Libya.

Premier Muntassir, a conservative pro-Western politician who negotiated the agreements establishing the bases in the early 1950s, feels that he could not keep the loyalty of the police, the army, or the Cyrenai-can tribes--traditionally a loyal element--if he or King Idris were to permit the bases to remain. Accordingly the government swiftly responded to Egyptian President Nasir's 22 February criticism of the bases with a statement that the agreements with the US and Britain--which expire in 1971 and 1973 respectively--would not be renewed. This statement, however, did not still either Egyptian propaganda on the issue or domestic criticism of the government's position. Other Arab states--in particular Syria--have also denounced the presence of the bases on Libyan soil.

In the face of this continuing outcry Muntassir, who already was the object of considerable criticism by the younger, Arab nationalist - oriented elements who sparked last January's riots against the police and the monarchy, felt that a further step to placate opposition to the regime was nec-

essary. At the opening of parliament on 9 March his government publicly announced that it had asked the British and Americans to enter into negotiations on the "future" of the bases. Muntassir believes that it may be possible to prolong negotiations over a period of several years but has made it clear to the US ambassador that Libyan Government policy calls for evacuation of the bases before 1971.

While minor demonstrations occurred in Tripoli coincident with the opening of parliament, the government's maneuvers will probably relieve some of the pressure. It is unlikely, however, that Muntassir can satisfy opposition elements or quiet criticism from other Arab states if negotiations, once begun, are greatly prolonged. With oil revenues rapidly increasing, the traditional government argument that the bases are an economic necessity to Libya no longer holds. Older, conservatively oriented elements of the population--and in particular King Idris himself--continue to recognize that the bases provide protection against possible encroachment by Libya's neighbors--notably Egypt--but this consideration carries much less weight with younger, urban elements of the population motivated by pan-Arab, proneutralist sentiments.

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Asia-Africa

NEW DEMONSTRATIONS AGAINST GABONESE PRESIDENT LIKELY

French troops have maintained Gabonese President Mba in power for still another week, but his obvious lack of popular support raises the possibility of further antigovernment demonstrations.

Opposition to Mba appears particularly strong among Gabonese youth, some of whom were probably involved in the 18 February coup plot. In an effort to combat student demonstrations, Mba has closed schools in Libreville for an early Easter vacation.

Security is in the hands of the approximately 375 French troops now in the country and the Gabonese gendarmes who

remained loyal to Mba. The Gabonese Army has reportedly been disbanded.

Mba's apparent determination to hold his scheduled 12 April elections under conditions which greatly limit opposition participation may well trigger more demonstrations. All but one member of the short-lived provisional government which took over after the abortive 18 February coup, including Mba's principal political opponent Jean Aubame, now are in prison.

French propaganda that US officials had supported Aubame has given rise to anti-Americanism, particularly on the part of some French citizens in Libreville. Three attacks on the US Embassy during the week may have resulted from these feelings. [REDACTED]

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SECURITY SITUATION IN THE CONGO

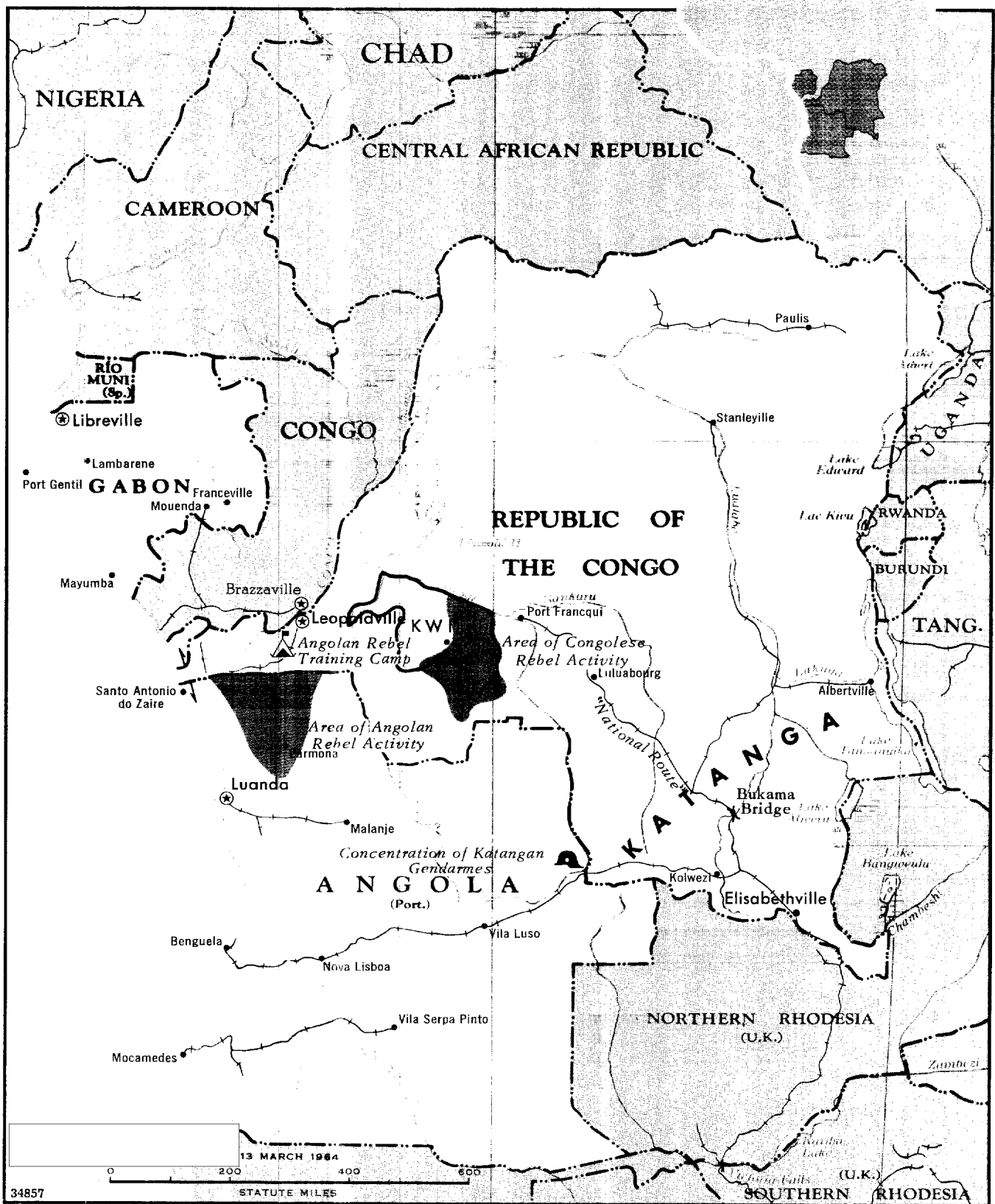
A Congolese Army offensive against insurgents in Kwilu Province led by Peiping-trained Pierre Mulele has so far failed to contain the rebellion. An additional battalion has been sent to reinforce the equivalent of three battalions already there. [REDACTED] describes the situation as "rela-

tively quiet" at the present time, but [REDACTED] central government troops have run into stiff resistance from rebels armed with rifles and automatic weapons--possibly captured from army troops in earlier actions. The insurrection appears to have spread southwest of Kikwit, Kwilu's

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Asia-Africa

capital, to an area previously unaffected by rebellion (see map); it is unclear, however, whether the tribes living there have joined the insurgents.

Indications increase that former Katangan leader Moise Tshombé may be trying for a comeback. Last week, some 400 former gendarmes left Katanga

for Tshombé-organized gendarme camps in eastern Angola, according to the Belgian vice consul in Elisabethville. Belgian officials warn that white mercenaries are being recruited and sent to Angola from Europe and Katanga. Spanish officials in Madrid report a flurry of activity around Tshombé's headquarters there.

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STRAINS IN THE ANGOLAN REBEL MOVEMENT

Angolan nationalist leader Holden Roberto is under increasing fire from dissidents within his movement and from critics elsewhere in Africa. As long as the squabbles inside the Leopoldville-based Angolan leadership persist, they will further hamstring the efforts of rebel forces inside Angola to cope with the continuing pressure from the Portuguese.

The rebellion's lack of progress is in fact at the root of Roberto's problems. His military forces are ill-equipped and poorly clothed and fed, partly because of his failings as an administrator. Although the Portuguese are not capable of wiping

out these forces, the rebels cannot do more at this stage than harass the Portuguese. Discontent apparently is endemic at the Angolan training camp in the Congo south of Leopoldville, and it probably was his desperate need to mollify his troops which led Roberto to announce in January that he would seek aid from Communist countries.

Both the military stalemate and Roberto's ill-planned lurch toward the Communists have reinforced the restiveness of his associates in his "government-in-exile."

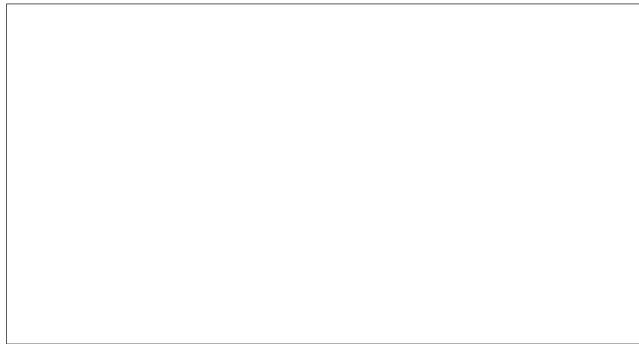
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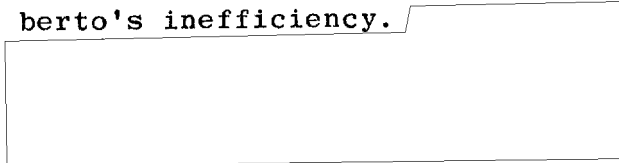
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On the international front, 12 African states have recognized Roberto's proclaimed government but many of these have been disillusioned by the stalemate in the rebellion itself and by Roberto's inefficiency.



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Roberto may still be able to surmount these challenges. He has many things working in his favor: his proven ability to keep internal dissidence under control, the lack of unity among his critics, his control of funds, the support he has always received from Congolese Premier Adoula, and his established position as a leader of the Bakongo, who so far have done most of the fighting. The present discontent is his most serious challenge to date, however.



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SHIFTING POLITICAL BALANCE IN ZANZIBAR

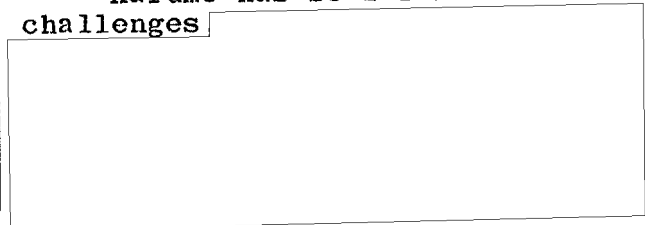
"Field Marshal" Okello appears no long to be a power in Zanzibar. As long as he was on the political scene, the unpredictable

Okello was as much a threat to pro-Communist Foreign Minister Babu and his group as to the less radical President Karume. Three weeks ago Babu and Karume got him to leave the country, possibly by buying him off.

Since then, Babu has disarmed most of Okello's thugs and has built up a paramilitary force

of his own that may already be more effective than any force responsive to Karume. Now Babu's followers in the government appear to be systematically challenging Karume's authority on a wide variety of issues.

Karume has so far met these challenges



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Asia-Africa

ETHIOPIA'S INTERNAL DIFFICULTIES

Fighting last month between regular army units of Ethiopia and Somalia has given fresh impetus to many long-standing grievances within Ethiopia. Emperor Haile Selassie's autocratic handling of the border situation appears to have further alienated powerful elements within his regime, although there is no firm evidence that these malcontents are at present planning to remove him or are capable of doing so.

The Somali radio's attacks on the Emperor and his authoritarianism and its calls for army mutiny and open encouragement of dissident elements have probably found sympathetic listeners inside Ethiopia. Increased activity by armed dissidents in Ethiopia's northern province of Eritrea threatens to overextend its security forces, which were unable to control the Somali guerrillas in the eastern Ogaden region. The US Embassy in Addis Ababa believes that the Emperor's authorization for Ethiopian forces to cross into Somalia, however briefly, during the February fighting, when viewed against his well-known concern for his international reputation, indicates great anxiety over his position.

The February action may have temporarily relieved the frustrations of the nearly 10,000 troops in the Ogaden--

who for some months had been badly mauled by Somali tribesmen. However, it also highlighted weaknesses in supplies, communications, and command structure within the Ethiopian military, the only force in the country which could conceivably mount a successful coup.

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The military and many civilian officials are also concerned over the Emperor's evident reliance on the Organization of African Unity to effect a settlement with Somalia, as well as what they take to be his "soft" attitude toward Soviet military aid to Somalia.

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Western Hemisphere

PROSPECTS FOR CUBA'S 1964 SUGAR HARVEST

This year's sugar crop in Cuba is not expected to be much greater than last year's harvest of 3.8 million tons, despite an all-out effort by the regime to boost production. The harvest now under way has been hampered by labor shortages, transportation difficulties, and bad weather. These handicaps probably have offset the gains which might have resulted from the increased acreage planted to cane this year.

Labor shortages are reported especially acute. The regime is throwing additional military work units, augmented by volunteers, into the production effort. This technique, however, is not likely to be any more helpful this year than in the past when voluntary cane cutters were relied on to boost output.

The much-vaunted mechanization of cane loading is also turning out to be a disappointment. The use of Russian-manufactured loaders was supposed to have permitted a 20-percent reduction in the field labor force. However, the failure of improperly trained operators to use their equipment to best advantage has ruled out any possibility of such a prodigious saving. Their inadvertent collection of dirt and leaves and skimpy loading of the cane has meant a reduction in the sugar yield and is creating mechanical problems at the mills.

A measure of the sugar industry's transportation difficulties is the fact that all mills are operating at less than full capacity; some are reported to be working only half the time. This is traceable primarily to the deterioration of American-made trucks used to haul the cane, the poor quality of tractors bought from the bloc, shortages of locomotives, and a paucity of spare parts for all transportation equipment.

In addition, the ravages of Hurricane Flora are still being felt. In Oriente Province, for instance, many bridges and stretches of highway washed out in October have not yet been repaired, and this is impeding the movement of cane to the mills.

Another setback to sugar production was last month's unseasonably heavy rains. These downpours have probably reduced the sugar content of the cane.

In spite of these problems, there is some evidence of improvement over last year, at least in terms of organization. For example, much less emphasis is given this year to calling out revolutionary enthusiasts on week ends to "hack" at the cane. Furthermore, the additional cane planted for this harvest is the first such increase in several years.

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Western Hemisphere

EFFORTS TO END CORRUPTION IN DOMINICAN GOVERNMENT

Key armed forces leaders in the Dominican Republic are showing increasing sympathy for initiatives by triumvirate president Donald Reid Cabral to end government corruption and strengthen the provisional regime. They now favor ousting the cabinet ministers representing the National Civic Union and the Dominican Revolutionary Vanguard, the two political parties in the government. Such a move would be designed to put an end to the use of official jobs and funds for partisan purposes by those parties.

There is also increasing disenchantment within the military with the other two civilian triumvirs--Ramon Tapia Espinal and Manuel Tavares Espallat. These officials are considered lacking in forcefulness and to be unduly influenced by a small group of ambitious politicians,

including would-be strong men Luis Amiana and Antonio Imbert. This feeling may eventually bring on the removal of Tapia and Tavares, leaving Reid in sole charge.

Meanwhile, the military has remained passive while Reid has gone ahead with his effort to promote reform by relieving the corrupt chief of police.

Another potent political problem--the question as to whether ex-President Joaquin Balaguer should be allowed to enter next year's presidential election--may be resolved soon. Military leaders are said to favor his return, while Imbert, who has violently opposed such a move in the past, recently told [redacted] he 25X1 would not stand in Balaguer's way. [redacted] 25X1

ARGENTINE LABOR TRUCE TALKS

Argentine labor leaders have announced a 30-day "suspension of their plan to begin seizing various factories and businesses during March, now that the government has agreed to many of their economic and political demands. Most leaders of the General Confederation of Labor (CGT) hope not to have to execute their plan at all. They fear that it might lead to violence, especially since it could be exploited by extremist elements favoring revolutionary tactics.

The government has agreed to submit to Congress proposals

for a minimum wage and for price controls and to include both CGT and business representatives on various advisory boards. It also agreed to ask Congress to repeal "repressive legislation," meaning mainly the present bans against the Peronist and Communist parties. The last concession, although promised in the government's electoral campaign, will cause considerable controversy in military and political circles.

CGT officials will reconvene on 10 April to review the government's progress in fulfilling its agreement. [redacted] 25X1

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POLITICAL TENSIONS EASE IN BOLIVIA

A temporary calm has settled over Bolivian politics as a result of President Paz' acceptance of the air force commander, General Rene Barrientos, as his new running mate in next June's elections. Opposition elements have apparently suspended much of their political

activity pending a refinement of their strategy to meet the new situation.

Paz decided to drop his hand-picked running mate, Federico Fortun, because he was concerned that Barrientos was on the verge of becoming

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a presidential candidate in his own right, and a formidable one. He was also anxious to head off a split in the loyalties of the armed forces, which heretofore have been an important prop of his regime.

By agreeing to the shift, Paz has restored some degree of unity within the Nationalist Revolutionary Movement (MNR), the ruling party. He probably also has managed by this move to recoup some of his sagging popular support. Unrest in the military, precipitated by younger officers seeking revenge for the attempted assassination of Barrientos on 25 February, reportedly has subsided considerably.

With Barrientos taken care of Vice President Juan Lechin, a leftist, is the only rival of any consequence opposing Paz for the presidency at the moment. Lechin, however, is having trouble getting his campaign into high gear. His newly organized National Revolutionary Party of the Left (PRIN) is already divided over tactics; it cannot decide whether to try for an alliance with right and center parties or with the Communists, or to remain independent. As things stand, a Lechin victory at the polls, even with the help of other opposition groups, would be an upset. Time is running out for Lechin to decide whether to go down gracefully or to try to overthrow Paz by violent means.

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CONTEST FOR CONTROL OF ORGANIZED LABOR IN BRITISH GUIANA

There has been no break in the five-week-old jurisdictional strike in British Guiana organized by the sugar workers union (GAWU) controlled by leftist Premier Cheddi Jagan's People's Progressive Party (PPP). Approximately 30 percent of the sugar workers, who account for about half the colony's organized labor, are out on strike, and GAWU extremists are using intimidation to keep them idle. There have been several violent incidents in the past two weeks which have increased tension between the Negroes and the East Indians.

The aim of the strike is to get sugar producers to recognize GAWU as the sole bargaining agent for all sugar workers. For Jagan's People's Progressive Party (PPP), such recognition would represent a long stride in its drive to achieve control of the colony's organized labor.

The extent to which Jagan himself is involved in the strike situation is not altogether clear. He has, however, asked Sir Jock Campbell, chairman of the largest sugar producing company, to see what he can do about arranging a settlement. This move does not bode well for the anti-Jagan forces; Sir Jock is known to be pro-Jagan.

The anti-Jagan Guiana Trades Union Congress (TUC) issued a statement on 7 March condemning GAWU intimidation. The statement, according to the US consul, also seemed to be a veiled threat to call a general strike if the sugar producers gave in to GAWU. This threat together with a condemnation of GAWU tactics by the AFL-CIO may help to deter the sugar producers from surrendering.

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GROWING LEFTIST ACTIVITY IN SURINAM

The self-governing Dutch territory of Surinam, which has thus far been relatively immune to the political and social unrest experienced by its Latin American neighbors, faces the prospect of increasing leftist activity.

In Surinam, where there is no Communist Party, the principal vehicles of subversive activity are the Nationalistic Republic Party (PNR), led by Edward J. Bruma, and its seven or eight affiliated front organizations. Bruma's party received less than 4 percent of the vote in the March 1963 national elections and is not represented in the 36-member legislative council. The PNR, however, has taken a strong pro-independence line and probably hopes to profit from the growing racial tension between the Creoles (Negroes) and East Indians who, together, account for more than two thirds of Surinam's population.

Meanwhile, Bruma has established close ties with Cheddi Jagan's People's Progressive Party (PPP) in neighboring British Guiana.

The PNR is conducting a vigorous campaign to draw attention to itself and to expand its influence. It has sponsored an increasing number of antigovernment demonstrations and is try-

ing to organize labor into a single, pro-PNR trade union group.

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While no trace of pro-Castro activity has yet come to light, there is some sentiment within the essentially pro-Western coalition government favoring the development of trade ties with Cuba.

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Moderates in the government, including Minister-President Pengel, are reluctant to promote commerce with Cuba. Their reluctance springs primarily from the fact that any such trade is expected to be conducted chiefly through the port of Springlands in the remote British Guiana - Surinam border area. Trade aside, the Pengel government has indicated its concern over British Guiana's plans to develop port facilities for deep-sea vessels at the mouth of the Courantyne, which forms the border with Surinam. The Surinamers fear this would facilitate arms smuggling and other subversive activity directed against their regime.

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Approved For Release 2008/03/06 : CIA-RDP79-00927A004400030001-2

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