# GEOGRAPHIC INTELLIGENCE REVIEW



CIA/RR-MR-54 February 1958

DOCUMENT NO.

NO CHANGE IN CLASS. COMECLASSIFIED

CLASS, CHANGED TO: TS S C

NEXT REVIEW DATE:

AUTH: HR 70-2

DATE

PREVIEWER: 372044

## CENTRAL INTELLIGENCE AGENCY

OFFICE OF RESEARCH AND REPORTS

## Approved For Release 1999/09/26: CIA-RDP79-01005A000300050002-6

#### WARNING

This material contains information affecting the National Defense of the United States within the meaning of the espionage laws, Title 18, USC, Secs. 793 and 794, the transmission or revelation of which in any manner to an unauthorized person is prohibited by law.

## Approved For Release 1999/09/26: CIA-RDP79-01005A000300050002-6

S-E-C-R-E-T

EGLISSIFED

GEOGRAPHIC INTELLIGENCE REVIEW

CIA/RR-MR-54

CENTRAL INTELLIGENCE AGENCY

Office of Research and Reports

#### CONTENTS\*

	Page
A Survey of Developments in Asiatic USSR	1
The Oil Industry of Italy	21
The Rehabilitation of Southern Italy	32
Administrative Divisions of North Korea	41
Maps	
Following	page
USSR: Principal Developments in the Sixth Five Year Plan (26117)	2
Siberia and Kazakhstan (26570)	20
Italy: Petroleum Industry (26321)	22
Southern Italy: Land Reclamation (26314)	32
Southern Italy: Metaponto (26315)	36
North Korea: Administrative Divisions (26523)	46
North Korea: Workers' Districts (26522)	46

<sup>\*</sup>The individual classification of each article in this Review is given at the end of the article.

## A SURVEY OF DEVELOPMENTS IN ASIATIC USSR

#### Introduction

Since 1956 the industrial development of Asiatic USSR\* has been emphasized increasingly in Soviet planning. Considerable industrial expansion had occurred in the east before and during World War II, but the first postwar indication of a systematic, large-scale industrial effort appeared in the Sixth Five-Year Plan (1956-1960). In comparison with the Fifth Five-Year Plan, the Sixth called for an increase in capital investment of 150 percent for Western Siberia, 180 for Eastern Siberia, and 170 percent for Kazakhstan. The greater part of the planned expansion was earmarked for the southern parts of Eastern and Western Siberia and northern Kazakhstan (see Map 26117). Development at this rate, however, was apparently too ambitious; and goals in many instances have had to be revised downward. The capital investment scheduled for all of Asiatic USSR in 1958 is substantially below that called for in the Sixth Five-Year Plan, which apparently is to be superseded by the new Seven-Year Plan (1959-1965). Despite the present setback, the abundance of raw materials in the east makes it probable that emphasis will continue to be placed on the development of Asiatic USSR, but at a rate slower than had been originally planned.

<sup>\*</sup>For the purposes of this report, Asiatic USSR is delimited to include the following areas: Western Siberia, Eastern Siberia, the Far East, Kazakhstan, and Soviet Central Asia.

## Background of Industrial Development

Traditionally, Asiatic USSR has had a raw-material economy and therefore has had to rely heavily upon the west for finished goods. In the past, when new industries were established in the USSR, the majority were located in the west -- near centers of population and complementary industries and accessible to existing transportation systems. Because of the abundance and variety of resources in Asiatic USSR and the inadequate supply of some of these resources in European USSR, bulky raw materials had to be shipped long distances from east to west for utilization and processing.

Although significant industrial expansion occurred in conjunction with the prewar Five-Year Plans, World War II provided the greatest impetus to industrial development in Asiatic USSR. During the war, both industries and people were transplanted from west to east to prevent their capture by the German Army. Development continued in the postwar years but at a reduced rate, the main economic effort of the USSR being concentrated on the restoration of the western industries that had been destroyed during the war. In Asiatic USSR the major postwar interest has been in agriculture. Between 1954 and 1957, about 36 million hectares of land was put under cultivation in conjunction with the New Lands Program.

A major deterrent to the development of the east has been the inadequacy of labor supply. According to an official pronouncement, however, the labor force of Asiatic USSR (presumably including the Urals) was scheduled to increase by about 3 million workers during

the Sixth Five-Year Plan. The Soviet Government made an appeal for 400,000 to 500,000 volunteers to move eastward during 1956 and 1957. To encourage this migration, the state is probably continuing its policy of offering monetary incentives. Should this fail, a system of compulsory enlistment may be adopted, as has been the case in other areas in the past. The increase in population will also create a larger local market for manufactured products and an additional stimulus for industrial development.

The current economic program is emphasizing the location of industries near sources of basic raw materials and increased self-sufficiency in the east, with resulting significant transportation economies. The areas of major planned development are therefore in the mineral-rich lands of southern Siberia and northern Kazakhstan.

#### Resource Base

Asiatic USSR possesses both an abundance and variety of raw materials ranging from vast timber, hydroelectric power, and agricultural resources to fuels and metallic minerals. The great bulk of the coal and nonferrous minerals of the USSR are found in the east, as well as large quantities of iron ore, ferroalloy ores, and nonmetallic minerals. These minerals, in conjunction with the vast energy resources, provide the basis for the current development of industry in the east. (See Map 26570.)

Coal

The planned eastward movement of Soviet industrial production reflects an increasing inadequacy of fuel, power, and minerals in European USSR and the availability of these critical materials east of the Ural Mountains. About 90 percent of the estimated coal reserves and about 80 percent of the potential hydroelectric power resources of the USSR are located east of the Ural Mountains. Since probably four-fifths of both the industrial production and the population of the USSR are concentrated in European USSR, most of the fuel and power is currently consumed in the west. Industrial production has increased more rapidly than the supply of energy in European USSR, and a fuel and power shortage has resulted. In 1955, about 12 million tons of coal were shipped from the Kuzbass in southern Siberia and Karaganda in northern Kazakhstan to European USSR and about 33 million tons to the Urals.

The most important coal reserves in the east are in the Kuzbass of southern Siberia. Reserves here are estimated at 990 billion metric tons, 260 billion of which are of coking quality. The total is far greater than that of the Donbass, the largest field in European USSR. Other deposits of significant size are the Kansko-Achinskiy and Irkutsko-Cheremkhovskiy fields. To meet current plans, coal production is to be initiated or expanded at the following fields in southern Siberia: Itatskiy and Tom-Usinskiy in the Kuzbass,

Azeyskiy and Cheremkhovskiy in the Irkutsko-Cheremkhovskiy Basin in Irkutskaya Oblast'. In northern Siberia are the huge but inaccessible Tunguskiy and Lenskiy coal basins. Recently coal of coking quality has been discovered near Chul'man in the southern part of Yakutskaya ASSR near exploitable reserves of iron ore.

In northern Kazakhstan the largest deposits are at Karaganda, and other important deposits are located at Ekibastuz and Kushmurun. Current plans call for the expansion or initiation of coal mining at these deposits. The Soviet Central Asian Republics and the Far East have small, scattered coal deposits.

### Electric Power

Extensive hydroelectric-power potential and coal deposits provide the basis for increased electric-power production in Asiatic USSR. Most of the power-generating increment will be in the form of thermal facilities, but hydroelectric installations are also scheduled for significant expansion.

Siberian rivers account for about one-half the estimated hydroelectric power resources of the USSR and are capable of producing more than 900 billion kilowatt-hours of electric power annually. For Siberia, the Sixth Five-Year Plan called for an increase in capacity of 250 percent by 1960. The 1955 production of Siberia and the Far East, amounting to 20 billion kilowatt-hours, is to be increased to 50 billion by 1960.

In Siberia, hydroelectric plants are to be located along the Ob', Yenisey, and Angara Rivers. On the Ob', the Kamenskaya GES

(500,000 kilowatts) and the Novosibirskaya GES (400,000 kilowatts) are now under construction. These are the first in a chain of stations on the Ob', six of which are to be even larger. For the Yenisey, two stations have been planned -- the Krasnoyarskaya GES (4,000,000 kilowatts) and the Yeniseyskaya GES (5,000,000 to 6,000,000 kilowatts), which is to be located at the junction of the Angara and the Yenisey. The construction of a station of comparable size, the Osinovskaya GES, is planned at the confluence of the Yenisey and the Podkamennaya Tunguska. Developments along the Angara will include a cascade of six huge power stations. The Bratskaya GES (3,600,000 kilowatts) and the Irkutskaya GES (660,000 kilowatts) are under construction, and two of those planned for the middle and lower courses of the river will have capacities of about 3,000,000 kilowatts each.

For the Amur River system plans are less firm. They will probably include a joint Sino-Soviet program for hydroelectric development in conjunction with the industrial development of the Aldan-Amur region. The ultimate planned capacity of the Amur hydroelectric stations is about 13 million kilowatts, with an annual output of 70 billion kilowatt-hours.

The hydroelectric potential of Kazakhstan is of significant size, but it is not comparable to that of Siberia. Much of the development is scheduled for the Irtysh River. The Ust'-Kamenogorsk GES (322,000 kilowatts) has already been completed, and construction

has been started on the Bukhtarminskaya GES farther south. Nine other stations are to be built along the Irtysh, including the Shul'binskaya GES near Semipalatinsk. Plans have also been made for the construction of the Kapchagayskaya GES on the Ili River south of lake Balkhash. Seven smaller plants in the Soviet Central Asian Republics are either projected or under construction.

Despite the numerous hydroelectric projects planned and under construction, thermoelectric development is scheduled to exceed hydroelectric. In Siberia, thermoelectric development is limited largely to the immediate vicinity of coal deposits. Several stations will have a rated capacity of over 1 million kilowatts each. One such station is under construction at Nazarovo south of Achinsk, two are under construction in the Kuzbass, and another is being built at Cheremkhovo. Thermoelectric stations are also planned for Itatsk, Achinsk, and Tayshet. In Kazakhstan, thermoelectric plants are under construction at Karaganda and Petropavlovsk. Three others are planned for Pavlodar and several for the vicinity of Ust'-Kamenogorsk.

The creation of a unified electric-power grid for southern Siberia within the next 10 to 15 years is under consideration. This grid, connecting all stations between Novosibirsk and Irkutsk, will be linked to the European grid via the Ural grid. Ultimately the southern Siberian grid will include thermoelectric and hydroelectric stations with a combined capacity of 50 million kilowatts. Construction has been completed on a 400-kilovolt transmission line from Irkutsk to Bratsk, a distance of about 600 kilometers (375 miles); and a

220-kilovolt line from Novosibirsk to Stalinsk in the Kuzbass grid is well underway. Transmission lines to Kazakhstan and to the Altay Kray are projected, and eventually the grid is to be extended to the Far East.

In Kazakhstan, a planned transmission grid will link the hydroelectric plants along the Irtysh River with Pavlodar, Semipalatinsk, and other major cities of eastern Kazakhstan, and eventually with the Altay Kray.

#### Iron Ore

Until recently, a shortage of iron ore has been a major deterrent to industrial development in the coal producing areas of Asiatic USSR. The discovery and exploitation of new ore deposits in recent years, however, has changed the prospects. The major stimulus to exploitation has been the difficulty European USSR has encountered in mining sufficient ore to support its expanding iron and steel industry. Apparently Asiatic USSR now has sufficient reserves to supply its present and planned metallurgical plants and still provide some ore for export to the Urals.

In northern Kazakhstan, large deposits of iron ore have been discovered near Kustanay, at Sokolovka and Sarbay. The Sokolovka and Sarbay deposits are close to the surface and can be exploited by strip-mining methods. At these deposits, a concentrating plant is being built that will have an output of 5.6 million tons of processed iron ore annually, which will be shipped to the southern Urals. Large deposits of lower grade iron ore were also discovered slightly to the

south. In central Kazakhstan, southwest of Karaganda, is the Atasuskiy deposit, which is being developed to supply the iron and steel plant being built at Temir-Tau near Karaganda.

Iron ore deposits in Gornaya Shoriya, south of the Kuzbass, already supply the Kuznetskiy metallurgical plant with much of its ore requirements. Even larger deposits have been discovered to the northeast in Kuznetskiy Alatau.

Other sources of ore for the Kuznetskiy plant are currently being developed in Eastern Siberia. One of these is at Abaza in southern Khakasskaya AO near Abakan. Two large additional fields -- the Nizhne-Angarskoye and the Angaro-Ilimskoye -- are located along the Angara River. In the Angaro-Ilimskoye field the Korshunovskoye deposit east of Bratsk is already being developed. Deposits of iron ore have also been discovered in southern Yakutskaya ASSR near Chul'man and in the southern part of Chitinskaya Oblast'. Within the next 10 to 15 years, all of these deposits are scheduled for development. In the Far East, only limited quantities of iron ore have been found.

## Other Minerals

Asiatic USSR has large reserves of nonferrous, ferroalloy, and nonmetallic minerals. Kazakhstan holds first place in the USSR in reserves of copper, zinc, lead, silver, cadmium, tungsten, vanadium, and chromite and has significant reserves of bauxite, manganese, nickel, cobalt, titanium, phosphorite, asbestos, molybdenum, petroleum, and

mineral reserves, including scattered coal deposits, petroleum, and raw materials for chemicals and fertilizers. Of particular importance in Siberia are the large nepheline deposits south of Achinsk, the copper-nickel deposit at Noril'sk, and the natural gas deposit at Berezovo on the lower Ob'. Diamonds of potential industrial importance have been discovered in west-central Yakutiya. In the Far East, tungsten, tin, and gold are found.

#### Industrial Expansion

Industrial phases of the Sixth Five-Year Plan for Asiatic USSR emphasized primarily the expansion of metallurgy and machine-building, followed by the wood and chemical industries and industries producing consumer goods. Most of these industries require large amounts of fuel and power, which can be produced in abundance in Asiatic USSR.

The greatest industrial expansion is scheduled for southern Siberia and northern Kazakhstan. In southern Siberia, industry will be developed primarily in the Angaro-Yeniseyskiy industrial complex, which extends along the Trans-Siberian Railroad from Irkutsk to Achinsk; in the Kuzbass; and around the larger cities along the Trans-Siberian Railroad, such as Novosibirsk, Omsk, and Tomsk. In northern Kazakhstan, industrial expansion is to be concentrated in the vicinity of the larger cities such as Karaganda, Pavlodar, and Ust-'Kamenogorsk.

#### Ferrous Metallurgy

In the next 10 to 15 years, plans call for the production of 15 to 20 million tons of pig iron in Asiatic USSR annually. Within the southern Siberia-northern Kazakhstan region, four large new plants are to be built, and the Kuznetskiy metallurgical plant at Stalinsk is to be expanded. One large plant is under construction at Temir-Tau, just north of Karaganda, which will be supplied with coking coal from Karaganda and iron ore from Ata-Su, 65 kilometers (40 miles) to the southwest. A second is under construction in the Antonov area 17 kilometers (10 miles) from Stalinsk and will utilize iron ore from Abakan and probably from the Angaro-Ilimskoye deposits. The construction of the other two plants is scheduled to be started before 1960, probably in the vicinity of Achinsk and Tayshet. Both of these plants probably will use coking coal from the Kuzbass and iron ore from the deposits along the Angara River.

Although a great expansion of ferrous metallurgy was called for under the Sixth Five-Year Plan, there are indications that the construction of new ore-processing facilities is behind schedule. At the Sokolovko-Sarbayskiy and the Korshunovskiy concentrating combines and the Atasuskiy iron-ore mine, construction work is reportedly lagging.

#### Nonferrous Metallurgy

For the Soviet Union as a whole the Sixth Five-Year Plan called for a 2- to 3-fold increase in capital investment in nonferrous metallurgy above the amount provided for in the Fifth Five-Year Plan.

Most of the expansion is to be in the form of new developments in Asiatic USSR for the smelting of aluminum, copper, zinc, and lead. Four large aluminum plants are to be built in the Siberia-Kazakhstan region, and the aluminum plant at Stalinsk is being expanded. At Krasnoyarsk and Irkutsk, aluminum plants are under construction, and another is planned for the Kuzbass. An alumina plant is under construction at Achinsk, which will utilize the large nearby nepheline deposits at Uzhur. In Kazakhstan, an aluminum plant is being built at Pavlodar. For this plant, raw materials will be supplied by the bauxite deposit near Turgay.

Other significant developments in the field of nonferrous metallurgy are the construction of a large copper smelting combine at Dzhezkazgan; planned copper and lead-zinc smelting plants in the Rudnyy Altay, southern and northeastern Kazakhstan, and the Uzbek SSR; and expansion of the existing smelters at Ust'-Kamenogorsk (lead-zinc), Almalyk (copper) and Altyn-Topkan (lead-zinc). A ferro-alloy plant is scheduled for Yermak near Pavlodar.

#### Machine Building

The Sixth Five-Year Plan called for the construction of approximately 100 machine-building plants in Asiatic USSR, which represents about two-thirds of the new machine-building establishments planned for the entire USSR. Sixty-five plants are to be built in Siberia, and about 15 in Kazakhstan. Presumably, the remainder are to be scattered among the other Soviet Central Asian Republics and the Far East.

Although machinery of many types will be manufactured, individual plants will primarily reflect local requirements. The production of mining, electrical, agricultural, transportation, and power-engineering and machine tools will probably receive major emphasis. For example, in Petropavlovsk a plant for rolling-mill equipment is being built; in Tomsk a plant for automatic lines; and in Pavlodar -- in the heart of the New Iands -- the largest combine plant in the USSR. Six specialized automotive-parts plants were also scheduled to be built in Eastern and Western Siberia, and a turbogenerator plant has been constructed in Novosibirsk. With the development of machine building in the east, it is expected that this region will be able to export machinery to other parts of Asia.

#### Oil Refining

Seven large oil refineries are to be constructed east of the Urals. In the past, refineries have been located primarily in oil-producing areas, but the Sixth Five-Year Plan emphasized the building of new refineries near centers of consumption, where crude oil would be supplied by pipelines. Recently, a large oil refinery was constructed at Omsk, and oil refineries are under construction at Irkutsk in eastern Siberia and Fergana in the Uzbek SSR. Others are planned at Pavlodar and Chimkent in Kazakhstan, near Bogotol in eastern Siberia, and in Amurskaya Oblast', probably at Blagoveshchensk.

The refineries in northern Kazakhstan and eastern and western Siberia will be supplied from the Volga-Ural region; only those in southern Kazakhstan will operate on local oil. To relieve the load

on the Trans-Siberian Railroad, four petroleum pipelines will lead eastward from Bashkirskaya ASSR via Chelyabinsk and Petropavlovsk to Omsk in western Siberia. Pipelines have been completed from Tuymazy to Omsk and from Ufa to Omsk. The line from Ufa probably carries refined products, whereas the one from Tuymazy probably carries crude oil. Two other lines to Omsk -- paralleling the two recently completed -- are under construction. A projected branch line will lead from the main line at Omsk to the planned oil refinery at Pavlodar. A double line from Omsk to Irkutsk via Novosibirsk is under construction and, on completion, a single line is to be extended to Khabarovskiy Kray.

## Chemical Industry

Raw materials such as salt, coal, sulphur, and phosphorite, and gases from oil refineries and coking ovens will provide the base for the chemical industry of the eastern regions. The production of mineral fertilizers is being encouraged in an effort to satisfy the demands of the New Lands area and of the irrigated cotton lands in Soviet Central Asia. Because of the high premium placed on nitrogenous fertilizers, their production is to receive especial attention. New plants are to be constructed in the Kuzbass and in eastern Siberia; the capacity of the Chirchik electrochemical combine in Soviet Central Asia is to be expanded; and an even larger nitrogenous-fertilizer plant will be built at Angren, where there is a sizable coal deposit. At Karaganda, a plant will be built for the production of ammonium sulphate, a nitrogenous fertilizer, which

## Approved For Release 1999/09/26: CIA-RDP79-01005A000300050002-6

is derived from coke gases. At Samarkand and Kokand, existing superphosphate plants are to be enlarged; and new phosphate fertilizer and chemical plants are to be built at Dzhambul and Chardzhou. Raw materials for these plants will be supplied from the phosphorite deposits at Kara-Tau.

Among the other chemical industries included in economic plans for the eastern regions are soda, dye, alcohol, synthetic-rubber, and synthetic fiber production. At the synthetic alcohol plant now under construction in Omsk, petroleum gases will serve as raw materials. Seven new synthetic fiber plants are to be built at various unspecified points.

## Wood Industries

The USSR has the largest forest reserves in the world -- more than 650 million hectares of forests, of which four-fifths are in Asiatic USSR. About 50 percent of the volume of standing timber reserves are located in Eastern Siberia, primarily in the Angaro-Yeniseyskiy Basin. The Sixth Five-Year Plan calls for the expansion of the wood products industries in the east. According to plans, Siberia should account for about 50 percent of the Soviet production of wood products by 1960. New enterprises of the wood and wood-chemical industry have been planned for Tomskaya Oblast', Krasnoyarskiy Kray, Irkutskaya Oblast', Buryat-Mongol'skaya ASSR, and Khabarovskiy Kray.

## Approved For Release 1999/09/26: CIA-RDP79-01005A000300050002-6

#### Construction Materials

To meet the rapidly growing needs of capital construction in the east, increased production of construction materials is being emphasized. Many new plants have been planned for the manufacture of a variety of construction materials. About 50 percent of the new Soviet cement-production capacity scheduled in the Sixth Five-Year Plan was designated for Kazakhstan and Siberia. Iarge cement plants are to be constructed at Achinsk, Semipalatinsk, Chimkent, and Angarsk. Plants for the production of reinforced concrete materials, building blocks, bricks, and limestone and slate materials are also included in the program.

#### Consumer Industries

At present, Asiatic USSR is largely dependent on European USSR for consumer goods, many of which could be produced in the east. In an attempt to develop self-sufficiency in Asiatic USSR, the Sixth Five-Year Plan envisaged a significant expansion of the textile and clothing industries. The new production capacity, however, is not expected to be adequate to satisfy local requirements for consumer goods.

#### Rail Developments

Railroads comprise the most important means of transportation in the east, carrying about 90 percent of the volume of traffic.

The planned expansion of economic activities in the eastern regions would undoubtedly tax the already heavily burdened rail system.

Efforts are now being made to relieve this situation by constructing

alternate routes and feeder lines and by double tracking, dieselization, and electrification (see Map 26570).

Although the Trans-Siberian Railroad is still the only route linking Siberia and the Soviet Far East with European USSR, the rail system in the eastern regions is gradually being extended. In the early 1950's, the first east-west alternate route to the Trans-Siberian Railroad -- the South Siberian Railroad -- was completed. This single-track line leads from Magnitogorsk in the southern Urals through Akmolinsk to Stalinsk in the Kuzbass. A westward extension from Magnitogorsk to Abdulino on the Chelyabinsk-Moscow line and an eastward extension from Stalinsk to Abakan (with a branch to Abaza) are under construction. The latter extension will carry iron ore to the Kuznetskiy metallurgical combine in Stalinsk. Plans call for a further extension from Abakan to Tayshet on the Trans-Siberian Railroad.

A second east-west alternate route -- the Central Siberian
Railroad -- will lead from Troitsk to Barnaul. This line, which
initially consisted of a series of broad- and narrow-gauge lines,
is being converted into a broad-gauge, single-track trunkline. The
greater part of the line has been completed, and the remaining sectors
are either under construction or planned for the immediate future.
The chief function of the line will be the servicing of the rapidly
developing New Lands area.

Another recently completed alternate route is the Petropavlovsk-Akmolinsk-Chu line, which supplements the older Turk-Sib Railroad and leads into the heart of Soviet Central Asia. Also important as alternates are the cut-offs from Omsk to Sverdlovsk and from Kurgan to Sverdlovsk. The Kazakhstan-China railroad, which is currently under construction, leads eastward from Aktogay on the Turk-Sib via Dzhungarskiye Vorota to China. When completed, it will provide a more direct route to China and will greatly relieve the traffic load on the Trans-Siberian Railroad, which at present carries the China traffic. Future plans call for an extension of this line from Aktogay westward to Karaganda, which will connect with the South Siberian Railroad at Akmolinsk.

Another important rail development is the projected line from the Pechora coal basin to the central Urals, which would reduce substantially the amount of coal that has to be shipped to the Urals from the Kuzbass and Karaganda.

In addition to the alternate routes, a number of north-south feeder lines are being constructed to connect the three east-west trunklines, or to tap important mining and agricultural areas. Among these are (1) the Kustanay-Tobol-Aydyrlinskiy line to the iron-ore deposits south of Kustanay; (2) the Yesil'-Turgay line to the bauxite deposit at Turgay; (3) the Ata-Su--Karazhal line to the important iron-ore deposit at Karazhal; (4) the Achinsk-Abalakovo line, which will eventually connect with the iron-ore deposits on the lower

Angara and will also provide an outlet for the timber resources of this area; (5) the Tayshet--Ust'-Kut line, which connects with the Angaro-Ilimskoye iron-ore deposits and the resources of the Lena Basin; and (6) the planned Ol'doy-Yakutsk line, farther east, which will tap the iron-ore and coal deposits of the Chul'man-Aldan area as well as the resources of the Yakutskaya ASSR.

Double tracking to improve rail transportation in the east is well under way. The Trans-Siberian Railroad has been double tracked throughout its entire length, as have also the main lines in the Kuzbass. Double tracking is also planned for the Omsk-Sverdlovsk, Kurgan-Sverdlovsk, and Stalinsk-Barnaul, and Omsk-Barnaul lines.

Currently the electrification program is limited chiefly to the Trans-Siberian Railroad and is designed not only to improve the efficiency of the line but also to eliminate the need for carrying fuel. Electrification of the line from Chelyabinsk to Irkutsk was scheduled under the Sixth Five-Year Plan and from there to Vladivostok during the 1960's.

#### Conclusions

Although the timetable for the planned development of Asiatic USSR has been delayed, there is sufficient evidence to indicate that plans have passed the propaganda stage and expansion can be expected to continue. Major emphasis is currently on the increased exploitation of raw materials, the expansion of the power base, and the extension of the rail network. These developments will provide the basis for future industrial expansion. (SECRET)

Approved For Release 1999/09/26 : CIA RDP79-01005A000300050002-8

Approved For Release 1999/09/26 : CIA-RDP79-01005A000300050002-6

## THE OIL INDUSTRY OF ITALY

#### Introduction

Within the past decade, Italy has developed one of the largest oil refining industries in Western Europe, with a capacity exceeded only by those of France and the United Kingdom. The role of refining in the economy of the country is steadily increasing, and petroleum products are among the major exports of Italy. Recent discoveries of fairly large petroleum reserves on the mainland and in Sicily have attracted the attention of Italian and non-Italian oil groups and may alleviate the present almost complete dependence upon imported crude oil. The viability of the refining industry, however, is still based chiefly on the location of Italy midway between the oilfields of the Middle East -- the source of most of the oil refined -- and the major consumers in Western Europe.

## The Refining Industry

The Italian refining industry has been characterized by a large number of refineries, many of which are locally owned and operated. Most of the plants are located at ports where the crude oil can be delivered directly by tankers. Refineries are also located in the Po Valley near industrial centers, the largest inland group being near Milan. Crude oil for these inland refineries is brought in by pipelines from the ports of Genoa and Savona (see Map 26321).

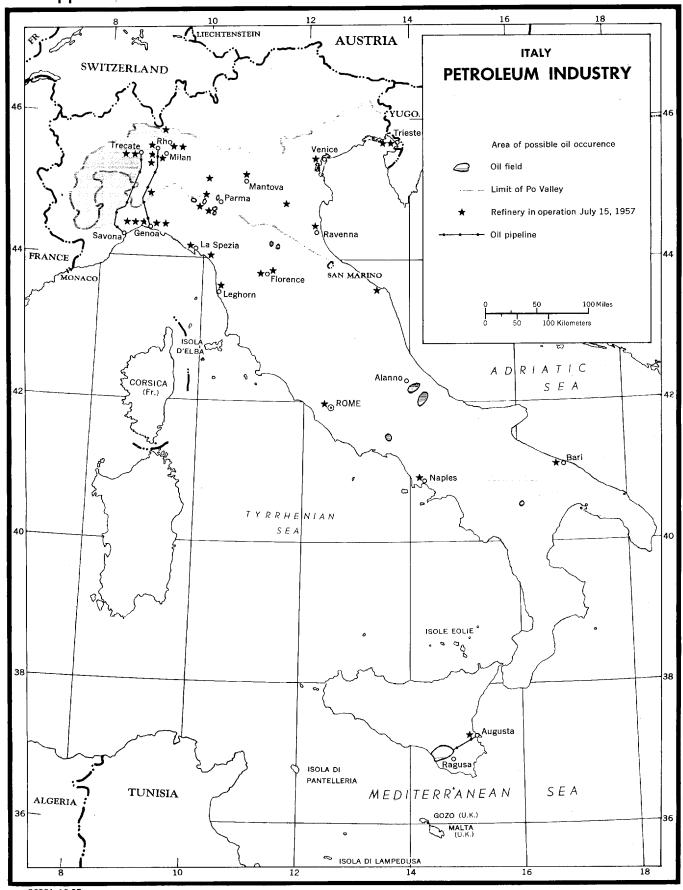
In recent years, changes of two types have been occurring.

First, there has been a trend toward the absorption of the independent refineries by large companies. Of the 35 refineries in operation in July 1957, 9 were responsible for about 75 percent of the total Italian production of petroleum products. These major plants are located at Augusta (Sicily), Bari, Ia Spezia, Leghorn, Naples, Rho (near Milan), Trecate, Trieste, and Venice. Second, greater reliance is also being placed on crude oil from newly discovered reserves of petroleum within Italy. This has led some groups to believe that Italy eventually may become a major European oil-producing state.

Nevertheless, there seems little doubt that the refineries of the country must continue to rely upon imported crude to meet the expanding internal and external demands in the foreseeable future.

Of the major European importers of petroleum from the Middle East, Italy was least affected by the drastic reduction in the amount of Middle East oil available to European countries during the Suez Crisis from October 1956 to March 1957. The reason was twofold. In the first place, Italy was not involved in the invasion of Egypt and consequently was not denied access to whatever oil was available from Arab nations. Secondly, various events within Italy reduced the local need for petroleum, thus enabling the country to meet its own requirements and to maintain a surplus for export, albeit at a substantially reduced level.

Approved For Release 1999/09/26: CIA-RDP79-01005A000300050002-6

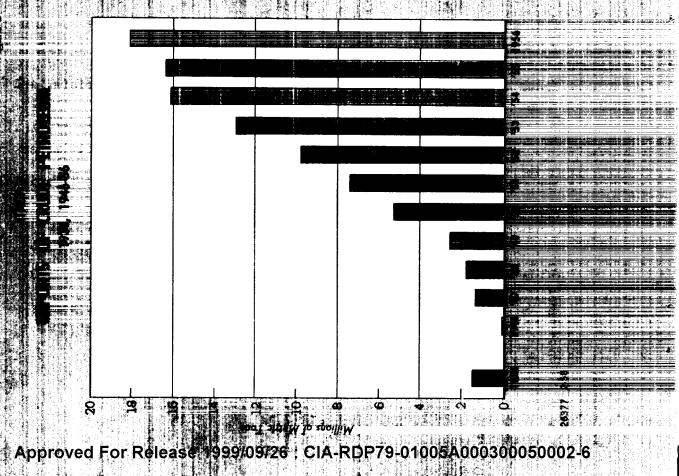


## Approved For Release 1999/09/26 : CIA-RDP79-01005A000300050002-6 $_{S-E-C-R-E-T}^{\rm CIA-RDP79-01005A000300050002-6}$

Normally, over 90 percent of the Italian oil imports have come from the Middle East. Through October 1956, imports from the Middle East averaged about 1,600,000 metric tons a month. Thereafter, they declined to 1,150,000 in November, and 1,140,000 in the following March (see Figure 1). The total decline of all imports was less pronounced, but crude oil from the Middle East dropped from an average of 90 percent of the total during the earlier months of 1956 to 77 percent in March 1957.

Prior to the Suez Crisis, about 40 percent of the Middle East oil for Italy came by way of the Suez Canal. Most of the remainder was brought by pipeline to one of three eastern Mediterranean ports -- Sidon and Tripoli in Lebanon, and Banias in Syria -- for transfer to tankers. During the crisis, the terminal at Sidon was kept open for Italian use, but it was closed to the British and French as cobelligerents in the invasion of Egypt. Pumping stations on the lines serving Tripoli and Banias were damaged during the crisis, and oil was not available again at these terminals until March 1957.

Italian exports of refined products fell off appreciably after the closing of the Suez Canal, but the decline was not felt immediately because of the reserves of crude on hand. In December 1956, exports of major petroleum products amounted to 590,000 metric tons, which was actually higher than during the preceding months of that year. By March 1957, however, exports had dropped to only 235,000 tons.



Thereafter, exports of major petroleum products increased rapidly and reached an all-time high, nearly 700,000 tons in April, reflecting the new high level of crude imports (see Figure 2).

Contrary to predictions made by many observers at the time,

Italian consumers of petroleum products experienced no great or

lasting harm as a result of the Suez Crisis. In fact, Italy suffered

less than did any other European country in which the refining

capacity far exceeds the domestic production of crude oil.

Throughout the crisis, Italian imports from the Middle East remained higher than those of most of the other countries because Italy had access to Middle East oil via the pipeline terminal at Sidon. To compensate in part for the loss of tanker-hauled oil via Suez, Italy increased its purchases at this terminal. Italy also located new sources of crude, including the USSR, and increased its imports from the United States and Venezuela. Eventually, tankers brought some oil directly from the Persian Gulf area by way of the Cape of Good Hope, but because of the extra time and added cost involved the amounts were small compared with those formerly shipped via Suez.

Within Italy, other factors helped to alleviate the shortage caused by reduced imports. Natural gas -- of great and increasing importance as a source of power and heat in Italy -- was used as an oil substitute wherever possible. Coal imported from the United States was substituted for oil in some thermoelectric plants. A

mild winter in 1956-57 also reduced temporarily the demand for heating oil. Of even greater significance, however, was the increasing production of crude petroleum within Italy itself.

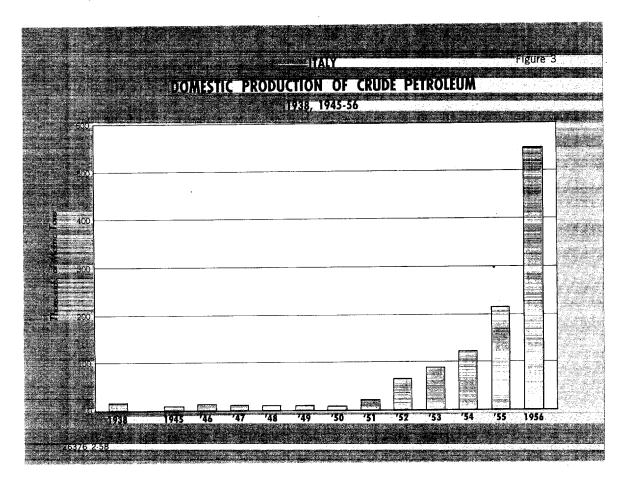
#### Domestic Production of Crude Petroleum

Surveys made within the last two decades, especially since World War II, have shown that about one-third of the total area of Italy and Sicily can be classified as "oil possible"; no oil or gas has been detected in Sardinia. Oil-possible areas include the Po Valley, most of the eastern coast of Italy, and the southern two-thirds of Sicily (see Map 26321). Geologically, these areas consist of sedimentary rocks deposited during Tertiary times.

Of the oil-possible areas the largest is the Po Valley, which has long been known as a potential source of gas and oil. Nearly all of the natural gas produced in Italy today, as well as increasing amounts of oil, comes from the Po Valley. The eastern and southern slopes of the Apennines have been recognized as oil possible only since the discovery of a large pool of oil near Alanno a few years ago. In Sicily, evidences of oil and gas have been recognized for centuries, but only within the last few years have any significant amounts been definitely located. The large reserves of oil discovered at Ragusa, Sicily, in 1953 have been largely responsible for the recent rise in Italian production; in 1955, this field yielded about 120,000 metric tons of crude -- an amount greater than the combined production of Italy and Sicily during the preceding year. Small

areas on or near the west coast mainland have also been classified as oil possible and production on a limited scale has been underway for several years in a few of them.

With an estimated oil reserve of about 20,000,000 metric tons, Italy ranks high among European nations. Known reserves now equal those of France; and the only western European countries that have larger reserves are Germany, with 60,000,000 metric tons, and Austria with about 53,000,000. As a result of postwar oil discoveries the production of crude petroleum in Italy has increased rapidly -- from about 17,000 metric tons in 1951 to 547,000 in 1956 (see Figure 3).



Although domestic crude accounted for only some 3 percent of the total products refined in 1956, the presence of oil in Italy in hitherto unsuspected quantities has stimulated the interest of Italian and non-Italian oil groups, who hope to make Italy one of the major oil producers of Europe.

### Legal Aspects

The prospecting for and the development of oil and gas, both on the mainland of Italy and on Sicily, are strictly regulated by law. On the mainland the law is so restrictive that private organizations have been discouraged from prospecting. In Sicily, which has a semiautonomous status, the laws are somewhat more favorable to private exploration.

Most oil and gas developmental activities on the mainland of Italy are carried on by subsidiaries of the Entente Nazionale Idrocarbon (National Hydrocarbon Association, referred to as ENI). This government-favored organization was formed in 1953 and was given exclusive rights to develop oil and gas in the Po Valley. Elsewhere on the Italian mainland, ENI must compete with all other companies. Although a number of small oil companies are active on the mainland, few large concerns -- particularly international organizations -- are willing to invest in prospecting under the present legal restrictions.

Permits to private organizations for prospecting are granted on a limited acreage basis, and the company discovering oil has no guarantee that it will be allowed to exploit it. Even when permission

to pump oil is granted, the Italian Government allows the company only 40 percent of the profits, in contrast to the 50-50 profit-sharing basis in practice in most other parts of the world. Although ENI must compete with private concerns outside the Po Valley, it has a distinct advantage over them, principally because it does not incur as great financial risks. In 1955, ENI subsidiaries held permits to explore for oil in about 1.5 million acres on the mainland outside of the Po Valley. Private Italian and non-Italian companies held permits for about 3.6 million acres. The ENI, although holding less than the combined area allotted to private concerns, has exploration rights to much more territory than any other single company.

Despite legal restriction on prospecting activities on the mainland, companies from several foreign countries -- notably the United States, Great Britain, Belgium, and France -- are interested in developing Italian oil. These countries are among the chief advocates of more liberal legislation. The major American oil companies engaged in prospecting in Italy or Sicily include the Gulf Oil Company, Standard Oil of New Jersey, Pacific Western Oil Corporation, Macmillan Oil Company, and Cities Service Oil Company. Most of the foreign companies operate in conjunction with Italian concerns as joint enterprises. Undoubtedly, the non-Italian partner furnishes most of the capital, as is certainly the case with Italian-American companies.

The Ragusa oilfield, the largest in all Italy, was discovered by Gulf Italian, a subsidiary of Gulf Oil Company. According to American experts, this field could not have been discovered and developed if the laws of Sicily had been as restrictive as those in effect on the mainland. Pro-ENI spokesmen, however, say that the more recent ENI discovery of oil in Sicily, made in direct competition with foreign and domestic private companies and estimated (but perhaps overoptimistically) by some as being as large as the pool on Kuwait, illustrates that the ENI is able to operate as efficiently as any private group.

Exponents of private oil development further state that the oil and gas of Italy cannot be fully utilized until the laws are liberalized. On the other hand, some circles want to keep foreign and domestic private concerns out of the Italian oil picture. They feel that the ENI is quite able to develop Italian oil, pointing out the great growth of the industry accomplished under the aegis of ENI. Recently ENI was reported as ready to agree to a liberalization of the oil law whereby the Po Valley would be opened to exploration by foreign and domestic private companies and whereby more generous terms would be granted to companies for exploration elsewhere in Italy.

The oil situation may also be affected indirectly by repercussions of the Suez Crisis. Disputes have already arisen between Italian Governmental officials and between governmental and nongovernmental

- 30 -

bodies, the central issue being what to do in the face of the further curtailment of oil imports from the Middle East. The price of various petroleum products rose during the crisis and has remained high; otherwise, the oil situation has returned practically to normal. The threat of future crises, however, still remains.

#### Conclusion

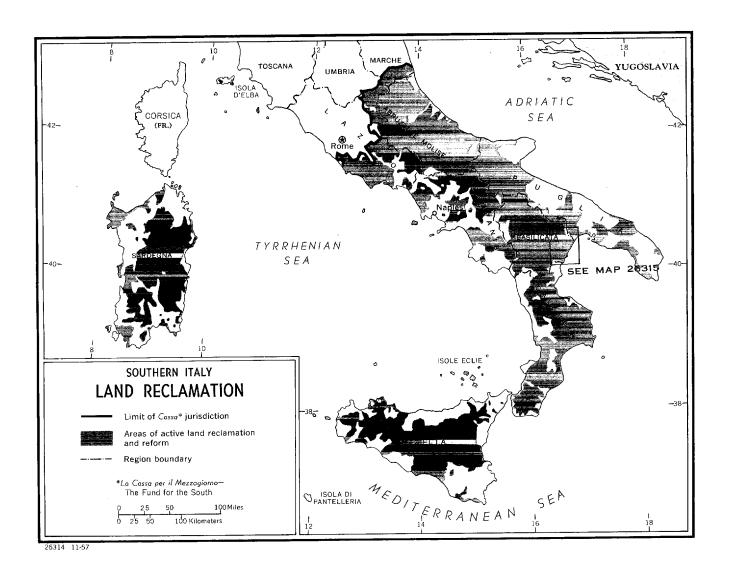
Although the refining industry of Italy will continue to depend upon imported crude, the country has an advantage over other Western European nations. The prestige of Italy is relatively high among Middle East countries because it was not involved in the invasion of Sinai. In case of another crisis like that of Suez, Arab states might continue to supply Italy with crude while denying it to other nations. Furthermore, Italy has no possessions in the Mediterranean area nor any oil concessions there or elsewhere that might give rise to future disputes. Therefore the chances of losing a previously assured supply of oil because of rebellious nationalistic action are relatively slight. Even if imported crude were denied Italy the domestic reserves could, in the foreseeable future, provide all of the domestic petroleum requirements of the country. In the event of a crisis in the near future, Italy could again turn to substitute sources of power -- natural gas and hydroelectric power. If imports were cut off the exports of refined petroleum products to other nations, however, would be greatly reduced if not practically eliminated and large sectors of the refining industry would be closed down. (UNCLASSIFIED)

#### THE REHABILITATION OF SOUTHERN ITALY

Economically and sociologically, Italy is divided into two parts. The northern half is characterized by great industrial regions, thriving cities, and a generally high economic standard. In sharp contrast, the southern part of Italy and the islands of Sicily and Sardinia -- often referred to collectively as the Mezzogiorno -- is a poor agricultural region where, for hundreds of years, most inhabitants have lived on a bare subsistence level.

The poverty of the Mezzogiorno has attracted the attention of Italian statesmen for generations, and schemes for land reform and economic improvement on a local scale have been advanced from time to time. In the face of generally rising prosperity elsewhere in Italy and throughout Europe -- particularly noticeable during the recovery period after World War II -- it became socially, economically, and politically imperative that the Italian Government no longer ignore the miserable conditions within the Mezzogiorno. In 1950, the Government for the first time officially recognized the plight of the area as a national problem -- not merely a regional one -- by establishing the Cassa per il Mezzogiorno (Fund for the South). This agency, usually referred to as the Cassa, was charged with the responsibility of rehabilitating the entire Mezzogiorno. Its program was originally scheduled to last 10 years, but the period was subsequently increased to 12 years.

#### Approved For Release 1999/09/26: CIA-RDP79-01005A000300050002-6



Although Communism as a factor in the establishment of the Cassa has not been openly stressed by Italian officials, Communists have tried to exploit the poverty of the Mezzogiorno to their own ends and have tried to gain converts in the region, particularly among the peasant youth. Most of the population, however, is apathetic not only toward Communism but also toward other radical political philosophies. The establishment of the Cassa cannot help but nullify in part the leftist propaganda issued elsewhere in Italy, in which the feudal system of the Mezzogiorno was pointed out as a prime example of capitalistic exploitation. The Cassa may well prevent future inroads of Communism into this region.

The Mezzogiorno was not always so depressed. In Roman times it supported a flourishing culture in which agriculture had reached a high technical level. Then, as now, successful crop production was dependent on efficient irrigation; and a system of canals, aqueducts, and reservoirs was well developed. During the period of general disorganization that followed the collapse of the Roman Empire, the land began to deteriorate. Irrigation works fell into disrepair, and fields were neglected. Livestock raising became more widely practiced and eventually replaced farming as the chief occupation.

Although the owners of large estates or latifundia profited by this economic change, the peasants were no better off. Subsequent political and social practices resulted in further decline in

living conditions for them. Thus from a once relatively productive farming region, the Mezzogiorno deteriorated to its present impoverished status.

Physical conditions on both uplands and lowlands in the Mezzogiorno have been unfavorable to economic development. In the uplands, which occupy most of the area, good farm land was never plentiful. Years of overcutting have removed most of the original forest, overgrazing has denuded the terrain of grass. As a result, bare land has been exposed to the heavy rains that tend to fall in concentrated spells during the winter months. Vast gullies, the product of accelerated erosion, deepen and widen during these downpours; floods increase; and great quantities of soil and rock debris carried downhill are spread over lowland areas. During the long, dry summers, drought also practically precludes the growth of vegetation. Because of the seasonality of rainfall and the lack of subterranean springs, the uplands have either more water than can be retained and used or scarcely any at all.

On the coastal plains, some of which are fairly extensive, floods and disease have discouraged settlement. Runoff from the denuded and badly eroded uplands causes floods that have deposited great amounts of sediment over the flat land, thus obstructing the drainage and creating breeding grounds for malaria.

The general area put under the jurisdiction of the Cassa includes the regions of Abruzzi e Molise, Campania, Basilicata, Puglia, Calabria, Sicily, and Sardinia; the provinces of Iatina and Frosinone; the island of Elba; the communities in the province of Rieti included in the former district of Cittaducale; and the communities within the reclamation area of the Tronto River (see Map 26314). The land-betterment schemes of the Cassa do not necessarily cover all parts of these regions, provinces, or communities. Instead, each is investigated and the specific areas that are most in need of improvement are earmarked for action.

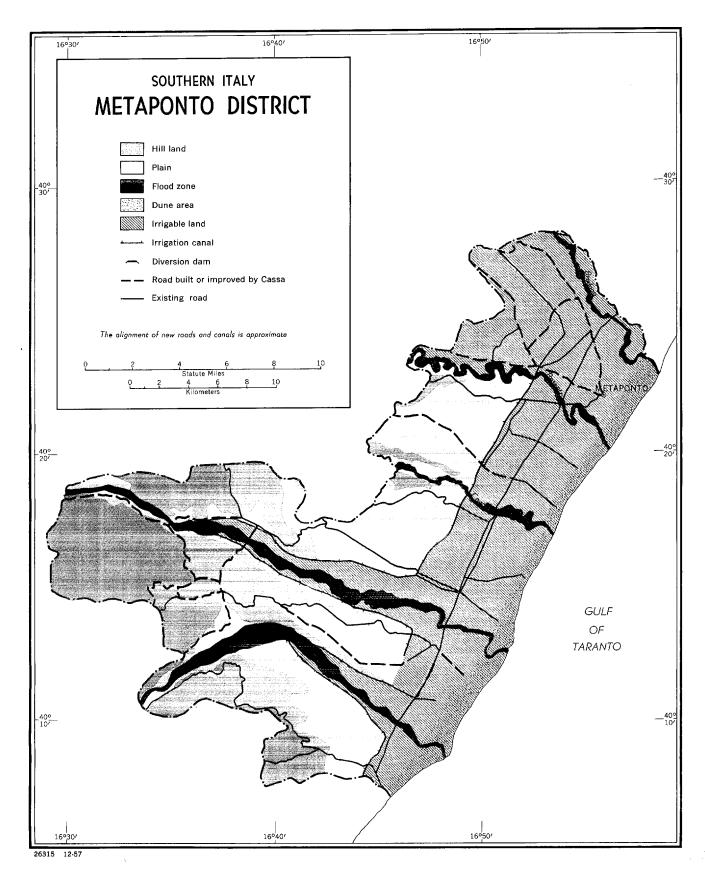
Although the utilization of local mineral resources may prove a boon to the economic development of certain parts of the Mezzogiorno -- as, for example, in Sicily where oil has recently been discovered -- the livelihood of most people of the region must continue to be based on agriculture. The two-fold program of the Cassa is therefore directed towards increasing agricultural productivity through land reclamation and land reform. Land reclamation includes flood and erosion control, irrigation, land-use betterment, and reforestation. Land reform has to do with the redistribution of land and, at the same time, with resettlement of people. Although the two aspects are closely connected and boundaries of reclamation districts and land-reform districts often overlap, the Cassa areas are established specifically for one or the other purpose.

The Cassa is also concerned with building roads, constructing power lines, establishing new settlements and opening up tourist centers in its areas of jurisdiction. By providing liberal loans the Cassa is trying to persuade industries from other parts of the country to set up plants in the Mezzogiorno, chiefly for processing agricultural raw materials. It has also been active in encouraging the assembly and training of agronomists, engineers, and even farmers to help solve the various problems.

The Cassa does not have exclusive powers within its areas of operation. A number of local agencies -- mainly public but some private -- that were established either before or after the Cassa also work on land reclamation and reform projects. The chief functions of the Cassa are to coordinate these groups and to assist in their activities. Cassa assistance is mainly financial, since lack of funds had been a major handicap to the progress of earlier local programs. In many cases, only supplementary funds and technical advice are needed to complete projects already started. If no local agency is working on a particular problem, however, the Cassa takes over completely and plans remedial action.

A more detailed examination of one project, the Metaponto, which covers about 420 square miles, is representative of the work of the Cassa throughout the Mezzogiorno. A reclamation program had been established in 1925 by private land owners in the Metaponto, an area in the arch of the Italian boot (see Map 26315). The

#### Approved For Release 1999/09/26: CIA-RDP79-01005A000300050002-6



topography of the Metaponto is varied. Along the coast is a strip of sand dunes that tend to migrate inland and cover the adjacent coastal plains. Flanking the streams that flow from the interior uplands are broad alluvial plains. Although they are flooded seasonally and are normally barren, these riverine plains have proved to be very productive wherever they have been protected. The hills farther inland are steep and badly eroded and have little agricultural value. Since the alluvial plains have the greatest agricultural potential, reclamation efforts have been concentrated there.

In 1949, the Metaponto program was reexamined. The new measures then proposed -- and approved with slight modification by the Cassa a year or so later -- cover a variety of fields. Rivers are to be regulated both to prevent flooding and to impound waters for irrigation. Trees are to be planted on dunes to stabilize them and eventually to furnish a supply of lumber. A four-fold increase in agricultural productivity by 1969 is planned for the 41,000 acres of plains considered irrigable. The production of forage, industrial, and tree crops is to be increased and new settlements established. On nonirrigable parts of the plains (about 89,000 acres), plans call for a three-fold increase in productivity, the extension of cropping to about 1,000 additional acres of land, and the establishment of new settlements. Livestock raising is to be introduced or improved; the cultivation of tobacco, vegetables, and tree crops

increased; and flood and erosion control extended. No specific program has been drafted for the uplands. Reforestation and erosion control, however, are obviously required if improvements on the lowlands are to be maintained.

Even though land reclamation in some parts of the Metaponto was underway before the Cassa was established, such work is now being financed by the Cassa. That agency has also initiated a land-reform program of its own. In the Metaponto, latifundia cover about 57 percent of the area -- a very high percentage. The subdivision of the many large estates is therefore essential, the size of the new holdings to be determined on the basis of the type of land involved. Of the 56,000 acres included in the land reform program, about 30,000 acres are on the irrigable plains, about 16,000 acres on nonirrigable plains, and 9,000 acres in the hills. The approximate size of new family farmsteads to be established on land of these three types will be 10, 12.5, or 18 acres, respectively. Resettlement will involve a total of 4,790 farms and 21,555 persons. Since the plan calls for a population increase of 50 percent more than the approximately 60,000 living on the land in 1950, new villages will be established, and people from areas outside the Metaponto will be brought in.

Even though the Cassa program in the Mezzogiorno is half finished, the achievements are difficult to assess. Critics of the entire program and its individual parts minimize all positive results. Others feel that the results have been overestimated

for political reasons by the Christian Democrats, the principal party in power since the establishment of the Cassa. Specific data on the total amount of land reclaimed are lacking; nevertheless the miles of irrigation ditches, canals, aqueducts, and roads that have been built are evidence of notable accomplishment. Low-lying areas have been drained, additional farmlands have been brought under cultivation, and new settlements established. Trees and various soil-holding plants have been planted. Economic standards have also improved. The number of tractors in the Mezzogiorno has increased from 7,452 during the period 1950-54 to 20,014 in 1957; the number of buses from 1,456 to 2,151; and the number of trucks from 39,213 to 62,201. Production and consumption have also risen in practically all fields.

Social achievements are also notable. Many families have moved from unproductive hilly areas to newly established farm communities on the lower plains. The natural reluctance of some to leave their original villages has been overcome in part by the obvious prosperity of families who preceded them to the new villages and in part by the availability of cheap bus transportation back to their former homes for occasional visits. In some cases, however, success has brought new problems in the form of an influx of people to the new communities, which has resulted in overcrowding and an unbalanced distribution of population.

# Approved For Release 1999/09/26 : CIA-RDP79-01005A000300050002-6 $_{\mbox{\scriptsize S-E-C-R-E-T}}$

It now seems certain that, through the efforts of the Cassa per il Mezzogiorno, the general economic conditions are improving. Even more important is the general recognition now prevailing for the first time in Italy that part of the nation cannot really be healthy while another part is sick. (UNCLASSIFIED)

#### ADMINISTRATIVE DIVISIONS OF NORTH KOREA

Information about the extensive 1952-54 internal boundary changes of North Korea, although freely reported by Communist press and radio sources, has heretofore lacked the definition required for plotting at useful map scales. Since the autumn of 1956, however, a few detailed political maps of Korea have reached this country; of them, Choson Chido\* is the most reliable and has proved extremely useful in the preparation of up-to-date administrative maps of the so-called "Democratic People's Republic of Korea." Choson Chido shows internal boundaries down to the county (gun) and city (si) level, as well as the location and names of all 170 county seats (up), and 57 of the 78 workers' districts (nodongjagu). In addition, the map includes helpful data on transport routes and urban population.

The present administrative structure of North Korea dates from a series of decrees promulgated on 22 December 1952 and implemented early in 1953. These decrees altered considerably the previous "province-county-township-village" system which Korea had inherited from the Japanese. Townships (myon) were abolished, and the resultant administrative vacuum was filled by almost doubling the number of counties and reducing the aggregate of village units by about two-thirds through consolidation. Current information about North Korean civil

<sup>\*</sup>Choson Chido /Korean Map/, 1:1,350,000; published by Kungnip Ch'ulp'ansa (State Publishing House), P'yongyang, 1 Oct 56; CIA Call No. 103421-R.

divisions is presented in the appended table (p. 45). The tabulation reflects information derived from the 1 October 1956 map Choson Chido and from a North Korean listing of administrative units as of 31 December 1956\*, both documents as modified by subsequent intelligence reports.

The two accompanying maps are based primarily on Choson Chido.

The first (North Korea: Administrative Divisions, Map 26523) portrays the boundaries and administrative centers of the 11 first-order and 189 second-order civil divisions as of 31 December 1957. The second (North Korea: Workers' Districts, Map 26522) gives the locations and names of the 78 workers' districts as of the same date.

Certain boundaries shown on the administrative map, notably that delimiting the special city (t'tkpyölsi) of P'yöngyang, are not definitive and are therefore indicated by dotted lines. Nor are the internal boundaries of P'yöngyang T'tkpyölsi adequately known, but the special city consists of five wards (guyök) whose relative locations may be judged from their names: Chung (Central), Tong (East), Puk (North), Nam (South), and Sö (West). In April 1957, both Sö-guyök and Tong-guyök were enlarged at the expense of the adjacent counties of Taedong and Chunghwa, respectively. Although independent of P'yöngan-namdo, within which it is situated, P'yöngyang T'tkpyölsi provides the site for the provincial capital.

<sup>\*</sup>Choson Chungang Nyongam (Korean Central Yearbook) 1957, P'yongyang, 31 August 1957; (FDD Translation No. 701, Basic Administrative Units in North Korea, 27 February 1958).

# Approved For Release 1999/09/26 : CIA-RDP79-01005A000300050002-6 $_{\rm S-E-C-R-E-T}^{\rm CIA-RDP79-01005A000300050002-6}$

Kaesong-chigu (district), another first-order civil division, is that portion of South Korea's Kyonggi-do (province) that was occupied by Communist forces during the Korean War. Following the July 1953 Armistice Agreement, Kaesong-chigu was temporarily established as an administrative entity responsible directly to P'yongyang and therefore independent of provincial authority. The general reorganization of civil divisions in November 1954 confirmed this autonomous status, and subsequent events indicate the probable elevation of Kaesong to the rank of special city equivalent to that of P'yongyang.

The administrative revisions of early 1953 also provided for the creation of an additional type of civil division -- the workers' district -- defined at that time as "a village of 400 or more adults of whom at least 65 percent are wage earners and in which mining, manufacturing, or fishing is the principal occupation." The workers' district is an expression of the planning and control requirements of the socialist economy of North Korea, coupled with a traditional adherence to the basic dichotomy of Communist society -- that between worker and peasant. Locations of 3 of the 78 workers' districts are only approximate, nevertheless the map provides an aid that is particularly helpful in the study of the industrial geography of the country. (CONFIDENTIAL)

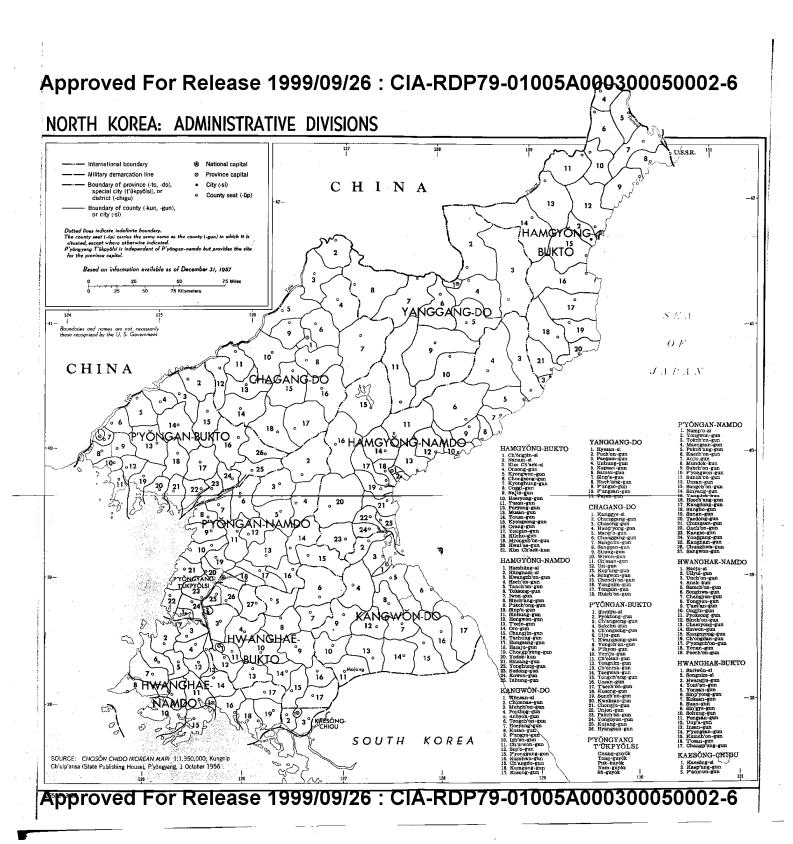
#### Approved For Release 1999/09/26 s\_C/A-RDP79-01005A000300050002-6

NORTH KOREA: ADMINISTRATIVE DIVISIONS (based on information available as of 31 December 1957)

First Order Provinces, Special city, and District	Second Order			Third Order					
	County	City	Ward	County seat	Workers'	Agricultural village	Agricultural village within a city	Village within a city	Total
Hamgyŏng-bukto (Ch'ŏngjin-si) (Nsnam-si) (Kim Ch'aek-si)	18	3	-	18	14	331	19 (7) (7) (5)	41 (25) (6) (10)	423
Hamgyŏng-namdo (Hamhŭng-s1) (Hungnam-s1)	23	2	-	23	16	516	12 (7) (5)	51 (28) (23)	618
Kangwŏn-do (Wonsan-si)	16 .	1	-	16	3	405	9 (9)	36 (36)	469
Yanggang-do (Hyesan-si)	10	l	-	10	4	206	(3)	10 (10)	233
Chagang-do (Kanggye-si)	17	ı	-	17	7	280	(5 <b>)</b>	22 (22)	33 <sup>1</sup>
P'yŏngan-bukto (Sinŭiju-si)	25	1	-	25	19	556	(-)	32 (32)	632
P'yŏngan-namdo (Namp'o-si)	26	1	-	26	8	613	8 (8)	15 <b>(</b> 15)	670
P'yöngyang T'ükpyölsi (Chung-guyök) (Tong-guyök) (Sö-guyök) (Nam-guyök) (Puk-kuyök)	-	-	5	-	-	-	(1) (6) (1) (1) (6)	103 (27) (20) (28) (15) (13)	117
Hwanghae-namdo (Haeju-si)	18	1	-	18	3	415	( <sub>7</sub> )	16 (16)	459
Hwanghae-bukto (Sariwōn-si) (Songnim-si)	15	2	-	15	Ц	302	15 (8) (7)	29 (14) (15)	365
Kaesŏng-chigu (Kaesŏng-si)	2	1.		2	-	33	(3)	14 (14)	52 ———
NORTH KOREA	170	14	5	170	78	3 <b>,</b> 65 <b>7</b>	95	369	4,369

#### GLOSSARY OF GENERIC TERMS

English	Korean	English	Korean
province special city district county city ward	to, do t'ŭkpyölsi chigu kun, gun si kuyök, guyök	county seat workers' district agricultural village agricultural village within a city village within a city	up nodongjagu, lodongjagu ni, ri, li ni, ri, li tong, dong
	Korean -do -pukto, bukto -namdo t'ŭkpyölsi -chigu -kuyök, guyök	English province north province south province special city district ward	



Approved For Release 1999/09/26: CIA-RDP79-01005A000300050002-6 NORTH KOREA: WORKERS' DISTRICTS Military demarcation line CHINA Boundary of province (-to, -do) special city (t'ŭkpyölsi), or district (-chigu) HAMGYŎNG **BUKTO** YANGGANG-DO CHAGANG-DO CHINA HAMGYŎNG-ŸŎNGAN-BUKTO NAMDO PYŎNGAN-NAMDO KANGWŎN-DO HWANGHAE-BUKTO HWANGHAE-NAMDO SOUTH KOREA

<del>1999/09/26 : CIA-RDP79-01005A000300050002-6</del>