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28 September 1951

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DAILY DIGEST

Office of Current Intelligence

CENTRAL INTELLIGENCE AGENCY

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Army and State Department
review(s) completed.

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SECTION 1 (SOVIET)

25X1 1. POLAND. Peasant resistance partially accounts for current food shortages:
[redacted] shortages of food stuffs were becoming pronounced. Meat, sugar, and fresh and canned fish were scarce. No chocolate was available for civilians although considerable quantities were being imported. Cocoa and tea disappeared in June, coffee became almost equally scarce, and even pepper was becoming difficult to obtain.

The source attributed the meat shortage primarily to peasant resistance to collectivization. He pointed out that such a large percentage of grain was being collected from the independent peasants by the State that not enough was left for raising hogs. This pressure by the government caused many farmers to abandon their farms and move to the cities to work in industry. The peasants' hatred of the regime had also taken the form of frequent individual acts of sabotage such as burning tractor and machine stations and grain silos. [redacted]

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25X1 Comment: In early September, the US Embassy Warsaw reported serious food shortages in Warsaw. On the basis of the information supplied [redacted], the food shortage was probably nationwide.

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In late August the Polish Government, taking cognizance of the developing food shortage, announced a program for the purchase of hogs in 1952 to prevent a recurrence of this year's meat shortage. If the numerous reports of peasant resistance are correct, the government may have greater difficulty than anticipated in achieving its hog purchase goals.

2. Resistance group reported in Western Poland: [redacted]

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[redacted] since May a well organized and adequately armed underground group has been operating in the vicinity of Gorzow in the "recovered territories" of Western Poland. The underground group is reported to have conducted raids on local Communist headquarters with skill and efficiency, and engaged in armed fights with well equipped police. There were indications that the group had been able to infiltrate the local party organization, since its raids were apparently carried out on the basis of advance information concerning Party activities. As of July, extensive police investigations had failed to locate the center of the underground or to capture any of its members. [redacted]

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Comment: No information has been received previously concerning this group. However there have been a number of reliable reports during recent months indicating growing public unrest and some instances of active resistance in the "unrecovered territories."

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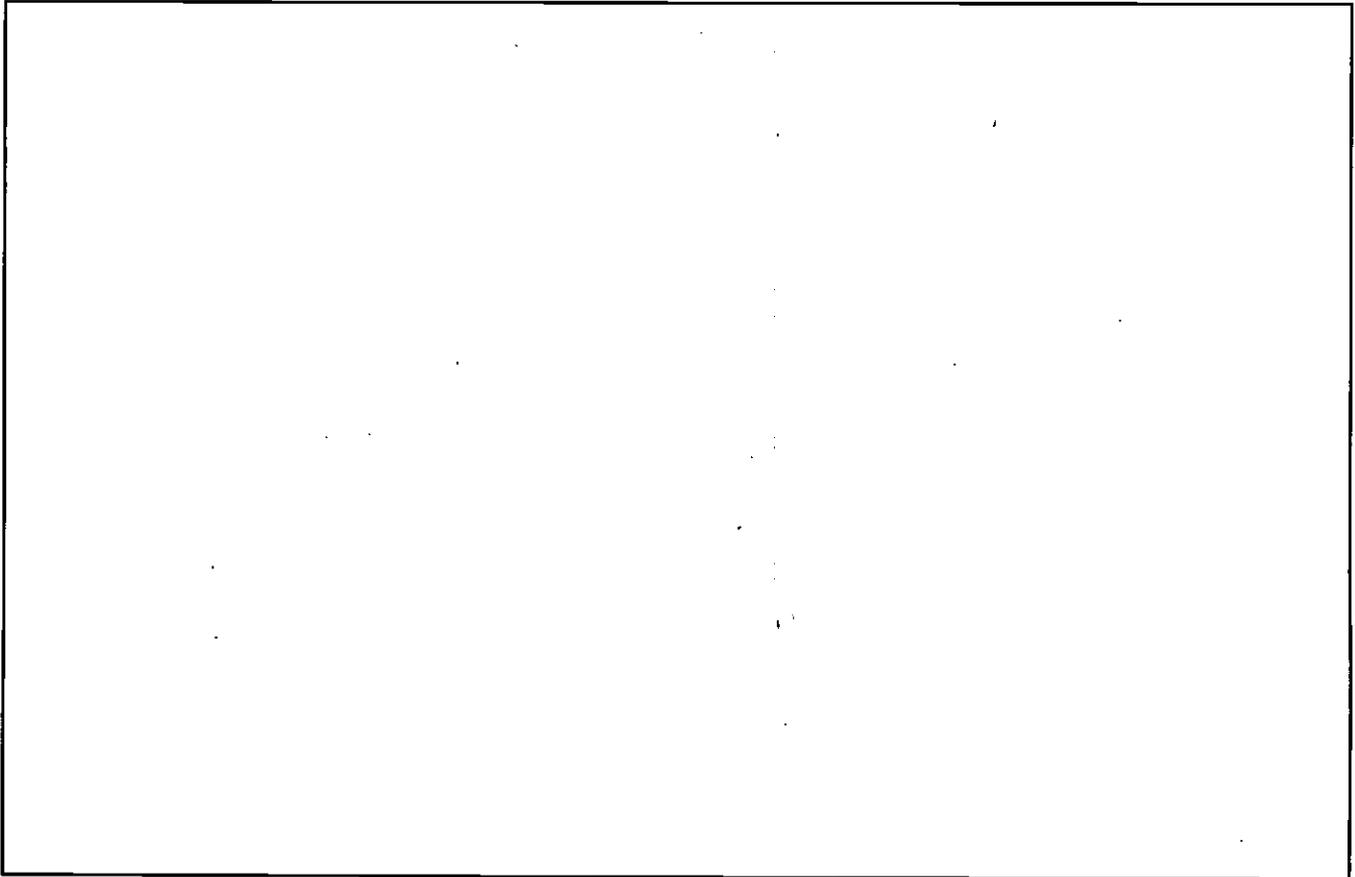
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5. KOREA. Communist guerrilla activity behind UN lines reported: The US Far East Command, in a discussion of enemy capabilities, noted certain enemy guerrilla operations that may be significant.

On 26 September, North Korean forces facing the US X Corps in eastern Korea attempted to infiltrate troops in undetermined strength through the UN lines. FECOM had pointed out previously that the enemy might attempt such a southward infiltration down the rugged Taebak mountain range with the intention of strengthening guerrilla elements in the UN rear areas. Guerrilla strength continues to be concentrated in the Chiri-san (southwestern Korea) area. A recent attack by an estimated 1,000 guerrillas in this area indicates that these forces have the capability for "relatively strong action against friendly rear areas." It is observed, however, that major guerrilla action probably is intended to procure supplies for the coming winter months. Guerrilla strength in the UN rear areas is still carried at 7,000.

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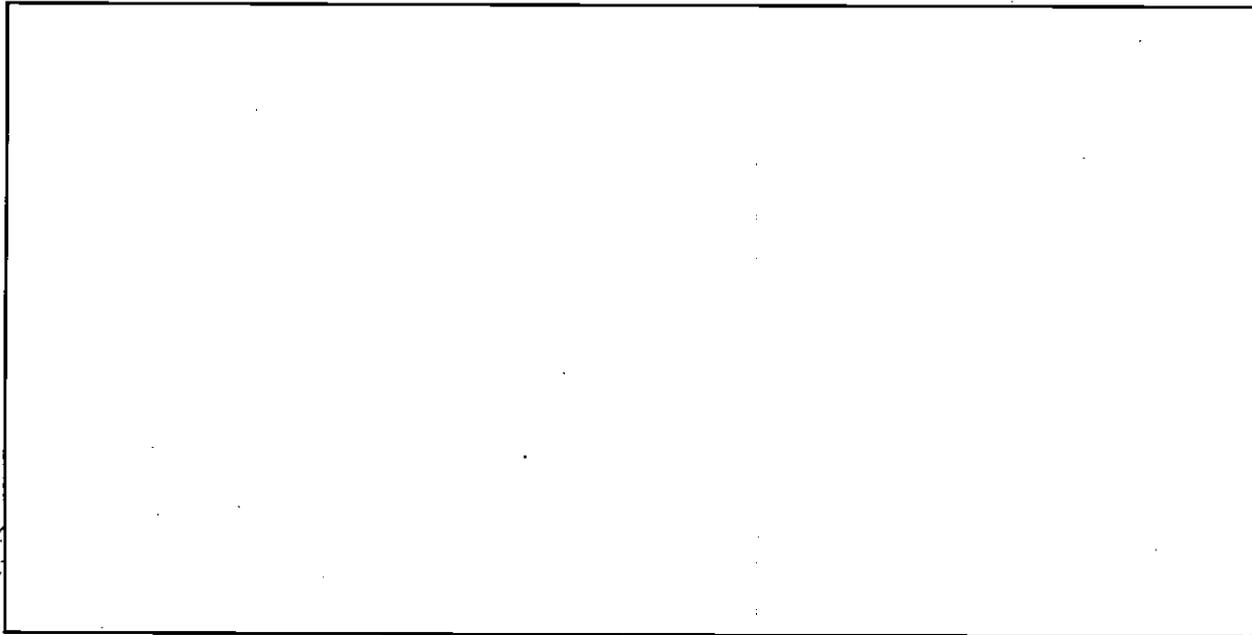
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Comment: In a similar attempt earlier in 1951 to infiltrate large regular troop units with a guerrilla-type mission, the North Korean 10th Infantry Division succeeded in infiltrating to within 50 miles of Pusan before it was turned back.

More recently ROK police, formed into security battalions, have successfully restricted major guerrilla activity to two mountainous areas. The embryonic ROK Air Force, with 20 high-performance conventional aircraft, have performed valuable service by flying strikes against guerrilla positions in support of the police battalions.

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7. Poll indicates Yoshida government more popular: An Asahi public opinion survey conducted during the week following the signing of the peace treaty showed that 58 percent of those polled support the Yoshida government, while 10 percent are opposed and 32 percent are undecided or have no opinion.

The figure for support of the Yoshida government is 15 percent higher than in a similar poll last March.

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Comment: Asahi's opinion surveys are considered reasonably scientific. Japanese public opinion at least temporarily has been favorably impressed in Yoshida's favor by the successful signing of the treaty and by Yoshida's handling of Japan's role at San Francisco.

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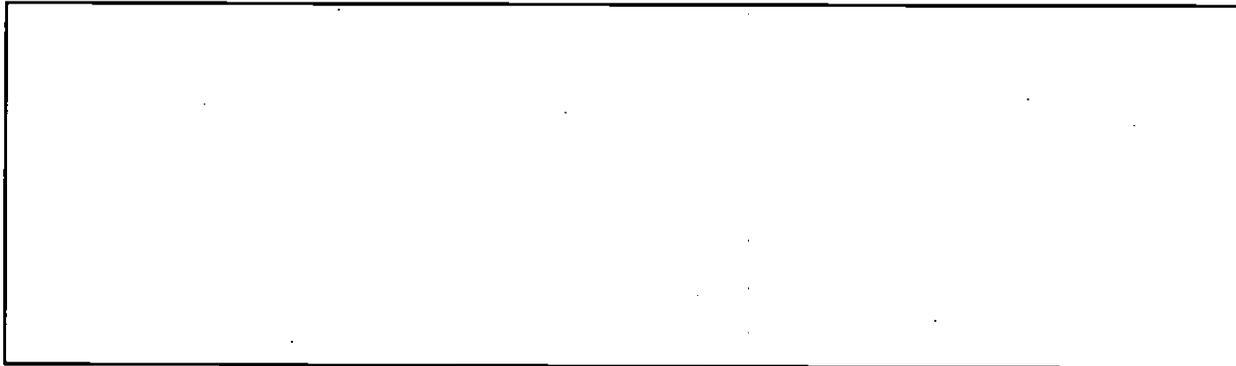
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4. FRANCE. French insist sale of ship to Poland is within trade agreement:
 The French delegate to the Coordinating Committee has stated that the proposed sale of a ship to Poland in exchange for coal is within the current Franco-Polish trade agreement. He referred to the provision that supplementary amounts of Polish coal may be obtained in return for an "unspecified counterpart" from France, although the US Embassy in Paris reports that such a provision does not appear in the public version of the agreement or in the confidential annex. The delegate also insisted that the ship is "in very bad condition," a fact confirmed by the US Maritime Attache in London.

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Comment: The ship involved, the 8,000-ton cargo-passenger vessel Wisconsin, exceeds the size and speed restrictions of the Coordinating Committee. If the ship is sold to Poland, even though its condition is not up to Western standards, it will still be adequate for use in the Far East.

In the recently concluded trade negotiations with Poland, France agreed to send certain specific strategic commodities to Poland in order to receive urgently needed Polish coal, and maintained the right to do so in the face of strong US representations.

5. French Communists are drawing free labor into unity of action: The current unity-of-action campaign of the Communist-led General Labor Confederation is gaining momentum, despite the refusal of two major non-Communist unions to cooperate. Internal division over the question of cooperation threatens to weaken a third non-Communist union, the Christian Workers' Confederation, and the leader of its dynamic left-wing faction is even seriously considering a Polish Trade Union invitation to Warsaw. The official Communist Party daily, in a series of articles which made a "tremendous impression" on all labor, has recently laid great stress on workers' legitimate grievances.

All non-Communist locals are showing increasing willingness to ally themselves with the General Labor Confederation. If current talks result

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in a national alliance of the Christian Workers' Confederation with the General Labor Confederation, the other confederations will find it increasingly difficult to abstain. The General Labor Confederation may now be concentrating on long-term objectives and hence not planning general strike action before next spring. [REDACTED]

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Comment: French Communist leaders were strongly impressed by the success achieved last March when all unions combined to wage the Paris transport strikes. Since then the General Labor Confederation has avoided overplaying political objectives, and has fostered the unity-of-action theme. This policy increases the likelihood of strong collaboration by the Christian Workers' Confederation, which is the only aggressive non-Communist union, and which has often joined in strike action with the General Labor Confederation. Recent and anticipated wage increases will not rule out local strikes this fall, but it is now unlikely that the General Labor Confederation will jeopardize the gains made toward unity of action until the economic situation insures general cooperation.

6. AUSTRIA. Trade agreement with Hungary signed in Budapest: Austria's Radio Ravag announces the signature in Budapest of an Austro-Hungarian trade protocol providing for exchange of goods and necessary payment arrangements between the two countries until August 1952. According to the report, Austria will deliver cut timber, pit props, staple fibers, steel, machinery, and other manufactures in return for Hungarian bread grains, oil seeds, sugar, rice, livestock, and various other agricultural and light industrial products. [REDACTED]

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Comment: Negotiations between the two countries were previously reported at an impasse over the question of a 2,300,000-dollar Hungarian debt to the Austrian Federal Railways for transit shipments of Hungarian goods to the West. This issue now appears to have been resolved.

Hungary is a traditional exporter of foodstuffs to Austria and a market for Austrian forest products, iron, steel, and industrial items. Last year, for example, Hungary was the second largest importer of Austrian ball bearings. While details of the new agreement are not available, the essential pattern of trade has apparently not been altered.

7. Government prepares protest on Soviet shelling of Austrian village: The Austrian Government is reported to be preparing a note to the Soviet Headquarters protesting the two-day shelling by Soviet troops of a village 25 miles east of Vienna. Newspaper accounts assert that practicing Soviet tanks on 21 and 22 September badly damaged 20 farms, critically injured a village citizen, and left the local population in a state of acute panic.

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Soviet authorities attributed the incident to "partisans," but subsequently admitted that Soviet "recruits" in the area had fired the shells. [REDACTED]

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Comment: Exuberance on the part of Soviet troops will further antagonize the Austrian population against the vastly unpopular Soviet occupation force. Communist papers are reported to have attempted to cover the incident with a new barrage of criticism of US military actions in Upper Austria, and allegations that October maneuvers of US Forces in Germany, Austria, and Trieste will test the strength of the "Alpine fortress."

8. ARGENTINA. State of siege declared in Argentina after reported revolt: On 28 September the Argentine State radio network broadcast without warning the text of a government decree declaring a state of siege throughout the country. The decree added that "all members of the armed forces who rise against the government will be shot."

Immediately after the announcement, the state-controlled General Confederation of Labor called a nationwide general strike and asked all workers to assemble at once in front of the Capitol. The labor confederation said, "Unpatriotic elements have revolted against the country." [REDACTED]

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Comment: There is no further information on the extent of disturbances or on the leadership of the alleged army revolt. While developments are in accordance with Peron's threat that he would call out labor if the army should attempt to displace him, the possibility cannot be discounted that Peron has fabricated the reported revolt in order to impose greater restriction over opposition electoral activity and to "prove" his continuing charges of conspiracy.

Senora de Peron's renouncing of her candidacy for vice president considerably reduced army opposition, and it was reported that the army had decided to defer any further action until after the elections.

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