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CIA/ONE/STAFF MEM/62-63

CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

28 August 1963

STAFF MEMORANDUM NO. 62-63 (Internal ONE Working Paper --
CIA Distribution Only)

SUBJECT: Algeria

SUMMARY

A war-weary Algeria has made progress in restoring a semblance of order to the chaos resulting from the revolution, but a great many problems remain. The country will remain heavily dependent on outside aid for a long time to come. Ben Bella has largely eliminated his political rivals and is entrenching himself in power, aided by his personal popularity, by a widespread desire for order and by support of key elements of the military. He is pushing through a constitution and will, in all probability, be President of Algeria by the end of September. We do not think he is likely to be severely challenged for control of the country in the near future.

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1. Few newly independent countries have begun their existence with the handicaps which faced Algeria in the summer of 1962. Eight years of civil war had killed many tens of thousands, caused mass dislocations of population, and disrupted both rural and urban economies. The exodus departure of 90 percent of the Europeans furthered mass unemployment and left administrative chaos in the cities. There was more than a little likelihood that competition for power among Algerian leaders would result in renewed fighting. In the past year, however, the Algerians have accomplished a great deal. Law and order has been generally established; the rudiments of an administrative system are beginning to fill the gaps left by the departing French; there has been progress in Algerianizing the formerly European-owned and oriented economy; political disputation has remained within tolerable limits. In sum Algeria looks a great deal better today than most observers could have imagined last summer.

2. Although these accomplishments have checked a deterioration, the Algerians have a long uphill road ahead of them. The country is plagued with massive unemployment. The government is critically short of revenue and will have to resort to stringent austerity measures to avoid budget deficits of a magnitude which would spark inflation. Trained manpower for all sorts of activity --

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industrial, commercial, agricultural, and administrative -- is in woefully short supply. Further, a fair proportion of those who have some competence in these fields are suspect because they acquired the competence by staying with the French rather than joining the rebellion. Algeria is heavily dependent on outside aid, principally from France in the form of money grants and, despite a good harvest this year, from the US in the form of food. Ben Bella and his cohorts, and indeed the greater part of the political spectrum, appear to recognize the vital role of foreign aid in avoiding financial chaos and widespread starvation.

3. Algeria today can perhaps be characterized as a country which clearly sees its goals -- peace, progress, an independent life -- but has no clear idea of how to go about getting there. The people, exhausted by the rigors of the rebellion, are willing, indeed looking for guidance but so far this has come only in generalities. Algerian leaders have been educated in a school of clandestine activity, revolt and terrorism, a school not ideally suited to the demands of statehood. Hence lines of authority are confused and often contradictory. Many specific problems, e.g. tax collection, local administration, are far from adequate solution. Nationalized properties have been turned over to workers committees which often have little notion of how

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to run them. In short, there is a partly dug foundation hole from which the structure of a viable Algerian Arab state will some day rise, but no one has much idea of what it will look like or where the construction materials will come from.

4. The principal architect of the state is Prime Minister Ahmad Ben Bella. Ben Bella himself rather typifies the "modern" Algerian. He is of rural origin, and feels strongly that land re-distribution leading to a better life for the peasantry is an immediate need.

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[REDACTED]

[REDACTED] He is, however, an astute politician who sees himself as the person best capable of leading his country forward. His bent is to govern on authoritarian, state socialist, and generally neutralist lines.

5. With Ben Bella at the head of the government, the political situation has been marked by a trend toward centralized, one-man direction. The various and disparate elements which joined in the Front de Liberation Nationale (FLN) to fight for independence strove to achieve a dominant position in the new government. Ben Bella has played his cards skillfully, however, to eliminate or neutralize most of his potential political rivals.

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Several things have helped him to entrench himself in power. Probably most important is the general war-weariness of the population; eight years of bloodshed is enough in most peoples' minds and there just isn't much interest in violently partisan opposition to a government which is at least stable and certainly less repressive than the French. * Secondly, Ben Bella is personally popular; he has the politician's appeal for the masses, especially those in the countryside. Thirdly, he has the cooperation of key elements of the army led by Colonel Houari Boumedienne.

6. Having achieved a dominant position, Ben Bella is now engaged in an operation to push through a constitution which will give wide powers to a president. The regime intends to follow up a nationwide referendum on the constitution promptly with elections which will almost certainly return Ben Bella to the office of president. This process is planned for completion in mid-September and we think it will go through pretty much on schedule. Other political elements are being given no opportunity to present their own ideas of what Algeria's future political system should be. In consequence, a number have quit the country or the political arena, convinced that they cannot beat Ben Bella and

* There is a possible parallel between the present Algerian situation and the Spain of post civil war days, where war-weariness of the people was a major factor in Franco's ability to establish himself in power.

unwilling to join him in a subordinate role. The latest, and perhaps most notable, "defector" is Ferhat Abbas, who has long been devoted to a parliamentary form of government. On present form, Ahmad Ben Bella will be President of Algeria by the end of September.

7. In the next year or two, we expect there will be rumors and perhaps some preparations for armed rebellion to Ben Bella's regime on the part of disillusioned leaders. Belkacem Krim, the Kabyle leader and one of the original group of nine men who began the rebellion, has already approached Tunisia for arms and supplies for such a purpose. Muhammad Khider, another of "the nine" is rumored to have made similar soundings in Morocco. We do not rate very highly the chances of a successful armed rebellion, chiefly because there does not seem to be much enthusiasm for further struggle and bloodshed. Indeed, the only place from which a significant challenge to Ben Bella might come is the army. This could occur either if it remained under Colonel Boumedienne or if it split into factions. Boumedienne apparently would like to apply socialist measures such as nationalization more quickly and more widely than Ben Bella has done, but we do not think he is so set on this course as to challenge Ben Bella. For one thing he doesn't have the latter's popularity; for another a direct

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challenge would risk civil war which would be unpopular and which he has no certainty of winning. There is some possibility that the problems Ben Bella faces could mount up so as to cause a virtual breakdown of authority. Such conditions could lead to military intervention but, on balance, we believe this is unlikely in the near future.

8. Algeria's relations with France are likely to be of critical, if not vital, importance for some time to come. The present arrangement is an eminently logical "marriage of convenience" whereby France contributes substantial sums (_____ since July 1962) for budgetary support and development in return for use of the Sahara nuclear test sites and for the opportunity of maintaining a sizeable measure of French cultural and commercial interests in Algeria. Should the French testing program cause a violent increase in pressure on Algeria, say because of a belief that fallout was contaminating West Africa. Ben Bella might be forced to denounce the French connection, even at the risk of losing French financial assistance. He would probably turn at least initially to the West, chiefly the US, to take over most of this French role. However, the Bloc -- which has confined its assistance in Algeria largely to technical aid and education so far -- might seize the opportunity to play a larger role than heretofore.

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9. Barring such a development, Algeria will continue to look to the US for assistance in the form of food and some technical advice or services and it probably will not be forthcoming with expressions of gratitude for same. As long as Algeria's relations with Tunisia and Morocco remain cool but correct, they are not likely to cause problems for the US. However, as successful revolutionaries, the Algerians have a compulsion to support revolutions elsewhere, especially in Africa. This support may from time to time bring Algeria into conflict with the US in the UN, say, as the US strives for a moderate approach to problems in the southern Africa scene. The Algerians also see Cuba as a revolutionary country struggling against big-power domination and this attitude will probably bring on some diplomatic clashes with the US from time to time. The same is true in respect of the conflict in Vietnam, where Algerian sympathy for Hanoi appears to spring from an emotional feeling of solidarity with others who have faced the tender mercies of the "paras" and the Foreign Legion rather than from ideological considerations.

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