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26 January 1973

MEMORANDUM FOR: Mrs. Betty Zwolanek
United State Information Agency
Washington, D.C.

SUBJECT : Chinese and Soviet Economic
Activities in Sub-Saharan Africa

Attached is the information you requested on Communist
economic activities in Africa.


Chief
Trade and Aid Branch
Office of Economic Research

STAT

Attachment:
As stated

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Soviet and Chinese Economic Activity
in Sub-Saharan Africa in 1972

The People's Republic of China continued to press its economic aid initiatives in Black Africa in 1972 as it extended nearly \$175 million of new aid to six countries. Chinese commitments to Burundi, Dahomey, the Malagasy Republic, Rwanda and Togo represented their first Communist assistance while Peking's credit to Mauritius is that country's largest from a Communist source. Cameroon and Nigeria also signed their first trade and economic assistance agreements with China, but the values were not announced.

In September, Peking agreed to reinstate its aid program in Ghana, cut off when the Chinese were expelled in 1966. It also signed protocols under previous aid agreements calling for assistance to agriculture and construction of a sports complex in Sierra Leone, construction of a hospital in Congo, and telecommunications facilities in Guinea. Guinea signed a new aid agreement with China but its provisions are not known.

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The Soviet Union did not extend any new aid to Sub-Saharan Africa. It confined its economic activity in the area to implementing earlier agreements and the conclusion of annual protocols to existing long-term trade agreements. The most significant event was Moscow's agreement in February to build the Fanole dam on the Giuba River -- Somalia's largest development project -- under a 1971 aid credit. In December, Kenya announced that the USSR would donate \$240,000 worth of equipment for the Soviet-built Kisumu hospital.

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Chinese Economic Assistance
to Sub-Saharan African Countries
1972

<u>Country</u>	<u>Month Signed</u>	<u>Value of Agreement (Million US \$)</u>	<u>Purpose</u>
Burundi	March	20	Roadbuilding, hydroelectric complex
Dahomey	December	44	N.A.
Malagasy Republic	November	8	Tourist complex
Mauritius	April	34	Airport, road construction
Rwanda	May	22	Road paving, cement factory
Togo	September	45	
Cameroon	August	N.A.	
Guinea	December	N.A.	
Nigeria	November	N.A.	