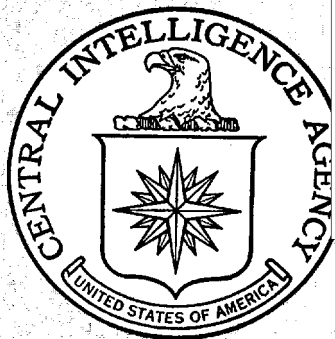


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## INTELLIGENCE BRIEF

ADDITIONAL SOVIET ARMS FOR FINLAND

DIRECTORATE OF INTELLIGENCE

Office of Research and Reports

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25 YEAR RE-REVIEW

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ADDITIONAL SOVIET ARMS FOR FINLAND

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Under the terms of a trade agreement concluded between Finland and the Soviet Union in August 1964, Finland is to receive about \$4.5 million in military equipment from the USSR in 1965 and \$10.9 million worth of Soviet arms annually during 1966-70. This \$59 million arms accord is a continuation of a military procurement program which Finland began in 1959 and which will bring the total value of Finnish-Soviet military agreements to \$137 million. Finnish defense outlays since World War II have been consistently lower than prewar expenditures and considerably below those of Scandinavian countries. The acquisition of these Soviet arms will add to the capability of the Finnish armed forces by modernizing the equipment base. In the past, Finland has been particularly attracted to the USSR as a source of military materiel because Soviet arms have been of good quality, reasonably priced, and rapidly delivered; moreover, such arms purchases have been paid for out of Finland's traditional surplus in its clearing account with the USSR. However, continued arms purchases from the USSR may jeopardize Helsinki's attempt to maintain a rough balance in its armament purchases between East and West and may lead to increased pressure from Moscow for joint military activities.

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1. Finnish-Soviet Arms Agreements

A Finnish military delegation arrived in Moscow this past spring to begin selecting equipment under the \$59 million arms agreement.

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In the past, Finland has signed military agreements with the USSR in March 1959, July 1960, November 1962, and May 1964 which provided for a wide range, if a relatively small amount, of infantry weapons and naval and air equipment. Most of the purchases under the 1960 and 1962 agreements probably were made under the \$125 million credit extended to Finland by the USSR in late 1959. By the end of 1964, Soviet arms

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valued at nearly \$78 million had been delivered or obligated to Finland. These purchases are summarized as follows:

<u>Date of Agreement</u>	<u>Value (Million US \$)</u>	<u>Equipment</u>
March 1959	2.7	14 T-54 medium tanks Artillery 1 Il-28 light jet bomber Radar Ammunition and spares Vehicles
July 1960	25	31 T-54 medium tanks 12 57-mm antiaircraft guns 12 ZSU-57-2 self-propelled anti-aircraft guns 21,000 submachineguns 1,000 light machineguns 1 Il-28 light jet bomber 4 Mi-1 helicopters 3 Mi-4 helicopters Ammunition and spares Vehicles
November 1962	37	21 MIG-21 jet fighters (AAM-equipped) 4 U-MIG-15 trainers .2 <u>Riga</u> -class escort ships 40 130-mm field guns 15 BTR-50P armored personnel carriers 12 PT-76 amphibious tanks 55 marine diesel engines Repair shops
May 1964	13	2 U-MIG-21 jet trainers 85 130-mm field guns 28 tracked prime movers Ammunition and spares

## 2. Implications

Although the peace treaty signed in Paris in 1947 initially restricted Finnish purchases of military materiel, since 1962 such transactions have not been formally opposed by the signatories. Continued Finnish arms purchases from the USSR, however, may jeopardize Helsinki's attempt since 1959 to maintain a rough balance between East and West in its

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[REDACTED]

arms purchases. These new purchases will increase the Soviet share of the foreign arms acquired by Finland to more than the 55 percent it had reached in 1964. Moreover, senior Finnish officers fear that continued acquisition of Soviet materiel will increase Moscow's pressure for joint military activities. [REDACTED]

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