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Office of the Deputy Director

Date 28 November 1962

1. Scientific Intelligence Digest, Special Supplement of 27 November 1962. Feature article is on the Cuban air defense system as of 23 November and states that it is now operational for all of Cuba. One facility reported nine tracks simultaneously without difficulty which evidences a good capability.

2. Hilsman reports:

a. "The Soviet Economic Stake in India"

The Soviet bloc has extended nearly \$1 billion in credits for economic and technical aid to India, nearly 90 percent from the USSR. The USSR also has extended about \$21 million in military aid, in the form of auxiliary noncombat aircraft. A number of indicators suggest that Moscow does not intend, at least for the moment, to renege on any of its present economic and military aid commitments to India." (ER 8606)

b. 'Regional Integration of Industry in Less Developed Countries'

The current drive for industrial growth by less developed countries is hampered by the smallness of national markets which cannot support efficient sized industries. (ER 8605)

c. "Moscow Wary of Break with Communist China"

A Pravda article by Central Committee Secretary Ponomarev, while strongly countering strident criticisms of Soviet policies, avoids threats and reflects Moscow's unwillingness at the present time to meet Peiping's challenge head-on. (ER 8598)

d. "Balance Sheet on Brazil's October 1962 General Elections"

The results, while mixed, confirmed the control of congress and a large majority of the states by moderate forces. Certainly the elections slowed down the trend toward the left and went far toward giving Brazil a four-year respite in which to work out solutions to its complex social and economic problems. (ER 8693)

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e. "Soviet Reaction to US Military Aid to India"

The Soviets have treated US aid to India more with sorrow than with anger. They attempted to steer a middle course between the contestants, losing ground with both as they proceeded. Stepped-up US assistance to India would probably still find the Soviets trying to occupy a median position, even if as a result India should succeed in recapturing the territory it claims. (ER 8692)

f. "Soviet Domestic Propaganda on the Cuban Crisis October 23-31, 1962"

From the first, Soviet domestic propaganda presented the crisis as a US-Cuban, rather than as a US-Soviet, confrontation. The Soviet people were shielded from a realization of the full gravity of the crisis. When the decision to remove the missiles from Cuba was announced, this could be presented as a peaceful gesture in return for the US assurance not to invade Cuba. It was said this denouement was a victory for the Soviet Government. (ER 8691)

g. "Soviet Bloc Support for Chinese Cease-Fire Proposal"

The first clearcut expression of support for the Chinese cease-fire proposal from a Soviet Bloc country has now been given by Hungarian Party chief Kadar. (ER 8701)

h. "Short-Term Chinese Communist Course if India Stalls"

The Chinese Communists could at any time charge the Indians with non-compliance and return to the offensive, but so long as they believe that the Indian position is not determined and that a US-supported offensive is not in prospect, they are more likely to seek to maintain the cease-fire and to effect at least some withdrawal in NEFA.

i. "Cautious Soviet Reaction to the Chinese Cease-Fire"

Moscow's public reaction to the Chinese proposal on the Indian border dispute has been extremely cautious, with no clear indication of Soviet approval. While we are still inclined to think that the Soviets will urge the Indians to take the Chinese proposal at least as a basis for negotiations, Moscow is probably awaiting clearer indications of the Indian attitude.

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