

NSC BRIEFING

17 JANUARY 1956

PLEASE RETURN TO

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SOVIETS IN AFRICA, LATIN AMERICA

- I. Soviet advances into vulnerable underdeveloped areas increasing in momentum and scope.
  - A. Although greatest progress has been in south Asia, Middle East, Soviets see same opportunities in Africa, Latin America, and are now actively laying groundwork for exploitation.
- II. Soviet salesmen now moving deeper into Africa, where anti-colonial pitch pays big dividends.
  - A. First wheel was Pravda chief editor Shepilov--to Egypt in July '55: since then, professional glad-hander Volkov (whose position is roughly equivalent to "speaker of the House") has visited the Tubman inaugural in Liberia, and Ambassador to Belgium, Avilov, has wangled reluctant invitation to tour Belgian Congo.
  - B. In addition, New Soviet overtures have been made to Libya, Ethiopia and the Sudan.
- III. Libya - On 25 Sep '55, USSR recognized new Libyan state: Soviet ambassador and sizeable diplomatic delegation arrived 6 January.
  - A. Worth remembering that USSR bid for trusteeship over Tripolitania in '45.
  - B. Recognition brings Moscow closer to scene of turmoil in North Africa.

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- C. USSR has already made opening bids for Libyan oil concession, use of abandoned airstrip for courier flights.
- IV. Liberia - Volkov, chief delegate to Tubman inauguration, extremely anxious go home with solid evidence Soviet-Liberian relations.
  - A. proposed to Tubman that they immediately draft treaty of friendship, invited Liberian Parliamentary delegation to Moscow, proposed interim third-party arrangement until formal relations established, stated USSR ready to offer economic aid.
  - B. Volkov, rebuffed by Tubman, returned to Moscow without concluding agreement.
- V. Congo - Ambassador to Belgium, Avilov touring all major centers in Congo 11-28 January.
  - A. Belgian Foreign minister Spaak had invited Latin American ambassadors to visit Congo, in hopes softening their anti-colonial attitudes in UN: Avilov asked to go along, and Spaak found it impossible to refuse.
  - B. Czechs, Hungarians have also requested permission to send trade missions to Congo but these turned down by Spaak, who deemed requests phony cover for other operations.
- VI. Ethiopia - Bloc's economic interest in Ethiopia continues.
  - A. Latest, although unconfirmed, report claims Czechs have concluded agreement for sale Soviet petroleum products in Ethiopia.

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B. USSR has maintained diplomatic mission in Addis Ababa since '44 and Russians have had hospital there since 1900.

C. Soviet personnel relatively few, however (some 35, including dependents, compared with US community of over 100).

VII. Sudan - Within week of Sudanese declaration independence (1 Jan), Bloc recognized Sudan, expressed hope for establishment diplomatic, trade relations.

A. Bloc trade personnel have already made trips into Sudan.

B. USSR hailed Sudanese decision to remain outside military pacts, beamed glowing account of trade possibilities to Sudan. Pravda editorial (6 Jan) welcomed arrival of Sudan on "road of independent development."

VIII. Latin America. - Soviets have just made special press release out of Bulganin replies to questions from US-published Latin American magazine, Vision. Bulganin took occasion to boost "trade and aid" program for area.

A. Increased effort in Latin America further foreshadowed by:

1. Expansion existing Soviet, Satellite diplomatic missions.

2. Stepped-up propaganda broadcasting directed at area in '55 (50% more than '54, 200% more than '50).

3. Increased cultural exchanges.

4. Jump in Soviet bloc-Latin America trade levels during '54 and '55.

B. Soviet trade drive in Latin America has been underway since Moscow Economic Conference in '52, but current activity reflects new decision to shoot works.

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IX. Most recent Activity:

- A. Soviet ambassador to Mexico sent on trip to Ecuador (dec '55) where he reportedly offered Soviet munitions and \$80-100 million long-term credit. Ecuador reportedly rejected both.
- B. Same ambassador tried to establish diplomatic post in Peru, but Peruvians refused to grant him more than transit visa.
- C. Rumors in Columbia gov't circles that Columbia and USSR will reestablish relations.
- D. Soviet offer (late '55) to sell assembly equipment for Mexican tractor plant.

X. Soviet "Trade & aid" offers tailored to local LA situations where critical economic problems and export surpluses make for easy sales.

- A. Stepped Soviet Bloc deliveries, especially to Argentina in return for agricultural surpluses, as well as competitive pricing, appear to be stimulating greater LA interest in Bloc markets--new Argentine ambassador has proposed strengthening relations with USSR.
- B. Cuba has negotiated new \$12 million sale of sugar to USSR--last year's Soviet purchases helped boost sugar prices in glutted world market.
- C. Uruguay recently designated commercial representatives in Communist China, Poland, East Germany to promote sales of agricultural surpluses, which would provide credits for essential imports.

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XI. Total picture of Soviet trade and aid activity in Asia, Africa and Latin America represents long-term program of considerable magnitude.

A. Soviets have made no bones about political connotations this effort in Asia and Africa.

B. Moscow looks for dividend of political support for its policies on issues such as Formosa and Western-sponsored military alliances, expects to gain allies in UN.

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