

SECRET



25X1

BIWEEKLY REPORT

**SINO-SOVIET BLOC
ECONOMIC ACTIVITIES
IN UNDERDEVELOPED AREAS**

EIC-WGR 1/133

13 March 1961

PREPARED BY THE WORKING GROUP
ON SINO-SOVIET BLOC ECONOMIC ACTIVITIES
IN UNDERDEVELOPED AREAS

ECONOMIC INTELLIGENCE COMMITTEE



SECRET

25X1

25X1

Approved For Release 2005/08/22 : CIA-RDP92B01090R000700020005-4

Approved For Release 2005/08/22 : CIA-RDP92B01090R000700020005-4

Summary of Events*
24 February - 9 March 1961

The USSR has extended to Pakistan a 12-year, \$30 million line of credit at 2.5 percent interest to be used for petroleum prospecting and surveying. President Ayub is reported to have said that this pact would be followed by a trade agreement with the USSR and that, in addition, Poland and Czechoslovakia have hinted at the possibility of the extension of credits.

A number of recent developments suggest that Mali is establishing close economic ties with the Bloc. For example, (1) Mali has agreed to sell almost all of its peanut crop (its principal export) to the Bloc; (2) Mali recently has concluded an economic pact with Communist China, and (3) Mali has announced a currency union with Guinea and reportedly is having its currency printed in Czechoslovakia.

Czechoslovakia has agreed to build a technical school for Somalia. The total value of the project, including the cost of equipment and the salaries of Czechoslovak teachers, is \$1.4 million. Czechoslovakia also is reported to have offered to purchase the entire Somali production of hides and skins.

Burma has almost completed negotiations with the USSR for the purchase of arms worth \$20 million. The USSR reportedly will extend to Burma a 15-year credit under which Burma will buy heavy military equipment including antiaircraft artillery, planes, and radar equipment at "giveaway" prices.

Under terms of an agreement for general scientific cooperation, the USSR and Indonesia will exchange small groups of scientific personnel during 1961. In addition, two Indonesians will participate in oceanic research on board a Soviet ship, and the USSR has offered to construct a satellite-tracking station at Bandung.

* An unclassified table showing the number of Bloc economic technicians in underdeveloped countries between 1 July and 31 December 1960 is included in this issue on p. 7.

CONTENTS

	<u>Page</u>
I. Middle East	1
Soviet Credit to Pakistan for Petroleum Exploration	1
II. Africa	1
A. Summary of Malian-Bloc Economic Relations . .	1
B. Czechoslovak Offer of Aid to Somalia	4
III. Asia	5
A. Prospective Burmese-Soviet Arms Agreement . .	5
B. Soviet-Indonesian Scientific Cooperation	6

Table

Bloc Economic Technicians in Underdeveloped Countries, 1 July - 31 December 1960	7
---	---

25X1

Approved For Release 2005/08/22 : CIA-RDP92B01090R000700020005-4

Next 4 Page(s) In Document Exempt

Approved For Release 2005/08/22 : CIA-RDP92B01090R000700020005-4

SECRET

Approved For Release 2005/08/22 : CIA-RDP92B01090R000700020005-4

B. Soviet-Indonesian Scientific Cooperation

An agreement for general cooperation in the scientific field has been signed between the Indonesian Council for Sciences and a delegation of Soviet scientists who recently completed a 3-week tour of Indonesia. Under the agreement the USSR will send to Indonesia during 1961 a botanist, four veterinarians, and a demographer. Indonesia, in turn, will send to the USSR four experts in the Indonesian language and culture and one or two geologists. In addition, two Indonesians will participate in oceanic research to be conducted by Soviet scientists on board a Soviet ship. Before its departure on 1 March the Soviet delegation also offered to construct a satellite-tracking station at Padjadjaran University at Bandung, West Java. [REDACTED]

25X1

This agreement is Indonesia's first pact for general scientific cooperation with the USSR. Expenditures under the agreement probably will be funded under the \$250 million line of credit extended by the USSR in February 1960. An agreement in January 1961 provides for extensive Soviet assistance to Indonesia in developing its nuclear energy capacity.* The satellite-tracking station offered by the Soviet scientific delegation, if accepted by Indonesia, would be the first such Soviet station located outside the Bloc. [REDACTED]

25X1

* See the Biweekly Report of 30 January 1961.

Approved For Release 2005/08/22 : CIA-RDP92B01090R000700020005-4

SECRET

UNCLASSIFIED

Approved For Release 2005/08/22 : CIA-RDP92B01090R000700020005-4

Bloc Economic Technicians in Underdeveloped Countries a/*
1 July - 31 December 1960

<u>Area and Country</u>	<u>Technicians</u>
Total	<u>6,510</u>
<u>Latin America</u>	<u>290</u>
Argentina	55
Brazil	10
Chile	5
Cuba	220
<u>Middle East</u>	<u>4,390</u>
Afghanistan	1,650 <u>b</u> /
Greece	5
Iran	60
Iraq	400
Pakistan	5
Turkey	70
UAR -- Egypt	530
UAR -- Syria	540
Yemen	1,130 <u>b</u> /
<u>Africa</u>	<u>540</u>
Ethiopia	40
Ghana	100
Guinea	400

* Footnotes follow on p. 8.

Approved For Release 2005/08/22 : CIA-RDP92B01090R000700020005-4

UNCLASSIFIED

UNCLASSIFIED

Approved For Release 2005/08/22 : CIA-RDP92B01090R000700020005-4

Bloc Economic Technicians in Underdeveloped Countries a/
1 July - 31 December 1960

(Continued)

<u>Area and Country</u>	<u>Technicians</u>
<u>Asia</u>	<u>1,285</u>
Burma	60
Cambodia	235
Ceylon	40
India	735
Indonesia	165
Nepal	50
<u>Europe</u>	<u>5</u>
Yugoslavia	5

-
- a. Minimum estimates (rounded to the nearest five) of the number of persons present for a period of 1 month or more.
b. Including technicians and laborers.

Approved For Release 2005/08/22 : CIA-RDP92B01090R000700020005-4

UNCLASSIFIED

Approved For Release 2005/08/22 : CIA-RDP92B01090R000700020005-4

~~SECRET~~

Approved For Release 2005/08/22 : CIA-RDP92B01090R000700020005-4

~~SECRET~~