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BIWEEKLY REPORT

SINO-SOVIET BLOC ECONOMIC ACTIVITIES IN UNDERDEVELOPED AREAS

EIC WGR 1/172 10 September 1962

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

ECONOMIC INTELLIGENCE COMMITTEE

SECRET

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Summary of Events* 24 August - 6 September 1962

A joint Soviet-Cuban communique issued on 2 September publicly acknowledged the presence of Soviet missiles in Cuba. About 3,000 Soviet technicians are estimated to have arrived in Cuba during the past month in conjunction with the delivery of these missiles and other military aid. The communique also reaffirmed previously promised Soviet assistance to expand the capacity of Cuban steel rolling mills.

Communist China and Indonesia have signed an agreement providing textile weaving equipment and technical assistance under the \$30 million textile credit extended to Indonesia in 1961. Construction of six spinning mills is to begin in 1963.

Pursuant to a recently signed Soviet-Ethiopian contract, construction of the Assab oil refinery is scheduled to begin early in 1963. A total of \$10.5 million of the \$11.5 million project will be financed under the Soviet credit of \$100 million extended to Ethiopia in 1959, and the remainder will be financed by the Ethiopian Government.

On 30 July the Burmese Defense Services Institute signed a contract with Czechoslovakia for the purchase of a large number of tractors and some other agricultural implements. The equipment, reportedly valued at \$3.4 million, will be sent in three shipments between October 1962 and early 1963. The same contract calls for the eventual assembly of tractors in Burmese army ordnance shops (with Czechoslovakia providing training and parts). Meanwhile, a tire factory reportedly will be financed under the \$84 million Chinese Communist credit to Burma of January 1961.

^{*} An unclassified table showing the number of Bloc economic technicians in underdeveloped countries during the second half of 1961 and the first half of 1962 is included in this issue on p. 5.

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Bloc Economic Technicians in Underdeveloped Countries <u>a/</u>
July-December 1961 and January-June 1962

Area and Country	1962 (January-June)	1961 (July-December)
Total	9,620	8,475
Latin America	1,015	820
Argentina Brazil Chile Cuba Ecuador	45 10 5 950 5	50 10 5 750 5
Middle East	2,950	2,520
Greece Iran Iraq Syrian Arab Republic Turkey United Arab Republic Yemen	5 20 830 425 55 960 655	0 70 625 415 45 725 640
Africa	1,785	2,005
Ethiopia Ghana Guinea Mali Morocco Somali Republic Sudan Tunisia	30 255 1,080 170 5 50 25 170	100 250 1,445 125 10 15 15

a. Minimum estimates (rounded to the nearest five) of the number of persons present for a period of 1 month or more. Personnel engaged solely in commercial or military activities are excluded.

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Bloc Economic Technicians in Underdeveloped Countries July-December 1961 and January-June 1962 (Continued)

Area and Country	1962 (January-June)	1961 (July-December)
Asia	3,870	3,130
Afghanistan	2,320	1,920
Burma	60	35
Cambodia	170	170
Ceylon	35	25
India	665	560
Indonesia	410	315
Nepal	130	75
Pakistan	80	30

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