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NATIONAL INTELLIGENCE ESTIMATE

NUMBER 11-6-63

The Soviet Role in the Arab World

Submitted by the
DIRECTOR OF CENTRAL INTELLIGENCE

Concurred in by the
UNITED STATES INTELLIGENCE BOARD

As indicated overleaf
24 APRIL 1963

ACCOUNTABLE DOCUMENT
RETURN TO: O/DDI REGISTRY,
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THE SOVIET ROLE IN THE ARAB WORLD

CONCLUSIONS

A. Large-scale Soviet economic and military aid to nationalist regimes in the Arab world has contributed to the reduction of Western influence and has encouraged instability. However, contrary to Soviet hopes, most nationalist leaders have proven themselves competent and tough-minded in maintaining their independence of action from the Soviet Union and have rigorously opposed local Communist Party activity. With the revolutions in Iraq and Syria, the local Communists and the USSR have suffered severe reverses. We believe the new union of Egypt, Syria, and Iraq is unlikely to aid the Communist cause and, to the degree the union develops strength, it will probably prove to be an additional obstacle to the spread of Communist influence. (*Paras. 2, 8, 12, 14-15*)

B. Soviet leaders probably have no substantial hopes of offsetting their recent losses within the near future. But they almost certainly believe that there are still vulnerabilities in the area that they can exploit and which in time they can convert into tangible assets. We believe the Soviets are unlikely to make any radical change in policy, at least in the near future. We expect that varying degrees of military and economic aid to Egypt, Yemen, Iraq, and Syria will continue in order to preserve at least some Soviet influence. However, we believe that the scale will be reduced and that recipients will find the terms somewhat harder than in the past. At the same time, we think it likely the Soviets will put more emphasis than they have lately upon the development of local Communist assets. (*Paras. 29-30*)

C. All factors considered, we believe that the USSR and the Communists are unlikely to make any very substantial gains in the Arab world in the years immediately ahead. Local nation-

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alist leaders prize their independence from the major powers and are not likely consciously to involve themselves so deeply with the USSR as to be unable to maintain their freedom of action. (Para. 34)

DISCUSSION

I. THE SOVIET VIEW OF THE AREA

1. In the wake of World War II, the Arab world became a hotbed of anti-imperialism, strident nationalism, and socialist experimentation, all of which weakened the established, conservative, Western-oriented order. In Marxist-Leninist terms, this was a manifestation of a developing revolutionary situation which would pave the way for the eventual emergence of Communist regimes. In their realignment of Soviet policy after the death of Stalin, the Soviet leaders sought a means to inject themselves into the rapidly evolving Arab scene, and they concluded that, at least as an initial step, they could gain influence and position—and reduce Western influence and control—by furnishing military and economic aid to the Arab States.

2. Aid was first provided to Egypt in 1955 and then, as opportunities developed, extended to Syria, Iraq, Morocco, and even the royal regime in Yemen. The initial results of this approach were encouraging enough. Soviet aid enabled the recipients to be more intractable on a wide range of issues in their dealings with the West than would otherwise have been the case. It strengthened the hands of the revolutionary regimes and enabled them to keep up pressure against the conservative, Western-oriented states. It clearly contributed to the sharp reduction of Western influence in the Arab world which was characteristic of the 1950's.

3. More recently, however, even the most latitudinarian of the Kremlin hierarchy must have begun to develop doubts about the effectiveness of this policy. No Communist regimes have been established in the Arab world. On the contrary, the most popular and successful of the Arab leaders, President Nasser of the UAR, has turned out to be a vigorous enemy of local Communists, not only in his own country, but wherever his influence extends in the Arab world. Moreover, none of the revolutionary leaders who have accepted Soviet aid has become a reliable instrument of Soviet policy. The recent revolutions in Iraq and Syria—and particularly the violent anti-Communist actions of the Baathists in Iraq—must have been a profound shock to the Soviet leaders, and they have reacted with unusual sharpness.

4. In these circumstances, the Soviet leadership is almost certainly re-examining its policy toward underdeveloped areas in general and

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the Arab world in particular. Soviet officials must be concerned whether the cost of the Soviet aid program is justified by the tangible results to date. Proponents of the aid policy must be aware of their particular vulnerability at this time to the Chinese Communist charge that too much time and attention have been given to nationalist leaders at the expense of local Communist movements. Before attempting to estimate future Soviet policy in the Arab world, we examine more specifically in the following paragraphs the fortunes of the local Communists, the influence which the USSR has won to date, the setbacks it has encountered, and the obstacles and opportunities it may face in the future.

II. LOCAL PROBLEMS AND OPPORTUNITIES

5. The Arab world is going through an era of intense ferment. Traditional patterns of society are fast crumbling and the old order has been overthrown or is being challenged wherever it has managed to survive. Two basic motivations underlie this ferment. One is the desire of the Arabs for freedom from foreign control, for political unity, and for reassertion of Arab power and greatness. The other is the desire for modernization and for reform of the social and economic structure. At the same time, the recently emergent nationalist leaders are torn by dissension over how to accomplish the widely accepted goal of creating a united and independent Arab world. Although most of them have sought to avoid embroilment in the cold war, they have necessarily pursued their objectives within the context of that struggle and have attempted, with considerable success, to derive benefit from it.

Particular Areas

6. *Nasser and the USSR.* President Nasser obviously holds a place of major importance in the USSR's estimate of its opportunities in the Middle East. The UAR is the most advanced and powerful (though economically one of the least prosperous) of the Arab countries. Nasser is the strongest Arab leader and the one with the broadest appeal. His dedication to overthrowing conservative regimes, expelling Western imperialism, and fostering rapid state-sponsored economic development is shared by nationalist elements throughout the Arab world. It was Nasser who first broke the tradition of dependence upon the West by seeking and accepting Soviet military and economic aid.

7. Nasser's relationship with the USSR has taken the form of cooperation in causes of mutual benefit. Soviet economic aid has helped Nasser sustain his symbolic role in the Arab renaissance by such dramatic projects as the Aswan High Dam. Soviet arms and equipment have been also essential to his prestige, as well as to his security against Israel and to his military accomplishments in Yemen. The USSR's gain has been less striking but nevertheless significant. Nasser's efforts to reduce the Western position in the Middle East have been assisted

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by Soviet support. Nasser has accepted large numbers of Soviet technicians and advisers into the UAR and has given them an important role in his military and economic development programs. He has also sent many of his people to the USSR for training. He has generally encouraged the USSR's expansion of its state-to-state relations in the area and has often been prepared to cooperate with Soviet policy in the international sphere.

8. Yet Nasser and his associates have generally shown themselves to be competent and tough-minded in maintaining their independence of action from the Soviet Union. Nasser has rigorously suppressed Communist Party activity within the UAR and opposed it elsewhere in the Arab world. He has sought and received substantial Western aid, not only for its own value to him, but as a deliberate policy aimed at avoiding complete dependence upon the Soviet Bloc. He has refused to support the USSR on a number of key issues.

9. Nasser is and will continue to be a revolutionary, intent not only on reducing Western influence in the Middle East, but on encouraging the overthrow of rival regimes. In the process, he will take considerable risk of alienating the major powers if he judges his course will succeed, as in Yemen, where the struggle threatens to spread and directly challenge US and UK interests in the Arabian Peninsula. At the same time, Nasser has shown himself willing to limit his investment or to pull back from enterprises when he feels that costs or risks begin to look excessive.

10. There are undoubtedly limits to the Soviet support for Nasser in the export of his revolution. Certainly it is in the USSR's immediate interest to support Nasserist movements in those states where changes will result in a reduction of Western influence. The Soviets also probably feel that Nasser's success in maintaining friendly relations with both the USSR and the West will encourage others to develop ties with the USSR—ties which these others may be less adept than Nasser in keeping within bounds. Moreover, Nasser's revolutionary movement is an unsettling influence in the Arab world, and the disorders to which he contributes are probably regarded by the Soviets as generally advantageous to their interests. On the other hand, the Soviets must now realize that Nasser will not knowingly foster the emergence of regimes directly subservient to their cause, and that his revolutionary movement may be more an obstacle to than an instrument for the expansion of Soviet influence in the Arab world.

11. *Iraq.* The Soviets made major gains during Qassim's regime. He opened the country to Soviet influence through acceptance of sizable economic assistance projects and the re-equipment of the armed forces with Soviet arms. Many of his closest advisers had Communist connections, and he permitted the organization of a powerful local Commu-

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nist apparatus. While Qassim did not allow the local Communists to dictate his internal policies, his foreign policy followed the Soviet line closely and he became the most vociferous anti-Western spokesman in the Arab world.

12. The Baathist coup of February 1963 represents a sharp setback for the Soviet position in Iraq and in the area as a whole. Drawing on deep resentment over the excesses committed by the Iraqi Communists during their drive for power in 1959, the Baath regime moved to break the back of the Communist Party through execution of prominent Communists and the arrest of hundreds of party rank and file. This has dealt Communist capabilities a severe blow, and the Communist Party is unlikely to become a real threat for some time to come unless the regime's power and unity should be seriously sapped by internal disputes. Although the new regime undoubtedly will wish to preserve some Soviet economic and military aid, it is moving to decrease the degree of dependency on the Soviet Bloc. It is requesting Western technical assistance and emergency financial help, and is seeking Western arms for some branches of the services.

13. The Soviet propaganda reaction to events in Iraq has been especially strong. There have been repeated broadcasts, resolutions, demonstrations in Moscow, and calls for revolt—a response in marked contrast to the usual Moscow aloofness to the fate of local Communist movements. It is evident that the strength and violence of Baathist anticommunism has been a severe shock; the Soviets may even have believed that they were on the verge of victory in Iraq and that this victory was snatched from them. In an effort to regain what they can they are attempting to confound the government's moves to arrive at any accommodation with the Kurds. Should the Soviets succeed, they may hope to gain a foothold through support of renewed Kurdish insurgency.

14. *Syria.* Since independence, Syria has floundered in a sea of chronic intrigue and instability. Nevertheless, the local Communist Party under Khalid Bakdash has consistently found its way to power blocked. The party had hardly begun to recover from its suppression by Nasser when the March 1963 coup ushered in a new period of persecution. The strong clandestine Communist radio attacks, which began from the very moment the present regime took power, stripped away any vestiges of nationalist aura which the Communists had built up and seriously hurt the Communist Party's popular image. Thus, though the present regime faces severe difficulties in consolidating its position, is seriously threatened by pro-Nasserist elements, and could be overthrown at any time, the Communists have been severely weakened. Although Syria's political disunity will provide the Communists with opportunities to maneuver, they are unlikely to play any significant

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role under a successor regime. While continuation of the Soviet aid program will serve to maintain a Soviet presence in the country, it will be difficult for the USSR to exercise much influence in the anti-Communist atmosphere now prevailing.

15. *The New UAR.* The new political entity formed by the recent grouping of Egypt, Syria, and Iraq is likely to be a tenuous one for some time. As already indicated, the main political elements in all three of these countries are anti-Communist; they will almost certainly remain so under the new political framework. The new union will not, of course, eliminate, and could even sharpen, long-established rivalries among these countries. These tensions, whether or not they ultimately disrupt the new union, may provide limited opportunities to local Communists or situations that the USSR can exploit. On balance, however, we believe that this latest manifestation of Arab desire for unity is unlikely to aid the Communist cause and, to the degree that the union develops strength, it will probably prove to be an additional obstacle to the spread of Communist influence.

16. *Yemen.* Through its aid program the USSR evidently hoped, under the Imamate, to gain a foothold from which to influence the military leaders toward a greater Soviet presence and eventual revolution. UAR influence was clearly greater, however, and the revolutionary leaders both before and after the September 1962 coup turned toward Cairo rather than Moscow for assistance. The Soviets, making the best of the situation, assisted Cairo in meeting the military requirements of the revolutionary government, and recently have begun direct shipments on their own. It is clear that at the moment Soviet and UAR interests coincide; both wish to protect and secure the revolutionary regime and they are cooperating toward that end. If and when the republican regime is consolidated in Yemen, the Soviets will almost certainly attempt to play a more independent role, and this will bring them into conflict with Egyptian interests.

17. *The Conservative Arab States.* Present Soviet and local Communist opportunities in the conservative Arab states—Jordan, Saudi Arabia, Libya, Kuwait—are slight. These Western-oriented regimes are deeply suspicious of the Soviet Union, which represents a philosophy and a form of government totally inimical to their own. Certain of these states might open diplomatic relations with the USSR or even accept some Soviet aid, especially if they came to believe that the West was letting them down, and this would of course bring some increased opportunities for the USSR. However, even under these circumstances, the lack of common interests and objectives makes it unlikely that the USSR will be able to exercise a significant influence on their policies in the near future.

18. In some of these countries, there is considerable dissidence within the governing elite; the military, and the small middle class. Jordan

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and Saudi Arabia have been the object of especially strong pressure from pro-Nasserist domestic elements, and Saudi Arabia at the moment is particularly vulnerable. Some conservative states have attempted to prevent revolution by gradual reform, but it is probable that they will not be able to prevent some kind of revolutionary upheaval in the years ahead. Most of the ferment that is taking place, however, is in the context of revolutionary nationalism rather than of communism, and any successor regimes are likely to be nationalist-neutralist rather than Communist-inclined.

19. *The Maghreb.* Despite the political instability and anticolonialism characteristic of North Africa, Soviet achievements among the Western Arabs have been modest. In both Tunisia and Morocco, the traditional social structure continues to exist and has helped to cushion the transition to independent statehood. Moreover, many of the new leaders have demonstrated a deep distrust of Communists. Even the strong labor movements in these countries, despite periodic flirtations with the Communists, have shown a determination to stay independent. Although there is opposition to both Bourguiba's pro-Western regime and the somewhat more conservative Moroccan monarchy, there are no strong pressures to change radically the nature of these regimes. Nor has Soviet aid—including some \$4 million worth of arms to Morocco—succeeded in establishing an effective Soviet presence in either of these countries.

20. The Soviets clearly regard Algeria as more promising, but Communist gains so far have been slight. Indeed, the Communist Party is proscribed and for the present the Ben Bella regime looks to the West for its primary support. However, Algeria is in dire economic straits and consequently susceptible to a wide variety of trade and aid offers. The existing Algerian leadership is weak and divided; the country's economy remains parlous; unemployment is high; and the central government has not firmly established its authority throughout the country. An outbreak of rivalry among the Algerian leaders or a rupture with France over any one of many issues could radically alter the composition and orientation of the government and lead to closer relations with the USSR and other Bloc countries. In the event of such a change, the Soviets can probably still count on sympathizers in the officer corps and among some of the French-educated elite. Because of the enormous problems which Algeria confronts, a potentially violent political atmosphere is likely to prevail for some years to come, and this will provide a feeding ground for Communist subversion.

Special Problems

21. *Oil.* Western oil companies, because of their importance in the economies of many Arab countries, are an attractive target for both revolutionary nationalists and for the USSR. Nevertheless the USSR

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has had little influence to date on Arab oil policies. Apart from a drum-fire of propaganda, it does not appear to have made a major effort. The principal markets for Middle Eastern and North African oil are dominated by Western companies. Even Qassim, despite his heavy pressure on the Iraq Petroleum Company, recognized these circumstances. Hence, while the various host countries, whether under conservative or revolutionary governments, will continue to press for increased revenues from, and greater participation in control of, the oil companies, their economies are heavily dependent on a continued flow of oil revenues and they will not deliberately kill the goose that lays the golden eggs.

22. *The Arab-Israeli Problem.* Support of the Arab cause against Israel has been a useful weapon for the Soviets, since it is the single issue which raises a sympathetic response among all Arabs. Support of Israel from the West has fed anti-Western feeling and contributed to Arab acceptance of military aid from the USSR. The USSR has shown no interest in steps to resolve the Arab-Israeli problem and almost certainly sees advantages in its continuance. Israeli acquisition of a nuclear capability would provide the Soviets with significant opportunities. Such a development would further stimulate the Arabs' fears and greatly enhance in their minds the importance of Soviet support and assistance. In such circumstances there is a good chance that they would make damaging political concessions to the USSR as the price of protection.

23. The Arab-Israeli quarrel does also, however, create some problems for the USSR. The Soviet leaders probably want to avoid being committed to all-out support for the Arab cause. They must realize that open Arab-Israeli hostilities could lead to a major international crisis in which there was danger of direct confrontation with the US. On balance, however, the Soviets almost certainly regard the Arab-Israeli quarrel as a useful asset.

III. SOVIET POLICY AND PROSPECTS

24. Soviet objectives in the Arab world are an amalgam of long-term ideologically motivated aspirations—the establishment of Communist, or at least proto-Communist, regimes—and the nearer term goals of Soviet diplomacy—the elimination of the Western position and the cultivation of support for Soviet policies among the present regimes. The situations described in the preceding section must suggest to the Soviets that their long-term objectives are far from achievement. Indeed, events of recent months must have made them appear more remote than ever. Strong Communist parties do not exist anywhere in the area, and in most places the Communists are virtually nonexistent, vigorously pursued, or weak and ineffectual. At the same time, the USSR's more immediate efforts to align existing regimes with Soviet international policy and to eliminate or at least drastically reduce Western influence

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have fallen well short of what Moscow probably hoped to achieve. While Moscow has succeeded in building up a presence in the Arab world, Nasser's continued independence and Qassim's downfall have underscored the limits of Soviet ability to influence the course of events.

25. Indeed, it can be argued that over the longer term Nasser and the other revolutionary leaders are more of a liability than an asset to the Soviet cause. While the Soviets may have successfully used Nasser to reduce Western power and influence, he also has used them to strengthen his position at home and to enlarge his symbolic role in the Arab nationalist revolution. At the same time, the power and prestige of the Baath Party are growing and so are its anti-Communist predilections.

26. In addition to the systematic suppression of communism by Nasser and by the Baathists in Syria and Iraq, the restrictions imposed upon Communists are increasing elsewhere in the area. Communist Party activities, for years banned in the eastern Arab States, have now been outlawed in Tunisia, Algeria, and Morocco; the only legal Communist Party in the area is in Israel. Moreover, and perhaps most important of all, the "Arab socialism" of Nasser, the "Arab resurrection" of the Baathists, the continued popular support for Nasser throughout the Arab world, and the organized political base of the Baathist Parties, all create non-Communist ideological and political images of significant proportions. In short, the popular emotions to which communism might hope to appeal are being pre-empted by local ideologies and local leaders.

27. In these circumstances, Moscow has ample reason to question its strategy of cooperation. Indeed, its disillusionment with this policy has been made manifest by the shrillness of its criticism of the new regimes in Iraq and Syria. Soviet leaders may be considering placing greater emphasis upon exploitation of internal instability and regional tensions and more direct support for local Communist groups at least in certain areas.

28. The Soviet leaders must recognize that a more aggressive course has its own limits and hazards. For example, an attempt to undercut Nasser in Yemen would encourage his recalcitrance and could turn him from benevolence to open hostility. Early bids for power in Syria, Iraq, or Algeria would incur the enmity of the whole Arab nationalist movement and could expose to further reprisals the already very limited assets of the local Communists which might better be held in reserve. The prospect of a clearcut Communist takeover almost anywhere in the area would encourage a reassertion of Western influence, which, under the circumstances, might even be welcomed by the Arabs. Similarly, severe reduction or elimination of Soviet aid would encourage Arab countries to turn toward the West.

29. The Soviet policymakers obviously confront a serious dilemma. Losses have been suffered, and they probably have no substantial hopes

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of offsetting them with new gains in the near future. Nevertheless, they almost certainly believe that there are still vulnerabilities in the area that they can exploit and which in time they can convert into tangible assets. In particular, they probably see opportunities developing from the deep economic depression and unstable leadership in Algeria, the unsettled political situations in Iraq and Syria, continuing Kurdish unrest, the confused conditions which are likely to follow any upheavals that may occur in Saudi Arabia or Jordan, the virtually inevitable quarrels between rival nationalist leaders, and the remaining sources of tension between the Arabs and the West, such as the British position in the Persian Gulf and Aden.

30. In these circumstances, we believe the Soviets are unlikely to make any radical change in their policy of cultivating relations with the Arab governments. We expect that military and economic aid to Egypt, Yemen, Iraq, and Syria will continue in order to preserve at least some Soviet influence. However, we believe that the scale will be reduced and that recipients will find the terms somewhat harder than in the past. The Soviets have been somewhat disillusioned about the gains to be made through state-to-state relations with nationalist Arab governments. At the same time, their dispute with the Chinese Communists will make them more concerned to cultivate their own influence with local Communist parties. Accordingly, we think it likely that the Soviets will put more emphasis than they have lately upon the development of local Communist assets. Meanwhile we expect them to try to prevent the development of a single, powerful Arab State, to attempt to exploit rivalries and animosities within the Arab world, and to utilize quarrels among the Arab States, or between the Arabs and the West, to acquire influence and position.

31. The USSR will try to exploit any differences that may develop between local governments and Western oil companies. If such differences should become critical, the Soviet Union might even be prepared to try to utilize its expanding position in the international oil market to distribute some of the Middle Eastern product. As Soviet ability to provide refining and marketing facilities increases, Moscow will probably try to use this capacity to gain such political advantage as it can. However, we believe the USSR is not yet prepared to press for termination of Western oil rights, since at the moment it would find it difficult to dispose of Middle Eastern petroleum.

32. Because of a similar unwillingness to face the consequences, we believe that the Soviet Union is unlikely to encourage a showdown in the Arab-Israeli dispute in the near future but that it will almost certainly attempt to disrupt a solution of this problem.

33. We believe that Soviet arms aid to the Arab States will continue. We believe it unlikely, however, that steps will be undertaken to establish

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Soviet bases manned by Soviet personnel. We do not believe that any existing regime, short of a major change in its character, would agree to the establishment of Soviet bases under foreign control. We do not exclude, however, the possibility that certain rights of landing or refueling might be acquired for military aircraft or naval vessels. The Soviets have already supplied certain Arab States with MIG-21s and surface-to-air missiles. It is possible that the Soviets will provide the Arabs with additional modern weapons systems. If, for example, the Israelis acquired a nuclear capability, the Soviets might give the UAR short-range surface-to-surface missiles, but would almost certainly not provide nuclear warheads.

34. All factors considered, we believe that the USSR, whether or not it introduces a more militant strand into its policy, is unlikely to make any very substantial gains in the Arab world in the years immediately ahead. Local Communists are more suspect now than they have ever been throughout the Arab world, and the more the USSR seeks to support them or to extract concessions in return for its aid, the more hostile the nationalist reaction is likely to be. It is conceivable that some nationalist leader may turn out to be a deliberate or witting agent of the USSR. It is also possible that, through a series of steps partly in reaction to Western policies, nationalists might involve themselves so deeply with the USSR or with indigenous Communist elements as to be unable to maintain independence. However, those who are now in power are clearly most anxious to remain masters in their own houses, and have no desire to install the Soviet Union in the places of the departed Western overlords.

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TABLE I
BLOC ECONOMIC CREDITS AND GRANTS
APRIL 1955-DECEMBER 1962

RECIPIENT	(MILLION CURRENT US \$)	
	AGREED	DRAWN
Iraq	217.5	60
Syrian Arab Republic	193.1	72
United Arab Republic	715.5	244.2
Yemen	43.7	29
Algeria	6.0	6
Tunisia	45.8	1.9
Morocco	17.2	2.6
TOTALS	1,238.8	415.7

TABLE II
BLOC MILITARY AID AGREEMENTS
SEPTEMBER 1955-DECEMBER 1962

RECIPIENT	(MILLION CURRENT US \$)
	AID EXTENDED *
Iraq	340
Syrian Arab Republic	273
United Arab Republic	550
Yemen	27
Algeria	12
Morocco	7
TOTAL	1,209

* A substantial proportion of this amount was provided by grants or discount allowances.

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TABLE III
BLOC ECONOMIC TECHNICIANS *
JULY-DECEMBER 1962

<u>COUNTRY</u>	<u>TOTAL BLOC</u>	<u>USSR</u>	<u>EUROPEAN SATELLITES</u>	<u>COMMUNIST CHINA</u>
Iraq	925	750	175	0
Syrian Arab Republic	390	260	130	0
United Arab Republic	1,420	1,155	265	0
Yemen	325	300	5	20
Algeria	225	0	225	0
Morocco	55	25	30	0
Sudan	50	45	5	0
Tunisia	290	50	240	0
TOTALS	3,680	2,585	1,075	20

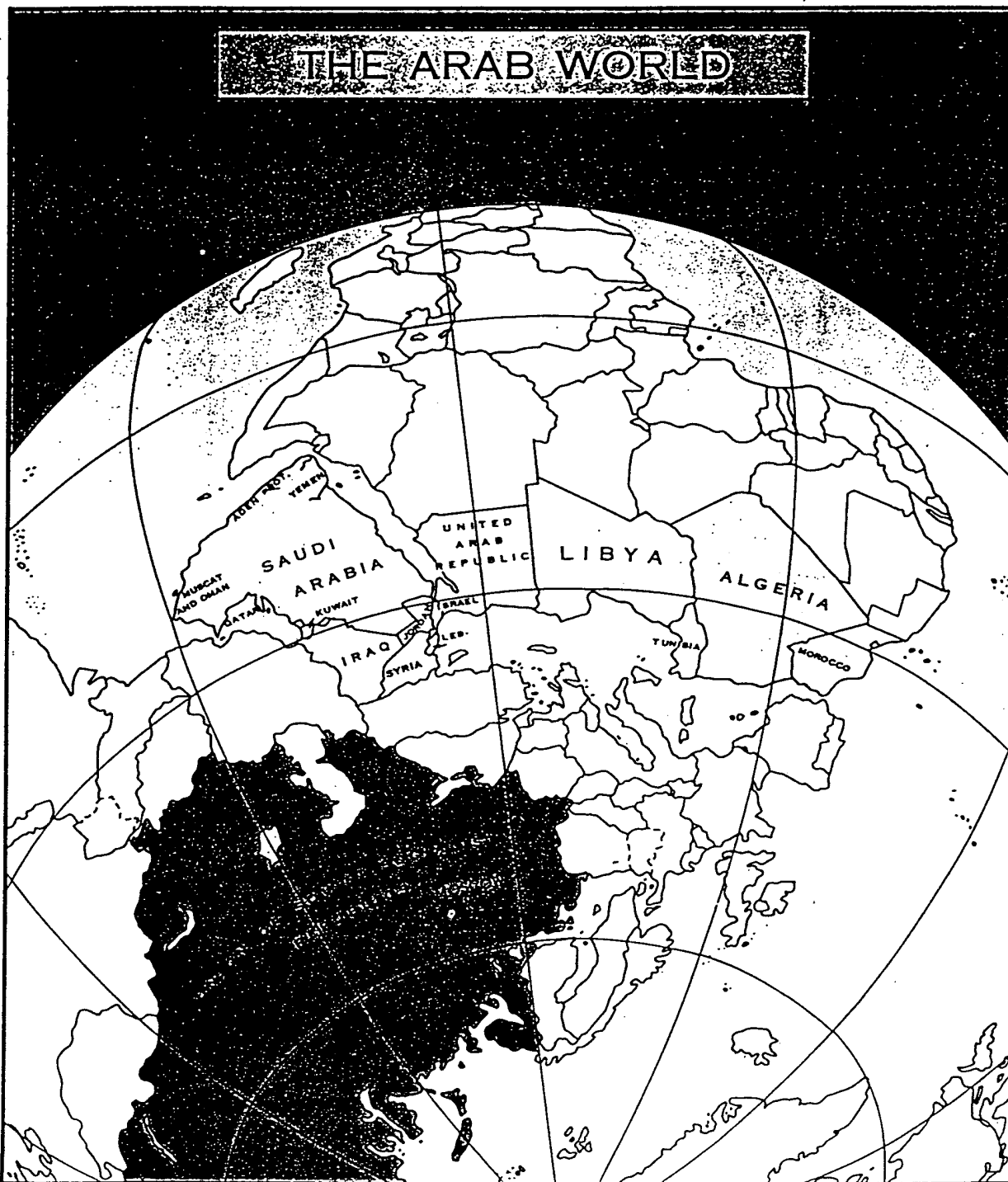
* Minimum estimates of personnel present for a period of one month or more. Personnel engaged solely in commercial or military activities are excluded. Numbers are rounded to the nearest five.

TABLE IV
BLOC MILITARY TECHNICIANS PRESENT
FOR PERIODS OF ONE MONTH OR MORE DURING
JULY-DECEMBER 1962

Algeria	30
Morocco	60
Iraq	500
Syrian Arab Republic	240
United Arab Republic	960
Yemen	100
TOTAL	1,890

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THE ARAB WORLD



CENTRAL INTELLIGENCE AGENCY

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