

CENTRAL INTELLIGENCE AGENCY.

WASHINGTON 25. D. C.

OFFICE OF THE DEPUTY DIRECTOR (INTELLIGENCE)

28 August 1963

MEMORANDUM FOR:

Mr. Bromley Smith

White House Staff

Executive Office Building

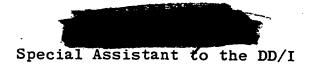
SUBJECT

: Potential Soviet Support for Indian Steel

Industry

1. In view of the present prospects for U.S. support of India's program to expand steel production, the attached appraisal of Soviet capabilities to meet India's requirements should be of some interest.

2. The Indians are very likely to ask the USSR to build the Bokaro plant should the U.S. fail to do so, but it is not at all certain what the Soviet response would be. The magnitude of the project dwarfs anything the Soviets have done in the foreign aid field, and their previous large-scale foreign aid efforts have not been notably successful. More important, the project would constitute a severe drain on Soviet economic and technological resources, which are already overcommitted. Political expedience, sharpened by Chinese pressure, could nevertheless result in a Soviet decision to undertake a major plant construction effort in India.



1.5(c) 3.4(b)(1)

Attachment

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