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ECONOMIC COMMITTEE

AID AND TRADE ACTIVITIES OF COMMUNIST
COUNTRIES IN LESS DEVELOPED AREAS OF THE
FREE WORLD, 1972

Note by the United States Delegation

Foreword

In this report the term Communist countries refers to the following countries that extend aid to the less developed countries: the USSR, the People's Republic of China, and the following countries of Eastern Europe - Bulgaria, Czechoslovakia, East Germany, Hungary, Poland, and Romania.

The term less developed countries of the Free World includes the following: (1) all countries of Africa except the Republic of South Africa; (2) all countries of East Asia except Hong Kong and Japan; (3) Portugal and Spain in Europe; (4) all countries in Latin America except Cuba; and (5) all countries in the Near East and South Asia (including - for statistical purposes - Malta).

NATO,
1110 Brussels.

This document consists of 63 pages.

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**AID AND TRADE ACTIVITIES
OF COMMUNIST COUNTRIES
IN LESS DEVELOPED AREAS
OF THE FREE WORLD
1972**

SUMMARY

Communist economic and military aid extensions¹ to Third World countries in 1972 declined about one-third from the previous year but still reached a combined total of nearly US \$2.3 billion (see Figure 1). Although economic aid extensions were near 1971's record level, military commitments dropped sharply and economic and military deliveries fell. The decline in economic drawings contrasts with the upward trend of the previous three years.

Nearly \$1.8 billion of economic aid was extended during 1972, bringing to more than \$15 billion the total committed since the beginning of 1954 (see Figure 2). Only some 5% of this total consists of grants; the rest represents medium-term and long-term credits. Almost \$6.5 billion, or more than 40%, of these extensions have been delivered. New economic aid in 1972 was only slightly less than the peak of almost \$2 billion reached in 1971 and about 60% above the level of 1970. The largest recipients - Afghanistan, Algeria, Chile, Iraq, Syria, and Turkey - received nearly 65% of the new extensions.

East European extensions of \$650 million to 12 less developed countries (LDCs) comprised about 35% of new Communist economic aid in 1972 and were their largest annual commitments since their aid programs began. Soviet aid of about \$580 million consisted of large credits to Afghanistan, Bangladesh, Chile, Syria, and Turkey. Chinese extensions of about \$560 million to 16 LDCs reflected Peking's continuing aid-oriented effort to expand its presence in the Third World. Burundi, Dahomey, Guyana, the Malagasy Republic, Malta,² Rwanda, and Togo accepted their first Communist aid, all from the People's Republic of China (PRC).

1. In this report the term extension refers to a commitment to provide goods and services, either as a grant or on deferred payment terms. Credits allowing five years or more for repayment are included. Downpayments are not included as aid. Assistance is considered to have been extended when accords are initialed and constitute a formal declaration of intent. The term drawings refers to the delivery of goods or the use of services.

2. For statistical convenience, this report carries Malta in the Near East and South Asia.

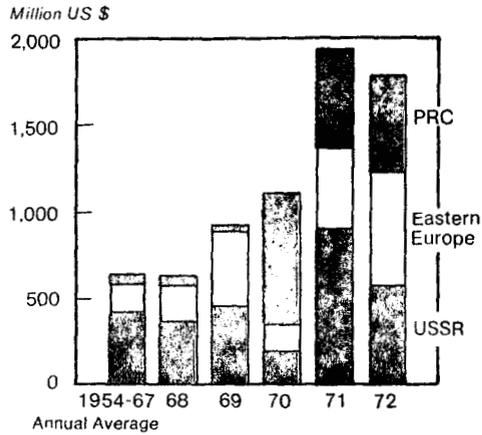
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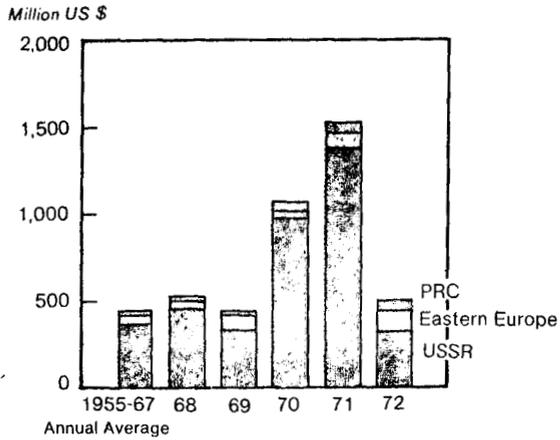
Figure 1

Communist Activity in Less Developed Countries

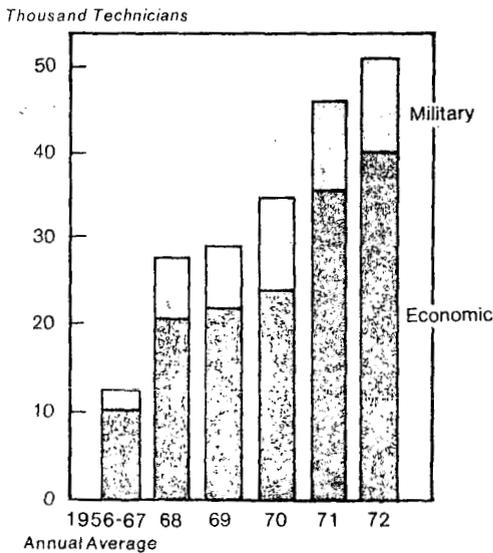
Economic Assistance Extended



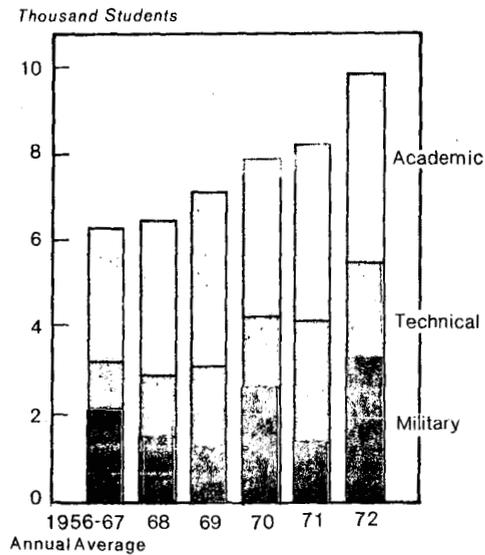
Military Assistance Extended



Economic and Military Technicians in Less Developed Countries



Students Departing from Less Developed Countries for Training in Communist Countries



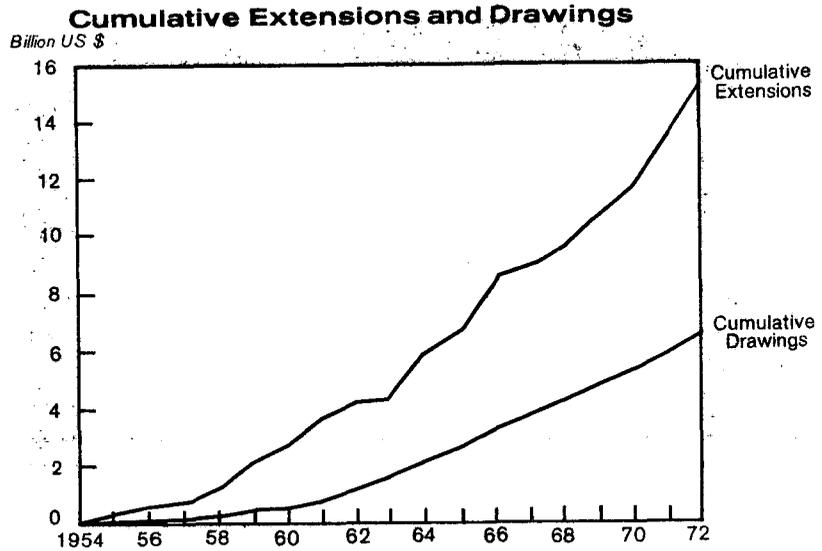
NOTE: Data are revised periodically to include new information and therefore may not be comparable with data previously presented.

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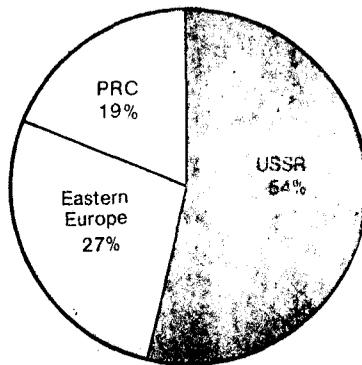
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Communist Economic Assistance to Less Developed Countries

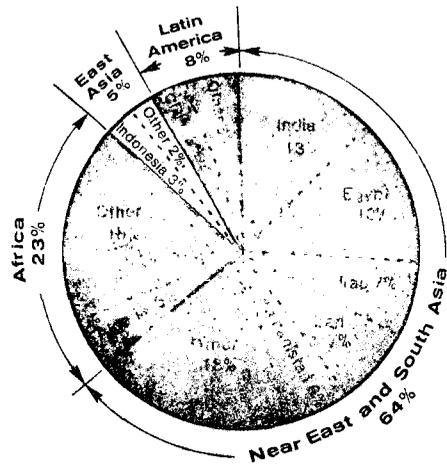
Figure 2



Share of Total Economic Assistance Extended By Donor



Share of Total Economic Assistance Extended By Recipient



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Total Communist economic deliveries declined to an estimated \$620 million. Drawings on Soviet aid dropped about \$75 million to \$310 million, largely as a result of a decline in the pace of aid activities in Algeria, India, and Turkey. Chinese deliveries jumped as work on the Tanzam Railroad was accelerated and large commodity shipments were made to Chile and Pakistan.

Debt payments for Communist economic aid rose again in 1972. Payments of more than \$200 million were made on the debt to the Soviet Union, and somewhat less than \$100 million to East European countries.

Despite the drop in aid drawings, the estimated number of Communist economic technicians working in LDCs in 1972 rose to a new high of nearly 40,000. Chinese technicians accounted for more than 55% of the total. The number working on the Tanzam Railroad accounted for about three-fourths of all Chinese personnel in the LDCs.³ Approximately 70% of all Communist technicians were in Africa. The number of personnel sent from the LDCs to Communist countries for technical training totaled about 2,300 in 1972. Nearly 75% came from Near Eastern and South Asian countries. Approximately 4,200 Third World students departed for educational institutions in Communist countries in 1972. They included the first students to go to the PRC since 1966 - 200 from Tanzania and Zambia. The number of LDC students still in Communist countries at the end of 1972 totaled more than 24,000.

New Communist military aid commitments in 1972 totaled about \$500 million, after two years of record extensions averaging nearly \$1.3 billion. These new allocations brought to nearly \$10 billion the total extended during 1955-72. The USSR accounted for more than 60% of total commitments in 1972, all to Near Eastern and South Asian countries. Egypt received about one-half of Soviet extensions, despite Cairo's ouster of almost all Soviet military personnel. Czechoslovakia signed an \$80 million accord with Iraq and the PRC committed \$65 million to Pakistan. Sudan and Burundi received their first Chinese arms commitments.

By the end of the year, Communist countries had delivered about \$8.5 billion of arms to 31 LDCs - nearly 85% of their total commitments since 1954. The Soviet Union accounted for about 85% of the estimated \$775 million delivered in 1972, mainly to Egypt, India, Iraq, and Syria. Chinese deliveries reached a record \$75 million; about 90% went to Pakistan. The balance of Communist deliveries consisted largely of Czech shipments to Egypt, India, Iraq, and Nigeria.

3. Chinese working on the railroad may include laborers as well as technicians.

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The number of Communist military technicians in LDCs during 1972 totaled an estimated 10,550. After July, however, they dropped sharply to less than 5,000 as Egypt ordered almost all Soviet military personnel out of the country.⁴ By the end of the year only about 100 remained in Egypt. The largest share of China's 900 technicians was in Tanzania, with some technicians noted for the first time in Sri Lanka, Sierra Leone, and Sudan. An estimated 3,200 LDC nationals departed for military training in Communist countries, nearly triple the number in 1971.

Communist trade turnover with LDCs reached a peak of almost \$6.2 billion in 1971, up about 5% from 1970 (see Figure 3). Most of the growth consisted of a \$200 million increase in Soviet-LDC trade. East European trade rose only slightly, while Chinese trade jumped about 15% and reached a peak of more than \$900 million as its trade with Africa and Latin America registered sizable increases.

The LDCs continued to account for about 10% of total Communist trade in 1971, even though this trade has more than doubled in value over the past 15 years. Some 20% of China's trade was with these countries. Although the Communist countries represented only 5% of the total trade of the LDCs, that trade for some countries constituted an important part of their total trade. Near Eastern and South Asian countries -- responsible for most of the increase in Communist-LDC trade over the past few years -- accounted for 60% of that trade in 1971.

The composition of Soviet imports from LDCs in 1971 continued to be dominated by raw materials and foods, which together accounted for roughly three-fourths of the total. However, Moscow's imports of LDC manufactures again registered sizable growth and represented about 20% of imports from them. This growth reflected a higher level of exports to the USSR in repayment of debts for Soviet aid projects, particularly by Egypt and India. Machinery and equipment comprised more than one-half of Soviet exports to the LDCs, about the same ratio as in previous years, as the USSR continued to deliver complete plants in support of its aid program. Other major categories of Soviet exports showed little change in 1971.

4. An estimated 7,250 Soviet military personnel involved in the Egyptian air defense system also departed.

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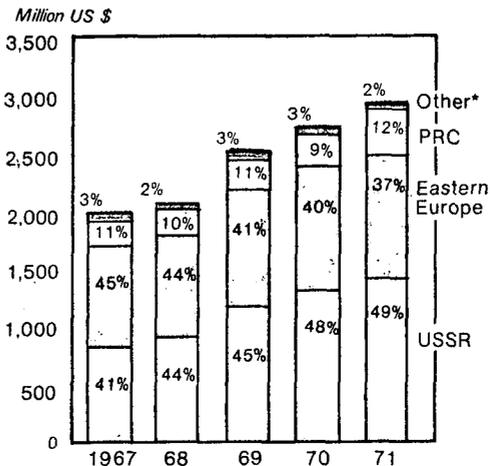
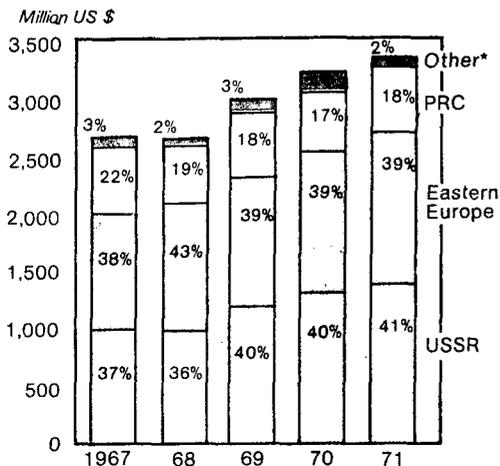
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Figure 3

Communist Exports to and Imports from Less Developed Countries

Value of Trade, 1967-71

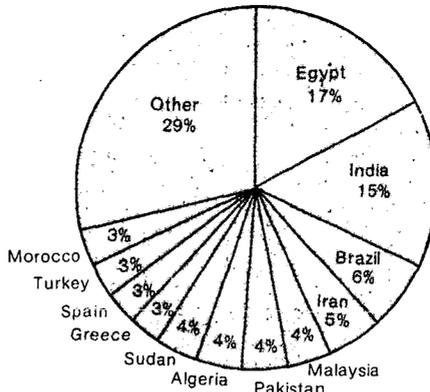
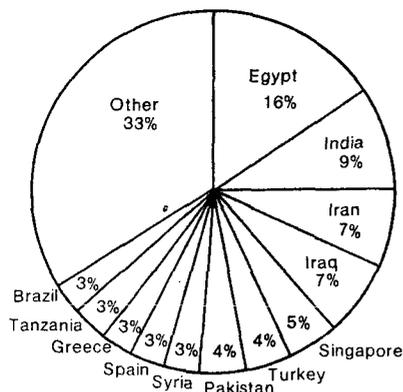


Exports

Imports

*Including trade of Albania, Cuba, Mongolia, North Korea, and North Vietnam

Percent Distribution, 1971



Total Exports: \$3,320 Million

Total Imports: \$2,869 Million

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COMMUNIST ACTIVITIES IN LESS DEVELOPED AREAS
BY TYPE OF ACTIVITY

Highlights

Aid activities of Communist countries in the Third World in 1972 continued to experience the combination of setbacks, advances, and changes that has characterized these programs during the past decade. Moscow's military aid program encountered one of its worst setbacks when Cairo abruptly ousted almost all Soviet military personnel from Egypt, although the Soviet leadership's displeasure may have been mixed with some feeling of relief. The Soviets also were confronted with India's growing irritation over the character of available Communist aid and suspicions of Soviet intentions on the part of Indonesia, Pakistan, and Sudan. These events, however, were largely balanced by Moscow's deepening influence in Iraq and Syria and the growth of Communist economic relations with Chile, Libya, Malaysia, and Peru.

Despite periodic difficulties, the Communist countries extended a near record of almost \$1.8 billion of new economic aid. Moscow continued to show that its aid program is its most important foreign policy tool for expanding and maintaining influence in the Third World. During 1972, the Soviet Union extended \$580 million of new economic commitments. They were, however, made only after careful study and protracted negotiations to make certain that funds would be allocated for economically feasible projects. In the case of Chile, Moscow made it clear to Santiago that, while aid was available, the USSR did not have the resources or the inclination to underwrite the Chilean economy. The East European countries, finding increasing commercial reasons for providing aid, made their largest annual extensions. China continued to extend aid to any country willing to accept, but for the first time since its aid program burgeoned in 1970, Africa did not receive the largest share of Peking's aid commitments. Overall 1972 was only an average year for new military aid extensions.

The economic considerations for extending aid, noticeable in recent years, continued to grow in 1972. It was particularly evident in the dealings of East European countries, whose credits allow them to export increasing amounts of machinery and equipment and receive necessary raw materials in exchange. Moscow, too, is finding its aid recipients significant capital goods markets and supplementary sources of raw materials and consumer goods.

In other developments of growing economic significance, efforts to form joint development companies increased notably, Moscow attempted

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to associate several of its largest aid recipients with the Council for Mutual Economic Assistance (CEMA), and India and the USSR formed a joint commission to coordinate aid through their respective development plans. An unusual development was the signing of agreements by Bulgaria and Czechoslovakia to hire thousands of Egyptian laborers. Aid and commercial agreements involving LDC nationalized oil jumped sharply. While still small in terms of total LDC oil exports and Communist consumption, the quantities involved continue to grow in importance. Aid agreements signed with oil-producing countries in recent years have increasingly called for repayment in oil.

Economic Assistance

Credits and Grants

Extensions

Communist countries provided about \$1.8 billion of economic aid to the LDCs in 1972, only some 5% less than 1971's record undertakings. These extensions raised total Communist commitments since 1954 to more than \$15 billion (see Tables 1, 2, and 3). The USSR, the largest single donor, accounted for one-third of the new aid. East European countries as a group committed 35% and the PRC 30%. Afghanistan, Chile, Iraq, Syria, and Turkey received about 55% of 1972 extensions. Chile was the largest recipient, acquiring almost \$230 million. Burundi, Dahomey, Guyana, the Malagasy Republic, Malta, Rwanda, and Togo accepted their first Communist aid, all from the PRC as that nation continued to use aid to expand its presence in the Third World.

East European countries extended \$650 million in 1972, the largest annual commitment by them and more than double their annual average undertakings during the preceding five years. The three largest East European donors - Romania, Poland, and Czechoslovakia - extended nearly \$525 million; Bulgaria, East Germany, and Hungary provided the rest. Twelve LDCs shared this aid, but about 55% went to Iraq (\$200 million) and Algeria (\$150 million).

The USSR extended \$580 million of economic aid to Afghanistan, Bangladesh, Chile, Syria, and Turkey. Afghanistan was promised \$121 million for its new five-year development plan. Chile received \$144 million, of which \$30 million will be used for food and raw materials imports in 1973, \$60 million for project aid, and \$54 million for machinery and equipment purchases. Nearly \$74 million was committed to Bangladesh - about \$56 million to purchase agricultural, transportation, and construction equipment as well as food grains and an \$18 million commodity and

equipment grant. Turkey was extended \$158 million to expand the Iskenderun steel mill. This raised total Soviet allocations for the mill to \$420 million, making it the costliest Communist project in the LDCs. Syria received \$84 million for various agricultural, industrial, and transportation projects. Almost 15% of Moscow's commitments in 1972 was in the form of commodities, a departure from its usual practice of keeping such aid to a minimum. Less than 5% of Soviet aid since 1954 has been designated for this purpose.

The PRC's extension of \$558 million of new aid in 1972 represented the third consecutive year that its commitments exceeded one-half billion dollars. Approximately 6% was provided as grants. Chinese aid was distributed among 16 LDCs as Peking continued to dispense aid widely. More than 45% went to the Near East and South Asia and nearly 40% to Africa. Aid to Latin America still was modest, but a \$63 million credit to Chile was China's largest commitment in 1972. Afghanistan, Dahomey, Malta, Sri Lanka, Syria, and Togo each received credits of about \$45 million. Peking's aid continued to emphasize construction of roads and light industrial facilities and to provide commodities to be sold in LDCs to generate currency to cover the local costs of Chinese aid projects.

Drawings⁵

Estimated Communist aid deliveries declined to \$620 million from the record \$700 million of 1971, contrasting with the upward trend of the previous three years (see Table 4). Cumulated aid deliveries since 1954 reached almost \$6.5 billion - more than 40% of total economic aid extensions.⁶ Although there was a large increase in Chinese aid deliveries in 1972, it did not compensate for reduced Soviet and East European expenditures.

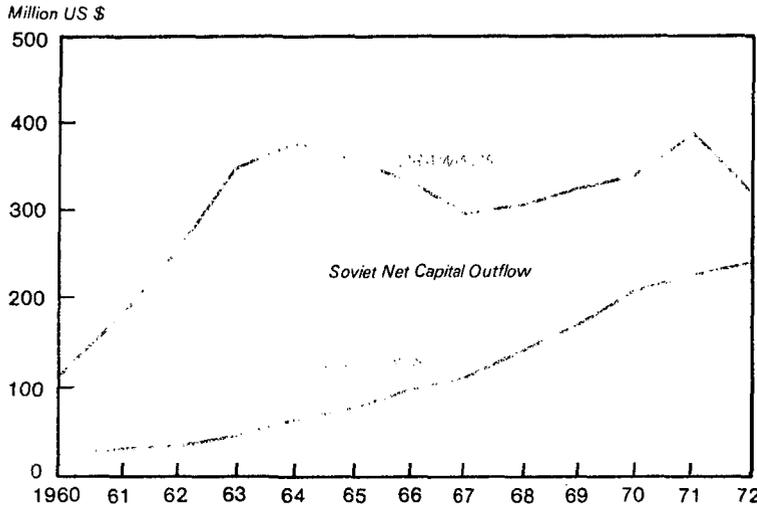
Drawings on Soviet aid of \$310 million in 1972 were well below the 1971 peak of \$385 million (see Figure 4). This decline stemmed largely from a slowdown in the level of project activity in Algeria, India, and Turkey. Moscow's economic aid deliveries to Egypt, however, were maintained at a high level, despite the political strains emanating from the

5. Estimates of drawings are only reasonable orders of magnitude since their precision is affected by a paucity of reporting on the subject. Estimates are based largely on project construction schedules previously announced and adjusted for current information.

6. Most project-type aid cannot be implemented rapidly in the LDCs. Aid recipients generally cannot absorb this type of aid rapidly, because they lack adequate skilled and professional personnel, possess primitive infrastructures, and do not acquire sufficient funds to finance the local costs of these projects. Moreover, sizable drawings cannot yet be expected on the large extensions of the past two years.

Figure 4

Soviet Economic Aid to Less Developed Countries, Drawings and Repayments



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forced withdrawal of military technicians in July. Egypt and Iran drew the largest amounts of Soviet aid, each receiving approximately \$70 million, roughly the same as in 1971.

Chinese aid deliveries, on the other hand, rose by 35% to \$220 million. Almost all the increase stemmed from accelerated railroad construction activity in Tanzania and Zambia and large commodity deliveries to Chile and Pakistan. These four countries accounted for 70% of Chinese aid deliveries in 1972. Estimated drawdowns on East European aid totaled \$90 million, substantially less than average annual drawings of the previous five years. More than two-thirds went to Chile, Egypt, Iran, and Iraq.

Terms and Repayments

The aid extended by Communist donors in 1972 generally carried the usual repayment terms. Moscow provided one of its rare grants but in general continued to require repayment over 12 years at 2.5% interest for its development credits and 8-10 years at 3%-3.5% for its commercial credits. The latter accounted for one-fifth of total Soviet aid extended in 1972. Repayment periods on East European credits changed somewhat from their usual 5-8 years as a number of 10-year and 12-year credits were extended.

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Moreover, some credits carried interest rates of 2.5% rather than the usual 3%-3.5%. Peking continued to provide aid as grants or as credits without interest and repayment over 10-20 years after grace periods of 5-10 years.

In 1972, LDC repayments on Soviet economic aid debts rose above the \$200 million mark, the equivalent of at least two-thirds of drawings on Soviet aid during the year. Roughly 80% of the total paid to Moscow was for principal; the remainder was interest. By the end of the year, aid-receiving nations had repaid about \$1 billion on their principal debt to the USSR, or slightly more than one-fourth of Soviet aid provided under credits. About one-half has been paid by Egypt and India. While their payments have leveled off in recent years, payments from other countries, particularly Iran, have risen and have accounted for most of the continuing increase.

The rising level of repayments, combined with a relatively constant level of drawings over the past 10 years, has sharply narrowed the net Soviet aid outflow. From a peak of more than \$300 million in 1964, the gap between drawings and repayments fell to less than \$100 million in 1972.⁷ While the net economic flow is still positive for LDCs as a whole, several countries are experiencing a net outflow. India's estimated debt payments in 1972, for example, exceeded aid drawings by more than \$30 million. Estimated Soviet aid deliveries to Egypt in 1972 were roughly equal to scheduled payments.

Technical Assistance

Economic Technicians⁸

Despite the drop in aid drawings, the estimated number of Communist economic technicians employed in the LDCs rose approximately 13% during 1972 to a record high of nearly 40,000 (see Table 5). This increase was due mainly to the influx of about 3,500 Chinese personnel, largely to work on the Tanzam Railroad. These arrivals brought the number of Chinese in the LDCs in 1972 to about 22,000 - more than 55% of all Communist technicians in those countries. The number of East European technicians rose by 10% to nearly 6,000, while Soviet personnel increased only slightly to about 11,000.

Africa employed about 70% of all Communist technicians and more than 90% of all Chinese personnel in the LDCs. Of the estimated 27,800 personnel working there in 1972, about 20,000 were Chinese. Those working

7. If military aid repayments are added, the net economic resource flow has for some time been moving toward the USSR.

8. Including personnel working under individual contracts as well as under economic aid projects.

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on the railroad in Tanzania and Zambia increased so that they accounted for three-fourths of all Chinese technicians in the LDCs.⁹ The Chinese presence in Somalia increased elevenfold to about 1,000 as work on roads and other aid projects accelerated.

More than 3,800 East European technicians were in Africa, an increase of almost 15% over 1971. Almost all the increase represented arrivals in Libya and Algeria. Many East Europeans, particularly in Algeria, Libya, and Tunisia, were working under individual contracts not related to aid activities. Soviet personnel in Africa decreased about 10% to less than 3,800 because of the departure of oil technicians from Algeria late in 1971. Nevertheless, there still were nearly 3,100 technicians in Algeria, about 1,500 of them Soviets.

The number of technicians employed in the Near East and South Asia increased nearly 10% to more than 11,000. About 7,200 were Soviet nationals -- nearly 65% of all Soviet technicians in the LDCs. About 3,300 Soviets were in Iran and Syria and 2,400 in Afghanistan, Egypt, and India. Some 2,000 East Europeans were employed in the two areas, largely in Egypt, India, Iran, Iraq, and Syria. More than 1,800 Chinese technicians were working in these areas, primarily in Nepal, Sri Lanka, and Yemen (Aden).

Technical Training

An estimated 2,300 LDC technicians went to Communist countries for training in 1972, bringing to about 24,000 the number trained since 1956 (see Table 6). Near Eastern and South Asian countries, where most large Communist aid projects exist, sent about 1,700 and Africa 540. More than 800 trainees came from Egypt and Turkey. The USSR accepted 1,350 and East European countries almost 1,000.

The USSR continued its extensive on-the-job training programs at project sites in the LDCs. Nearly 300,000 workers are estimated to have received such training by the end of 1972, 80,000 in Egypt alone. Other beneficiaries have been India, 40,000; Iran, 12,000; and Iraq, 5,000. About 10,000 Syrians were training at the construction site of the Euphrates Dam.

The USSR also continued to build vocational training centers in the LDCs, which now exceed 100. Egypt had trained some 48,000 workers at 33 such centers by the end of 1972. The USSR has established similar facilities in Iran, Iraq, Syria, India, and Algeria, each capable of training at least 3,000 workers annually.

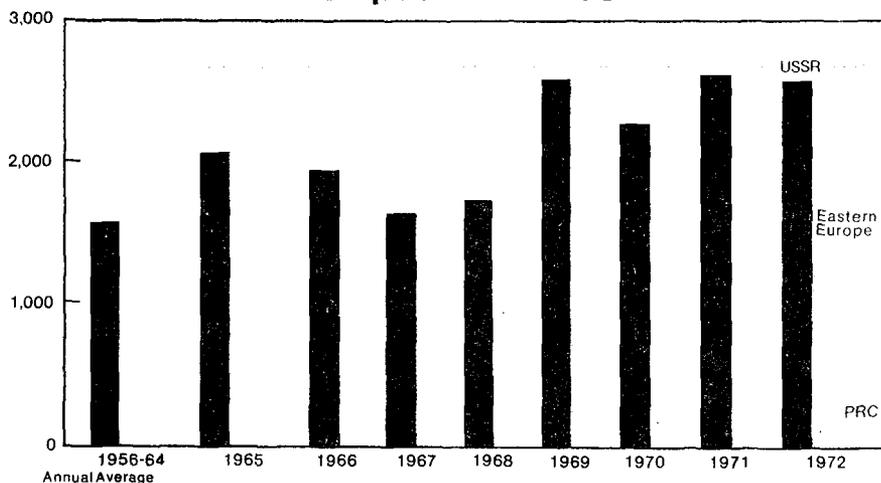
9. Chinese working on the railroad may include laborers as well as technicians.

Academic Students in Communist Countries

Nearly 4,200 students from the LDCs departed for study on scholarships in Communist countries in 1972, bringing to 56,000 the number who have undertaken such study since 1955 (see Table 7 and Figure 5). The number of students still in Communist countries at the end of 1972 reached a peak of 24,000, largely as a result of an overall increase of places available for foreign students in Soviet academic institutions. More than 60% of the 1972 departures went to the USSR. Among the new departures were the first students accepted in China since the onset of the Cultural Revolution in 1966 - 200 Tanzanians and Zambians who enrolled in 4-5 year academic programs related to railroad operations.

Figure 5

**Annual Departures of Academic Students
from Less Developed Countries**



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Some 2,100 Africans initiated study at Communist academic institutions, about one-half of all departures in 1972. Near Eastern and South Asian countries sent more than 1,400. Practically all the rest came from Latin America. Students from Algeria, Bangladesh, Syria, and Tanzania constituted almost one-fourth of the LDC enrollees. Algeria, the largest annual recipient of Communist scholarships, sent 400 students.

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Military Assistance*Credits and Grants*¹⁰*Extensions*

In contrast to record military aid extensions in 1970 and 1971 averaging nearly \$1.3 billion, Communist countries committed only about \$500 million to the LDCs in 1972. The new extensions raised total Communist arms commitments since 1954 to more than \$9.9 billion (see Tables 8 and 9).

The Soviet Union extended \$310 million, all to Egypt, India, and Syria. Egypt received an estimated \$150 million, despite Cairo's ouster of Soviet military personnel. Of this amount, \$80 million consisted of equipment turned over to Egypt by departing Soviet personnel -- largely MIG-21 jet fighters, the SA-6 surface-to-air missile system, and radar and communications equipment. Other agreements for at least \$70 million included SU-17 (Fitter B) swing wing fighter bombers.

India received \$100 million of new Soviet commitments in 1972 of which at least \$65 million will be used to replace aircraft and ground forces equipment lost in the Indo-Pakistani War. Other agreements covered purchases of naval craft and helicopters. Moscow also signed a \$60 million arms agreement with Syria in May and smaller accords earlier in the year.

The PRC extended \$75 million in new military aid. A \$65 million credit to Pakistan for ground forces equipment, naval craft, and bombers made up most of the commitment. Peking also concluded small accords with Congo, Sri Lanka, and Tanzania and provided its first arms to Sudan and Burundi. The only significant East European aid was \$110 million extended by Czechoslovakia. A reported \$80 million agreement with Iraq -- Prague's largest agreement since 1956 -- covers the procurement of some 50 L-39 supersonic jet trainers, 100 OT-64 armored personnel carriers, artillery, and support equipment. The credit provided will be repaid in petroleum over six years. Prague also committed some \$30 million of ground forces equipment to Egypt, India, and Syria.

10. The USSR and Eastern Europe rarely provide arms as grants. Agreements represent sales of arms with repayments usually made over five to ten years at 2%-2.5% interest. Cash downpayments are often required. However, discounts from list prices averaging about 40% are given to recipients. Most Chinese arms are provided as grants.

Military Deliveries

Communist military aid deliveries in 1972 totaled an estimated \$775 million - about 25% below the 1970-71 average of nearly \$1 billion a year. By the end of 1972, Communist countries had delivered \$8.3 billion of military equipment or about 85% of their total commitments. The USSR provided \$655 million of 1972 shipments, including the first deliveries to LDCs of the SA-6 surface-to-air missile system, SU-17 (Fitter B) swing wing fighter bombers, and T-62 medium tanks. Some of the major recipients received their first SA-3 surface-to-air missile systems. Osa-class guided missile patrol boats, and ZSU-23-4 self-propelled antiaircraft guns. More than 70% of Soviet deliveries went to Arab countries, some \$250 million to Egypt. Cairo received about 145 jet fighters, including some SU-17 fighter bombers, T-62 tanks, and the SA-6 surface-to-air missile system.

Deliveries to Syria were accelerated during the second half of 1972 when tensions with Israel heightened. Under agreements signed in 1971, Damascus received its first deliveries of T-62 tanks, Osa-class guided missile patrol boats, ZSU-23-4 antiaircraft guns, and SA-3 equipment. Deliveries to Iraq under a \$236 million accord signed in 1971 included MIG-21 jet fighters, T-62 tanks, Osa-class patrol boats, and SA-3 equipment. Elsewhere in the Arab world, Lebanon received its first Soviet arms (24 artillery pieces), and Algeria received some ground forces equipment.

Under agreements signed during 1971-72, India received two Petya-class escort ships, MIG-21s, and various ground forces equipment as well as its first MI-8 helicopters, T-62 tanks, and multiple rocket launchers. Substantial deliveries of ground forces equipment continued to Iran. Shipments of fighter aircraft, torpedo boats, and ground forces weapons were made to Somalia and Guinea, and small quantities of ground forces equipment were delivered to Afghanistan, Equatorial Guinea, Libya, Mali, and Zambia.

Czechoslovakia again accounted for most East European deliveries. Prague's shipments consisted largely of ground forces equipment to Egypt, India, and Iraq and of L-29 aircraft to Nigeria. Bulgaria and Poland delivered some army materiel to India.

Chinese deliveries in 1972 reached a record \$75 million. Almost 90% went to Pakistan, including tanks, artillery, MIG-19s, and Shanghai-class patrol boats. China delivered five of these patrol boats and some artillery to Sri Lanka and four patrol boats and a torpedo retrieving ship to Tanzania. Small quantities of arms also were delivered to Guinea, Mali, and Sierra Leone. Sudan and Zambia received their first Chinese arms.

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Technical Assistance

Military Technicians

There were an estimated 10,550 Communist military technicians in the LDCs during 1972, slightly more than in 1971 (see Table 10). By the end of 1972, however, the number had dropped to less than 5,000. More than one-half of those stationed in the LDCs prior to July were in Egypt, but Cairo subsequently ousted some 5,400 of them leaving a training mission of about 100.¹¹ Khartoum terminated the Soviet military training program in Sudan, but additional Soviet advisers arrived in Syria to help Damascus shore up its air defenses. Increased numbers of Soviet personnel also were noted in Afghanistan, Guinea, India, Iraq, Somalia, and Yemen (Aden).

The largest share of an estimated 900 Chinese technicians were in Tanzania building naval and air bases and training Tanzanians. Chinese military advisers were noted for the first time in Sri Lanka, Sierra Leone, and Sudan.

Military Trainees

Nearly 3,200 nationals from the LDCs departed for military training in Communist countries during 1972, almost triple the number in 1971 (see Table 11). About 2,300 of the new trainees went to the USSR. The total departures during the year raised to more than 34,000 the estimated number trained since 1955. Nearly 3,800 trainees still were there at the end of 1972.

In conjunction with the ouster of Soviet personnel, Egypt also withdrew almost all its trainees from the USSR. Iraq and Syria, on the other hand, sent large numbers to the USSR for six-months' training on the SA-3 missile system. Bangladesh sent some 250 personnel for pilot and aircraft maintenance training in anticipation of the first deliveries of Soviet fighter aircraft.

Approximately 800 military trainees went to the PRC in 1972. About 480 personnel from Guinea and Sierra Leone arrived, the first from these countries to train in China. The rest of the trainees came from Pakistan, Tanzania, and Zambia.

11. An estimated 7,500 Soviet military personnel assigned to Soviet operational units in Egypt also departed.

Trade

Value

Communist trade with the LDCs increased about \$285 million in 1971 and reached a peak of nearly \$6.2 billion (see Table 12). This growth of some 5%, however, was well below the rate of increase of the previous two years. The USSR, responsible for most of the 1971 growth in trade, again accounted for about 45% of Communist-LDC trade. The relative shares of Eastern Europe and the PRC also remained about the same - 38% and 15%, respectively.

Soviet trade with the Third World increased about \$200 million in 1971, reaching nearly \$2.8 billion. Although the growth was sizable, it was substantially less than the gains registered in the previous two years. Moscow's trade balance with the LDCs dipped into the red for the second straight year, as imports exceeded exports by more than \$30 million. Most of the imbalance stemmed from large Soviet purchases of Malaysian rubber and an inability to expand sufficiently its commercial sales in Latin America. The Latin American imbalance exceeded \$100 million, while the Malaysian deficit was about \$85 million. Only a \$175 million surplus with the Near East and South Asia kept Moscow's LDC trade deficit as low as it was.

Soviet trade with the Near East and South Asia - representing almost three-fourths of Soviet-LDC trade in 1971 - rose by \$160 million and surpassed the \$2 billion mark. Egypt, India, and Iran accounted for 70% of Soviet trade with these two areas. Imports from Iran showed the largest rise as a result of an increase in natural gas deliveries. Soviet exports to Iraq nearly doubled in 1971 with large shipments of equipment for Iraqi oil development, much of it aid related. Soviet-Egyptian trade, which comprised more than one-fourth of Soviet-LDC trade, rose only moderately, while the recent Soviet-Indian trade pattern of falling Soviet exports and rising imports became more pronounced.

An increase in Soviet trade with Latin America of about \$45 million compensated for an equal drop in Soviet-East Asian trade. The growth in Latin American trade stemmed largely from increased purchases of zinc and tin from Bolivia, corn from Mexico, and coffee and corn from Brazil. The decrease in East Asian trade resulted from reduced quantities and prices of rubber purchased from Malaysia and Indonesia. A modest gain of \$35 million in Soviet-African trade reflected large shipments of Soviet machinery and equipment to Guinea and sharply increased cocoa imports from Nigeria and Ivory Coast.

Although data are not yet available, Soviet trade with Latin America probably jumped sharply in 1972. Because of a poor sugar beet harvest at home and a mediocre cane crop in Cuba, Moscow was forced into the world sugar market for the second consecutive year. Most of its purchases were made from Latin American countries (mainly Brazil) where it bought at least 380,000 metric tons, valued at an estimated \$65 million, for 1972 delivery. Late in 1972, the USSR purchased between 400,000 and 600,000 tons from Brazil for delivery in 1973.

East European trade with the LDCs of about \$2.3 billion grew only marginally in 1971 after a decade of substantial growth. Reduced imports from Near Eastern and South Asian countries were the primary cause of the lack of growth. East European trade with Latin America rose nearly 10%, largely as a result of increased purchases of Brazilian coffee and Brazilian purchases of Polish ships. Czechoslovakia surpassed East Germany as the largest East European trade partner of the LDCs in 1971. These two countries plus Poland accounted for roughly 80% of total East European-LDC trade.

China-LDC trade, characterized by annual fluctuations increased by 16% in 1971. Most of the growth came in trade with Africa and Latin America. The warming of relations between Sudan and the PRC led to a doubling of their trade, while Chinese exports to Tanzania more than doubled. Chinese imports of Zambian copper added an estimated \$35 million to their trade, and imports of copper from Chile and copper and fishmeal from Peru accounted for most of the growth in Latin American trade. During 1972, China purchased about 300,000 tons of sugar from Brazil.

Direction of Trade and Relative Shares

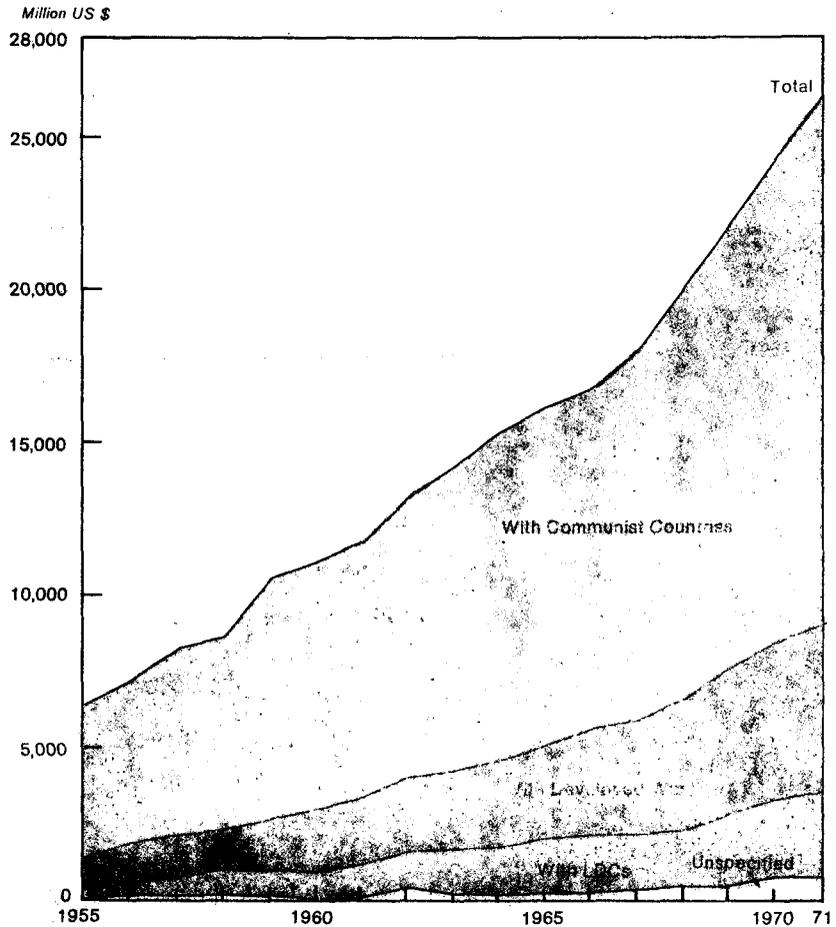
The Near East and South Asia accounted for 60% of aggregate LDC-Communist trade in 1971. Africa represented about 20% and Latin America another 10%. The largest share of China's trade -- about 35% -- was with Africa.

The LDCs accounted for about 10% of Communist world trade in 1971; about 20% of China's trade was with LDCs, more than 10% of the USSR's (see Figure 6), and more than 5% of Eastern Europe's. Communist trade, however, comprised an important part of the total trade of several countries. The Communist countries took nearly 60% of Egypt's exports while providing more than 30% of its imports. Syria sent more than 35% of its total exports to the Communist countries and took nearly 30% of its imports from them. Nearly one-third of Sudan's exports and one-fourth of its imports were involved in its trade with the Communist countries.

They also accounted for 15% of India's total trade and 15% of Sri Lanka's (see Table 13). Other countries which had more than 10% of their total exports or imports accounted for by Communist countries include Algeria, Burma, Greece, Iran, Iraq, Libya, Pakistan, Tunisia, and Turkey. For Algeria, Iran, Iraq, and Libya, the percentage represented only their non-oil trade.

USSR: Foreign Trade

Figure 6



Commodity Composition

Machinery and equipment, which include most Soviet aid deliveries, accounted for about one-half of Moscow's exports to the LDCs in 1971.

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During the early years of the Soviet aid program, this category of exports was largely aid-generated. In more recent years, however, the aid share has declined while commercial sales of Soviet machinery and equipment have risen rapidly, reflecting a growing LDC acceptance of these goods. Not only has Soviet project aid created continuing markets for replacements and spare parts, but it apparently has also helped to dispel many of the inhibitions against Soviet goods.

Among other Soviet exports, ferrous metals, timber, pulp and paper, and petroleum products accounted for an estimated 20%. Grain exports were insignificant because of the poor Soviet harvests. In years when the harvests are good, grain exports have accounted for as much as 10% of exports to the LDCs.

Raw materials and foods accounted for roughly three-fourths of Soviet imports from the LDCs in 1971. These categories included such traditional LDC exports as natural rubber (246,000 tons), cotton fiber (242,000 tons), hides, oilseeds, vegetables, food oils, coffee, cocoa, and fresh and dried fruit. Imports of gas and oil grew, but still were a small part of total imports.

Soviet imports of manufactured and semi-manufactured goods reached about 20% of total imports. For some countries it has become an important category. Manufactures accounted for about 45% of Soviet purchases from India, 40% of those from Egypt, and 25% of those from Iran. Clothing and jute are the major commodities in this group, but it also includes cotton fabrics and yarn, carpets, leather products, rolled steel, detergents, paints, furniture, cigarettes, and other consumer goods.

The rising level of military and economic aid repayments has been a major impetus to the growth of Soviet imports of manufactured and semi-manufactured goods from the LDCs. The USSR is accepting increasing amounts of non-traditional imports to effect these transfers, especially from Soviet-aided plants. This helps the recipient repay debts, but in some cases it creates an export potential that is in excess of current repayment obligations. Moscow is taking an increasing amount of this surplus.

COMMUNIST ACTIVITIES IN LESS DEVELOPED AREAS
BY AREA AND COUNTRY

Africa

Summary

Less than one-fourth (about \$425 million) of new Communist economic aid commitments to the LDCs during 1972 was channeled to African countries. Almost 60% went to Algeria, Togo, and Zambia, while Burundi, Dahomey, the Malagasy Republic, and Rwanda joined the list of Communist aid recipients. Three East European countries extended slightly more than one-half the total aid to Africa and the PRC the rest.

East European countries, mainly Czechoslovakia and Romania, extended some \$215 million of economic aid, almost all to Algeria and Zambia, for machinery and equipment purchases. Construction of the Tanzam Railroad moved rapidly. The pace of Peking's activities in Somalia also accelerated with the arrival of large numbers of technicians to begin work on projects under the credit extended in 1971.

The USSR did not extend new aid to Africa, but agreed to build Somalia's largest project -- the Fanole Dam on the Giuba River. The USSR and several East European countries signed contracts for sizable purchases of Libyan nationalized oil. Only a few minor military aid commitments were made during the year, all by China.

Algeria

Algeria's economic relations with the Communist countries continued to expand in 1972 as new aid agreements were signed and work moved briskly on existing projects. Extensions totaling \$150 million were received from Czechoslovakia and Romania to purchase machinery and equipment for unspecified projects. A \$100 million credit from Bucharest -- its largest extension in 1972 -- is repayable over 10 years at 2.5% interest. Prague's credit of \$50 million carries terms of 12 years and 2.5% interest.

The USSR did not extend any new economic credits but continued to implement its on-going aid program, although aid expenditures were lower than in 1971. Nearly 1,500 technicians were employed in Algeria, including an estimated 500 doctors and teachers. The Annaba steel plant -- Moscow's largest project in Algeria -- produced its first steel in 1972, and work was begun to expand its first-stage capacity of about 400,000 tons annually to 2 million tons. The USSR has committed \$317 million to this project

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since 1964. A lead and zinc plant at El Abid was completed, and work continued on some small hydroelectric and agricultural schemes.

About one-half the 1,100 East European technicians in Algeria were working under individual contracts as doctors, teachers, agronomists, public works specialists, engineers, and project consultants. The rest were assigned directly to aid projects. Major projects under way included the Czech-assisted Skikda powerplant, an East German iron foundry, and Romanian geological and petroleum prospecting. Hungary agreed to construct several schools, a hospital, and a medical instruments plant under a \$20 million credit extended in 1970.

About 500 Chinese technicians were in Algeria in 1972 working on various small industrial and agricultural projects. Peking signed a contract early in the year to push forward with an extensive program to develop underground water resources under a \$50 million credit extended in 1963. In November the two countries signed protocols to 1971 trade and aid agreements detailing commercial exchanges for 1973 and surveys of agricultural and industrial projects to be carried out under a \$40 million credit.

Military aid activity in Algeria was comparatively slow during 1972, consisting of the delivery of 40 T-55 tanks and some support equipment. These deliveries were made under a \$100 million accord concluded in 1971 which reportedly covered MIG-21 jet fighters, MI-8 helicopters, guided missile patrol boats, and ground forces equipment. Most of this equipment probably will be delivered in 1973, when 170 Algerian military trainees in the USSR return home. Despite the low level of deliveries, there still were 1,000 Soviet military technicians in Algeria.

Ethiopia

Communist aid activities in Ethiopia were at a low level during the year. Peking allocated part of its \$84 million credit of 1971 to build a 190-mile road from Waldiya to Woreta, to establish a provincial veterinary service program, and to develop several water supply systems and studied possible aid for a cottage industry and rural electrification. Czechoslovakia completed a tire plant and continued work on a tannery scheduled for completion in 1974.

The Soviet aid program remained relatively dormant, with Moscow agreeing only to build a scientific research laboratory near Ambo. Nearly 85% of a \$100 million Soviet credit extended in 1959 still remains to be used. The joint Ethiopian-Soviet trading company (ETHSO), however, continued successfully to push sales of Soviet agricultural, industrial, and

transportation equipment in Ethiopia. It contributed substantially to doubling the level of 1971 trade between the two countries to nearly \$5 million, and indications are that it had even greater success in 1972. ETHSO spent nearly \$45,000 during the year on advertising and plans

Ghana

Ghana's economic relations with Communist countries began to improve after the Busia regime was ousted in January. Numerous trade and aid delegations moved in both directions, and Peking revived some projects under its 1961 and 1964 aid agreements - dormant since the demise of the Nkrumah regime in 1966. In return, Accra replaced a Taiwanese agricultural team with PRC technicians.

Accra also pressed for the resumption of the Soviet aid program, but no new Soviet aid was given during the year. East European countries, however, moved to revitalize their economic ties with Ghana. Hungary sent in a team of engineers to reassess the Bui Dam project that was suspended in 1966, and Bulgarian technicians surveyed agricultural, geological, and housing projects. Discussions were held with Romania for the purchase of a sizable amount of agricultural machinery.

Guinea

Communist aid activity in Guinea continued uninterrupted in 1972, despite Conakry's expulsion of a Soviet vice consul and the Romanian Ambassador. Nearly 650 Soviet technicians were employed in Guinea, most of them on projects associated with the Kindia bauxite project. An automobile mechanics training center in Conakry was inaugurated during the year. Several East European countries signed new trade agreements, while Bulgaria, East Germany, and Poland moved forward with their aid projects.

An estimated 600 Chinese were working as doctors and on various on-going activities in Guinea, primarily on agricultural and electric power projects and a hotel. China also agreed to establish various communications facilities in the country and signed a trade protocol calling for a doubling of trade in 1972. Peking provided Guinea with a considerable amount of rice, part of which was exchanged for Guinean products.

Moscow continued to dominate the supply of arms to Guinea, as it delivered some \$8 million of military hardware under a July 1971 agreement. Deliveries included four MIG-17 jet fighters, two motor torpedo boats, tanks, armored personnel carriers, artillery, and two AN-12 transports - the first delivered to a Black African country.

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Libya

Libya's economic relations with Communist countries expanded rapidly during the year, as East European countries moved ahead with various projects, and agreements were signed with several Communist countries to sell them nationalized Libyan oil. The Soviet Union offered to provide technical assistance for petroleum development under an economic agreement signed in March.

In May, Libya signed its first agreements to sell oil from the Sarir oilfields, a British concession nationalized in 1971. The USSR signed a one-year accord - renewable annually - to purchase 2 million tons. Bulgaria purchased 500,000 tons in 1972 and contracted for an additional 1 million tons annually through 1975, while Romania reportedly contracted for 7 million tons to be delivered during 1972-75. By October, Libya was exporting an estimated 14,000 tons of oil per day to the USSR and Eastern Europe, still only about 5% of Libya's total oil exports.

In addition to the oil pact, Libya also contracted to have the USSR build two distillation plants in Libya and to study the feasibility of integrating the Libyan electric power grid with Egypt's. The projects are covered by the March accord, which also provides for cooperation in oil prospecting, extraction, and refining; mineral and gas surveys; and development of energy resources. Presumably these projects will be paid for in hard currency or on current account with oil.

The USSR sold Libya some \$38 million in ground forces equipment under two 1972 contracts. As with past arms transactions between the two countries, payment will be in cash on delivery. Libya also made cash purchases of \$9 million of T-54 tanks and spare parts from Czechoslovakia. Deliveries during the year consisted of 38 Czech tanks and 40 Soviet armored personnel carriers.

Somalia

Economic relations between Somalia and the Communist countries intensified in 1972 as China and the USSR implemented earlier credits and Bulgaria extended a \$1.5 million credit. As Peking pushed forward with its aid program, the number of Chinese technicians in Somalia jumped elevenfold to 1,000. Many arrived to work on the 600-mile Burao-Belet Uen road, a hospital, and a sports complex under credits extended in 1971. Others were working on a cigarette and match factory in Mogadiscio and a water system for Hargeisa under earlier Chinese credits.

During a visit to the USSR by President Siad, Moscow agreed to proceed with construction of the Fanole Dam on the Giuba River, Somalia's most important development project, for which credits were extended in 1971. The USSR also will construct oil storage facilities, expand a cannery and a meatpacking plant, provide aid to Somalia's fishing industry, and develop quartz deposits near Berbera under earlier credits.

In February, Soviet Defense Minister Grechko visited Mogodiscio and shortly afterward arms began to arrive under a November 1971 accord. Deliveries included four IL-28 light jet bombers -- the first bombers acquired by Somalia -- an AN-26 transport, three helicopters, two MIG-15 jet fighters, a motor torpedo boat, and various items of ground forces equipment. In addition, a Soviet naval communications facility was established at Berbera, and the USSR reportedly agreed to expand Berbera airfield in exchange for greater access to the facility.

Sudan

Although Sudanese relations with the USSR and most East European countries were in the deep freeze during most of 1972, there was a noticeable thaw during the last two months of the year. Moscow began discussions on new Soviet economic aid, Hungary initiated talks on the allocation of its \$10 million credit extended in 1970, and Bulgaria undertook negotiations on the use of its past credits. Romania -- whose relations with Sudan were not affected by the abortive 1971 Communist coup -- agreed to explore for oil, conducted transportation surveys of the White Nile, and discussed obligating additional portions of its 1971 credit.

The PRC pressed forward with its aid program and began construction of the 150-mile Wad Madani-Gedaref road, continued building a conference hall, and initiated surveys for a textile mill. Peking also delivered its first arms to Sudan as Moscow's military aid program continued to be dormant. Under a \$3 million accord concluded in April, at least six MIG-17 jet fighters and some light tanks were delivered in time for Sudan's Revolutionary Day celebration on 25 May. Peking sent about 80 military technicians to Sudan to help train Sudanese personnel. No Soviet military equipment has been delivered since July 1971 and all Soviet advisers and technicians probably departed by mid-1972.

Tanzania

The Chinese continued to dominate foreign aid activity in Tanzania in 1972. Construction of the Tanzam Railroad moved well ahead of schedule. The railroad is expected to be completed in early 1974 rather than late in 1975 as originally scheduled.

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An additional 400 Chinese were active on the mainland working on agricultural, electric power, and food-processing projects and on Zanzibar building a cigarette factory and a sugar refinery. In October, construction began on a technical training center under a \$14 million credit extended to Zanzibar in 1964.

Sino-Tanzanian trade has risen rapidly since 1969, largely as a result of the importation of goods related to the railroad. Trade in 1971 totaled more than \$95 million -- about double the 1970 level -- and accounted for about one-fifth of Tanzania's total trade. Trade during the first half of 1972 continued at the 1971 rate.

Other Communist aid activity was comparatively modest. Czechoslovakia extended \$9.6 million worth of credits to build a hospital and a tannery and to purchase medical equipment. Bulgaria provided a \$3 million credit, also largely for a tannery. Most of an estimated 165 Soviet technicians in Tanzania were working on geological and petroleum surveys and on a hydroelectric project on the Kiwira River.

The Chinese also continued to monopolize military aid to Tanzania. A \$5 million agreement was signed in June for various equipment, including motor torpedo boats and antiaircraft guns. Deliveries during the year included four motor torpedo boats, a torpedo recovery boat, naval stores, and ammunition.

Zambia

Communist, particularly Chinese, aid activities in Zambia picked up sharply in 1972. The Chinese-aided Lusaka-Mongu road was completed in October, and work on the Zambian end of the Tanzam Railroad accelerated. The number of Chinese personnel working on the railroad jumped from an estimated 400 to 1,500.

In March, Romania extended Zambia a \$50 million credit for the purchase of machinery and equipment and established a joint economic commission to study Romanian assistance to Zambia. Other East European and Soviet aid activities, however, were limited.

Zambia received its first Communist arms in 1972, probably under accords signed the previous year. Soviet deliveries of 27 armored personnel carriers, nine transporters, and ammunition followed the return of some 25 Zambian military trainees from the USSR. Chinese shipments consisted of small arms and ammunition.

Other African Countries

In other African countries **Burundi** received its first Communist aid, a \$20 million interest-free credit from the PRC repayable in 10 years beginning in 1982. It also signed its first arms accord with Peking, a \$2 million agreement to build four military camps and possibly purchase some small arms. The Chinese signed a protocol with **Congo** to construct a hospital at Fort Rousset and a match factory. **Brazzaville** also signed a military accord with the PRC for a few jet fighters and a helicopter. **Dahomey** received its first Communist aid, an interest-free economic credit of \$44 million from the PRC with repayment beginning in 1988.

The PRC provided the **Malagasy Republic** its first Communist aid, a \$7.8 million credit to build a tourist complex at Nosy-Be and a \$1.2 million grant for 10,000 tons of rice. Communist activity in **Mali** was confined largely to Soviet surveys of the Kalina gold mine and Chinese construction of several light industrial projects and surveys of the proposed \$210 million Manatali Dam. Peking continued to survey the deepwater port at Nouakchott in **Mauritania** and completed an experimental rice farm at Rosso. China became **Mauritius's** largest aid donor with the extension of an interest-free credit of nearly \$34 million repayable in 10 years beginning in 1987. A subsequent protocol provided for the construction of an international airport near Port Louis and a road to it from the capital.

In **Morocco**, the USSR completed construction of a powerplant on the Dra River and expansion of a thermal powerplant at Djerada and signed contracts to build a hydroelectric powerplant at Ait Adel. Romania signed an agreement calling for the establishment of two stock-breeding complexes, a mechanized farm, and food-processing plants.

Nigeria signed an agreement with Czechoslovakia for a \$1 million cash purchase of six L-29 jet trainers, which were delivered in April. China agreed to construct two bridges in **Sierra Leone** and a 30,000-seat stadium in Freeport and to develop 13 agricultural stations.

Rwanda received its first Communist economic aid, a \$22 million interest-free credit from China to improve the Kigali-Rusumo road, to develop the Myabarongo Valley, and to construct a cement factory. The credit calls for repayment over 15 years beginning in 1987. **Togo** also received its first aid from a Communist country, a \$45 million Chinese credit extended when the two countries established diplomatic relations. **Tunisia** accepted its first Chinese aid, a \$36 million credit repayable over 20 years after 10 years' grace. Up to \$12 million of the credit is for commodity imports to finance local costs of Chinese projects.

East Asia

Communist economic activities in East Asian countries in 1972 were highlighted by the first economic cooperation agreements with Malaysia and efforts to expand relations with Indonesia. In **Burma**, Chinese technicians resumed the surveys of the Ta-kaw bridge and the Pyaungsho hydroelectric project halted when Chinese technicians were withdrawn in 1967. The PRC also began surveys of a cement plant financed under \$57 million of reactivated credits. A high-level Chinese trade delegation -- the first since 1967 -- visited Burma in November to negotiate rice purchases for 1973. Burmese officials characterized mid-year tours of the USSR and Eastern Europe to negotiate commodity credits as complete failures, signing only a \$10 million barter agreement for 1973 with the USSR.

Indonesia appeared to move toward acceptance of its first economic aid from a Communist country since the abortive Communist coup in 1965, as it agreed to consider undertaking joint ventures with Romania in mining, forestry, and industry. After negotiations lasting two years, Hungary agreed to reschedule \$20 million of Jakarta's economic aid debt. Indonesia's relations with Peking during 1972 were largely confined to expanding trade as it purchased 100,000 tons of Chinese rice, its first direct purchases from the PRC since 1965.

At the end of the year, Moscow still was pressing Jakarta for a decision on a Soviet offer to complete the superphosphate and steel plants under construction when the Soviets were ousted in 1966. Although recent Soviet feasibility studies of the projects were undertaken at Jakarta's request, many Indonesian officials subsequently stated opposition to further Soviet participation.

Prime Minister Razak signed **Malaysia's** first economic cooperation agreements with Communist countries during fall visits to Poland and the USSR. The Soviet agreement stressed technical assistance -- generally for hydroelectric and thermal power stations and mineral development -- and did not extend economic credits. It stipulated that assistance would be negotiated separately for each project. However, studies of the Tembeling Dam and hydroelectric complex were begun early in the year before the agreement was signed.

The Polish agreement calls for technical assistance to agriculture, light industry, and medicine, for scholarships for Malaysians, and for studies of joint ventures in the timber and fishing industries. There were no reports of any related financial assistance. Malaysia also signed trade agreements with Poland and the USSR calling for increased purchases of rubber and agricultural products in exchange for their machinery and equipment and signed its first trade agreement with Czechoslovakia.

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Latin America

Summary

Communist economic relations with Latin America continued to expand in 1972. Chile received more than \$225 million of new aid commitments, which, however, was far below the financial resources Santiago requested from Communist countries to help buttress its faltering economy. Guyana received a \$26 million credit from the PRC, Georgetown's first Communist aid, and Peru accepted \$78 million in East European aid. Most aid extended to these countries consisted of development-type credits rather than the commercial credits which have characterized most Communist aid to Latin America. The Soviet Union, unable to meet its sugar requirements from traditional sources, moved heavily into the Latin American market. It purchased 700,000 to 900,000 tons from Brazil alone.

Chile

Chile's economic relations with the Communist countries in 1972 expanded rapidly. After two years of the Allende regime, Chile's production had declined, its balance of payments had deteriorated, and inflation had reached record breaking levels. With most Western financial sources reluctant to extend additional credits and copper prices depressed, Santiago turned to the Communist countries for assistance. These countries responded with increased economic aid, but far less than was sought or needed. In particular, aid to support the balance of payments remained small.

In July, Moscow concluded two aid agreements with Santiago totaling \$114 million and two commercial credits totaling \$41 million. The aid agreements included a \$60 million credit for development projects and a \$54 million credit for machinery and equipment purchases. Both credits call for repayment over 12 years at 2.5% interest. As a prerequisite for using the \$60 million credit, Moscow stipulated that Chile must first allocate \$42 million of similar credits extended in 1967. Two commercial credits consist of \$20 million for use in 1972 and \$21 million to be disbursed in equal amounts during 1973-75. Chile also continued to use a \$50 million revolving credit for short-term financing opened by Moscow's three Western-based banks in 1971.

In December, Allende traveled to the USSR and Eastern Europe in search of \$450 million to \$500 million in hard currency to help cover Chile's 1973 foreign exchange requirements. Although some aid was obtained - only about \$30 million worth of goods to be supplied in 1973 - no hard currency assistance was provided, and the amount of new

aid was far less than sought. Moscow also agreed to expedite construction of a port, a lubricants plant, a flour mill, and a prefabricated housing plant under credits previously extended and reduced downpayments required on some credits. Only \$6 million was drawn on these credits in 1972.

Allende also did not obtain any significant new commitments in Eastern Europe, although some aid was received from these countries earlier in the year. East Germany extended its first aid to Chile a \$20 million credit to purchase machinery and equipment, repayable over 8-10 years at 3% interest. Contracts subsequently were signed for tractors and hospital equipment. Bulgaria allocated almost all of a \$20 million credit extended in 1971 for poultry farms, ceramic and vegetable oil plants, an onion dehydrating factory, and a 500,000-ton-capacity sulfuric acid plant at the Ventanas copper refinery.

Approximately \$12 million of China's \$63 million interest-free credits was made available in mid-1972 for immediate imports of food. In December, Peking allocated another \$12 million to finance food imports in 1973. The remainder of the credit is to be used for unspecified projects. A \$5 million credit for machinery and equipment also was received from North Korea.

Guyana

In April, Guyana received its first Communist aid a \$26 million credit from the PRC. The interest-free credit is repayable over 10 years following a 10-year grace period. Projects to be built under the credit include a textile mill, a highway, a glass factory, a brick and tile plant, and possibly a pencil factory. The Chinese apparently turned down a request for a paper mill, a leather factory, a rice bran oil extraction plant, and a steel mill. In addition, Peking purchased 30,000 tons of alumina and \$1 million worth of timber for 1973, approximately the same as in 1972. The USSR also purchased 100,000-140,000 tons of alumina.

Peru

The Peruvian government expanded its economic relations with the Communist world in 1972. East European nations provided \$78 million of new credits and offered to form joint mineral development companies. Hungary extended a \$30 million credit for purchases of machinery and equipment, and Poland committed \$48 million to develop a coal complex, construct a powerplant north of Lima, and develop a fishing complex at Tacna. Czechoslovakia, Poland, and Romania all offered to invest in joint mining companies in Peru. Lima established one such company with Romania to exploit the Antamina copper deposits.

Peru's total trade with Communist countries increased considerably in 1971 and 1972. Lima's exports to Eastern Europe in 1971 jumped to \$53 million from \$33 million in 1970. Nearly the entire increase, however, is attributable to the high price paid for fishmeal, Peru's major export. Peru's exports to the USSR probably rose sharply in 1972 as Moscow purchased 5,000 tons of coffee worth at least \$3 million; coffee exports to the USSR in all of 1971 totaled only \$200,000. Moscow also purchased 65,000 tons of Peruvian sugar worth as much as \$13 million for delivery in 1973.

Soviet aid implementation still was at a low level during the year. Moscow had not worked out final details of contracts for the Paita fishing complex, even though preliminary construction by Peruvian firms had begun. Some Soviet technicians arrived to initiate mineral and petroleum surveys, and Moscow allocated \$6 million of a \$26 million credit extended in 1970 for preliminary work on the Olmos irrigation project. There were reports that the USSR had agreed in principle to provide as much as \$200 million for the \$450 million project.

The PRC and Peru reached agreement in August on projects to be financed under a \$42 million credit extended in 1971. Soon afterward, Chinese experts began feasibility studies for a 180,000-ton paper mill, a machine tool factory, and a power and irrigation project. Peking also was considering the possibility of undertaking petrochemical and iron and steel projects and providing about \$8 million of tobacco-processing equipment.

Other Latin American Countries

In **Bolivia**, Moscow delivered mining machinery under a \$28 million credit extended in 1970 and signed contracts to build a zinc smelter and several tin volatilization plants. Czechoslovakia began building the Oruro antimony smelter; Hungary agreed to construct a \$6 million cement plant and to supply \$1.4 million of hospital equipment under its 1971 credit of \$10 million; and Poland contracted to undertake studies of a zinc smelter in southern Bolivia and extended a \$250,000 credit for mining machinery.

The USSR moved heavily into **Brazil's** sugar market during the year, importing about 300,000 tons in 1972 -- some 12% of Brazil's total sugar exports -- and purchasing 400,000-600,000 tons for 1973 delivery. It also purchased about \$11 million of Brazilian coffee. China bought 300,000 tons of sugar. **Colombia**, the **Dominican Republic**, **Ecuador**, and **El Salvador** made their first sugar sales to the USSR -- about 82,000 tons, worth an estimated \$14.5 million. **Costa Rica** sold 8,000 tons of coffee to several Communist countries, and **Nicaragua** sold 3,200 tons of coffee to the USSR, its first sale to that country. **Venezuela** concluded a \$23 million trade

agreement with the PRC -- its first official trade accord with that country -- and sold the USSR 70,000 tons of coffee and 36,000 tons of sugar.

Near East and South Asia

Summary

Near Eastern and South Asian countries continued to receive the largest share of new Communist aid. More than \$1 billion -- nearly 60% -- of economic aid and almost all the military aid went to them. Syria received \$222 million in new Communist aid; Iraq, \$200 million; Afghanistan, \$166 million; and Turkey, \$158 million. All of Turkey's aid was a Soviet credit for the Iskenderun steel plant. Malta received its first Communist economic aid, a \$45 million credit from China. About 75% of Soviet economic aid was channeled to these areas, all to Afghanistan, Bangladesh, Syria, and Turkey.

The two areas received nearly \$500 million in new Communist military aid, about 65% from the Soviet Union. Nearly one-half of Moscow's commitments went to Egypt, despite Cairo's ouster of almost all Soviet military personnel. Moscow signed a \$60 million agreement with Syria and accelerated deliveries to that country when tensions with Israel increased. Czechoslovakia concluded an \$80 million agreement with Iraq, and the PRC committed \$65 million to Pakistan.

Afghanistan

The Soviet Union reaffirmed its dominant role as the chief foreign source of capital for Afghanistan's economic development when it extended a \$121 million credit in 1972. The new aid represents about 35% of planned investment in Afghanistan's Fourth Five-Year Plan (April 1972 - March 1977). During the first three five-year plans, Moscow provided nearly one-half of Kabul's total investment.

Moscow's new credit consists of about \$97 million in project aid and more than \$24 million worth of commodities to be sold locally for currency to pay the local costs of Soviet projects. Among the projects included are a 100,000-ton refinery and a pipeline, a prefabricated housing plant, the Archi and Nauabad irrigation canals, expansion of two powerplants, a flour mill, and telephone transmission lines. Moscow also postponed repayment of part of Afghanistan's debt until 1977, which will be repaid in ten annual installments. Interest, however, will continue to be paid annually. The partial debt moratorium brings scheduled repayments close to the projected level of Afghan gas exports to the Soviet Union during the five-year moratorium.

More than 1,000 Soviet technicians were working on various on-going aid projects in Afghanistan. An estimated 200 were employed in oil and gas exploitation and 400 on communication and transportation projects, including maintenance of major highways and power lines. Moscow also supplied a large number of teachers for schools built with Soviet aid.

In April, Peking extended a \$45 million interest-free credit for agricultural projects and subsequently announced that it also would build a 200-250 bed hospital as a grant. The Parwan irrigation canal, being constructed under a \$28 million credit extended in 1965, was more than half complete and irrigating some 15,000 acres of land. Agreement also was reached on expanding the capacity of the Bagrami textile mill completed with Chinese assistance in 1969.

Soviet military deliveries to Afghanistan -- mostly ground forces and support equipment -- totaled only an estimated \$11 million in 1972, despite outstanding commitments of \$160 million. Still to be delivered under past accords were large numbers of MI-8 helicopters, medium tanks, armored personnel carriers, artillery, and small arms. Moscow probably has not stepped up its arms deliveries in recent years, because of Afghanistan's inability to absorb the modern and complex equipment. Possibly to help remedy this problem, the Soviet military mission was expanded from 160 to about 200 advisers, and some 200 Afghan military personnel were sent to the USSR for training.

Bangladesh

Most European Communist countries moved rapidly to establish diplomatic and economic ties with Bangladesh after that country emerged at the end of 1971. They made available nearly \$100 million of new aid and reallocated about \$55 million of unused credits originally committed to East Pakistan. Czechoslovakia extended a \$25 million credit for capital goods purchases, which is repayable over 8-10 years at 2.5% interest.

The USSR committed about \$74 million of new aid during the year. Moscow provided a \$50 million credit to purchase agricultural, construction, and shipbuilding equipment and aircraft, a \$6 million commodity credit, and an \$18 million grant to purchase food and various equipment. Moscow also postponed initial aid repayments until 1975, lengthened the repayment period of all credits to 12 years, and reduced the interest rate to 2%.

The USSR resumed work on the Ghorosal powerplant, on oil and gas prospecting, and on the electrical equipment plant at Chittagong -- aid projects begun prior to independence. In addition, Moscow helped clear

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Chittagong harbor and provided fisheries assistance in the form of research vessels and training. Romania reallocated nearly \$10 million of credits for railroad equipment.

Shortly after gaining independence, Dacca negotiated short-term barter trade agreements with almost all Communist countries. The one-year agreements called for Dacca to exchange its jute and hides for industrial raw materials. Subsequently, these agreements were broadened to general trade agreements, and protocols for 1973 were signed, but the value of goods to be traded was not announced.

Bangladesh also signed its first arms agreement with a Communist country during 1972. The magnitude of an accord with the USSR is not known, but it apparently includes a squadron of MIG jet fighters and possibly some transport aircraft. The fighters probably will be delivered when about 250 Bangladesh personnel complete training in the USSR and return in early 1973.

Egypt

Egypt's relations with Communist countries in 1972 were highlighted by Cairo's ouster of almost all Soviet military personnel. In mid-July, President Sadat, dissatisfied with the degree of Moscow's commitment to help remove Israel from Egyptian territory, terminated the Soviet military mission in Egypt. Within a few months, all but about 100 of some 5,500 Soviet technicians and advisers had departed. All 7,500 of the Soviet personnel assigned to Soviet operational units in Egypt also left.

Despite Cairo's expulsion order, Egypt still received commitments for some \$150 million of Soviet arms. A \$70 million accord, apparently signed prior to the expulsion, covered various spare parts and support equipment and introduced SU-17 (Fitter B) swing wing fighter bombers and T-62 medium tanks into Egypt. Another \$80 million agreement presumably was signed to cover equipment left behind by the departing Soviet forces. In addition, Czechoslovakia signed an accord with Cairo for more than \$20 million worth of tanks.

Soviet military deliveries to Egypt totaled an estimated \$250 million in 1972, well below the 1970-71 levels but still above the \$120 million a year average maintained through the 1960s. Aircraft deliveries included 124 MIG-21 jet fighters, nine SU-7 fighter bombers, at least 12 SU-17 swing wing fighter bombers, and five MI-6 helicopters. The Soviet SA-6 surface-to-air missile system was turned over to the Egyptians for the first time as were radars and air defense communications equipment used previously by Soviet forces in Egypt. Cairo also received 230 armored

personnel carriers and 300 tanks -- including 100 T-62 medium tanks -- and exchanged two W-class submarines for refurbished R-class submarines.

Sadat's ouster decree had no perceptible impact on Soviet economic aid, even though no new Communist aid was extended during the year. Several Egyptian delegations held economic talks in Moscow, focusing on the allocation of past credits and possible new aid for Egypt's five-year plan which begins in 1973. Work moved along on the largest Soviet project in Egypt -- the expansion of Hulwan's annual capacity from 300,000 tons of steel to 900,000 tons. The plant is scheduled to be completed in 1973. Deliveries of equipment also were made to the site of the Naja Hamadi aluminum plant, begun in late 1971, and studies were continued for a phosphorous complex.

Protocols also were signed to work on several Soviet aid projects under 1971 credits, including Cairo's rural electrification scheme and a number of textile, ceramic, and glass plants. Moscow agreed to continue developing fisheries in Lake Nasir and to study the possibility of building barrages on the Nile River to provide additional electric power, to improve irrigation, and to remedy the river bank erosion problem caused by construction of the Aswan High Dam.

The PRC allocated more than one-half of its \$80 million credit extended in 1964 to build eight factories to produce clothing, blankets, and metal castings. East Germany signed a contract to start work on a prefabricated housing plant at Hulwan with a capacity of 2,000 units per year. Poland agreed to accelerate use of some \$45 million of credits that still remain from \$70 million extended in 1964.

In a development unusual in Communist-LDC relations, Prague and Cairo signed an agreement under which 15,000 Egyptian laborers and construction workers will be employed in Czechoslovakia. A similar accord involving an initial 2,500 workers was signed with Bulgaria. The agreements provide employment for many construction workers left idle after the Aswan Dam was completed. It also enables Czechoslovakia to meet some of the labor shortage it currently faces in its construction industry. Bulgaria's need for such labor is not clear, because it has 10,000 of its own workers employed in the construction and lumber industries in the USSR.

Trade protocols providing for increased trade were signed during the year with practically all Communist countries. Under these protocols, increasing quantities of cheap Egyptian manufactures will be taken which Cairo would have difficulty selling in world markets. Soviet imports of such nontraditional items as furniture, leather goods, liquor, and rugs are scheduled to rise from about \$45 million in 1973 to \$115 million in 1975.

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The USSR is the major market for Egyptian exports, accounting for nearly \$335 million, or 60%, of Egypt total exports in 1971. About one-third of these exports represented aid repayments. Trade turnover between the two countries, exclusive of aid deliveries, is scheduled to rise from \$540 million planned in 1972 to \$575 million during 1973.

India

India's economic relations with the USSR continued to be strained during 1972 despite the closer political ties that developed in 1971 following the signing of a friendship treaty and Moscow's support of Bangladesh. Although New Delhi still believes that its interests are best served through close ties with the USSR and Eastern Europe, it continued to be irritated by Moscow's constant refusal to reallocate unused industrial development credits to nonproject use. Nor has India been able to use the \$125 million of outstanding capital goods credits extended by East European countries during 1962-67.

The sluggish pattern characteristic of Communist economic aid to India since 1966 continued into 1972. No new assistance was provided during the year, no new projects were undertaken, and drawings fell to their lowest level since 1960. Aid deliveries were less than \$40 million, compared with a peak of almost \$180 million in 1964. Drawings on Soviet aid were less than \$25 million. On the other hand, India's repayments on the Soviet aid debt continued to rise and exceeded drawings for the third consecutive year. The estimated net outflow totaled \$30 million in 1972.

The declining level of drawings on Soviet aid reflected the near completion of the first stage of the Bokaro steel plant and the failure to initiate any other large projects. The only Communist-aided project completed during the year was the Soviet-built 50,000-ton steel casting and sheet rolling mill at Arkonam. The hydropower station at Balimela neared completion with the delivery of the last of six generators, and the first blast furnace was fired at the Bokaro steel plant -- Moscow's largest project in India. The latter project, undertaken in 1968 with a \$225 million credit, is expected to reach first stage capacity of 1.7 million tons of ingot steel in 1973 -- 3 years behind the original planned completion date. Work also proceeded on the intermediate stage to bring ingot capacity up to 2.5 million tons, and in April the final stage was initiated to raise the plant's capacity to 4 million tons by 1976.

The most significant development in Indo-Soviet economic relations was the formation of a Joint Commission on Economic and Technical Cooperation. The Commission will review possible Soviet assistance for India's Fifth Five-Year Plan (April 1974 - March 1979) and integrate India's

requirements into the Soviet development plan. Probably as part of this coordination effort, Moscow offered India observer status in CEMA but New Delhi declined.

The only significant East European project activity was carried on by Czechoslovakia. A 6,000-ton hydraulic forging press was inaugurated at the Ranchi foundry forge plant, presumably marking the completion of this major project for which Prague allocated almost \$70 million. Deliveries also continued on several other Czech projects already under way.

India's trade with the Communist countries rose slightly in 1971 to \$720 million. About 55% was with the USSR, India's second largest trading partner. In recent years, India's Soviet trade account has been permitted to run a large surplus to help pay its debt to the USSR. In 1971 this surplus totaled \$155 million. In order to accommodate this repayment procedure, Moscow not only has been importing traditional Indian exports of agricultural products and raw materials but also is taking increasing amounts of industrial goods, especially from Soviet-aided plants. The 1972 trade protocol called for a 20% expansion of trade during the year and an increase in Indian exports of such nontraditional goods as cosmetics, clothing, pharmaceuticals, and surgical instruments. The USSR agreed to expand its exports of newsprint, fertilizer, kerosene, and non-ferrous metals. It also exported cotton and special steels to India for further processing and reexport to the USSR.

Communist military aid commitments to India in 1972 amounted to about \$100 million, almost all from the USSR. Some \$70 million will be used for four squadrons of MIG-21 jet fighters and a few MI-8 helicopters and the rest for ground forces weaponry. Eight Osa-class guided missile patrol boats were the only naval equipment ordered during 1972 although negotiations were begun for minesweepers, patrol escorts, and antisubmarine aircraft.

Communist military deliveries in 1972 totaled an estimated \$90 million, about one-half the 1971 level. Included were India's first MI-8 helicopters, T-62 tanks, and multiple rocket launchers. In addition, Moscow delivered 23 MIG-21 jet fighters and two Petya-class escorts.

East European military deliveries of about \$6 million and new aid commitments of only \$1 million were substantially below their 1971 record levels. Czechoslovakia shipped 41 TOPAS OT-62 tracked armored personnel carriers, bridge-laying tanks, and heavy trucks. India also negotiated a licensing agreement with Czechoslovakia for local production of precision approach radar. Bulgaria and Poland delivered some \$2 million worth of ammunition.

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Iran

The only new Communist economic aid commitment to Iran during 1972 was a Bulgarian credit of \$10 million. Sofia's credit will be used to purchase Bulgarian mining machinery and equipment and will be repaid in local goods over 12 years. Poland offered a \$75 million credit for purchases of machinery and equipment repayable in oil, but an agreement had not been concluded by the end of the year.

Soviet aid activities under past credits continued at a high level, and an estimated 2,000 technicians - the largest number of Soviet personnel in any LDC - were employed in Iran. Most of them were working on projects related to the Isfahan steel mill. During a visit to Moscow in October 1972, the Shah signed a 15-year economic and technical cooperation treaty. The agreement covers a wide range of projects, some of which already are part of existing Soviet aid agreements. Included are the expansion of the steel mill, the electrification of Iranian railroad lines, studies for the expansion of Soviet-built power and irrigation facilities, and the construction of a petrochemical plant, a second gas pipeline to the Soviet border, and prefabricated housing plants.

Several Communist projects in Iran were completed during the year, including the first stage of the Isfahan steel mill, for which the USSR provided \$189 million, and the machine tool plant at Arak, built under a \$23 million Soviet credit. The Czech metallurgical complex at Tabriz, financed with a \$15 million credit, also was completed.

As the aid of Communist countries to Iran has grown, so has trade. In 1971 this trade totaled about \$400 million and represented some 35% of Iran's non-petroleum trade.¹² This trade will continue to increase as aid agreements are implemented and the level of repayments rises. Iranian gas deliveries to the USSR as aid repayments reached \$38 million in 1971 and accounted for one-third of Iran's exports to the USSR. Natural gas and crude petroleum eventually will constitute a much larger share of Iran's exports to the Communist countries.

Soviet arms delivered to Iran during 1972 totaled nearly \$75 million and included 180 armored personnel carriers and nearly 95 artillery pieces, all ordered under agreements concluded in 1970 and 1971. Czechoslovakia sold Iran about \$1 million worth of small arms ammunition and army support equipment. Tehran continued to limit its Communist purchases to non-sophisticated equipment, relying on Western suppliers for aircraft, missiles, and naval craft.

12. Excluding crude oil but including natural gas.

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Iraq

The Communist presence in Iraq continued to deepen as Baghdad signed a friendship treaty with Moscow, obtained \$200 million of new Communist economic credits, signed an \$80 million arms agreement with Czechoslovakia, and received sizable deliveries of Soviet military equipment. Agreements also were reached for settlement of most Iraqi aid debts in crude oil, which will significantly expand Iraq's trade with the Communist countries. Oil exports to the USSR and Eastern Europe in 1973 are expected to be at a level equal to almost 15% of Iraq's total oil exports in 1971, the year preceding the nationalization of some IPC concessions.

Poland extended a \$100 million credit for purchases of machinery and equipment to be repaid over 10 years at 2.5% interest. The credit is Warsaw's largest to an LDC. Repayment in crude oil will provide Poland with its first direct imports of oil from an LDC. Czechoslovakia extended \$50 million of credits to finance purchases of machinery and equipment, 90% of which will be repaid in crude oil. Prague also signed a contract to import more than 2 million tons of Iraqi crude oil during 1973-75 and promised to double its purchases when an Adriatic pipeline through Yugoslavia opens in 1975. Hungary extended \$50 million in credits to Iraq for the purchase of capital goods, including oilfield and refinery equipment. Budapest also will accept repayment in oil for this credit and for the \$42 million of aid previously extended.

The North Rumaylah oilfield, developed largely with Soviet aid, began production in April. Moscow continued to develop these fields and expects to raise production of crude oil from the present 5 million tons to 18 million tons annually by 1974. It also agreed to go ahead with a 1.5-million-ton capacity refinery at Mosul under the \$222 million credit extended in 1971 and to accept Iraqi oil in repayment of all aid debts.

The new agreements were made in response to Iraqi requests for assistance following nationalization of Iraq Petroleum Company concessions in June. Despite their willingness to help in petroleum production and to buy crude oil, Communist countries did not offer the assistance sought by Iraq in marketing its oil in third countries. Baghdad, however, probably hopes to expand its sales to Communist countries and has applied for observer status in CEMA as a step toward that objective. If Iraq's request is granted, it would be the first non-Communist country associated with CEMA.

The only significant new military commitment Baghdad received during the year was \$80 million from Czechoslovakia to purchase about 50 L-39 jet trainers, 100 OT-64 armored personnel carriers, artillery, and

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support equipment. Iraq's contract to buy \$1 million worth of transportation equipment from East Germany represents the first known military agreement between the two countries. The USSR did not sign any new accords with Iraq.

The USSR delivered an estimated \$80 million worth of arms to Iraq under 1971 accords, including air defense equipment, MIG-21 jet fighters, MI-8 helicopters, Osa-class guided missile patrol boats, and ground forces equipment. Iraq also received 50 OT-62 armored personnel carriers from Czechoslovakia, along with some small arms ammunition.

Pakistan

The PRC's continued willingness to cater to Pakistani aid requirements enabled Peking's influence to expand during 1972. A new arms agreement was signed and repayments on about one-third of past economic credits were canceled and the terms on the remaining aid made more liberal. Islamabad's relations with the USSR and Eastern Europe remained cool but there were some stirrings toward an improvement in relations.

Peking continued to support Pakistan's efforts to improve, upgrade, and expand its arms inventory and replace with more advanced weaponry equipment lost in the 1971 war with India -- estimated at about \$150 million. In February, President Bhutto signed a \$65 million accord with the PRC under which Peking agreed to equip two newly organized army divisions with about 140 T-59 medium tanks, 250 field and antiaircraft artillery pieces, and small arms. The Chinese also may have agreed to supply naval craft and TU-16 jet medium bombers. At the end of the year, Pakistani air force personnel were training in China on these aircraft.

About \$65 million worth of Chinese equipment arrived in Pakistan, including 30 MIG-19 jet fighters with ammunition and spare parts, six Shanghai-II-class patrol boats, 170 medium tanks, and about 340 field and antiaircraft artillery pieces.

Although the Soviets refused to deliver some \$44 million worth of tanks and other weapons still outstanding under 1968 accords, Moscow did agree to provide some \$2 million worth of "nonlethal" equipment.

Early in the year, Peking announced that some \$100 million in credits extended to Islamabad prior to 1970 would be converted to grants. In addition, the grace period on the \$200 million credit provided in 1970 was increased from 10 to 30 years with the first payment not due until the year 2000. Peking conducted preliminary studies for a number of projects under the 1970 credit, including pig iron, ferro-chrome processing,

and fertilizer plants; a cotton spinning mill; a paper and strawboard factory; a powerplant at Quetta; and transmission lines from Tarbela to Wah. The Chinese continued to work on the Taxila complex and a refractory plant in Hattar and agreed to complete the Pakistan portion of the Karakoram Highway, the so-called silk route. Contracts also were signed for commodity deliveries over 5 years under the \$200 million credit.

Some efforts to revive the Soviet program were noted late in 1972 with the signing of an agreement on oil and gas exploration. A number of Soviet technical teams arrived to survey the Karachi steel mill, for which Moscow extended credits in 1971. Czechoslovak technicians also returned to work on the Guddu powerplant.

Sri Lanka

The PRC continued to dominate Communist aid activity in Sri Lanka during 1972 with new economic aid commitments and arms deliveries. In July, Peking extended a \$44 million interest-free credit, and Chinese technicians rapidly arrived to survey projects to be built under the credit. About \$2 million of it was made available in hard currency. China also extended a credit of nearly \$2 million to Colombo to purchase two Chinese vessels for a joint shipping line. The ships, delivered late in the year, will operate between Colombo and China with possible stops at third countries. Sri Lanka will repay the interest-free credit over 10 years beginning in 1977.

Sri Lanka continued to use past Chinese aid rapidly. The Bandaranaike International Conference Hall neared completion, and agreement was reached for a textile complex at Pugoda.

Colombo's only other new aid was a \$10 million credit from Hungary, its first from Budapest. The aid will be used to purchase pharmaceutical and aluminum processing machinery and will be repaid over 10 years at 3% interest. Other East European countries continued to press Colombo to increase the use of previously extended credits. East Germany agreed to construct a yarn and spinning mill at Diwulapitiya and delivered teleprinters under a 1965 credit. Poland offered to build a tractor assembly plant and fiberboard factories, and Czechoslovakia offered to develop Colombo's limestone and leather industries.

Soviet aid activities were at a relatively low level. No action was taken to implement a fisheries agreement or to construct a prefabricated housing project, both loudly publicized during the year. Soviet geologists did conduct a six-month survey for offshore oil with promising results and signed contracts to continue these studies. Moscow again offered to build the second stage of the Oruwela steel mill, to expand the Soviet-assisted

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tire plant and flour mill, to improve the graphite industry, and to help develop Sri Lanka's ilmenite deposits, but no agreements were reported.

Sri Lanka received its first military aid from China during 1972. Five Shanghai-II-class motor gunboats, promised to Colombo during the 1971 insurrection, were delivered along with some \$1 million worth of ground forces equipment purchased in March.

Syria

The pace of Communist aid activities in Syria intensified during 1972 as \$222 million in new economic aid was received from the USSR, the PRC, and Romania and as Moscow increased the pace of arms deliveries. Damascus received a \$45 million credit from Peking to build two yarn factories and a stadium and to expand the Chinese-built Homs textile mill. The credit is to be repaid over 10 years beginning in 1982. Shortly after resuming diplomatic relations with Syria, Romania extended new development credits of \$75 million, mainly to cover purchases of machinery and equipment for the petrochemical, chemical, and various light industries. This aid will be repaid at 2.5% interest over 10 years after 2 years' grace. A trade credit of \$18 million also was extended, repayable over 5 years at 3% interest.

The Soviet Union extended two new credits to Syria totaling \$84 million. Some \$55 million committed in February will be used for oil, railroad, and water resource projects. A \$29 million credit extended in July will be spent on electrification and agricultural projects. The USSR also agreed to continue developing Syria's oil industry, to conduct hydrogeological surveys, to build a \$6.5 million cotton textile mill at Latakia, to develop phosphate deposits, to construct a rock-salt complex, and to expand the port of Latakia. Additional Soviet aid may be required for these projects, as outstanding credits cannot cover all these undertakings. Most of the estimated 1,300 Soviet technicians in Syria were assigned to the Euphrates project, due for completion in 1974.

A protocol was signed during the year to accelerate completion of Soviet railroad projects in Syria. Work will be stepped up on the 420-mile Latakia-Qamishli railroad -- started late in the 1950s -- and will begin on the 130-mile Damascus-Homs line. Soviet diesel locomotives for the Latakia-Qamishli line arrived, and contracts were signed for \$11 million worth of construction equipment to build the Damascus-Homs line. Railroad training centers also will be established.

Bulgaria signed a 15-year contract to purchase all the phosphate from mines it is developing. A phosphate factory, with an annual output of

300,000 tons, is scheduled for completion in 1973. In addition, the PRC and Romania were negotiating purchases of an additional 250,000 tons of phosphates. East Germany signed a contract to deliver equipment for the electrification of Syrian oilfields, probably under a \$25 million credit extended in 1966.

Soviet military deliveries to Syria were accelerated after July, largely under a 1971 agreement. Soviet shipments of more than \$125 million were Moscow's largest annual deliveries to Syria and introduced the SA-3 surface-to-air missile system, T-62 medium tanks, ZSU-23-4 anti-aircraft guns, and Osa-class guided missile patrol boats into the Syrian armed forces. The USSR also delivered MIG-21s and several MIG-17 jet fighters and three AN-12 transports. This step-up generally was related to Syrian demands for rapid arms deliveries emanating from heightened tensions with Israel. Czechoslovakia sold Damascus about 500 military trucks valued at \$9 million and delivered some tanks and armored personnel carriers.

The spurt in arms deliveries to Syria also rapidly increased the number of Soviet military advisers from an estimated 800 to more than 1,100. The increase is associated with the arrival of the SA-3 system. About 300-400 Syrian military personnel returned from the USSR in June and July after completing an SA-3 training course, and a similar number left for SA-3 training in July.

Turkey

The Soviet Union strengthened its role in Turkey's state sector industrial investment with a \$158 million credit to expand the Iskenderun steel mill. The new aid brought Soviet commitments to Turkey up to \$530 million. It also raised to about \$420 million Soviet allocations for the mill, making it the costliest Communist project in the Third World.

The Iskenderun steel mill, originally projected as a 1-million-ton plant, received credits of \$97 million from Moscow in 1967. These were later increased to \$263 million. Construction was begun in 1970 and was scheduled to be completed in 1974. The new assistance provides for doubling the plant's capacity by 1978, with facilities for a future expansion to 4 million tons. The project employs some 30,000 Turkish construction workers and, when completed, will provide employment for 12,000 to 15,000 steelworkers.

Moscow also completed three other large industrial projects during the year under a 1967 credit of \$200 million. A 3-million-ton capacity petroleum refinery was built at Izmir with \$24 million of Soviet aid. The refinery took five years to construct and forms part of a \$300 million

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petrochemical complex. The USSR also completed a 120,000-ton sulphuric acid plant at Bandirma and a 40,000-ton fiberboard factory at Artvin.

Other Near Eastern and South Asian Countries

The USSR signed a 5-year trade agreement with Cyprus calling for increased purchases of citrus fruits, raisins, and tobacco -- goods Cyprus finds difficult to sell in the world market -- in return for machinery Moscow finds hard to sell. Greece signed contracts with East Germany, Poland, and the USSR for \$70 million worth of electric power equipment. Repayment presumably is on current account but is partly repayable in Greek goods. A group of Athenian businessmen also was negotiating with Moscow to build a \$280 million alumina plant, with Moscow taking the plant's entire annual output of 450,000 tons for 7 years as repayment.

Lebanon acquired its first Soviet arms -- 24 122-mm howitzers and associated equipment and ammunition -- under a \$3 million agreement signed in 1971 and received some ammunition from Czechoslovakia. Malta received its first Communist economic aid in April, a Chinese interest-free credit of \$45 million. About \$4.6 million was provided in hard currency during 1972; the remainder was allocated for the construction of a drydock and chocolate and glass factories.

During November, Peking extended \$35 million of aid to Nepal -- probably as a grant -- after conducting feasibility studies of the Katmandu-Bhadgaon trolley line, a textile mill, and an expansion of a Chinese-built brick and tile factory. China also will construct a road from Narayanghar to Gurkha under the new aid. Peking's costliest aid project in Nepal, the Sun Kosi hydroelectric plant, was inaugurated in late November after 3 years of construction. China allocated more than \$11 million for this 10,000-kilowatt plant in 1967.

China signed a \$22 million economic aid agreement with Yemen (Aden). Although no projects were announced, a large part of the credit is probably for commodities to cover local costs of the road construction that was under way. The USSR agreed to build a thermal power station and a hospital, to establish a geological service, and to operate projects built with Soviet aid. Although geological research was planned under a credit extended in 1969, the powerplant and hospital probably are covered under a November agreement.

During July, Peking extended a \$21 million interest-free credit to Yemen (San'a) which is repayable over 10 years after 10 years' grace. San'a also signed a protocol with Moscow to expand the Soviet-built port of Hudaydah, to increase the capacity of the Soviet-assisted cement factory at Bajil, and to establish a university at San'a.

STATISTICAL TABLES

Table 1

**Communist Economic Aid Extended to Less Developed Countries
1972**

Million Current US \$¹

	Eastern Europe									
	Total	USSR	Total	Bul- garia	Czecho- slovakia	East Germany	Hun- gary	Poland	Romania	PRC
Total	1,788.8²	580.5	650.3	14.5	134.6	20.0	90.0	148.2	243.0	558.0
Africa	423.9	....	214.1	4.5	59.6	....	....	....	150.0	209.8
Algeria	150.0	....	150.0	....	50.0	....	....	....	100.0	....
Burundi	20.0	....	....	....	....	....	....	....	....	20.0
Dahomey	44.0	....	....	....	....	....	....	....	....	44.0
Malagasy Republic	9.0	....	....	....	....	....	....	....	....	9.0
Mauritius	33.8	....	....	....	....	....	....	....	....	33.8
Rwanda	22.0	....	....	....	....	....	....	....	....	22.0
Somalia	1.5	....	1.5	1.5	....	....	....	....	....	....
Tanzania	12.6	....	12.6	3.0	9.6	....	....	....	....	....
Togo	45.0	....	....	....	....	....	....	....	....	45.0
Tunisia	36.0	....	....	....	....	....	....	....	....	36.0
Zambia	50.0	....	50.0	....	....	....	....	....	50.0	....
Latin America	331.2	144.0	98.2	....	....	20.0	30.0	48.2	....	89.0
Bolivia	0.2	....	0.2	....	....	....	....	0.2	....	....
Chile	227.0	144.0	20.0	....	....	20.0	....	....	....	63.0
Guyana	26.0	....	....	....	....	....	....	....	....	26.0
Peru	78.0	....	78.0	....	....	....	30.0	48.0	....	....
Near East and South										
Asia	1,033.7	436.5	338.0	10.0	75.0	....	60.0	100.0	93.0	259.2
Afghanistan	166.0	121.0	....	....	....	....	....	....	....	45.0
Bangladesh	98.5 ³	73.5	25.0	....	25.0	....	....	....	....	....
Iran	10.0	....	10.0	10.0	....	....	....	....	....	....
Iraq	200.0	....	200.0	....	50.0	....	50.0	100.0	....	....
Malta	45.0	....	....	....	....	....	....	....	....	45.0
Nepal	35.0	....	....	....	....	....	....	....	....	35.0
Sri Lanka	55.8	....	10.0	....	....	....	10.0	....	....	45.8
Syria	222.0	84.0	93.0	....	....	....	....	....	93.0	45.0
Turkey	158.0	158.0	....	....	....	....	....	....	....	....
Yemen (Aden)	22.2	N.A.	....	....	....	....	....	....	....	22.2
Yemen (San'a)	21.2	....	....	....	....	....	....	....	....	21.2

¹ Credits extended in pounds sterling were converted at 1972's average rate of \$2.50 per pound.

² Including grants made by the PRC of \$35 million to Nepal and \$1.2 million to the Malagasy Republic and Soviet grants of \$17.5 million to Bangladesh.

³ Excluding all aid reallocated to Bangladesh from former credits to Pakistan.

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Table 2

**Communist Economic Credits and Grants to Less Developed Countries, Extended and Drawn
1954-72**

Million Current US \$

	Extended				Drawn			
	Total	USSR	Eastern Europe	PRC	Total	USSR	Eastern Europe	PRC
Total	15,284	8,282	4,181	2,821	6,408	4,145	1,253	1,010
Africa	3,506	1,300	800	1,406	1,031	462	131	438
Algeria	763	425	246	92	197	142	20	35
Burundi	20	....	....	20	....	....	....	....
Cameroon	8	8	....	....	1	1	....	....
Central African Republic	6	2	....	4	6	2	....	4
Chad	2	2	....	Negl.	Negl.	Negl.	....	Negl.
Congo	59	9	5	45	18	5	Negl.	13
Dahomey	44	....	....	44	....	....	....	....
Equatorial Guinea	25	1	....	24	1	1	....	....
Ethiopia	203	102	17	84	26	18	8	....
Ghana	239	93	104	42	62	31	26	5
Guinea	299	200	30	69	175	90	28	57
Kenya	67	49	....	18	7	4	....	3
Malagasy Republic	9	....	....	9	....	....	....	....
Mali	137	64	23	50	93	49	7	37
Mauritania	28	3	....	25	3	1	....	2
Mauritius	39	5	....	34	1	1	....	....
Morocco	123	88	35	....	26	20	6	....
Nigeria	45	7	38	....	2	2	....	....
Rwanda	22	....	....	22	....	....	....	....
Senegal	7	7	....	....	2	2	....	....
Sierra Leone	68	28	....	40	4	2	....	2
Somalia	203	66	5	132	51	39	3	9
Sudan	300	65	152	82	29	25	2	2
Tanzania	296	20	20	256	204	1	3	200
Togo	45	....	....	45	....	....	....	....
Tunisia	144	34	74	36	45	17	28	....
Uganda	31	16	....	15	12	8	....	4
Zambia	274	6	50	218	66	1	....	65
East Asia	715	154	338	223	457	141	167	149
Burma	127	14	29	84	53	14	6	33
Cambodia	134	25	17	92	90	16	5	69
Indonesia	454	115	292	47	314	111	156	47
Latin America	1,185	457	597	131	238	66	156	16
Argentina	56	44	12	....	41	34	7	....
Bolivia	55	30	25	....	2	2	Negl.	....
Brazil	331	90	241	....	139	18	121	....
Chile	418	235	120	63	34	8	12	14
Colombia	18	2	16	....	3	3	Negl.	....
Costa Rica	10	10	....	....	....	....	....	....
Ecuador	15	Negl.	15	6	Negl.	6
Guyana	26	26
Peru	205	26	137	42	7	1	4	2
Uruguay	41	20	21	6	6
Venezuela	10	10

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Table 2 (Continued)
Communist Economic Credits and Grants to Less Developed Countries, Extended and Drawn
1954-72

Million Current US \$

	Extended				Drawn			
	Total	USSR	Eastern		Total	USSR	Eastern	
			Europe	PRC			Europe	PRC
Near East and South Asia	9,878	6,371	2,446	1,061	4,682	3,476	799	407
Afghanistan	911	826	12	73	630	594	11	25
Bangladesh	218	160	47	11	80	61	8	11
Egypt	1,986	1,205	675	106	1,082	795	249	38
Greece	8	8	....	....	8	8	....	....
India	1,979	1,612	367	....	1,217	1,001	216	....
Iran	1,039	601	438	....	473	379	94	....
Iraq	1,039	554	440	45	247	170	77	....
Malta	45	....	....	45	5	....	....	5
Nepal	124	21	....	103	85	20	....	65
Pakistan	781	389	51	341	182	51	15	116
Sri Lanka	231	38	62	131	120	23	17	80
Syria	651	317	283	51	282	190	80	12
Turkey	548	529	19	....	131	112	19	....
Yemen (Aden)	130	13	40	77	14	7	1	6
Yemen (San'a)	188	98	12	78	126	65	12	49

Table 3

Communist Economic Credits and Grants Extended to
Less Developed Countries, by Communist Area and
Country

Million Current US \$

	Total	USSR	Eastern Europe	PRC
Total	15,284	8,282	4,181	2,821
1954-62	3,982	2,746	980	256
1963	348	240	19	89
1964	1,467	825	331	311
1965	924	371	482	71
1966	1,721	1,276	294	151
1967	472	290	132	50
1968	638	379	204	55
1969	922	484	425	13
1970	1,104	199	178	727
1971	1,917	891	486	540
1972	1,789	580	650	558

Table 4

Communist Economic Credits and Grants Drawn by
Less Developed Countries, by Communist Area and
Country

Million Current US \$

	Total	USSR	Eastern Europe	PRC
Total	6,408	4,145	1,253	1,010
1954-62	1,108	795	218	95
1963	420	345	55	20
1964	555	375	115	65
1965	525	355	90	80
1966	495	335	80	80
1967	490	295	115	80
1968	485	295	120	70
1969	490	320	100	70
1970	520	335	120	65
1971	700	385	150	165
1972	620	310	90	220

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Table 5

Communist Economic Technicians in Less Developed Countries¹
1972

	Persons			
	Total	USSR	Eastern Europe	PRC
Total	39,295	11,200	5,930	22,165
Africa	27,840	3,760	3,805	20,275
Algeria	3,080	1,480	1,100	500
Burundi	25	15	....	10
Cameroon	5	5	....	....
Central African Republic	50	40	10	....
Chad	70	70	....	....
Congo	490	150	30	310
Equatorial Guinea	35	....	....	35 ²
Ethiopia	170	75	90	5
Ghana	130	45	80	5
Guinea	1,460	640	220	600 ³
Kenya	130	15	115	....
Libya	950	10	940	....
Mali	455	120	40	295
Mauritania	215	15	....	200
Morocco	545	330	215	....
Nigeria	250	100	150	....
Senegal	5	5	....	....
Sierra Leone	60	15	....	45
Somalia	1,215	200	15	1,000
Sudan	275	70	70	135
Tanzania	15,640	165	75	15,400
Tunisia	665	45	620	....
Uganda	70	70	....	....
Zaire	25	....	25	....
Zambia	1,825	80	10	1,735
East Asia	75	25	20	30
Burma	55	25	....	30
Indonesia	15	....	15	....
Thailand	5	....	5	....
Latin America	350	190	130	30
Argentina	5	....	5	....
Bolivia	20	15	5	....
Brazil	55	5	50	....
Chile	190	140	50	....
Colombia	15	5	10	....
Guyana	25	....	....	25
Peru	40	25	10	5
Near East and South Asia	11,030	7,225	1,975	1,830
Afghanistan	1,265	1,025	100	140
Bangladesh	60	60	....	....
Egypt	1,065	550	510	5
India	1,210	850	360	....
Iran	2,250	2,000	250	....
Iraq	880	685	195	....
Kuwait	35	15	20	....
Lebanon	25	....	25	....
Malta	15	....	....	15
Nepal	575	80	....	495
Pakistan	160	105	25	30
Sri Lanka	555	95	90	370
Syria	1,560	1,300	200	60
Turkey	190	180	10	....
Yemen (Aden)	765	200	80	485
Yemen (San'a)	420	80	110	230

¹ Minimum estimates of the number of persons present for a period of one month or more. Numbers are rounded to the nearest five. The services of Soviet and Chinese project technicians generally are covered by the specific project credit or grant. Nonproject advisers are paid on current account. The services of East European technicians usually are paid on current account.

² Including five North Koreans.

³ Including 20 North Koreans.

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Table 6
Technical Trainees from Less Developed Countries Departing for Training in Communist Countries¹

	1956-72				1972		
	Total	USSR	Eastern		Total	USSR	Eastern
			Europe	PRC				Europe
Total	23,810	14,375	8,690	745	2,330	1,335	975
Africa	4,900	2,470	2,315	115	535	280	255
Algeria	1,235	385	850	....	220	50	170
Burundi	25	....	5	20	....	....	....
Central African Republic	55	55	....	....	....	....	....
Congo	75	75	....	....	....	....	....
Dahomey	80	80	....	....	....	....	....
Ethiopia	140	65	75	....	....	....	....
Ghana	760	440	320	....	....	....	....
Guinea	645	455	190	....	200	200	....
Kenya	125	10	115	....	....	....	....
Libya	25	....	25	....	....	....	....
Mali	585	370	175	40	45	25	20
Mauritius	5	5	....	....	....	....	....
Morocco	125	95	30	....	....	....	....
Mozambique	10	....	10	....	....	....	....
Nigeria	85	20	65	....	....	....	....
Sierra Leone	5	5	....	....	....	....	....
Somalia	145	135	10	....	....	....	....
Sudan	10	....	10	....	....	....	....
Tanzania	325	60	210	55	40	....	40
Tunisia	310	95	215	....	20	....	20
Uganda	60	55	5	....	....	....	....
Upper Volta	60	60	....	....	....	....	....
Zambia	10	5	5	....	10	5	5
East Asia	1,085	350	325	410	....	....	....
Burma	215	40	120	55	....	....	....
Cambodia	385	10	20	355	....	....	....
Indonesia	485	300	185	....	....	....	....
Latin America	110	50	60	....	50	20	30
Brazil	15	5	10	....	....	....	....
Bolivia	5	5	....	....	....	....	....
Chile	35	10	25	....	20	....	20
Colombia	5	5	....	....	....	....	....
Ecuador	10	10	....	....	10	10	....
Mexico	20	5	15	....	....	....	....
Peru	20	10	10	....	20	10	10
Near East and South Asia	17,715	11,505	5,990	220	1,745	1,055	690
Afghanistan	940	650	290	....	120	50	79
Bangladesh	25	....	25	....	25	....	25
Cyprus	100	50	50	....	....	....	....
Egypt	6,650	3,810	2,840	....	510	150	360
India	3,585	2,755	830	....	90	50	49
Iran	1,910	1,375	535	....	265	200	65
Iraq	1,415	950	455	10	200	150	50
Nepal	95	55	10	30	....	....	....
Pakistan	185	185	....	....	....	....	....
Sri Lanka	175	130	45	....	20	15	5
Syria	890	295	595	....	100	50	50
Turkey	845	770	75	....	300	300	....
Yemen (Aden)	175	120	55	....	80	60	20
Yemen (San'a)	725	360	185	180	35	30	5

¹ Numbers are rounded to the nearest five. Technical training costs are covered in several ways. Those training for Soviet or Chinese projects generally are covered by the project credits or grants. Payment for training under general technical assistance accords usually is on current account. As far as is known, practically all East European training represents current account outlays.

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Table 7

Academic Students from Less Developed Countries Being Trained in Communist Countries¹

Persons

	Departures to Communist Countries											
	1956-72				1972				Being Trained as of December 1972			
	Total	USSR	Eastern Europe	PRC	Total	USSR	Eastern Europe	PRC	Total	USSR	Eastern Europe	PRC
Total	55,985	31,405	23,680	900	4,155	2,585	1,370	200	24,065	14,550	9,315	200
Africa	27,035	15,510	10,895	630	2,100	1,285	615	200	11,715	7,040	4,475	200
Algeria	2,515	1,095	1,405	15	400	250	150	....	1,300	840	460	....
Angola	205	145	60	....	20 ²	20	....	....	30	30	....	....
Botswana	125	70	55	....	10 ²	5	5	....	30	15	15	....
Burundi	215	205	10	....	....	....	....	....	130	120	10	....
Cameroon	835	500	335	....	75 ²	50 ²	25 ²	....	285	130	155	....
Central African Republic	405	205	20	180	25	25 ²	....	....	175	155	20	....
Chad	150	145	5	....	15 ²	15	....	....	100	100	....	....
Comoro Islands	35	20	....	15	....	....	....	....	10	10	....	....
Congo	805	690	100	15	155	130	25	....	485	420	65	....
Dahomey	170	100	60	10	....	....	....	....	100	50	50	....
Equatorial Guinea	25	20	5	....	....	....	....	....	....	....	....	....
Ethiopia	840	390	450	....	110	60	50 ²	....	500	270	230	....
Gambia	75	60	15	....	10 ²	10	....	....	60	55	5	....
Ghana	1,890	1,050	810	30	5	5	....	....	185	35	150	....
Guinea	1,540	695	825	20	50 ²	25	25	....	450	180	270	....
Ivory Coast	175	135	40	....	5 ²	5	....	....	55	55	....	....
Kenya	1,800	1,070	720	10	35	25	10	....	625	385	240	....
Lesotho	130	70	55	5	50	25	25	....	55	30	25	....
Libya	15	5	10	....	....	....	....	....	10	....	10	....
Malagasy Republic	60	45	15	....	30	30	....	....	45	45	....	....
Malawi	30	15	15	....	5 ²	5	....	....	10	10	....	....
Mali	1,160	830	330	....	100	60	40	....	420	255	165	....
Mauritania	135	125	10	....	35	30	5	....	110	100	10	....
Mauritius	130	80	50	....	10 ²	5	5	....	90	60	30	....
Morocco	555	235	320	....	15	15	....	....	195	90	105	....
Mozambique	75	55	20	....	20 ²	10	10	....	50	30	20	....
Niger	265	230	35	....	10	10	....	....	60	60	....	....
Nigeria	2,380	1,505	860	15	80	60	20	....	1,325	1,000 ³	325	....
Portuguese Guinea	105	45	60	....	10 ²	5	....	....	35	20	15	....
Reunion	40	40	....	....	....	....	....	....	40	40	....	....
Rhodesia	305	115	190	....	10	10	....	....	155	70	85	....
Rwanda	190	175	15	....	25 ²	25	....	....	100	100	....	....
Senegal	360	290	70	....	45	40	5	....	185	165	20	....
Sierra Leone	685	560	125	....	20 ²	10	10	....	510	450	60	....
Somalia	1,970	1,470	460	40	130	100	30 ²	....	685	430	255	....
Sudan	2,515	940	1,570	5	....	....	....	....	1,175	350	825	....
Tanzania	1,185	670	385	130	205	55	50	100	480	175	205	100
Togo	245	175	70	....	20 ²	20	....	....	85	75	10	....
Tunisia	600	100	500	....	60	10	50	....	370	90 ³	280	....
Uganda	595	380	185	30	55	50	5	....	210	170	40	....
Upper Volta	105	90	15	....	35	35	....	....	80	65	15	....
Zaire	1,025	555	460	10	60	25	35	....	460	250	210	....
Zambia	370	115	155	100	155	25	30	100	255	60	95	100
East Asia	3,065	1,535	1,395	135	5	....	5	....	675	370	305	....
Burma	535	250	265	20	....	....	....	....	100	50	50	....
Cambodia	215	60	145	10	5	....	5	....	120	30	90	....
Indonesia	1,935	1,030	825	80	....	....	....	....	340	200 ³	140	....
Laos	340	185	135	20	....	....	....	....	110	85	25	....
Philippines	10	5	5	5	5
South Vietnam	20	20
Thailand	10	5	5

Footnotes at end of table.

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Table 7 (Continued)

Academic Students from Less Developed Countries Being Trained in Communist Countries¹

Persons

	Departures to Communist Countries				1972				Being Trained as of December 1972			
	1956-72											
	Total	USSR	Eastern Europe	PRC	Total	USSR	Eastern Europe	PRC	Total	USSR	Eastern Europe	PRC
Latin America⁴	6,190	3,855	2,335	....	630⁵	100	230	....	3,005	1,925	1,080	....
Argentina	325	170	155	....	25 ²	10	15	....	155	80	75	....
Bolivia	605	330	275	....	50	40	10	....	205	155	50	....
Brazil	385	220	165	....	N.A.	....	....	....	215	165	50	....
Chile	615	435	180	....	70	50	20 ²	....	285	200	85	....
Colombia	475	295	180	....	65	45	20	....	300	300 ³	....	....
Costa Rica	270	195	75	....	N.A.	....	....	....	175	175	....	....
Dominican Republic	155	80	75	....	N.A.	....	....	....	100	50	50	....
Ecuador	630	415	215	....	N.A.	....	....	....	320	150	170	....
El Salvador	160	120	40	....	....	....	....	....	90	90	....	....
French West Indies	30	25	5	....	15	10	5	....	45	35	10	....
Guatemala	70	50	20	....	....	....	....	....	....	....	....	....
Guyana	195	100	95	....	....	....	....	....	15	15	....	....
Haiti	80	40	40	....	....	....	....	....	15	10	5	....
Honduras	170	120	50	....	....	....	....	....	....	....	....	....
Mexico	470	280	190	....	....	....	....	....	175	55	120	....
Nicaragua	250	165	85	....	45	25	20	....	145	115	30	....
Panama	260	165	95	....	10	....	10 ⁵	....	170	100	70	....
Paraguay	20	10	10	....	....	....	....	....	....	....	....	....
Peru	435	280	155	....	95 ²	50	45	....	260	130	130	....
Uruguay	65	35	30	....	....	....	....	....	20	5	15	....
Venezuela	280	160	120	....	10 ²	5	5	....	110	50	60	....
Near East and South	19,695	10,505	9,055	135	1,420	900	520	....	8,670	5,215	3,455	....
Afghanistan	1,825	1,135	685	5	165	150	15	....	960	750 ³	210	....
Bangladesh	205	175	30	....	205	175	30	....	205	175	30	....
Cyprus	1,150	460	690	....	100 ²	50	50	....	1,005	395	610	....
Egypt	2,235	975	1,260	....	155	50 ⁴	105	....	1,110	455	655	....
Greece	85	....	80	5	....	....	....	....	....	....	....	....
India	1,415	810	600	5	65	50	15 ²	....	480	390	90	....
Iran	115	55	60	....	....	....	....	....	20	15	5	....
Iraq	3,985	2,205	1,755	25	170	100 ⁴	70	....	520	225	295	....
Israel	60	60	....	....	....	....	....	....	....	....	....	....
Jordan	740	530	210	....	35	30 ⁵	5	....	535	500	35	....
Kuwait	30	20	10	....	10	10	....	....	40	30	10	....
Lebanon	1,090	635	455	....	40	30	10	....	430	360 ³	70	....
Nepal	555	430	50	75	50	50	....	....	300	300	....	....
Pakistan	105	85	20	....	25	20	5	....	30	20	10	....
Sri Lanka	480	260	200	20	30 ⁵	20	10	....	130	75	55	....
Syria	3,060	1,350	1,710	....	175 ²	50	125	....	1,735	1,000	735	....
Trucial States	40	25	15	....	20	15	5	....	40	25	15	....
Turkey	80	80	....	....	....	....	....	....	....	....	....	....
Yemen (Aden)	815	315	500	....	115	50	65	....	680	225	455	....
Yemen (San'a)	1,625	900	725	....	60	50 ²	10	....	450	275	175	....

¹ Numbers are rounded to the nearest five. Academic training costs are covered by host country scholarships.

² Data are not available for 1972, but minimum estimates have been made to account for at least part of those students believed to have departed for or to be studying in Communist countries during 1972.

³ Increase reflects availability of new information on students present rather than large number of new departures.

⁴ Only fragmentary information is available on the number of students from individual Latin American countries departing for and studying in Communist countries. Because of rounding, components do not add to totals shown.

⁵ Scholarship awards.

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Table 8

**Military Aid Extended by Communist Countries
to Less Developed Countries¹**

Million Current US \$

Year	Total	USSR	Eastern Europe	PRC
Total	9,915	8,470	1,000	445
1955-60	1,780	1,285	460	35
1961	850	830	20	....
1962	415	415	....	....
1963	390	385	5	....
1964	890	870	15	5
1965	385	260	45	80
1966	515	450	15	50
1967	645	515	75	55
1968	525	460	45	20
1969	425	335	85	5
1970	1,075	985	35	55
1971	1,520	1,370	85	65
1972	500	310	115	75

¹ Numbers are rounded to the nearest five.

Table 9

**Communist Military Aid to Less Developed Countries, Extended and Drawn¹
1955-72**

Million Current US \$

	Extended				Drawn			
	Total	USSR	Eastern Europe	PRC	Total	USSR	Eastern Europe	PRC
Total	9,915	8,470	1,000	445	8,325	7,120	840	365
Africa	705	605	35	65	570	480	30	60
Algeria	405	395	Negl.	10	305	290	Negl.	15
Burundi	Negl.	Negl.	....	Negl.	....	....	....	....
Congo	20	15	....	5	10	5	....	5
Equatorial Guinea	Negl.	Negl.	....	....	Negl.	Negl.	....	....
Ghana	10	10	....	Negl.	10	10	....	....
Guinea	30	25	Negl.	5	25	25	Negl.	Negl.
Mali	5	5	....	Negl.	5	5	....	Negl.
Morocco	30	10	20	....	35	15	20	....
Nigeria	10	10	....	....	10	10	....	....
Sierra Leone	Negl.	Negl.	....	Negl.	Negl.	....	....	Negl.
Somalia	55	55	....	....	50	50	....	....
Sudan ²	80	65	10	5	70	60	5	5
Tanzania	45	5	Negl.	40	40	5	Negl.	35
Uganda	15	10	5	Negl.	10	5	5	....
Zambia	Negl.	Negl.	....	Negl.	Negl.	....	....	Negl.
East Asia	1,335	1,100	200	35	1,090	865	190	35
Burma	Negl.	Negl.	....	....	Negl.	Negl.	....	....
Cambodia ²	25	10	Negl.	15	25	10	....	15
Indonesia ²	1,310	1,090	200	20	1,065	855	190	20
Near East and South Asia	7,875	6,765	765	345	6,665	5,775	620	270
Afghanistan	475	455	20	....	315	295	20	....
Bangladesh	N.A.	N.A.	....	....	N.A.	N.A.	....	....
Cyprus	25	25	Negl.	....	20	20	Negl.	....
Egypt	3,015	2,685	330	....	2,975	2,645	330	....
India	1,340	1,235	105	....	1,015	905	110	....
Iran	480	480	....	....	335	335	....	....
Iraq	1,175	1,000	175	Negl.	805	750	55	....
Lebanon	5	5	....	....	5	5	....	....
Maldives	Negl.	Negl.	....	....	Negl.	Negl.	....	....
Pakistan ²	400	65	....	335	280	20	....	260
Sri Lanka	10	5	....	5	10	5	....	5
Syria	815	710	100	5	770	695	70	5
Yemen (Aden)	30	25	5	....	30	25	5	....
Yemen (San'a)	105	75	30	....	105	75	30	....

¹ Numbers are rounded to the nearest five.

² In Cambodia and Indonesia, both Soviet and Chinese aid programs are inactive. In Cyprus and Sudan the Soviet program is inactive—further deliveries are unlikely. In Pakistan the Soviets have stopped delivery of weaponry although they are providing support-type equipment—particularly vehicles.

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Table 10

Communist Military Technicians in Less Developed Countries¹

	Persons					
	1971			1972		
	Total	USSR and Eastern Europe		Total	USSR and Eastern Europe		PRC
Total	10,260	9,450	810	10,550	9,660	890
Afghanistan	160	160	....	200	200	....
Algeria	1,000	1,000	....	1,000	1,000	....
Congo	60	30	30	60	30	30
Egypt	5,500	5,500 ²	....	5,500	5,500 ³	....
Equatorial Guinea	10	10	....	10	10	....
Guinea	80	80	....	110	110	....
India	150	150	....	220	220	....
Iran	30	30	....	30	30	....
Iraq	400	400	....	500	500	....
Libya	20	20	....	20	20	....
Mali	20	15	5	20	10	10
Nigeria	70	70	....	70	70	....
Pakistan	25	....	25	25	....	25
Sierra Leone	....	....	....	10	....	10
Somalia	300	300	....	400	400	....
Sri Lanka	85	85	....	35	5	30
Sudan	500	500	....	180	100 ⁴	80
Syria	800	800	....	1,140	1,140	....
Tanzania	745	10	735	705	....	705
Uganda	10	10	....	5	5	....
Yemen (Aden)	195	180	15	210	210	....
Yemen (San'a)	100	100	....	100	100	....

¹ Minimum estimates of the number of persons present for a period of one month or more. Numbers are rounded to the nearest five.

² Does not include an estimated 7,500 Soviet military personnel assigned to Soviet operational units in Egypt. These troops were withdrawn in mid-1972.

³ By the end of 1972, about a hundred Soviet military advisers were still stationed in Egypt.

⁴ All Soviet advisers are believed to have departed from Sudan by the end of 1972.

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Table 11

Military Personnel from Less Developed Countries Trained in Communist Countries¹

Persons

	Departures to Communist Countries								Being Trained as of December 1972			
	1955-72				1972				Total	USSR	Eastern Europe	PRC
	Total	USSR	Eastern Europe	PRC	Total	USSR	Eastern Europe	PRC				
Total	34,045	28,635	3,475	1,935	3,155	2,320	45	790	3,790	2,610	135	1,045
Afghanistan	2,490	2,340	250	...	305	200	5	...	405	400	5	...
Algeria	2,135	1,920	200	15	...	...	...	...	170	170	...	...
Bangladesh	250	250	...	...	250	250	...	...	250	250	...	...
Cambodia	30	30	...	...	...	...	...	...	...	...	...	...
Congo	600	335	20	245	20	...	20	...	225	110	20	95
Egypt	6,070	5,565	505	...	220	220	...	...	50	50	...	...
Ghana	180	180	...	...	...	...	...	...	...	...	...	...
Guinea	1,095	685	50	360	545	185	...	360	545	185	...	360
India	1,620	1,615	5	...	175	170	5	...	50	45	5	...
Indonesia	9,270	7,560	1,710	...	...	...	...	...	...	...	...	...
Iran	200	200	...	...	25	25	...	...	19	10	...	...
Iraq	1,980	1,835	145	...	155	145	10	...	235	225	10	...
Mali	160	150	10	...	...	...	...	...	...	...	...	...
Morocco	60	...	60	...	...	...	...	...	...	...	...	...
Nigeria	115	115	...	...	...	...	...	...	...	...	...	...
Pakistan	230	40	...	190	60	...	...	60	60	...	...	60
Sierra Leone	120	...	...	120	120	...	120	...	80	...	...	80
Somalia	1,825	1,725	70	30	450	450	...	...	520	450	70	...
Sudan	340	310	20	10	10	...	...	10	20	20	...	...
Syria	2,665	2,285	380	...	535	530	5	...	555	530	25	...
Tanzania	1,180	250	...	930	230	...	...	230	460	...	...	460
Uganda	195	165	30	...	...	...	...	...	...	...	...	...
Yemen (Aden)	325	305	20	...	120	120	...	...	145	145	...	...
Yemen (San'a)	850	850	...	...	...	...	...	...	20	20	...	...
Zambia	60	25	...	35	35	25	...	10	10	...	...	10

¹ Data refer to the estimated minimum number of persons departing for training. Numbers are rounded to the nearest five.

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Table 12

Communist Exports To and Imports From Selected Less Developed Countries¹

Million Current US \$

	Total ²		USSR				Eastern Europe				People's Republic of China					
	1970		1971		1970		1971		1970		1971		1970		1971	
	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports
Total	3,200.4	2,702.8	3,319.7	2,869.3	1,292.4	1,298.8	1,380.2	1,412.5	1,243.4	1,081.8	1,288.2	1,050.7	554.8	255.5	582.6	354.8
Africa	556.7	418.1	639.9	531.2	216.4	225.9	225.6	251.6	189.3	122.5	200.2	122.9	138.8	65.0	192.9	152.9
Algeria	93.0	94.2	79.0	110.5	69.4	62.0	58.4	77.8	11.2	23.2	15.4	23.1	12.4	9.0	5.2	10.4
Angola	0.3	1.7	0.3	1.9	....	....	....	....	0.3	1.7	0.3	1.9	0	0	Negl.	....
Cameroon	5.1	8.6	6.3	4.9	0.7	7.7	1.6	4.1	2.6	0.8	2.3	0.8	1.6	0.1	2.1	Negl.
Central African Republic	....	....	1.6	....	....	....	1.6	....	....	....	....	....	....	....	....	....
Chad	1.1	0	0.9	....	....	....	....	....	0.5	....	....	....	0.6	0	0.9	....
Congo	2.4	2.3	6.2	1.7	0.9	0.8	4.7	0.7	....	....	....	....	1.5	1.5	1.5 ⁴	1.0 ⁴
Dahomey	2.0	Negl.	2.3	1.0	0.8	....	1.1	1.0	....	....	....	....	1.2	0	1.2 ³	....
Equatorial Africa	....	....	1.0	....	....	....	1.0	....	....	....	....	....	....	....	....	....
Ethiopia	9.4	2.0	8.2	4.3	1.4	0.9	1.4	3.2	5.4	0.4	4.6	0.5	2.6	0.7	2.2	0.6
Gabon	Negl.	1.5	....	....	....	....	....	Negl.	1.5	....	....	....	0	0	....	....
Ghana	25.7	49.7	24.9	10.8	11.0	44.2	14.1	7.7	8.0	3.1	5.8 ⁴	1.3 ⁴	6.7	2.4	5.0 ⁴	1.8 ⁴
Guinea	12.4	3.3	34.7	5.6	12.4	3.3	34.7	5.6	....	....	....	....	....	....	....	....
Ivory Coast	5.6	3.9	5.0	15.9	0.4	1.7	1.3	12.4	4.2	2.2	2.7	3.5	1.0	0	1.0 ⁴	....
Kenya	12.4	4.8	17.4	9.2	1.6	0.4	1.3	2.4	7.4	2.7	12.1	4.3	3.4	1.7	1.0	2.5
Liberia	4.3	Negl.	1.5	....	....	....	....	....	2.8	....	....	....	1.5	Negl.	1.5 ⁴	....
Libya	58.9	0.7	57.2	0.7	14.3	....	9.9	....	34.0	0.7	40.0 ⁴	0.7 ⁴	10.6 ⁴	0	7.3	0
Malagasy Republic	0.3	0.9	0.2	18.8	Negl.	0.7	Negl.	1.0	0.3	0.2	0.2	0.1	0	0	....	17.4
Mali	9.0	2.0	3.4	2.0	5.2	1.9	2.6	2.0	0.6	0.1	....	....	3.2	Negl.	0.8	....
Mauritania	0.4	Negl.	0.6	Negl.	0.4	Negl.	0.1	....	....	....	....	....	....	....	0.5	Negl.
Morocco	87.5	57.0	74.2	71.0	36.1	19.6	31.3	21.0	28.1	23.5	16.3	27.7	11.0	7.2	11.9	18.5
Mozambique	0.2	0.1	....	....	....	....	....	....	0.2	0.1	....	....	Negl.	0	....	....
Niger	Negl.	Negl.	....	....	....	....	....	....	....	....	....	....	Negl.	Negl.	....	....
Nigeria	62.9	33.5	79.6	53.2	12.1	22.6	17.4	45.6	31.1	9.7	33.9	7.1	19.7	1.2	28.3	0.5
Senegal	6.5	0.3	9.3	4.7	1.3	Negl.	1.0	Negl.	0.7	0.3	2.1	0.3	4.5	Negl.	6.2	1.4 ⁴
Sierra Leone	13.4	0.3	11.6	....	1.8	....	2.6	....	8.8	0.3	9.0 ⁴	....	2.8	....	....	....
Somalia	3.1	0.9	7.5	2.8	3.1	0.4	6.1	2.0	....	....	0.5	0.2	....	0.5	0.9	0.6
Sudan	67.4	85.1	80.2	107.2	36.1	49.9	22.3	52.2	19.7	18.0	28.4	23.3	11.6	17.2	23.2	31.7
Tanzania	42.0	12.1	90.5	16.4	1.2	0.8	0.7	1.8	3.7	3.1	5.7	2.8	37.1	8.2	84.1	11.8
Togo	4.2	3.1	4.3	5.7	1.3	3.1	2.0	4.9	1.3	0	1.0	0.8	1.6	0	1.3	....
Tunisia	20.2	18.1	21.8	25.9	3.4	2.9	4.0	7.0	16.6	15.2	17.4	18.6	0.2	0	0.3	0.3
Uganda	5.2	18.3	8.8	7.0	1.2	3.1	4.3	Negl.	1.7	13.7	2.5	5.6	2.3	1.5	2.0	1.4
Upper Volta	0.3	....	....	....	....	....	....	....	0.1	....	....	....	0.2	....	....	....
Zambia	1.5	13.8	1.5	50.0	....	....	....	....	....	....	....	....	1.5 ²	13.8 ²	1.5 ²	50.0 ²
Europe	110.2	112.8	112.9	101.2	8.6	6.3	11.1	10.0	64.2	69.4	71.4	61.5	1.2	0.5	2.2	0.6
Portugal	8.3	7.8	21.7	6.7	....	....	....	....	7.8	7.8	21.5	6.5	0.3	Negl.	0.2	Negl.
Spain	101.9	105.0	91.2	94.5	8.6	6.3	11.1	10.0	56.4	61.6	49.9	55.0	0.9	0.5	2.0	0.6
East Asia	319.8	273.4	287.9	195.7	19.4	158.3	24.2	108.1	36.9	55.7	31.9	45.3	229.8	53.0	222.6	39.2
Burma	4.7	1.6	21.4	3.6	3.3	1.6	3.6	2.0	....	....	5.2 ⁴	....	1.1	0	12.6 ³	1.6
Cambodia	12.2	6.3	1.3	....	0.3	1.6	0.1	....	3.8 ³	0.3 ³	....	....	8.1	3.7	1.2	....
Indonesia	55.1	34.5	50.3	18.6	5.0	27.8	11.2	11.2	9.6	1.7	7.9	2.4	40.5	5.0 ³	31.2	5.0 ³
Malaysia	82.2	167.4	50.2	121.8	1.8	123.3	1.7	86.2	3.9 ³	22.4	3.8	18.2	53.9	21.6	44.7	17.4
Singapore	155.1	60.9	154.9	45.0	6.1	3.2	4.9	4.1	12.0	29.5	8.0	22.6	125.9	22.7	132.9	15.2
Thailand	10.6	2.7	9.8	6.7	2.9	0.9	2.8	4.6	7.6	1.8	7.0	2.1	Negl.	Negl.

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Table 12 (Continued)
Communist Exports To and Imports From Selected Less Developed Countries¹

Million Current US \$

	Total ²		USSR				Eastern Europe				People's Republic of China					
			1970		1971		1970		1971		1970		1971			
	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports		
Latin America	150.5	341.5	176.9	437.0	8.7	78.8	14.7	116.3	137.7	250.9	155.5	266.1	4.0	3.8	6.1	50.4
Argentina	21.0	80.3	20.1	78.5	1.9	31.3	2.1	33.8	18.2	46.4	17.0	38.1	0.9	2.5	1.0	6.5
Bolivia	Negl.	3.4	Negl.	10.0	Negl.	3.4	Negl.	10.0	.....	.....	.....	.....	.....	.....	.....	.....
Brazil	57.8	126.7	102.5	175.2	2.7	23.1	2.2	16.3	55.1	102.3	99.7	128.9	Negl.	1.3	0.6	.....
Chile	4.4	8.4	8.8	17.3	0.6	0.3	7.8	0.9	3.3 ³	0.2	.....	0.4	0.5	0	1.0 ³	18.0 ³
Colombia	18.1	31.7	11.7	25.8	1.7	10.4	1.2	4.8	16.3	21.3	10.5 ⁴	21.0	0.1	Negl.	Negl.	.....
Costa Rica	1.1	7.3	1.2	3.6	0	6.9	.....	2.4	1.0	0.4	1.1	1.2	0.1	0	0.1	.....
Ecuador	6.7	9.0	3.2	13.3	0.1	0.8	Negl.	3.7	6.6	8.2	3.2	9.6	.....	.....	.....	.....
El Salvador	0.1	6.3	0.1	0.5	.....	.....	.....	.....	0.1	6.3	0.1	0.1	Negl.	0	Negl.	0.4
Guyana	0.2	Negl.	.....	.....	.....	.....	.....	.....	Negl.	.....	.....	.....	0.2	Negl.	.....	.....
Honduras	0.8	1.2	1.6	0.8	.....	.....	.....	.....	0.8	1.2	1.6	0.3	0	0	.....	.....
Jamaica	0.1	0.8	Negl.	2.6	.....	0.8	.....	2.6	Negl.	.....	.....	.....	0.1	.....	.....	.....
Mexico	6.8	4.0	7.0	19.5	0.8	0.3	0.3	10.2	6.0	3.6	6.7	4.9	Negl.	Negl.	.....	4.3 ³
Nicaragua	0.1	Negl.	.....	.....	.....	.....	.....	.....	0.1	Negl.	.....	.....	0	0	.....	.....
Peru	2.2	33.0	4.3	80.8	0.1	0.2	Negl.	0.2	1.9	32.8	3.3	53.4	0.2	Negl.	0.4	23.2
Uruguay	8.4	29.1	4.0	9.6	0.9	1.1	1.0	1.4	7.3	28.0	2.9	8.2	0.1	Negl.	0.1	.....
Venezuela	22.8	0.2	12.3	Negl.	.....	.....	.....	.....	21.0 ³	0.2 ³	9.4	Negl.	1.8	0	2.9	0
Near East and South Asia	2,062.6	1,556.9	2,102.1	1,604.2	1,039.3	829.4	1,104.5	926.5	815.3	583.3	829.2	554.8	181.0	133.2	158.8	111.7
Afghanistan	44.0	35.3	53.3	39.6	40.0	34.3	50.3	38.4	.....	.....	.....	.....	4.0	1.0	3.0	1.2
Bahrain	8.6	.....	8.5	.....	.....	.....	.....	.....	.....	.....	.....	.....	8.6	.....	8.5 ³	.....
Cyprus	15.3	11.5	17.0	11.7	4.6	5.8	8.1	5.4	10.7	5.7	8.8	6.3	Negl.	Negl.	0.1	.....
Egypt	515.7	481.2	545.9	497.5	363.2	310.6	381.3	334.1	135.1	147.9	145.0 ³	133.0 ³	15.3	17.7	15.3	23.1
Greece	100.4	108.9	106.2	84.3	35.2	34.9	33.0	18.9	65.1	72.0	72.2	65.4	0.1	0	1.0	Negl.
India	282.8	409.1	288.9	432.6	135.9	269.6	129.2	281.2	146.9	138.8	156.8	146.5	0	0	0	0
Iran	264.1	114.1	246.9	155.2	187.8	69.1	154.8	111.2	74.6	39.6	88.5	38.9	1.7	4.4	3.2	5.1
Iraq	139.0	22.1	227.0	23.8	66.0	4.6	110.1	6.1	53.0	9.5	97.1	14.7	20.0	8.0	19.6	3.0
Israel	33.2	20.1	32.3	17.5	.....	.....	.....	.....	33.2	20.1	32.2	16.2	Negl.	Negl.	0.1	1.3
Jordan	22.0	1.2	17.3	0.5	7.1	.....	6.6	.....	10.7	0.6	8.3	0.5	4.2	0.6	4.4	0
Kuwait	52.0	2.4	59.5	0.8	10.8	0.3	19.3	0.8	20.8	Negl.	22.5 ³	.....	20.4	2.1 ³	17.7 ⁴	.....
Lebanon	69.2	11.0	55.8	7.3	15.2	4.2	20.4	4.0	45.2 ³	6.5 ³	24.9	3.3	8.8	0.3	10.5 ³	.....
Malta	8.2	0.2	9.6	0.5	0.8	Negl.	2.4	0.2	6.1	0.1	5.5	0.3	1.1	0.1	1.1	.....
Nepal	2.8	0.7	2.7	3.1	0.8	0.7	0.7	1.1	.....	.....	.....	.....	2.0	Negl.	2.0 ³	2.0 ³
Pakistan	133.9	126.9	119.6	120.4	35.7	31.4	28.7	38.9	54.7	54.6	54.6	50.5	27.8	39.3	35.0	30.2
Saudi Arabia	14.4	0	21.1	.....	6.0	.....	6.0	.....	8.3	.....	15.0 ³	.....	0	0	0.1	.....
Sri Lanka	73.3	70.2	46.9	59.8	5.6	13.3	9.4	16.1	19.1	14.6	10.4	12.2	48.6	42.3	27.1	30.3
Syria	114.0	56.7	102.7	62.3	46.4	19.2	57.7	29.3	48.9	18.9	40.0 ³	20.0 ³	9.8	15.9	5.0 ³	13.0 ³
Turkey	136.3	85.4	125.5	86.6	62.4	30.1	78.0	37.3	73.8	54.4	49.4	47.0	0.1	0.9	0.1	2.3
Yemen (Aden)	13.9	0.7	7.1	Negl.	4.8	0.2	2.4	Negl.	4.1	Negl.	.....	.....	5.0	0.5	5.0 ³	Negl.
Yemen (San'a)	19.6	1.1	8.0	0.5	11.1	1.1	8.0	0.3	5.0	0	.....	.....	3.5	0	.....	0.2 ³

¹ Data for the USSR are from the official Soviet trade yearbook. For other Communist countries, data are from official trade statistics of the less developed countries, in most cases as reported in the US Department of Commerce, Value Series, or the International Monetary Fund, International Bank for Reconstruction and Development, Direction of Trade. The data for the USSR and other Communist countries are not completely comparable because Soviet data exclude ocean freight and insurance costs. Exports from other Communist countries include these costs, and imports exclude them. A leader entry indicates data are not available. Because of rounding, components may not add to the totals shown.

² Including trade of the less developed countries with Albania, Cuba, Mongolia, North Korea, and North Vietnam, in million US dollars, as follows:

	Exports to LDCs		Imports from LDCs	
	1970	1971	1970	1971
Total	109.8	68.8	66.7	51.3
Albania	0.9	3.1	2.4	1.1
Cuba	95.0	54.1	54.1	41.6
Mongolia	0.2	Negl.	Negl.	0.1
North Korea	6.5	9.0	8.9	7.9
North Vietnam	7.2	2.6	1.3	0.6

³ Estimate.

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Table 13

**Percentage Share of the Communist Countries in the Trade
of Selected Less Developed Countries¹**

	Exports to Communist Countries		Imports from Communist Countries	
	1970	1971	1970	1971
Africa				
Algeria	8.0	10.5	5.5	5.7
Angola	0.4	0.5	0.1	0.1
Cameroon	3.7	2.3	2.1	2.0
Chad	....	....	1.9	1.5
Ethiopia	1.2	3.1	5.5	4.7
Ghana	10.6	5.9	7.5	6.6 ²
Ivory Coast	0.8	3.1	1.5	0.8
Kenya	2.7	3.6	3.0	3.5
Libya	0.1	0.1 ²	6.9	12.0 ²
Malagasy Republic	0.5	0.1	0.2	0.1
Mali	1.8	2.8	20.9	19.5
Morocco	9.6	13.4	11.5	10.2
Nigeria	2.9	3.1	5.8	5.2
Senegal	0.2	0.2	2.8	4.3
Sierra Leone	0.3	Negl.	10.7	9.7 ²
Sudan	28.9	32.0	17.7	23.5
Tanzania	5.3	6.1	15.5	26.7
Togo	5.8	13.5	6.6	6.1
Tunisia	9.8	11.9	6.7	6.3
Uganda	7.4	3.0	4.2	3.8
Europe				
Portugal	0.8	0.6	0.6	1.2
Spain	2.9	3.2	1.4	1.9
East Asia				
Burma	....	....	....	19.2 ²
Indonesia	1.9	0.7	0.6	1.2
Malaysia	8.3	6.7	5.7	5.4
Singapore	6.6	4.5	6.3	5.7
Thailand	0.4	1.0	1.4	0.8
Latin America				
Argentina	4.3	4.3	1.3	1.2
Brazil	4.6	....	2.1	....
Chile	0.6	....	0.1	....
Colombia	....	3.0 ²	4.3	2.4 ²
Ecuador	4.1	6.0	2.8	1.2
Mexico	0.3	0.4	0.3	0.3
Peru	3.1	9.0	0.7	0.6
Uruguay	12.2	4.8	3.7	2.1
Near East and South Asia				
Cyprus	10.4	10.0	6.6	7.0
Egypt	59.1	58.7 ²	31.3	30.9 ²
Greece	16.6	13.0	5.2	5.0
India	20.3	20.7	14.9	11.5
Iran	4.6	4.2	11.9	13.3
Iraq	2.0	1.4	26.2	31.0
Israel	2.6	1.8	2.3	1.8
Jordan	4.5	1.8	11.6	6.2
Kuwait	0.1	....	8.0	8.1
Malta	0.5	0.8	5.2	6.1
Pakistan	17.5	17.7	9.8	12.4
Saudi Arabia	....	....	2.6	2.5 ²
Sri Lanka	20.8	18.5	19.1	15.3
Syria	25.8	35.6	23.8	27.6 ²
Turkey	14.4	12.3	15.2	10.4

¹ Data from US Department of Commerce, *Value Series*, or International Monetary Fund, International Bank for Reconstruction and Development, *Direction of Trade*.

² Based on partial year data.