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ECONOMIC COMMITTEE

SOVIET PENETRATION IN THE THIRD WORLD  
(1956-1972)

To: Members of the Economic Committee

From: Director of Economic Affairs

Please find attached AC/127-D/433(Revised) for your attention which replaces the previous document AC/127-D/433 circulated on 28th April, 1973.

(Signed) Y. LAULAN

NATO,  
1110 Brussels.

N A T O   C O N F I D E N T I A L

SOVIET PENETRATION IN THE THIRD WORLD  
(1956-1972)

Note by the French Delegation

It was not until 1956, at the Twentieth Congress of the Soviet Communist Party, that Moscow first expressed its intention to take an interest in the Third World. The decision was then reached to hasten the transition to Socialism in developing countries by supporting revolutionary régimes or movements wherever they existed.

Aid was originally extended mainly for political reasons but the situation has gradually changed, firstly because peaceful coexistence has made it necessary to show greater moderation and latterly because Soviet economic development has led to an increased demand for consumer goods, capital goods and raw materials.

At present the Soviet Union seems less intent on advancing world Socialism than on promoting its own expansionist policy by selfishly exploiting the political results it has already obtained.

One of the first signs of the new trend was the break with Communist China. This was followed by a quest for new sources of supply of strategic materials and the establishment of a military presence to safeguard military and civil lines of communication. A further, and increasingly important, factor is the Soviet Union's need for export outlets as a result of its gradual integration into the pattern of international trade.

In the pursuit of purely national interests, the Soviet Union seems to be intent on:

- counteracting Western and Chinese influence, either openly or covertly;
- obtaining privileged access to supplies of essential raw materials by extending economic and technical assistance to the Third World;
- increasing its military presence on the shores of the Atlantic, in the Mediterranean and in the Indian Ocean, either directly or through other countries (supply of equipment);
- creating, or at least fostering, political, economic and social conditions conducive to Socialism in Third World countries which are considered good targets, preferably by means of action directed at the rulers.

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I. FORMS OF PENETRATION

There are five main avenues of penetration:

- political;
- cultural;
- economic;
- technical;
- military.

In all cases the Soviet Union is at pains to point out that there are no strings attached to its aid.

In actual fact, aid in any of these forms can, in the final analysis, lead to a country's becoming almost totally dependent on the Soviet Union:

- in the foreign policy field;
- as regards production capacity (one industry comes to rely heavily on deliveries of new equipment or spare parts);
- for its foreign trade (disposal of raw materials and semi-finished goods);
- for the maintenance of its military capability (in extreme cases, military assistance can entail the presence of Soviet Headquarters staff and units (cf. Egypt until July 1972)).

1.1 Political Penetration

Political penetration can take many forms. Initially, it may be confined to the recognition of local revolutionary movements, either by the "satellites" (The MPLA in Angola) or by the Soviet Union itself (the Palestinians).

It may also consist in the instant recognition of a new state. Bangladesh is a case in point.

Lastly, there is the classic process based on a "treaty of friendship and alliance", like those signed in 1971 with India and Egypt and in 1972 with Iraq. The signing of a treaty of this type is usually the last theoretical stage of Soviet political penetration since it formally binds the contracting country by means of an inflexible and typically Socialist system of

bilateral relations. Such relationships nevertheless have a built-in weakness which can lead to a dramatic break when the Marxist approach jars with the sociological, social-economic and political or religious pattern of Third World countries. Indonesia in 1965, the Sudan in 1971 and Egypt in 1972 are cases in point.

### 1.2 Cultural Penetration

The Soviet Union is able to engage in prudent but seemingly effective propaganda under the cover of cultural co-operation. In the embassies or legations which it has opened in most of the Third World countries there is nearly always a cultural attaché. By promoting cultural exchanges and lectures and offering scholarships(1) or study tours in the USSR, the Russians are able to make contact with students, teachers, trade unionists and even people in government circles (civil service or military).

These activities are backed up by a barrage of more general propaganda from Radio Moscow (155 hours a week in the language of the target country).

At international level, Moscow acts indirectly through a number of more or less crypto-Communist world organizations such as:

- The World Federation of Trade Unions (WFTU) which controls, inter alia, the "Panafrikan Trade Union Federation" comprising some 15 crypto-Communist trade unions in tropical Africa with a total membership of 700,000 and a number of supporting committees;
- The World Federation of Democratic Youth;
- The Afro-Asian Peoples' Solidarity Organization.

It is obviously not easy to gauge the necessarily long-term results of this form of penetration. It is worth noting, however, that the chief opponents of the anti-Communist régimes are to be found in the circles most receptive to Soviet propaganda, although, of course, this may be merely a self-defence reflex.

### 1.3 Economic Penetration

The main purpose of economic assistance is to increase trade between the Third World and the USSR and the European Communist countries and, at the same time, to promote the industrialization of the under-developed countries.

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(1) In 1971, some 20,000 students from the Third World were studying in Warsaw Pact countries on scholarships

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1.3.1 Trade

Trade(1) between the Soviet Union and the developing countries has gone through three stages since 1945:

- from 1946-1953 the volume of trade remained small at some 140 million roubles a year;
- between 1954 and 1962 it increased dramatically from 117 million roubles in 1953 to 1,415 milliard roubles in 1962 (a twelve-fold increase over 1954);
- from 1963 to 1971 the trend continued at a slower rate although the volume still doubled from 1.4 milliard roubles in 1963 to almost 3.5 milliard in 1971.

Developing countries accounted for 14.8% of the Soviet Union's foreign trade in 1971, as against 14.6% in 1970. Altogether, 56 countries, 12 in the Middle East, 11 in Asia, 22 in Africa and 11 in Latin America maintained trade relations with the Soviet Union. The main trading partners were Egypt, India, Iran and Algeria.

In relative value, trade between the European Communist countries and the Third World accounts for only a tiny share (1%) of world trade. However, it is expanding rapidly and after a period of stagnation between 1965 and 1966 it now has a very dynamic annual growth rate.

1960-1965	1965-1970	1968-1969	1969-1970
12.5%	7.3%	11%	13.2%

For the USSR and its satellites, the Third World is a worthwhile source of raw materials - oil from Iraq and Algeria, iron from India, phosphates from Egypt, bauxite from Guinea, copper from Chile and rubber and tin from Malaysia. The capture of these sources of supply helps to promote the development of the Soviet Union's economy and further its political and strategic interests.

For the satellites, the Third World could provide an alternative source of supply and lead to a lessening of their dependence on the Russians. At the same time, for the satellites, as for the Soviet Union, developing countries represent potential outlets for manufactured goods which it is still difficult to market in the West.

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(1) See Annex A

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1.3.2     Economic assistance

Economic assistance is a fairly good pointer to Soviet intentions regarding penetration. The aid provided by Communist countries to the Third World remains of course small in relative value (8% of the state aid granted by the capitalist countries) and in absolute terms (0.17% of the Soviet GNP compared with 0.37% of the much higher Western GNP).

However, the way in which the aid is granted provides a better indication of Soviet intentions.

Soviet economic assistance to developing countries is based essentially on bilateral relations. It is almost exclusively confined to the granting of credits(1) and gifts represent only 5% of the total. These credits are granted in non-convertible roubles for specific projects and can only be used for the purchase of capital goods and supplies produced by the country offering the credit. In principle, they are repayable in kind, i.e. raw materials and manufactured goods, with the first repayment falling due after one year. The credits are granted for periods ranging from 8 to 12 years and at interest rates of 2.5% to 3% a year.

Between 1954 and 1970 the credits granted by the Communist countries to the Third World amounted to 11.5 milliard dollars, the lion's share of which went to India, Egypt and Afghanistan. Only 4.4 milliard dollars were actually used by the receiving countries however.

Over the next few years economic assistance from the Communist countries as a whole is expected to rise regularly to a yearly average of between 700 and 800 million dollars.

This increase reflects the Soviet Union's desire to extend its influence:

- among its near and not so near southern neighbours: India, Pakistan, Bangladesh, Afghanistan and Iran;
- on Third World countries possessing credible resources of raw materials necessary for Soviet economic development, and
- on certain countries whose geographical situation makes them important,

while improving its position in the competition with China.

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(1) See Annex B

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But more aid means heavier repayments, and with Third World countries finding it increasingly difficult to meet their deadlines, this gives rise to dissatisfaction and a lack of enthusiasm. The fact that the Soviet Union is late with deliveries because of its own economic difficulties, only makes matters worse.

#### 1.4 Technical Penetration

##### 1.4.1 Personnel and equipment

Generally speaking, developing countries are still short of qualified personnel capable of installing and operating all the equipment delivered by the Russians under the credits granted. This gives the Soviet Union an opening to send technical and administrative "specialists" to such countries and to establish a state of direct dependence.

There is also a more insidious and longer term form of penetration which relies on the training of middle-range local specialists either on the spot or in Russia.

Since 1955, while helping in the construction and running of new projects, Soviet specialists serving in the Third World, i.e. some 15,000-20,000 in 1971(1), have trained approximately 200,000 local technicians.

The Soviet specialists are usually appointed as "advisers" in the following economic fields:

- installation and operation of industrial plant supplied by the Communist bloc;
- oil and mineral prospection;
- the fishing industry;
- transport and communications;
- public health;
- agriculture;
- building of ports and airports.

Furthermore, through the supply of spare parts the Russians are able to maintain control over the effective use of the equipment delivered and, consequently, over the economy as a whole.

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(1) See Annex C

1.4.2 Change in policy regarding major projects

In addition to the supply of equipment, Soviet efforts were concentrated for a long time on major developments(1). This type of aid, of which the construction of the Aswan High Dam was the most impressive example, now appears to have been shelved in favour of the straight purchase of the necessary machinery, tools and basic commodities by the developing countries, which are then fully responsible for carrying out their own major projects. Soviet experts have doubtless concluded that to accept responsibility for major projects, although it might be good propaganda, was too expensive in relation to any concrete advantages obtained. The supply of equipment continues to provide Soviet industry with outlets and enables control to be maintained over machinery, the training of specialists and the provision of spares.

1.5 Military penetration(2)

Soviet military aid (7 milliard dollars for the period 1955-1970) is doubtless the form of penetration which brings the quickest results because of the way in which it binds the receiving countries. However, this form of penetration has its limits. The armed forces in Third World countries consider themselves the guardians of budding nationalism and find it difficult to accept open Soviet interference and even more difficult to accept Soviet predominance. Sometimes breaking point is reached, as the Soviet Union discovered in Egypt.

The fact remains, however, that in a crisis situation (such as exists in the Middle East) military assistance has been and still is an essential part of the military apparatus of the countries receiving it. This is true of Egypt as it faces Israel and of Somalia in its confrontation with Ethiopia.

1.5.1 The historical pattern

Tables 1, 2 and 3 of the first part of Annex E show the intensification and the geographical concentration of Soviet aid since 1962.

Southern Asia and the Near East have come in for increasing attention over the last few years. 82% of the overall aid granted to countries in Southern Asia since 1955 was provided between 1962 and 1970. The percentage is 56% for the Near East.

Three main trends are discernible:

- the increase in absolute value between 1955 and 1970 and the stepping-up of aid since 1962;

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(1) See Annex D: main investments and major projects financed by the Soviet Union between 1954 and 1971

(2) See Information Bulletin No. 10.532 of 15th May, 1972

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- the high degree of geographic expansion since 1962 (10 countries received aid between 1955 and 1962 and 25 between 1962 and 1970);
- at the same time, efforts have been focused on the Indian sub-continent and the Near East.

1.5.2 Military penetration has priority

The total value of military equipment actually delivered to non-Communist countries in the Third World between 1955 and 1970 can be estimated at 7 milliard dollars or 85-90% of the corresponding credits granted (8.3 milliard dollars).

To this direct aid should be added the costs connected with the provision of instruction for 20,000 trainees in the Soviet Union since 1955 and the seconding of military advisers to the Third World (20,000 in 1971). However, while economic assistance in the form of gifts or credits, amounted to 7 milliard dollars, the credits actually used totalled only 3.5 milliard dollars or 50% of the military aid furnished.

Similarly, the number of civilian technicians from the Third World who underwent instruction in Russia between 1955 and 1970 was only 18,500 and the number of Soviet civilian technicians seconded to developing countries in 1971 amounted to 11,000 or hardly 55% of the number of military advisers.

1.5.3 Methods

Generally speaking, the Soviet Union has used three lines of approach since 1962:

- the supply of equipment(1), which entails logistics dependency, either for implementation or for spare parts follow-up: this type of aid includes deliveries of aircraft (fighters, bombers, transport planes, helicopters) anti-aircraft defence systems (ack-ack guns, surface-to-air missiles) armoured equipment and ground transport vehicles;
- the seconding of military "advisers" creates a technical dependence as regards the use of sophisticated equipment and strictly curtails freedom in the use of the weapons furnished; these advisers numbered 16,000 in 1970 and 20,000 in 1971 and 1972 until the break with Egypt(2);

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(1) See Annex E  
(2) See Annex E

- the training in Russia of military specialists with the aim of creating ideological and technical dependency; the trainees are subject to political indoctrination whose degree of success depends on their nationality but which always has some effect, and they are instructed in the use of Soviet equipment; since 1955, 20,000 trainees, most of them young officers and NCOs, have undergone training in the following main fields:
  - piloting of fighters, transport aircraft and helicopters;
  - the use of tanks and armoured vehicles and of artillery (with special emphasis on anti-aircraft guns).

#### 1.5.4 Conditions

The necessities of Soviet economic development mean that, like its economic assistance programmes, its military aid is limited but carefully chosen for maximum impact.

A large part of these programmes are tied to low interest loans (2.5% to 3% per annum) and cover periods of from 5-10 years. At other times, but more rarely, they take the form of gifts. The most recent example of a gift is the Soviet aid to the Lebanon under which the latter, in accordance with the terms of the agreement signed on 2nd November, 1971, is to receive weapons worth 1.72 million dollars (not counting spare parts) some of which have already been delivered. However, Soviet aid is more financially binding than it appears and leads to a high degree of dependency on the part of the recipients. This dependency makes itself felt in three ways:

- militarily, the freedom of national armies is seriously curtailed by the presence of Russian technicians and advisers at all decision-taking levels, including General Staff level (this was the case for Egypt before August 1972 and for India during the war with Pakistan);
- politically, the freedom of movement of beneficiaries is restricted in the sense that the Soviet Union will not allow them to pursue a policy contrary to its interests; the best example of this was Egypt(1), which in Soviet hands became a top pawn in the Middle East;
- in the context of Soviet world strategy, military assistance has a precise purpose, namely, to acquire raw materials and to control key points along international transport routes so as to provide better

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(1) See Annex F, regarding the effects of the Soviet-Egyptian crisis

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security for its own transport movements and at the same time increase the vulnerability of those of its potential opponents.

Lastly, the military aid granted by the Soviet Union enables it to strengthen its position in the raw materials market and to obtain favourable prices (sometimes below current world prices) since loan repayments are generally linked to deliveries in kind (strategically important minerals, oil, etc.).

## 2. GEOGRAPHICAL PATTERN OF THE SOVIET PENETRATION DRIVE

### 2.1 Latin America

The mounting wave of nationalism in Latin America is challenging the dominant influence hitherto exercised in the area by the United States, and the republics of the sub-continent are striving to diversify their political and economic links to the detriment of the privileged relations they have so far maintained with their northern neighbour. This development has led the Soviet Union to spell out its policy towards an area which, with the exception of Cuba, has for a long time remained outside its sphere of immediate concern.

The increasing interest which the Soviet Union is showing in Latin America is explained by the latter's importance as a supplier of raw materials and as a customer. Chile and Peru, which at present seem to be the main Soviet targets, can supply copper and iron and are particularly rich in lead, zinc and antimony. Their fishing industries could provide short-term assistance in balancing the dietary pattern of the Russian population (from 1972 the USSR will be importing fish from Latin America). Moscow is playing an active part in building up fishing fleets and providing seafood processing plants in both these countries.

Furthermore, the geographical situation of Peru and Chile could enable the Soviet Union to extend its influence in the Eastern Pacific. In 1970 Chile was provided with aid worth 62 million dollars, but did not use it. It received credit from the Soviet Union, Hungary and Bulgaria of 55, 20 and 15 million dollars respectively in 1971.

Peru received 10 and 15 million dollars from Bulgaria and Hungary in 1971 while the Soviet Union extended a loan of 54 million dollars for the establishment of a new fishing port at Bayoivar on the northern coast. Up to 1970, Peru had accepted aid to the tune of 61 million dollars but had not drawn on it.

In October 1971 Costa Rica and the Soviet Union signed a five-year trade agreement under which the Russians are committed to granting Costa Rica a credit of 50 million dollars for the purchase of equipment. An earlier credit of 10 million dollars had not been used by the end of 1970.

It would therefore appear that the Latin American republics have so far shown caution in accepting aid from the

European Communist countries. However, current efforts to expand industry and, in some countries, the fisheries, should logically lead to increased use of the credits.

Cuba, however, has not been left on the sidelines and Moscow's continued solicitude for the Castro régime is borne out by Mr. Kosygin's visit to Havana in October 1971, the visit of the Cuban President, Mr. Dorticos, to the chief Soviet bloc capitals in the winter of 1971-1972 and Dr. Fidel Castro's similar visit in the spring of 1972. Moscow is in fact underwriting the Cuban economy to the tune of one milliard dollars a year.

## 2.2 Asia

The Soviet-Indian treaty of 9th August, 1971 and Moscow's indirect involvement in the war between India and Pakistan virtually meant the end of Indian neutrality and the start of a more active phase of Soviet penetration in Asia. The foreign policy and expansionist strategy of the Soviet Union, like Tsarist Russia before it, has always attached overriding importance to access to the open sea. It would therefore seem that through Afghanistan, where they are firmly ensconced, and Western Pakistan where they are probably able to use the "Pakhtunistan" separatists to stir up trouble, the Russians are seeking a direct link with the West coast of India. The success of this venture would strengthen their footing in the ports of Calicut, Trivandrum, and Vishakhapatnam and thereby consolidate their presence on the shores of the Indian Ocean.

India is at present the Soviet Union's second most important Third World trading partner (Egypt has first place). Appreciable technical and military aid is provided. Military assistance is estimated at one milliard dollars; in 1971, twelve fast patrol boats equipped with Styx missiles were delivered to India. In 1972, two "Petya" class escort vessels were handed over to the Indian navy and a third will probably be made available in December 1972.

Afghanistan is the main avenue of Soviet penetration in the direction of India. Since 1954, Soviet penetration has been backed-up by financial assistance comprising 576 million dollars in credits and 100 million dollars in gifts. Economic aid is concentrated on infrastructure works for strategically important roads or for airfields (seven are being built in the North of the country), industrial projects (development of Sherbergham natural gas deposits) and agricultural projects. The Russians supply the Afghan army with equipment and train its officers and NCOs (300 pilots have been trained).

Bangladesh, which was greatly helped towards independence by the Soviet Union, is the scene of active penetration in the form of technical and trade missions, the signing of an economic

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and technical co-operative agreement, the clearing of mines from the ports of Chittagong and Khulna and deliveries of equipment. Moreover, in 1972 Moscow granted 51 million dollars' worth of economic assistance (of which 6 million dollars was in the form of gifts). On the military side, one AN 12 and four MI 4 helicopters have been delivered and it appears that a squadron of MIG 19s has been promised.

North Vietnam is a major recipient of Soviet aid. Half the foreign assistance received by this country comes from that source and is chiefly military. It includes the delivery of modern weapons and the building of SAM missile sites. Economic assistance is concerned mainly with the transport and the energy industries. Under an agreement covering the period 1970 to 1975, the Soviet Union is committed to providing North Vietnam with aid worth 150 million dollars to be used for the development of communications and for industrialization.

### 2.3 Middle East

President Sadat's decision on 18th July, 1972 to send home the Russian advisers and experts has, at least for the time being, modified certain aspects of the problem.

Coming at the end of a series of "misunderstandings", Sadat's decision typified the growing Arab nationalistic reaction to foreign interference. So far as can be ascertained(1) the results have been:

- the almost complete withdrawal of the advisers and operational units, most modern weapons (FLAGON - FOX BAT) and the handing over to Egypt of the more general equipment (MIG 21s, SAM 3s);
- the temporary retention of less than 1,000 instructors and technicians;
- the recovery by Egypt of certain "reserved" installations at Alexandria, Port Said and Marsa Matrûh and the retention by the Soviet Union of mooring and call-in facilities off Salûm and at Port Said and Alexandria.

However, the Egyptian decision should not be seen as prefiguring Moscow's complete eviction from the Middle East. The effort devoted to penetrating Egypt has been too great and the country remains too dependent (the electrification of the Nile valley and industrialization still depend on Soviet technical and financial help and the Egyptian armed forces rely almost completely on Soviet deliveries) for Moscow to accept anything more than a purely token and temporary renunciation.

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(1) See Annex F

As part of its general Middle East policy the Soviet Union has always sought, and recently found, alternative solutions in Iraq, Syria and South Yemen. But the freedom of manoeuvre provided by the treaty of friendship and alliance with Iraq is limited by the dispute between Iraq and Iran and the interests which Moscow has to safeguard in the latter. Moreover, Baghdad is subject to anti-Soviet pressure from Saudi Arabia and Libya.

#### 2.4 Africa

The Soviet Union's concentration on the Middle East and Asia prevents it from treating Africa as a priority target, at least in the short-term. Moscow therefore treads carefully within Africa and is at present giving most of its attention to the training of tomorrow's African administrators, a policy which may pay off in the future.

A special effort is being made in Guinea, the Congo and above all Somalia. Since July 1971 the Soviet Union has lost its prominent position in the Sudan because of its attitude to the abortive Communist coup d'etat(1). There was in fact no "official" break, but a freezing of relations. A new ambassador was appointed in 1972.

Attempts at penetration are proceeding in Nigeria, Mali, Tanzania and Equatorial Guinea; in the other African countries Soviet influence remains small.

The aid given to Guinea has political significance. In 1969 a credit of 90 million dollars was granted for the development of the Dabola bauxite deposits, while some 1,000 civilian and military technicians are at present stationed in the country and the Guinean army uses Soviet equipment.

There is a fairly sustained effort at cultural penetration of the Congo (in 1972 the Soviet Union sent 85 teachers and 35 doctors and nurses to the Congo while 320 Congolese students are following courses in Russia). Economic and military assistance is on a smaller scale and Moscow seems wary of committing itself further.

Since General Syad came to power in Somalia in 1969 Soviet penetration has been particularly noticeable in that country. More than 60 million dollars have already gone into the economic development of the country (the ports of Derbera and Mogadishu). The Soviet concentration on Somalia is noteworthy and logical considering the country's privileged strategic position in relation to the Gulf of Aden and the Red Sea and on the Indian Ocean where it faces the west coast of India.

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(1) Diplomatic relations were resumed in 1972

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In Nigeria, Mali, Tanzania and Equatorial Guinea, Soviet influence has made far less progress although the efforts at penetration have evoked some response. Soviet assistance is chiefly in the form of cultural and commercial exchanges and deliveries of weapons but it is marking time and is limited in extent.

All in all, it may be concluded that Moscow is expecting only long-term results from its efforts in a continent with whose diversity and psychology it is none too familiar. Nevertheless, Chinese policy in this respect and the results it has already obtained may oblige the Soviet leadership to reschedule its planning.

The relative modesty of the aid given by the Soviet Union and the satellites to the developing countries, compared with that provided by Western countries, is no reason for complacency. By blaming the capitalist countries for underdevelopment, Moscow can hope to benefit from its contribution to the economic development of the Third World.

In the space of ten years, it has succeeded in establishing itself, at least diplomatically, in most of these countries.

The criteria on which decisions are based - actual opportunities for aid, medium and long-term strategic considerations - are still apparently determined by a pragmatism which skilfully takes into account the ideological difficulties confronting Western exporters. Dogmatism has long since given way to strategic considerations.

Under these circumstances, and because it provides an outlet for a military apparatus whose level of strength is far in excess of any threats it may have to face, Soviet military aid to the developing countries is, at present, the most directly profitable method of approach.

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ANNEX A to  
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Trade between the Soviet Union and the countries  
of the third world in 1970 and 1971

(Millions of Roubles)

COUNTRY	SOVIET EXPORTS		SOVIET IMPORTS		TOTAL	
	1970	1971	1970	1971	1970	1971
<u>Latin America</u>						
Argentina	1,7	1,9	28,2	30,4	29,9	32,3
Bolivia	-	-	3,1	9	3,1	9
Brazil	2,4	2	20,8	41,7	23,2	43,7
Chile	0,5	7	0,3	0,8	0,8	7,8
Colombia	1,5	1,1	9,4	4,3	10,9	5,4
Costa Rica	-	-	6,2	2,2	6,2	2,2
Cuba	580	602	465	288,9	1045	890,9
Ecuador	0,1	-	0,7	3,3	0,8	3,3
Mexico	0,7	0,3	0,3	9,2	1	9,5
Peru	0,1	-	0,2	0,2	0,3	0,2
Uruguay	0,8	0,9	1	1,3	1,8	2,4
TOTAL	587,8	615,2	535,2	391,5	1123	1006,7
<u>Asia</u>						
Afghanistan	36	45,3	30,9	34,6	66,9	79,9
Burma	3	3,2	1,4	1,8	4,4	5
Cambodia	0,3	0,1	1,4	-	1,7	0,1
Srilanka	5	8,5	12	14,5	17	23
India	122,3	116,3	242,6	255,8	364,9	372,1
Indonesia	4,5	10,1	25	10,1	29,5	20,2
Malaysia	1,6	1,5	111	77,6	112,6	79,1
Nepal	0,7	0,6	32,1	25,8	32,8	26,4
Pakistan	32,1	25,8	28,3	35	60,4	60,8
Thailand	2,6	2,5	0,8	4,1	3,4	6,6
North Vietnam	166,5	139,3	16,7	21,5	183,2	160,8
TOTAL	374,6	353,2	402,2	480,8	776,8	834

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COUNTRY	SOVIET EXPORTS		SOVIET IMPORTS		TOTAL	
	1970	1971	1970	1971	1970	1971
<u>Middle East</u>						
Saudia Arabia	5,4	5,4	-	-	5,4	5,4
Iraq	59,4	99,1	4,1	5,5	63,5	104,6
Iran	169	139,3	62,2	100,1	231,2	239,4
Jordan	6,4	5,9	-	-	6,4	5,9
Kuwait	9,7	17,4	0,3	0,7	10	18,1
Lebanon	13,7	18,4	3,8	3,6	17,5	22
Yemen Arab Republic	10	7,2	1	0,3	11	7,5
Yemen PDR	4,3	2,2	0,2	-	4,5	2,2
Syria	41,8	51,9	17,3	26,4	59,1	78,3
Egypt	326,9	343,2	279,5	300,7	606,4	643,9
Libya	12,9	8,9	-	-	12,9	8,9
TOTAL	659,5	698,9	368,4	437,3	1027,9	1136,2
<u>Africa</u>						
Algeria	62,5	52,6	55,8	69,3	118,3	121,9
Cameroon	0,6	1,4	6,9	3,7	7,5	5,1
Ivory Coast	0,4	1,2	1,5	11,2	1,9	12,4
Dahomey	0,7	1	-	0,9	0,7	1,9
Ethiopia	1,3	1,3	0,8	2,9	2,1	4,2
Ghana	9,9	12,7	39,8	6,9	49,7	19,6
Guinea	11,2	31,2	3	5	14,2	36,2
Kenya	1,4	1,2	0,4	2,2	1,8	3,4
Mali	4,7	2,3	1,7	1,8	6,4	4,1
Morocco	32,5	28,2	17,6	18,9	50,1	47,1
Mauritania	0,4	0,1	-	-	0,4	0,1
Nigeria	10,9	15,7	20,3	41	31,2	56,7
Uganda	1,1	3,9	2,8	-	3,9	3,9
Malagasy Republic	-	-	0,6	0,9	0,6	0,9
Congo	0,8	4,2	0,7	0,6	1,5	4,8

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COUNTRY	SOVIET EXPORTS		SOVIET IMPORTS		TOTAL	
	1970	1971	1970	1971	1970	1971
Somalia	2,8	5,5	0,4	1,8	3,2	7,3
Senegal	1,2	0,9	-	-	1,2	0,9
Sierra Leone	1,6	2,3	-	-	1,6	2,3
Sudan	32,5	20,1	44,9	47	77,4	67,1
Tanzania	1,1	0,6	0,7	1,6	1,8	2,2
Togo	1,2	1,8	2,8	4,4	4,0	6,2
Tunisia	3,1	3,6	2,6	6,3	5,7	9,9
TOTAL	181,9	191,8	193,3	226,4	375,2	418,2
GRAND TOTAL	1803,8	1859,1	1499,1	1536	3302,9	3395,1

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ANNEX B to  
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Credits granted by the Soviet Bloc as Economic Aid  
from 1954 to 1971  
(Millions of Dollars)

COUNTRY	CREDITS GRANTED			CREDITS ACTUALLY DRAWN		
	Total 1954-1971	Including for 1970	Including for 1971	Total 1954-1971	Including for 1970	Including for 1971
Latin America						
Argentina	59	-	5	38	-	-
Bolivia	31	28	3	-	-	-
Brazil	312	-	-	58	19	-
Chile	150	-	90	-	-	-
Colombia	2	-	-	2	-	-
Costa Rica	60	10	50	-	-	-
Ecuador	20	-	-	4	2	-
Peru	138	53	79	-	-	-
Uruguay	45	5	-	6	3	-
Venezuela	10	10	-	-	-	-
TOTAL	807	106	227	108	24	? (1)

(1) Incomplete figure

COUNTRY	CREDITS GRANTED			CREDITS ACTUALLY DRAWN		
	Total 1954-1971	Including for 1970	Including for 1971	Total 1954-1971	Including for 1970	Including for 1971
<u>Asia</u>						
Afghanistan	712	3	-	576	28,5	-
Burma	64	-	24	18,5	2,5	-
Sri Lanka	90	13	44	40,5	7,5	-
India	1980	-	-	1132	89	-
Indonesia	682	-	-	323	2	-
Khmer Republic	42	-	-	21	0,5	-
Laos	8	-	-	2	-	-
Nepal	20	-	-	18	0,5	-
Pakistan	339	10	-	122	26,5	-
TOTAL	3937	26	68	1952	157	? (1)
<u>Middle East</u>						
Iran	1094	54	-	285	92	50
Iraq	632	65	295	188	47	10
Yemen People's Dem. Republic	52	-	-	10,1	4	5
Syria	495	-	15	209,5	36,5	30
Egypt	1950	70	325	957	64,5	50
Yemen Arab Republic	109	-	-	70,7	3,6	10
TOTAL	4322	189	635	1720,3	247,6	155

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ANNEX B to  
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COUNTRY	CREDITS GRANTED			CREDITS ACTUALLY DRAWN		
	Total 1954-1971	Including for 1970	Including for 1971	Total 1954-1971	Including for 1970	Including for 1971
<u>Africa</u>						
Algeria	610	74	190	84	28	6
Cameroon	8	-	-	1	0,6	-
Chad	2	-	-	-	-	-
Congo (Brazzaville)	9	-	-	6	0,2	-
Ethiopia	199	-	80	22,5	2,1	-
Ghana	191	-	-	60,3	-	-
Guinea	190	-	-	93,9	2	-
Kenya	44	-	-	3,5	-	-
Mali	79	-	-	45,2	2	-
Mauritania	24	-	21	0,5	-	-
Morocco	123	44	-	20	7	6
Nigeria	21	-	-	-	-	-
Senegal	7	-	-	1	1	-
Sierra Leone	28	-	-	3,8	1	-
Somalia	182	-	110	38	1,5	-
Sudan	158	10	-	20,8	1	5
Tanzania	26	-	-	5,1	0,5	-
Tunisia	105	-	-	26,2	3,7	-
Uganda	16	-	-	3	2	-
Zambia	6	-	-	1	0,3	-
TOTAL	2028	128	401	445,8	51,9	17 (1)
GRAND TOTAL	11,104	449	1331	4326,1	480,5	172

(1) Incomplete figure

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Number of Soviet Bloc civilian technical assistants  
serving in the Third World at end-1971

COUNTRY	PERSONNEL FROM :	
	Soviet Union	Eastern Europe
<u>South America</u>		
Argentina	-	10
Brazil	-	50
Chile	15	-
Peru	10	-
Uruguay	10	-
<b>TOTAL</b>	<b>35</b>	<b>60</b>
<u>Asia</u>		
Afghanistan	1 000	30
Burma	25	45
Sri Lanka	50	25
India	1 100	300
Indonesia	-	20
Nepal	70	-
Pakistan	300	15
<b>TOTAL</b>	<b>2 545</b>	<b>435</b>
<u>Middle East</u>		
Iran	1 500	250
Iraq	500	540
Yemen People's Democratic Republic	150	50
Syria	1 300	60
Egypt	2 500	275
Libya	----- 300 (1)-----	
Yemen Arab Republic	100	100
<b>TOTAL</b>	<b>6 200 (1)</b>	<b>1 425 (1)</b>
<u>Africa</u>		
Algeria	2 200	800
Central African Republic	50	-
Tchad	30	-
Congo (Brazzaville)	200	15
Ethiopia	75	75
Ghana	-	80
Guinea	750	140
Equatorial Guinea	50	-
Kenya	10	20
Mali	100	50
Mauritania	13	-
Morocco	150	180
Nigeria	300	110
Sierra Leone	10	-
Somalia	450	-
Sudan	50	90
Tanzania	110	100
Tunisia	75	20
Uganda	20	-
Zambia	50	15
<b>TOTAL</b>	<b>4 693</b>	<b>1 695</b>
<b>GRAND TOTAL</b>	<b>12 973</b>	<b>3 615</b>

(1) Included on a 50/50 basis in each total

New investments and major projects financed by  
the Soviet Union between 1954 and 1971

Receiving countries	Volume of aid in millions of dollars	Date	Purpose
<u>Asia</u> Afghanistan	100	1956	Road building (SALANG PASS) Irrigation works DORIENTE hydro-electric power station
	80	1959	BAGRAM-KABUL Airfield Building of the KUSHR-HERAT-KANDHAR road
	Credits granted each year. Total at end-1970 for the period	1961	Building of the PUL-i-KHUMRI - SHIBARGHAN road
		1963	Assistance with production at SHIBARGHAN natural gas deposits. Building of a gas pipeline to the Soviet Union
		1970	Completion of the NAGHLU hydro-electric power station, the NANGARHAR electrical network and the MAZAR-i-SHARIF road
<u>India</u>	132	1955	Building of the BHILAI steelworks
	126	1956	Building of the RAUCHI heavy machinery plant
	420	1959	Extension of the BHILAI plant Building of the BARAUNI and KOYALI refineries Setting up of a pharmaceutical industry
	126	1960	Building of the BOKARO steelworks
	220	1964	
	555	1966	Extension of the BHILAI steelworks Building of the KORBA OBRABHAKRA power stations and the KORBA aluminium plant

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Receiving countries	Amount of aid	Date	Purpose
<u>Middle East</u> Iran	289	1965	Building of the ESFAHAN steelworks and of a gas pipeline to the Soviet Union
	178	1968	Extension of the ESFAHAN steelworks
Iraq	137	1959	Industrialization Building of the RAWAH dam Development of the NORTH RUMAILA oil-field
	45	1960	Building of the BAGHDAD-BASRA railway
Syria	232	1957	Irrigation works Building of hydro-electric installations
	132	1966	Building of EUPHRATES dam and of the TABQA hydro-electric power station
Egypt	275	1958	Building of the HELWAN iron and steel complex and of the ASWAN High dam
	300	1960	Completion of the ASWAN High Dam

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SOVIET MILITARY ASSISTANCE TO THE THIRD WORLD

1. Trend of Soviet equipment deliveries from 1955 to 1970

TABLE No. 1

(in millions of U.S. dollars)

	(1) 1955-1962	(2) 1962-1970	(3) 1955-1970
Africa		415	415
East Asia	1,000	215 *	1,215
South Asia	225	1,045	1,270
Near East	1,715	2,170	3,885
<b>TOTAL</b>	<b>2,940</b>	<b>3,845</b>	<b>6,785</b>
Number of Nations assisted	10	25	

Africa : All countries except the Republic of South Africa

East Asia : Cambodia, Laos, Indonesia

South Asia : Afghanistan, Pakistan, India

Near East : Iran, Iraq, Syria, Egypt, Yemen People's Democratic Republic

\* Break between Indonesia and the Soviet Union in 1965

Allocation of aid by region as a percentage  
of the total aid for a given period

TABLE No. 2

	1955-1962	1962-1970	1955-1970
Africa	0	10.9 %	6.1 %
East Asia	34 %	5.2 %	18 %
South Asia	7.6 %	27.3 %	18.8 %
Near East	58.4 %	58.6 %	57.1 %
<b>TOTAL</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>

Allocation of aid by period as a percentage of total aid

1955 - 1970

TABLE No. 3

	1955-1962	1962-1970	1955-1970
Africa	-	100 %	100 %
East Asia	82 %	18 %	100 %
South Asia	18 %	82 %	100 %
Near East	44,4 %	55,6 %	100 %
TOTAL	43,5 %	56,5 %	100 %

2. SOVIET EQUIPMENT DELIVERIES IN 1971

21. General Total

EQUIPMENT	MIDDLE EAST	ASIA (including N. Vietnam)	AFRICA
<u>Aviation</u>			
Fighters MIG 15 MIG 17 MIG 21 SU 7	168 60	} 80	2 2 39 (including an unknown number of MIG 17s)
Transport Aircraft : AN 12			2
Helicopters : MI-4 MI-6 MI-8	} 66	} 40	
<u>Anti-aircraft defense</u>			
SA 2 - SA 3 } tracking radar } radar station	100 ramps ( between 10 and 20 sites)	220 ramps	1
<u>Heavy armament</u>			
37 mm guns 85 mm guns 105 mm guns 122 mm guns 130 mm guns 140 mm rocket launchers		100	} 30  36  4 ramps
<u>Armour</u>			
T 34 T 54 or 55 PT 76 BTR	300 140	750 250	2 (1) 154 (1) 3 (1) 50 (1)
<u>Transport</u>			
miscellaneous vehicles (URAL 375, ZIL 164, GAZ 53 & 69)	390	1,200 plus engineer equipment	164

(1) 209 tanks or armoured vehicles in all; however, the breakdown between tanks and BTRs is not known with accuracy (see 22.)

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22. Breakdown by spheres of interest

Middle East

EQUIPMENT	SYRIA	EGYPT	IRAQ
MIG 21	50	100	18
SU 7	20	30	10
MI 6 and MI 8 Helicopters		50	16 (MI 8)
SA 2	100 ramps with equipm. i.e. between 10 and 20 sites		
T 54 or 55	250 (1)		50
BTR 60			140
Miscellaneous vehicles	200 GAZ 69	40 lorries	150 lorries

(1) From Czechoslovakia

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ASIA

EQUIPMENT	INDIA	NORTH VIETNAM
MIG 21 SU 9	} 40 aircraft altogether including 2 squadrons of MIG 21's or MIG 21 M's	} 40
MI-4 - MI-8	40	number unknown
SA 3, SA 3	20 ramps	200 ramps
130 mm guns	50	50
T 54 and T 55	150	600
BTR	250	number unknown
Engineer material	pontoon bridges, barges, etc.	number & type unknown
Transport vehicles	200	1,000

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AFRICA

EQUIPMENT	ALGERIA	GUINEA	MALI	CONGO	SUDAN (1)	SOMALIA
MIG 15 MIG 17 MIG 21	24	2	2		} 15 (2)	
AN 12		2				
Radar station		1				
37mm guns 85mm guns 105mm guns 122mm guns 140mm rocket launchers	36	number unknown		4 ramps	} 30 with ammunition	
T 34 T 54 to T 55 PT 76 BTR 152 BTR 40 P BTR 60 P	64	} number & type unknown  30		2 3 10 10	} 40 tanks & armoured vehicles including T 54's, T 55's, BTR 152's	} 50 tanks of unspecified types
Transport vehicles		40 GAZ jeeps 20 ZIL 164's		4 lorries		100 lorries

(1) no deliveries after July 1971.

(2) the breakdown between MIG 17's and MIG 21's is unknown.

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3. LOCATION OF SOVIET MILITARY ADVISERS  
IN THE THIRD WORLD IN 1971

COUNTRY	NUMBER
ALGERIA	700
EGYPT	5,000 (1)
IRAQ	340
YEMEN PEOPLE'S DEMOCRATIC REPUBLIC	150
SUDAN	200 (2)
SOMALIA	300
SYRIA	1,000
YEMEN ARAB REPUBLIC	100
INDIA	400
AFGHANISTAN	600
<b>TOTAL</b>	<b>8,790</b>

(1) In 1971 there were also 11,000 men serving in units in Egypt.  
For 1972 see Annex F

(2) There were 500 military advisers in the Sudan in 1970. Their contracts have not been renewed and 200 remained on 1st August, 1971.

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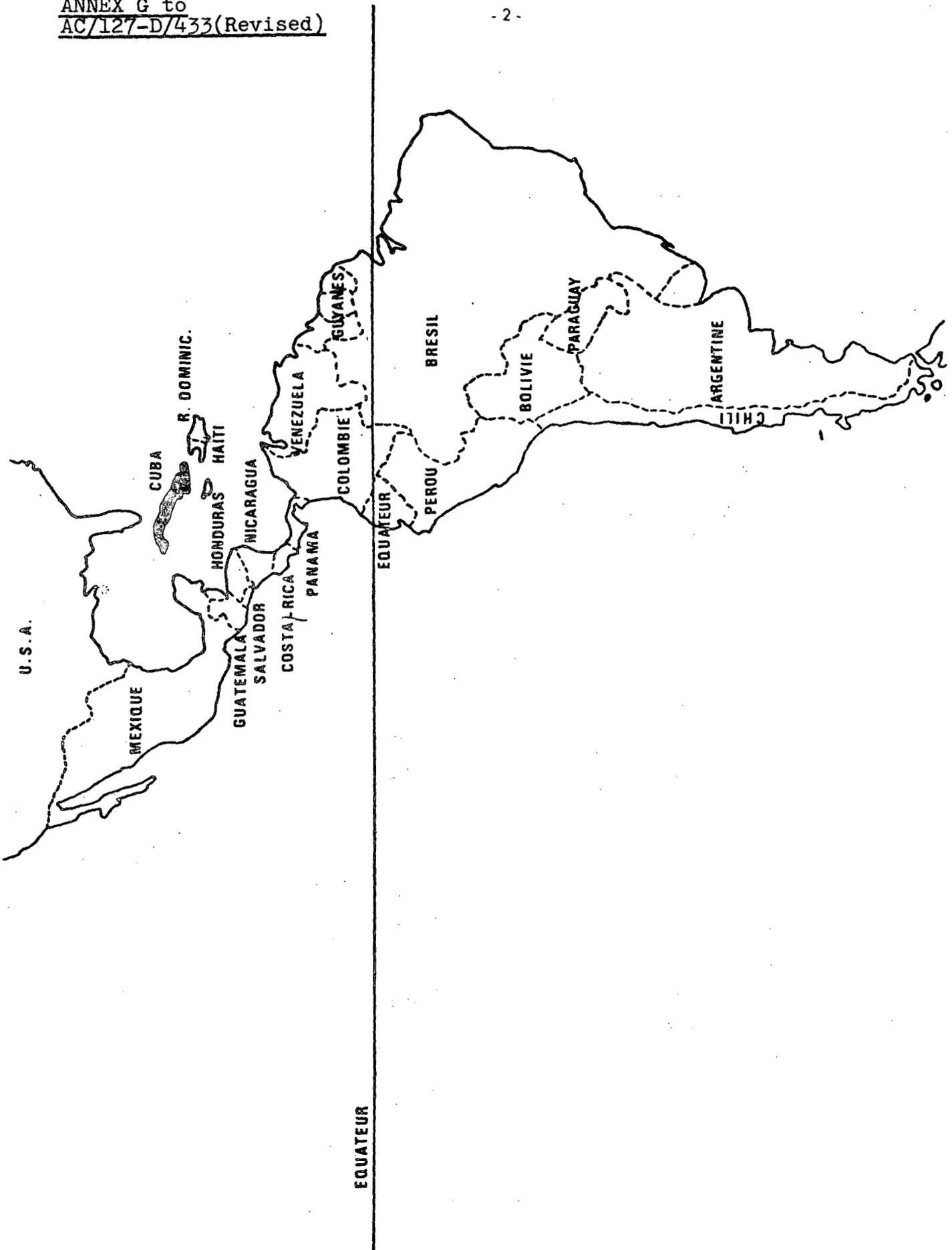
MILITARY PRESENCE IN EGYPT

	AT 1st JULY 1972	AT 1st AUGUST 1972 (1)
<u>Personnel</u> (estimates)	Advisers : approx 6,000 Military units : 13,000 to 14,000  TOTAL 19 to 20,000	Some 1,000 technicians responsible for the servicing of equipment made over by the Soviet Union
<u>Equipment</u>	60 to 80 MIG 21 J's 15 to 30 FLAGONS 4 to 6 FOXBATS 3 to 5 SAM6 sites 50 SAM 3 sites conventional AA units (some 170's 423/4 AA) 10 to 20 T 16's  4 IL 38's 6 AN 12's	made over to Egypt withdrawn to Soviet Union " " " " made over to Egypt made over to Egypt 10 made over to Egypt 10 withdrawn to Soviet Union (equipped with KELT missiles) Withdrawn to Soviet Union " "

- (1) Not only has the Egyptian military capability been reduced but there is also a lack of co-ordination between the AA units and search radars and the fighters.  
The Russians remedied this weakness by appointing "advisers" at all command levels. Their withdrawal means that Egypt's AA defence is 50 % weaker.



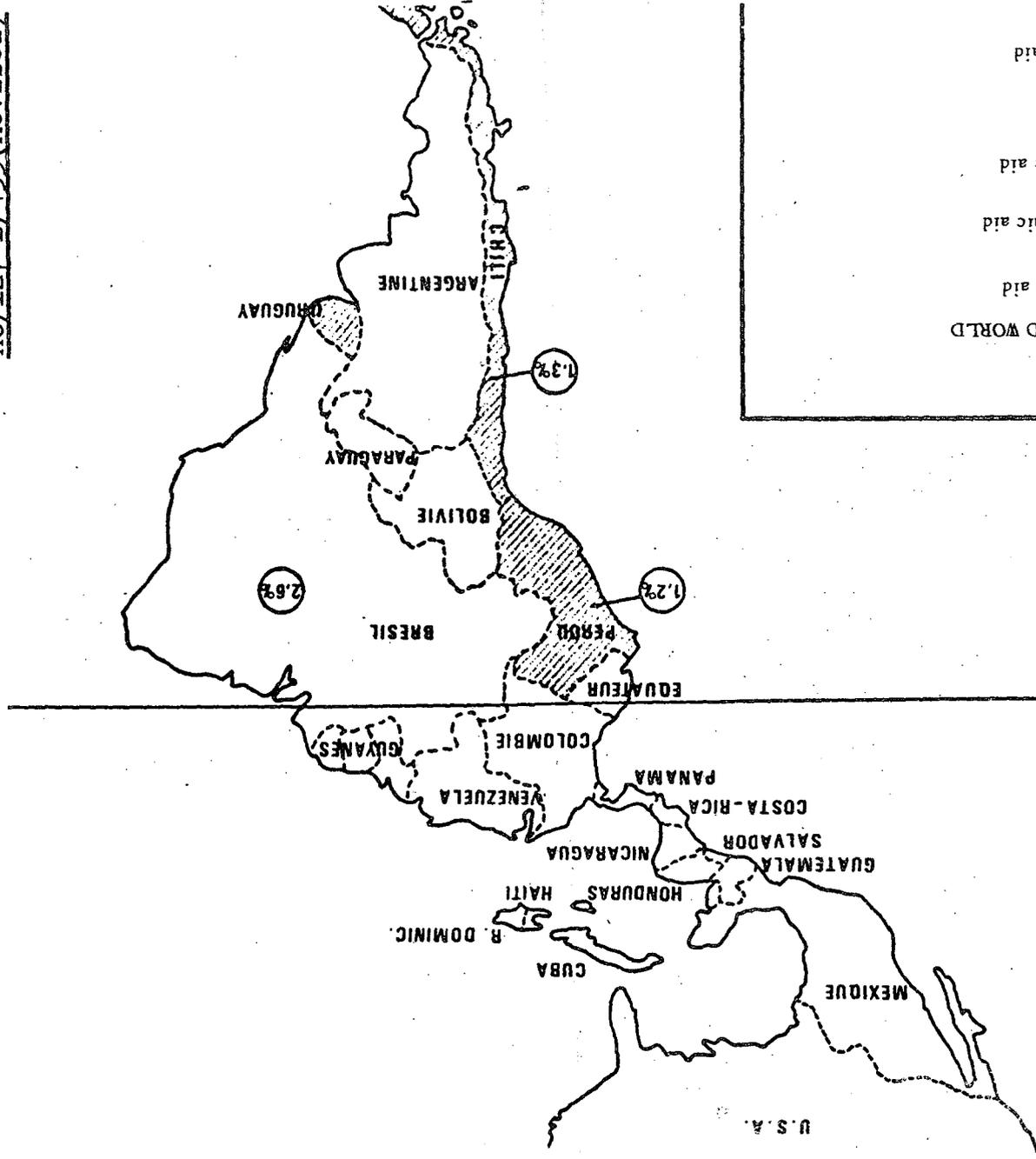
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SOVIET ECONOMIC PENETRATION IN THE THIRD WORLD

Countries which receive & use the bulk of economic aid



Countries which receive a certain amount of economic aid and make little use of it



Countries which receive a small amount of economic aid & make little or no use of it.



Pro mem : North-Vietnam, Korea, Mongolia, Cuba



Aid expressed as a percentage of overall economic aid granted since 1954 in the form of credits.

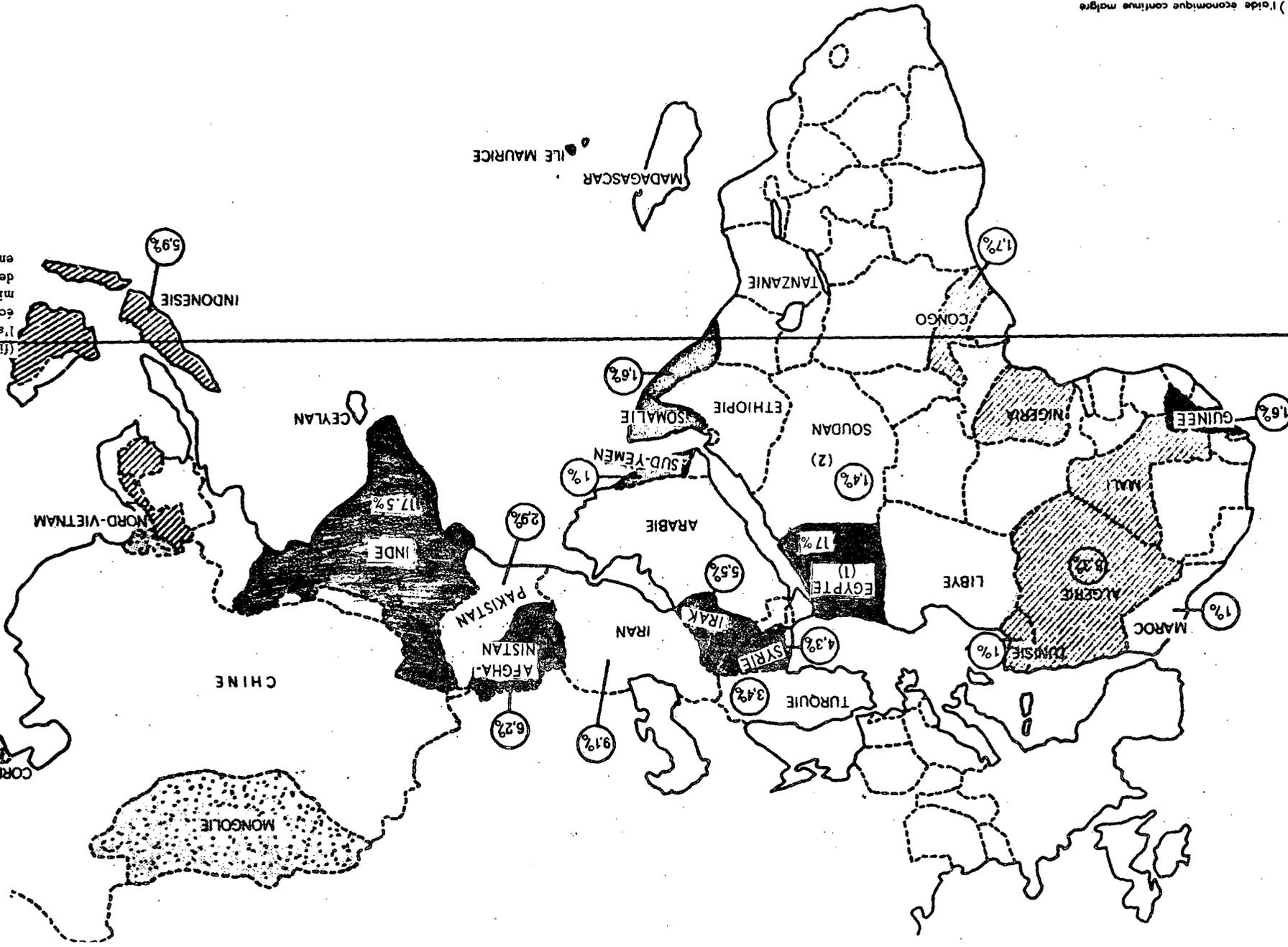
17%

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(fin de l'aide économique de l'URSS en 1965)

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(1) l'aide économique continue malgré le différent soviéto-égyptien  
(2) rupture en 1971

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