

Communism
74-0085 #4
Penetration
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Communism
Penetration

USIB
UNITED STATES
INTELLIGENCE
BOARD

Economic Intelligence
Committee

*Aid and Trade Activities of Communist
Countries in Less Developed Areas of the
Free World*

BIWEEKLY REPORT

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1/354
15 September 1969
Copy No. 267

CIA

APPROVED FOR RELEASE

OCT 1999

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(29 August-11 September 1969)

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

I. Far East

East German Economic Credit to Cambodia

In early September, East Germany extended a credit of \$11.9 million to Cambodia for project assistance. This latest credit brings total East German extensions thus far in 1969 to almost \$150 million to countries that have granted it diplomatic recognition. Iraq and Syria, which also recognized East Germany in 1969, have received a total of \$134 million in credits.* (FOR OFFICIAL USE ONLY)

II. Latin America

Peruvian Purchase of Mining Equipment
from Hungary

On 26 August, Hungary concluded a contract with a Peruvian commercial delegation under which it will furnish a Peruvian mining company with an ore dressing plant and equipment valued at \$3.4 million. The plant, which will process lead, zinc, and copper, will have a total daily capacity of 1,000 tons. Hungarian geologists will conduct studies as a preliminary to setting up the plant. The terms of the agreement are not known. The two sides also discussed the formation of a mixed Peruvian-Hungarian mining company. (FOR OFFICIAL USE ONLY)

III. Brief Notes

Congo (Brazzaville). On 6 September, Congo (Brazzaville) and Communist China signed a protocol to their 1964 aid agreement under which China will construct a small boatyard near

* See the Biweekly Reports of 7 July and 4 August 1969.

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Brazzaville. Communist China is providing the necessary technical assistance and equipment, and Chinese technicians already have arrived to work on the project. Costs will be financed under the interest-free 1964 credit of \$20.2 million, which allows for repayment over ten years starting in 1975. (CONFIDENTIAL)

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