

EGYPT-USSR: Cairo has received a second shipment of T-62 tanks from the USSR, indicating Moscow's willingness to meet some of President Sadat's requests for continued modernization of the military establishment. Thirty T-62s were unloaded in Alexandria in late May

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[redacted] At least ten T-62s, the first delivered outside the Warsaw Pact, arrived in Egypt earlier in the year. These tanks are more advanced and carry a more powerful gun than the T-55s that now make up the bulk of Egypt's armor. [redacted]

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CEYLON-CHINA: Ceylonese officials are disappointed that a recent \$52-million loan commitment from China does not provide for any hard currency. Earlier reports indicated that China had offered a hard currency credit of at least \$25 million, matching a credit extended last year. Although Peking is expected to make additional hard currency available, rumors place the amount as low as \$5 million. The finance minister says that the Chinese aid will not be enough to meet the country's immediate budgetary problems and that the government will have to adopt measures to reduce fast rising government-subsidized food consumption expenditures, the crux of Ceylon's problems. Such reform measures are politically unpopular, however, and despite urgings from the Western Aid Consortium, Colombo so far has been reluctant to act. [redacted]

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(continued)

T-62 Medium Tank

Photograph of model



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| First observed | 1961 |
| Main armament | 115mm smoothbore gun |
| Weight | 40.2 tons |
| Speed | 30 mph |
| Cruising range | 310 miles |
| Crew | 4 |

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EGYPT-USSR: President Sadat has ordered a sharp reduction in the Soviet military presence in Egypt, apparently as a demonstration of Egypt's independence of great power influence.

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[redacted]
Cairo has officially informed Moscow that the mission of Soviet military advisers and instructors in Egypt was finished as of yesterday.

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[redacted] all Soviet advisers stationed with Egyptian units were ordered to report to Cairo [redacted]

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Purely Soviet units, such as the air defense units, which protect the Egyptian heartland, and the Soviet naval air detachment, which monitors US Sixth Fleet activities, have not been mentioned [redacted]

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[redacted]

Egyptians will probably learn of Sadat's decisions today during the President's speech to the Arab Socialist Union's Central Committee. Informed newspapers in Cairo have alerted the public to what they characterize as important political and military developments having world-wide reverberations that will be announced by Sadat. There could be other surprises in the Egyptian leader's speech today and the one scheduled Sunday on the anniversary of the Egyptian revolution. Cairo newspapers in recent weeks have alluded to the need for vigilance against US and Israeli psychological warfare and espionage activities, and rumors of the arrest of anti-government agitators have been circulating.

The presence of so many Soviet advisers has grated heavily on many Egyptian military men of all ranks and upon some elements of the public as well, notably the students. Egyptian military leaders can argue that they have received all the instruction they need for the weapons the Soviets [redacted]

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[redacted]

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have supplied and that they can now do their own training. They can also argue that Moscow has failed to provide the offensive weapons that would require extended periods of Soviet tutelage.

Soviet Party Chief Brezhnev presumably learned of this development from Egyptian Prime Minister Sidqi in Moscow on 14 July when the two leaders discussed political and military matters for more than five hours. Sidqi's trip was prepared hastily, coming as a surprise to the Egyptian Embassy in Moscow and causing Foreign Minister Ghalib to cancel a trip to Belgium. Final arrangements were made only a few days before Sidqi left for the USSR on 13 July, ostensibly to discuss only bilateral economic matters. The Prime Minister was scheduled to remain in the USSR for at least three days, but returned to Egypt after little more than a day in Moscow.

The Soviets will certainly be chagrined by this latest turn of events in Soviet-Egyptian relations, which have been characterized by a good deal of tugging and pulling since the six-day war of 1967. Moscow views its large military presence in Egypt, which numbers about 15,000 personnel, as not only important for training Egyptian forces but for keeping an eye on their actions. Whatever Sadat's explanation for his move, Moscow will be hard pressed to explain the motives and suddenness of his actions. Certain Soviet commentators have spoken of the policies of the so-called "revolutionary democrats with epaulettes" and this latest turn will confirm their skepticism. Sadat's action, moreover, will make the Soviets even more reluctant to supply the Egyptians with such advanced weaponry as supersonic fighters and additional bomber aircraft. For both the Arabs and the Soviets there will be other consequences that cannot yet be foreseen.

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