

7 July 1958

Following is a summary of New York Times correspondence reports on the current status of the Communist bloc's economic relations with the countries of the Free World. In some cases these reports have been supplemented by information from governmental and United Nations sources. Within each major area of the world, countries are listed alphabetically.

North America

CANADA—The Communist bloc bought more than \$6,000,000 worth of goods from Canada during the first four months of 1958, fifteen times the purchases during the like period in 1957. Canadian sales of wheat to the Soviet Union and Communist China are most important in this trade; wheat sales to Communist China this year will have a value of \$5,000,000.

HAITI—Poland is becoming Haiti's chief supplier of cotton goods. Czechoslovakia tried but failed to sell structural steel here.

COSTA RICA—There is negligible trade with the Communist bloc.

CUBA—The Soviet Union has continued large-scale purchases of Cuban sugar this year, buying 100,000 tons up to the end of May. Czechoslovakia is the chief Communist trading partner of Cuba, supplying significant quantities of textiles, glassware and china.

MEXICO—Mexico does very little trade with the Communists, but Soviet Deputy Foreign Minister V. V. Kuznetsov visited Mexico in May, trying to arouse interest in Soviet machinery for construction, road building and the petroleum industry. There are some signs that Russia and Czechoslovakia are trying on a small scale to undersell the West in machinery.

Central America

GUATEMALA—All trade with Communist countries is forbidden and the ban is strictly enforced.

HONDURAS—Communist trade is small, consisting mainly of the import of Czechoslovakian textiles, blankets, towels,

PARAGUA—Trade is consisting primarily of import of Czechoslovakian printing machinery.

SALVADOR—No direct Communist trade, but there have been hints of interest in selling coffee to Communist hands through an intermediary.

South America

ARGENTINA—The Soviet Union has sold 1,000,000 tons of crude oil as well as a sizable quantity of rails this year at prices below United States rates. Most of the oil will be used for wool shipments. An Argentine purchasing mission visited Communist bloc countries in January and purchased \$27,000,000 worth of goods, mostly machinery and steel. Czechoslovakia has sold Argentina a coal-washing plant for Rio Turbio deposits. A Soviet-Argentine Chamber of Commerce was formed last month and a recent big Soviet exhibit at an Argentine oil industry fair was impressive.

BOLIVIA—Bolivia has been hurt by Soviet competitive tin exports. A Soviet offer through a Bolivian Communist leader to build a tin smelter in the country and staff it with Soviet technicians was declined.

BRAZIL—The Soviet Union has aroused interest with an offer to exchange 200,000 tons of crude oil for cocoa, cotton and other goods. Poland and Czechoslovakia have undersold the West to get contracts to build ships and sell rails, and they are accepting Brazilian commodities in payment. A Rumanian mission is negotiating a trade agreement and offering oil by-products and oil production equipment. The Communist press has hinted that Moscow wants to buy much coffee and cocoa. The Russians have expressed interest in buying Brazilian manganese and Communist China sharply increased sugar imports from Brazil early this year.

Chile's Situation

CHILE—The drop in copper prices has stimulated Chile's interest in selling metal to Communist countries and last March Chile sold 15,000 tons of copper wire of under 6 mm. diameter to the Soviet Union. Communist China has expressed interest in buying over the next five years 500,000 tons of low-grade nitrate fertilizer, but the form of payment is an obstacle.

COLOMBIA—Trade with the Communist bloc is very small, but Colombia recently bought \$1,000,000 worth of Syrian wheat from the Soviet Union.

ECUADOR—President Canullo Ponce Enriquez said in May that Ecuador was besieged with Communist proposals for increasing trade and establishing industries, for example, a match factory. He said Ecuador might have to consider these offers unless she got more United States aid.

PARAGUAY—No known trade with the Communist bloc.

PERU—Very little trade with the Communists, but Left-wing elements have suggested that Peru try to sell lead, zinc and other products to the Iron Curtain lands.

URUGUAY—Uruguay has become the South American country most dependent economically on the appearance of Mos-

... since last October... the major buyer of Uruguayan wool and a contract reached early this year for the Soviet supply of 1,250,000 barrels of oil. A very active Soviet trade agent and a large Soviet legation in Montevideo make Uruguay the South American headquarters for Soviet penetration efforts. **VENEZUELA**—Very little trade with the Communist bloc.