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Summary (to WG III Report)

The Sino-Soviet bloc has been expanding its economic activities in the Free World since 1953; enlarging trade relations, providing long-term credits, and offering technical assistance to underdeveloped areas. With a few exceptions, it appears that bloc efforts under this expanded program have not been primarily directed toward securing strategic materials but have broader economic and political motivation. In most cases where the bloc has sought strategic items as part of expanded trade the move has been directed largely toward breaking down the control system and creating dissension within the Free World over trade controls. The bloc has also sought to increase its influence in underdeveloped countries through exploiting desires for rapid economic growth and stable export markets. As part of this program the bloc has negotiated loan agreements providing for repayment directly through exports from underdeveloped countries and has shown a willingness to take surpluses from countries experiencing marketing difficulties. These efforts, also, do not appear to be primarily linked to a desire to secure strategic materials.

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