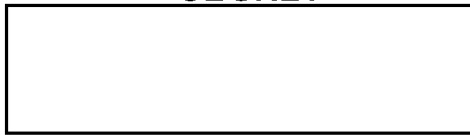


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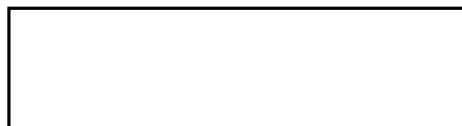
**SINO-SOVIET BLOC
ECONOMIC ACTIVITIES
IN UNDERDEVELOPED AREAS**

EIC-WGR-1/37

8 July 1957

PREPARED BY THE WORKING GROUP
ON SINO-SOVIET BLOC ECONOMIC ACTIVITIES
IN UNDERDEVELOPED AREAS

ECONOMIC INTELLIGENCE COMMITTEE



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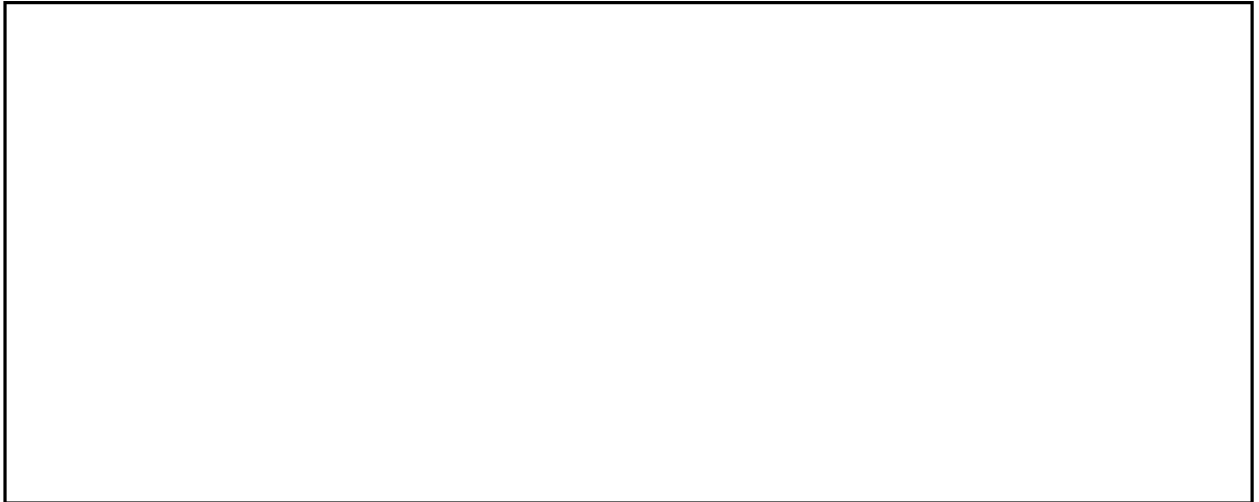
These biweekly reports on "Sino-Soviet Bloc Economic Activities in Underdeveloped Areas" are prepared and issued by a Working Group of the Economic Intelligence Committee, including representatives of the Departments of State, the Army, the Navy, the Air Force, Commerce, and Agriculture; the International Cooperation Administration; the Office of the Secretary of Defense; and the Central Intelligence Agency. Their purpose is to provide up-to-date factual information on significant developments in the economic relations of Sino-Soviet Bloc countries with underdeveloped countries of the Free World. The EIC-R-14 series of reports, under the same title, provide periodic summaries and analytical interpretations of these developments.

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Summary of Events
21 June - 4 July 1957

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Burmese trade surpluses with the Sino-Soviet Bloc have risen by \$5 million since 30 September 1956. Burma has attempted to utilize its Bloc credit balances by transferring \$11.5 million from its Soviet account to its Czechoslovak account and by encouraging imports from the USSR and Czechoslovakia. The Burmese surplus has not been reduced, however, and Burma is trying now to transfer Soviet credits into the account of its major Bloc trading partner, Communist China.

A survey of Sino-Soviet Bloc activities in civil aviation during the past 2 years indicates that significant efforts are being made to sign bilateral air transport agreements with many underdeveloped nations in the Free World. Yugoslavia, Greece, Afghanistan, and Burma have already signed these agreements. Negotiations between Bloc countries and Iran, Egypt, Syria, and India also are in progress.

The 22-man Soviet agricultural advisory mission in Burma has met with the approval of Burmese officials and a contract for the retention of the group for another year has recently been signed.

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Although Liberia has turned down a Soviet proposal for a treaty of friendship and commerce and for the establishment of diplomatic relations, it is reliably reported that Liberian officials will attend the September 1957 Agriculture Fair in Moscow at Soviet expense. Elsewhere in the Middle East and Africa, the USSR for the first time in recent years purchased 9,000 bales of cotton valued at \$2.1 million from Sudan, a Turkish commercial bank mission left for Moscow to discuss a Soviet offer of industrial products, and the USSR is reported to have offered additional credits to a Turkish governmental concern for the purchase of industrial and agricultural products.

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