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# Department of External Affairs

File No. 50028-B-40

Volume 13

From Nov 1, 1962

To Apr 30, 1963

JOINT INTELLIGENCE

COMMITTEE - SOVIET U

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File No. 50028-B-40 Vol. 13

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Our file ref.....



DEPARTMENT OF NATIONAL DEFENCE

CSC 7-17 (JIC)  
CSC 1322-1 (JIC)

JOINT STAFF  
JOINT INTELLIGENCE COMMITTEE

RESTRICTED  
(Enclosure SECRET)

OTTAWA, 30 April, 1963.

ADDRESS REPLY TO  
CHAIRMAN  
CHIEFS OF STAFF,  
OTTAWA

50028-B-40	
<i>[Signature]</i>	

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3	K.G. BROWN
4	<i>[Signature]</i>
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MEMORANDUM FOR THE JIC:

SOVIET ECONOMIC PROBLEMS

Reference: (a) CSC 7-17, CSC 1322-1 (JIC)  
dated 9 Apr 63

Enclosure: (1) Canadian JIC comments on  
US NIE 11-5-63 dated 20 Mar 63  
on the above subject.

Enclosure (1) is forwarded for your information.

*[Signature]*  
(A. Malysheff)  
LCDR, RCN,  
Secretary.

Enc.

AM/2-5459/1c

cc: JIS (2)  
SOJIR  
SOCI  
JICLO(W) (for your personal information only)

*[Handwritten mark]*

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EXTERNAL AFFAIRS  
REGISTRY

MAY 1 4 48 PM '63



SECRET

CSC 7-17 (JIC)  
CSC 1322-1 (JIC)

Comments on US NIE 11-5-63 dated 20 March, 1963  
"Soviet Economic Problems"

JIB: This is a very good summary of the present economic situation in the USSR and we are inclined to agree, virtually without reservation, with the conclusions. It is, however, an extremely complex and involved problem and not one in which categorical statements about future intentions can be made. As we have pointed out before, the area of choice facing the leadership of the USSR is much more confined than it was at the end of the Stalin era, and domestic changes in policy regarding resources allocation are consequently more difficult to make. In fact, we believe that any major divergence from the existing pattern of the economy is highly improbable over a short run, since the distortions produced would be too disruptive. Thus, while we can accept that in an authoritarian economy anything is possible, we tend to discount the likelihood of any violent swings during the immediate future.

We thus agree with para D of the conclusions of this paper that "... the general pattern of resource allocations developed over the past several years and reasserted this year is unlikely to be greatly altered". On the other hand, para 17 of the text we feel might be read as conflicting with this statement and should be carefully read in the context of the paper as a whole. Thus, while we can understand the impression that Khrushchev's 27 February speech was "... striking a different note", we would tend to feel that it was different only in emphasis and not in kind, as was earlier pointed out in our brief No. 8/63 of 8 March, 1963. We can find no evidence to support the papers assertion that Khrushchev's reaffirmation of military priorities reflects "... a possible decision to increase military spending in 1963 above previously planned levels." Although we would not disagree that such a possibility may exist, there is no sign of its planning or implementation in the Soviet economy at the present time. Similarly, while we can see that the establishment of the Supreme Economic Council and the appointment of a specialist in defence industries to head it, "... could reflect such a decision, we see nothing to indicate that it does. (See JIB Brief 10/63)

XA, DNI, DMI, DAI, DSI, RCMP, CB NRC: No comments.

D.L.(2)/S. Grey/ms  
**RESTRICTED**  
(without attachment)

Ottawa, April 26, 1963

Our ref: 50028-B-40  
Ref your CSC 7-17 (JIC)  
CSC 1322-1 (JIC)

50028-B-40
4144

Lt. Cdr. A. Malysheff,  
Secretary,  
Joint Intelligence Committee,  
Department of National Defence,  
O t t a w a

Soviet Economic Problems

In reply to your letter of April 9, 1963,  
we wish to inform you that this Department has no  
comments on US NIE 11-5-63 dated March 20, 1963,  
entitled "Soviet Economic Problems".

J. J. McCardle

J. J. McCardle  
Defence Liaison (2) Division



DEPARTMENT OF EXTERNAL AFFAIRS

MEMORANDUM

TO: ..... Defence Liaison (2) Division .....  
..... Attention: Mr. Brown .....  
FROM: ..... Sino-Soviet Panel .....  
REFERENCE: .....  
.....  
SUBJECT: ..... Soviet Likely Courses of Action .....

Security ..... S E C R E T .....

Date ..... April 22, 1963 .....

File No.

50028-B-40

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We are attaching a copy of the first draft of an annual paper on the above subject for eventual submission to the Joint Intelligence Committee. Preparation of the paper has been coordinated in Defence Liaison (2) Division on the basis of contributions submitted by the various members of the J.I.C.

2. As we are anxious to obtain a consensus of opinion between the interested Divisions in this Department, a meeting of the Sino-Soviet Panel has been arranged to discuss the paper on Thursday May 9, 1963 at 3:00 p.m. in the Large Conference Room. It would be appreciated if you could arrange to attend the meeting and contribute any comments you may wish to make on the paper.

CIRCULATION

*John P. Faine*  
Chairman,  
Sino-Soviet Panel.

TRANSMITTAL SLIP

FILE: 50028-B-40

TO: The Canadian Embassy,  
Moscow

Security: S E C R E T

Date: April 18, 1963

FROM: The Under-Secretary of State  
for External Affairs, Ottawa

Air or Surface: Courier

No. of enclosures: 1

The documents described below are for your information.

Despatching Authority: D.L.(2)/R.W. MacLaren/ms

Copies	Description	Also referred to:
1	<p>Copy No. 6 of Intelligence Brief dated April 16, 1963, prepared by JIB.</p> <p><u>NB</u></p> <p>Copy No. 7 of Intelligence Brief dated April 16, 1963, prepared by JIB was sent to European Div.</p>	



## INSTRUCTIONS

1. This form may be used in sending material for informational purposes from the Department to posts abroad and vice versa.
2. This form should *NOT* be used to cover documents requiring action.
3. The name of the person responsible for authorizing the despatch of the material should be shown opposite the words "Despatching Authority". This may be done by signature, name stamp or by any other suitable means.
4. The form should bear the security classification of the material it covers.
5. The column for "Copies" should indicate the number of copies of each document transmitted. The space for "No. of Enclosures" should show the total number of copies of all documents covered by the transmittal slip. This will facilitate checking on despatch and receipt of mail.

**S E C R E T**

**JIB BRIEF NO: 12/63**

**COPY NO: 5 OF 20**

**16 April 1963.**

**INTELLIGENCE BRIEF**

**PREPARED FOR: J.I.C.**

**BY: J.I.B.**

**SUBJECT: USSR: 1962 Deliveries of Vessels to the Merchant and Fishing Fleets.**

**SOURCE: JIB (L)**

**DATELINE: March 1963**

*Copy to Embassy  
Moscow +  
European Div.  
Done 18/4/63  
mf*

1. New vessels of over 1,000 GRT delivered to the Soviet merchant and fishing fleets in 1962 totalled 750,000 GRT. The estimated gross registered tonnage in each major category and the origin of the ships were as follows:

	Origin			Total
	USSR	European Satellites	Free World	
Tankers	21,200	42,400	143,700	207,300
Dry cargo ships	103,700	147,800	109,800	361,300
Fishing vessels	88,500	41,200	21,700	151,400
Passenger ships, tugs, icebreakers	12,100	14,600	3,500	30,200
	225,500	246,000	278,700	750,200

2. The tonnage delivered by Soviet shipyards was slightly lower than in 1961. More dry cargo ships were built but there was a drop in the tonnage of tankers and fishery vessels. 1962 was an interim between two tanker building programmes, and the figure for fishery vessels in 1961 was inflated by the completion of a very large whale factory. An extensive new programme for dry cargo ships began in 1962, and despite the lower figure for fishery vessels there was still considerable emphasis on large transport, factory ships and refrigerated transports.

3. Deliveries by satellite yards were slightly higher than in 1961. As in previous years, most of the ships came from Poland and East Germany, and although they included a few tankers and fishery vessels, most of them were small freighters. Free World deliveries showed a large increase over 1961, 278,700 GRT as against 90,500 GRT. Large tankers again made up a considerable part of the tonnage but the greatest increase was in dry cargo ships. Japan supplied the large tankers and was responsible for almost half the Free World tonnage. Other ships came from Denmark, West Germany, Sweden and Finland. Those from Finland totalled 92,000 GRT and represented 70 per cent of that country's shipbuilding output.

4. Orders placed for delivery in the years 1963-65 suggest that there will be a further sharp increase in imports of western tankers: orders on hand total over 1m. deadweight tons. The USSR also plans to increase its own output of tankers and the satellites are to step up their deliveries of fishery vessels: additions to the merchant and fishing fleets could



**S E C R E T**  
**JIB BRIEF NO: 12/63**  
**16 April 1963.**

- 2 -

therefore reach 1m. GRT in 1963-64. These fleets now total nearly 6m. GRT and if this rate of growth is maintained the USSR's long-term plans will certainly be fulfilled.

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CB	14
RGHP	15
Mr. R. L. McGibbon	16 and 17
File	18 to 20

S E C R E T

JIB BRIEF NO: 12/63

COPY NO: 8 OF 20

16 April 1963.

INTELLIGENCE BRIEF

PREPARED FOR: J.I.C.  
BY: J.I.B.  
SUBJECT: USSR: 1962 Deliveries of Vessels to the Merchant and Fishing Fleets.  
SOURCE: JIB (L)  
DATELINE: March 1963

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**S E C R E T**  
**JIB BRIEF NO: 12/63**  
**16 April 1963.**

- 2 -

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**DISTRIBUTION**

Briefing Officer	1 to 3
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DMI	9
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DAI	11 and 12
DSI	13
CB	14
RCMP	15
Mr. R. L. McGibbon	16 and 17
File	18 to 20



Our file ref.....



DEPARTMENT OF NATIONAL DEFENCE CSC 2106-1 (JIC)

JOINT STAFF  
JOINT INTELLIGENCE COMMITTEE

CONFIDENTIAL

OTTAWA, 17 April, 1963.

ADDRESS REPLY TO  
CHAIRMAN  
CHIEFS OF STAFF,  
OTTAWA

*Mr. McEwen has duplicate*

*J.*

MEMORANDUM FOR THE JIC:

50028-B-40	
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ANNUAL REVIEW OF ACTIVITIES IN  
THE SOVIET NORTH

Reference: (a) CSC 2106-1 (JIC)  
JIR 2-19-3 of 27 Aug 62

*File  
LB*

Serial 14 of the JIC Work Programme 1963 calls for a preparation of a paper on the above subject with a cut-off date of 1 June, 1963.

2. The last paper on the subject was CANADIAN JIC 1348/2(62) of 15 August, 1962, circulated under reference (a).

3. Preparation of the paper will be considered at the meeting on 1 May, 1963, when the Committee will be asked to confirm:

- (a) that the paper will retain the same object, scope and format as CANADIAN JIC 1348/2(62);
- (b) the cut-off date of 1 June, 1963;
- (c) that the first draft be prepared by JIS from members' contributions which will be due to reach the Secretary by 17 June, 1963; and,
- (d) that the first draft be circulated for members' comments by 26 June, 1963.

(A. Malyshoff)  
LCDR, RCN,  
Secretary.

AM/2-5459/1c

cc: CJS  
JIS (2)  
SOJIR  
SOCI

*12*

EXTERNAL AFFAIRS  
REGISTRY

Apr 19 1 45 PM '63

**NO ENCLOSURES**



Our file ref.....

DEPARTMENT OF NATIONAL DEFENCE CSC 7-17 (JIC)  
CSC 1322-1 (JIC)  
JOINT STAFF  
JOINT INTELLIGENCE COMMITTEE RESTRICTED  
(Enclosure SECRET)

OTTAWA, 9 April, 1963.

ADDRESS REPLY TO  
CHAIRMAN  
CHIEFS OF STAFF,  
OTTAWA

50028-B-10  
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DNI  
DMI  
DAI  
DSI  
RCMP  
JIB  
CB NRC

*Miss Shortell*  
*Please enter & return*

*Done*  
*18/4/63*  
*ml*

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*K. C. BROWN*

*Action, please.*

SOVIET ECONOMIC PROBLEMS

Enclosure: (1) US NIE 11-5-63 dated  
20 March, 1963 on the  
above subject.

Enclosure (1) is forwarded for your consideration.

2. It is requested that comments, if any, reach the  
Secretary by 23 April, 1963.

*(A. Malyshoff)*  
LCDR, RCN,  
Secretary.

Enc.

AM/2-5459/1c

cc: CCOS

→ J.J. McCardle, Esq.,  
Dept. of External Affairs. (no enclosure)  
JIS

*w/c letter*  
*April 26/63*

*0931 to McCardle & Shiers*  
*0932 to Brown & McPherson*  
*0930 to McCardle & Shiers*

*22*

*File*  
002211

NO ENCLOSURES

EXTERNAL AFFAIRS  
REGISTRY

Apr 16 2 38 PM '63





Our file ref.....

DEPARTMENT OF NATIONAL DEFENCE

CSC 7-17 (JIC)  
CSC 2-1-3-1 (JIC)

JOINT STAFF

JOINT INTELLIGENCE COMMITTEE

SECRET

OTTAWA, 29 Mar 63

ADDRESS REPLY TO  
CHAIRMAN  
CHIEFS OF STAFF,  
OTTAWA

*Mr. McLaurin has duplicate  
J*

50028-B-10	
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MEMORANDUM FOR THE JIC:

SUMMARY OF SOVIET TRAINING EXERCISES

- Reference: (a) CSC 2-1-3-1 (JIC)  
CSC 2-1-3-6 (JIC) of 21 Dec 62
- (b) Minutes of the 935th meeting,  
Item XXIII
- (c) CSC 7-17 (JIC) of 3 Dec 62

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Serial 10 of the JIC Work Programme calls for the preparation of a JIC paper on the above subject with a cut-off date of 1 May, 1963.

2. It was agreed at the 935th meeting that the cut-off date for the above paper would be changed from 1 January to 1 May, 1963 and that other details concerning the preparation of the paper would be considered in early April, 1963.

3. The last paper on the subject was CANADIAN JIC 1334/2(62) of 9 May, 1962 and circulated under CSC 6-2 JIR 19-13-2 of 22 May, 1962. The paper was prepared by the Estimates Staff from contributions submitted by members.

4. Preparation of this paper will be considered at the meeting on 3 April, 1963, when the members will be asked to confirm:

- (a) that the paper should retain the same object, scope and format as CANADIAN JIC 1334/2(62);
- (b) the cut-off date of 1 May, 1963;
- (c) that members' contributions will be due to reach the Secretary by 15 May, 1963; and,
- (d) that the first draft be prepared by the Estimates Staff and circulated for members' comments by 29 May, 1963.

*(Signature)*  
(A. Malysheff)  
LCDR, RCN,  
Secretary.

AM/2-5459/1c

cc: CJS SOJIR Chairman, SMIG(P&O)  
JIS (2) SOCI Chairman, SMIG(S&T)

WATSON ON

EXTERNAL AFFAIRS  
REGISTRY

APR 2 2 50 PM '63

**SECRET**

NSS 1480-146/37  
(DNI/INT)

Memorandum To: Secretary JIC

SOVIET LIKELY COURSES OF ACTION

Reference: (a) CAN JIC 437/1 62 dated 4 July 1962.

The following is DNI's contribution to the revision of reference (a).

The USSR will continue to expand her maritime resources, including all types of commercial shipping. This will be matched by a corresponding development of naval power. The emphasis in naval construction remains on nuclear propulsion and the application of missiles to naval warfare. These naval developments will continue to provide, not only for contributions to neutral navies, but also the means of backing up such penetration. A case in point is the unprecedented presence of large numbers of Soviet long range submarines in the Western Atlantic during the Cuban crisis - submarines which must have sailed from their bases a considerable time before the actual development of the crisis. This is the first instance of the USSR putting herself in a situation of risking face to face military contact with Western naval forces.

Original Signed by

J. G. WRIGHT

Lieutenant-Commander, RCN

(R.W. Murdoch),

Captain, RCN,

DIRECTOR OF NAVAL INTELLIGENCE.

O T T A W A

22 March, 1963.

**SECRET**

DEPARTMENT OF EXTERNAL AFFAIRS

MEMORANDUM

EUROPEAN/J.B.Seaborn/st

*File*  
*Rm*

TO: Defence Liaison (2) Division

Security SECRET

Date March 22, 1963

FROM: European Division

File No.		
50028-B-40		

REFERENCE: Your memorandum of January 25, 1963

SUBJECT: Canadian JIC Paper on "Soviet Likely Courses of Action"

Attached to this memorandum is the draft contribution of the European Division for the JIC paper with the above-mentioned title for the year 1963. Please note that the draft has been prepared as a revision of the 1962 paper, copy no. 148 of which is also attached. Paragraph numbering in our draft corresponds to that of the 1962. As is indicated, some paragraphs have been left unchanged, others have had minor or major revisions and some have been completely re-written.

2. May we suggest that when the first clean draft of the 1963 paper is available, and before its submission to JIC members, 12 copies be made available to Mr. Seaborn for distribution to the Sino-Soviet Panel. It would be useful at the same time to have available 12 copies of the 1962 paper for comparative purposes. After its consideration by the Panel, a new draft taking the members' comments into account will be submitted to your Division for circulation to JIC members.

CIRCULATION

*John Fournier*  
European Division



SECRET

Ottawa, March 22, 1963

FIRST DRAFT OF CANADIAN JIC PAPER ON  
"SOVIET LIKELY COURSES OF ACTION"

{Note: Paragraph numbers refer to Canadian JIC 437/1(62) }

1. Unchanged.
2. Unchanged.
3. Unchanged.
4. Unchanged.
5. See changes made in text of 1962 paper.
6. See changes made in text of 1962 paper.
- X 7. Replace sentence 6 by the following:

A second limitation derives from the difficulties of extraterritorial control, exemplified most dramatically by Yugoslavia's escape from the Soviet orbit in 1948 and by Albania's defiance of the Soviet Union since 1961, though to a lesser degree by the increased freedom of manoeuvre sought by and allowed to the Eastern European countries since the XXII Party Congress..

8. Unchanged.
- 9. Unchanged. DMI to check.
10. Unchanged.

- X 11. Replace sentence 7 by the following:

In the meantime, however, the Soviet insistence that limited or local war would inevitably lead to global war seems to be related both to strategic thinking and to the requirements of Soviet psychological warfare.

- X Replace final clause of sentence 8 by the following:

... though the credibility of that deterrent has been weakened as a result of the withdrawal, on American demand, of Soviet missile bases from Cuba.

Add following to the end of the paragraph:

- X The Soviet refusal, once the Kennedy ultimatum had been stated, to run the risk of a local war over Cuba may indicate genuine belief that, at least in that instance, local war would very likely escalate into nuclear war. Soviet statements on the inevitable escalation of local wars into global wars may therefore reflect a considered Soviet estimate of probabilities.

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- 2 -

SECRET

12. Replace whole paragraph by the following:

X The Soviet commitment of advanced types of military equipment and of large numbers of military personnel in Cuba, both before and since the autumn crisis of 1962, may indicate a determination to protect certain régimes against external attack or internal revolt in countries farther afield than the European satellites. Such a decision would be consistent with Soviet statements about resisting the "export of counter-revolution" but would indicate a new willingness to engage Soviet prestige and military personnel where the USSR is at a severe logistical disadvantage. We consider that the Soviet Union will be hesitant about extending its commitments of this nature and will back out of any such commitment if maintenance of it appears to entail a risk of war which would touch the soil of the USSR. Soviet support for so-called "wars of national liberation" is likely to be limited to ideological and propaganda encouragement, and perhaps to some provision of arms, <sup>where</sup> when the Western commitment in the area is heavy.

13. Replace sentence 1 by the following:

X The Yugoslav defiance of Moscow which began in 1948 (now considerably mitigated as a result of the recent rapprochement with Moscow) and the current Albanian defiance which has led to that country's practical exclusion from the Soviet bloc, could be regarded as irritants to the USSR which need not be taken too seriously provided the rest of the Communist bloc retained its homogeneity under Soviet leadership.

14. See minor changes made in 1962 paper.

15. " " " " " " "

X 16. Replace sentence 1 by the following:

The gap between Moscow and Peking has since that time become progressively wider and the invective employed progressively sharper. The question now is whether the two will come to an open split.

X 17. Replace sentence 3 by the following:

We therefore expect the current ideological war of attrition to continue during the foreseeable future in Soviet and Chinese propaganda and in Communist front organizations, although attempts may be made to call temporary truces to mutual recriminations, to see whether bilateral talks can resolve differences, or even to paper over the cracks at a new meeting of Communist Parties.

See also change in sentence 6 of 1962 paper.

X 18. At the end of sentence 3 add the following:

. . . , though this seems less likely in the immediate future because of the Western display of determination over Cuba.

... 3

- 3 -

SECRET

- X 19. See minor changes in sentence 1 of 1962 paper.

Replace remainder of paragraph by the following:

As a result of Moscow's pressures and some changes of personalities, the Russians appear to have the European bloc parties (with the exception of Albania) and the Yugoslav party firmly on their side. Mongolia's orientation toward Moscow appears to be firmly entrenched for the time being and Mongolian fears of absorption by China will likely result in policies which are more inclined towards the Soviet Union than towards China. North Korea is aligned with Peking in the dispute, but the struggle for control will be pushed vigorously in North Vietnam, which has tried to avoid taking sides. The struggle for the allegiance of non-bloc parties will continue and will be particularly acute in Asian countries with large Communist parties such as India and Indonesia.

20. Unchanged.

- X 21. Add to end of para:

The resistance to change is particularly marked in the agricultural sector, where the conservatism and inertia of the peasants, who lack material incentives for greater effort or adoption of new techniques, is a serious impediment to modernization and higher output.

- X 22. Replace second part of sentence 2 by the following:

... though as the ~~current~~ controversy on greater freedom of expression in the field of the creative arts shows, de-Stalinization has its limits and is not to be interpreted as giving free rein to criticize any basic tenets of ideology, to admit "bourgeois" ideas or to challenge the pervasive control of the Party.

23. Unchanged.

- X 24. Replace sentence 2 by the following:

Nevertheless, relative stagnation in agriculture will have a depressing effect on the rate of growth of per capita income and a serious attempt to overcome that stagnation would require some re-allocation of resources which would affect the government's capacity to concentrate resources on industrial development.

25. Unchanged.

- A 26. Replace sentence 1 by the following:

Khrushchov's attempts to meet this "revolution of expectations" have been frustrated by the maintenance of a still heavy priority accorded to heavy industry.

After sentence 4, insert the following:

... 4

- 4 -

SECRET

✓ Conservative elements in the civil economy and the demands of the military may also have been responsible for the failure of the agricultural Plenum in March, 1962, to act upon Khrushchov's call at the beginning of the Plenum for a substantial increase in the allocation of investment resources to the agricultural sector.

Replace second part of sentence 6 by the following:

X ... and the latest indications are that the Soviet population has been warned not to expect a rising G.N.P. to produce commensurate increases in the standard of living.

27. Unchanged.

28. At the end of sentence 3, add the following:

X ...., especially perhaps during the period when quantity production of Polaris and Minuteman missiles appears to give the U.S.A. a very marked preponderance of nuclear strike capacity over that of the USSR.

✓ 29. Unchanged.

✓ 30. Unchanged.

✓ 31. Unchanged.

✓ 32. Unchanged.

✓ 33. See changes made in text of 1962 paper.

✓ 34. Unchanged.

✓ 35. Unchanged.

✓ 36. See changes made in text of 1962 paper.

X 37. Replace last part of sentence 3 by the following:

...., because Yugoslavia is not likely to let Soviet forces use its territory for an attack, because an attack on Albania would cause a definite split with the Chinese, and because the Soviet Union would damage its international reputation and its reputation within the Communist bloc and movement..

✓ 38. Unchanged.

X 39. Add to end of paragraph the following:

Khrushchov may also find a continuing usefulness in a more or less continuous summit dialogue with the President of the U.S.A. along the lines of the Kennedy-Khrushchov correspondence begun during the Cuba crisis.

... 5



- 5 -

SECRET

- ✓ 40. See minor changes in text of 1962 paper.
- ✓ 41. Unchanged.
42. Replace final part of sentence 2 by the following:
- X ... refusal to let non-Communist Western newspapers and periodicals be sold in the Soviet Union.

Replace sentence 3 by the following:

- X In the last year or so, the Soviet press has occasionally printed non-Soviet accounts critical of Soviet positions direct from source. Examples are President Kennedy's interview with Izvestia and some of the messages and speeches at the World Conference on Peace and Disarmament held in Moscow in July, 1962 -- though not U Thant's statement on the Congo. The significance of the exercise has been qualified, however, by Soviet press criticism of the non-Soviet account in question.
- ✓ 43. Unchanged.

- X 44. Replace paragraph by the following:

The December 1960 Declaration of the Communist Parties of the World, subsequent Soviet statements ~~and articles~~ and the allocation of significant quantities of scarce resources in the form of aid to the underdeveloped areas all testify to the importance which the Soviet Government has attached to economic means in extending its influence throughout the world. In recent years, total Sino-Soviet bloc economic aid to the underdeveloped countries has been extended at the rate of about \$1 billion per year and, although there was some reduction in new commitments in 1962, could continue at this rate or increase at least in proportion to the growth of bloc economies. In the last year, there has been renewed emphasis on military aid, including up-to-date equipment. There are indications that bloc trade with the underdeveloped areas will continue to increase.

- (53) 45. Replace first part of sentence 3 with the following:

- X Nevertheless, the outlawing of local communist parties in a number of new countries, complaints of subversive activities by bloc missions in some countries such as the Congo and Guinea, ...

Add following sentence to end of paragraph:

- X Soviet military aid, which has recently been increasing in volume, may offer better opportunities for political domination, but this too will probably yield diminishing returns over the long run.

- ✓ (54) 46. Unchanged.

- ✓ (55) 47. Unchanged.

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(57) 48. Replace second part of sentence 3 by the following:

X ... <sup>which</sup> ~~why~~ may despite the recent rejection of the British bid for membership, eventually include Great Britain and other European countries.

Replace sentence 4 by the following:

X It seems, however, to have accepted the EEC as a fact and to have decided to concentrate its attention on keeping open Soviet bloc trading possibilities with the Common Market and on warning of the dangerous political results of what it regards as West German dominance of the grouping. It is also concerned by the attractive power of the EEC on the new African states and has warned against this form of "neo-colonialism".

49. Unchanged.

50. Unchanged.

51. Unchanged.

✓ 52. Unchanged.

✓ 53. Unchanged.

✓ 54. See minor changes in text of 1962 paper.

Also, after sentence 2 insert:

X The main burden of its stated objections <sup>allegedly</sup> to the recently-signed Franco-German Treaty is that it is designed to permit the Federal Republic of Germany to acquire nuclear weapons.

Replace sentences 5 and 6 by the following:

X Some hope for the conclusion of a nuclear test ban treaty was raised by the recent Soviet agreement to a limited number of on-site inspections. But there is still a disparity in the number of inspections proposed by the Russians and the minimum number considered essential by the American negotiators, and to date the Russians have given no indication that the disparity is amenable to negotiated compromise.

(63) 55. Replace sentence 4 by the following:

X Yugoslavia, following its exclusion from the bloc in 1948, has posed a continuing problem of a heretical national communist state on the periphery of the Soviet area of control. The recent Soviet-Yugoslav rapprochement, made possible by a less rigid Soviet view of inter-party relations and by some shift in the Yugoslav position, has considerably reduced this irritant and, while not likely to lead to Yugoslavia's full re-integration in the bloc, is likely to lead to still closer Soviet-Yugoslav co-operation in many fields.

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- (64) 56. In sentence 5, after "East German régime", insert:  
✓ . . . . to keep West Germany from acquiring nuclear weapons under its own control . . . .
- ✓- 57. Unchanged.
- (66) X 58. Replace last phrase of sentence 1 by following sentence:  
This may take place at summit meetings or by means of a permanent summit dialogue, between Moscow and Washington, as a continuation of the Kennedy-Khrushchov correspondence over the Cuba crisis.

See minor changes in text of sentence 2 of 1962 paper.

At end of paragraph, add the following sentence:

- X Between such meetings and possibly to some extent in lieu of them, a Moscow-Washington summit dialogue has the advantage of keeping the lines of communication open, of reducing the chances of war due to misunderstanding and perhaps of reaching at least limited agreements which can then be presented as faits accomplis to reluctant allies of either participant in the dialogue.

- (67) 59. After sentence 3, insert the following:

- X After the Soviet set-back in Cuba, it is likely that the Soviet Union will pursue a relatively moderate line on Berlin in the near future; but the inhibiting effect of the memory of the Soviet withdrawal under American pressure will diminish over time and the Russians will then make new strong attempts to dispose of the Berlin problem.

In final sentence, insert after "next five years" the following:

- X ...(even though there is no sign of this in contemporary Soviet military writings)...

- (68) 60. In sentence 1, insert following after "direct negotiation":

- X (c) on the USA to come to a bilateral agreement on Berlin over the heads of the West Germans and the French; and (d) possibly on France with a view to seeking a "European" solution to Central European problems which would contribute to the exclusion of the U.S. presence in Europe, though we think that the Soviet preference is still for a Moscow-Washington agreement on outstanding East-West problems.

- X Make new sentence of final clause of sentence 1, as indicated.

- ✓ 61. Unchanged.  
Insert new para. 62 as follows:

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X (170) 62. There are some indications that the Soviet Union may be re-assessing its policies towards the uncommitted and underdeveloped countries of Asia and Africa. These indications include reminders that the national bourgeoisie plays a progressive rôle only during a limited historical period, that it has a tendency to cooperate with reactionary forces and that at a certain stage the progressive forces must act to take advantage of the revolutionary situation which leads to the establishment first of national democracy and thence to the further stages on the road to a socialist and communist state. These reminders, coupled with several recent statements by the CC/CPSU condemning repression of communists (Algeria, Tunisia, Iraq), may presage a more critical approach to national bourgeois leaders and a greater tendency to encourage the activities of progressive forces. Finally, within the last year, there have been decreases in extension of long-term credits for economic assistance projects and an increase in supply of military aid, including modern equipment, which, though various explanations are plausible, may indicate a Soviet intention to put less emphasis on economic assistance and more on military assistance which may seem to offer better opportunities for influencing the policies of the governments assisted. The evidence yet available is not such that firm conclusions can be drawn, but these speculative comments should be kept in mind in reading the following paragraphs on Soviet intentions towards the non-aligned countries of the world.

(71) 62. Renumber as para. 63.

X (172) 63. Renumber as para. 64.

Replace all after sentence 2 by the following:

Hostile propaganda outbursts were directed against the UAR at one point in 1961, against Tunisia and Algeria for banning their Communist Parties at the turn of the year, and with particular severity against Iraq at the time of the February, 1963 revolution for its violent repression of communists. The occasional propaganda outbursts have not, however, been followed by more tangible results (breaking of diplomatic relations, reduction of aid or trade) and unless the countries concerned adopt a strong anti-Soviet policy it is unlikely that the overall pattern of Soviet Middle Eastern policy will change. The Soviet Union does not seem to favour one radical or reformist nationalist régime over another (it quickly recognized Syria upon its defection from the UAR and the new Iraqi régime despite the suppression of communists) and prefers to avoid taking sides between them in the case of rivalry, such as existed between Kassem and Nasser. At least at the present time, the establishment of a Communist régime in one of the countries of the area would probably be embarrassing to general Soviet policy in the Middle East.

73 64. Renumber as para. 65.

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After sentence 2, insert the following:

~~X~~ It may, however, become less confident of this development if the extension of "Arab socialism" gives promise of solution to the basic social and economic problems of the area and of the elimination of the conditions which provide fertile grounds for the increase of communist influence.

- 65. Eliminate whole paragraph.

(74) ~~X~~ 66. Replace whole paragraph by the following:

As in the Middle East, the Soviet Government is undoubtedly conscious of the opportunities offered by African nationalism, by anti-Western sentiment and by the social and economic problems of the African continent. Its lack of knowledge of the African scene, which it is trying to correct, will nevertheless for some time be an impediment in its attempts to turn these opportunities fully to Soviet advantage. It has suffered rebuffs in the ex-Belgian Congo and in Guinea, and these have probably taught the lesson that excessive zeal arouses anti-Soviet national sensitivities (see also para. 45 above). We expect that over the period envisaged the Soviet Union will continue to concentrate in Africa on strengthening and extending its diplomatic representation, on responding with alacrity to statements of specific economic and military needs by newly-independent African states and on propaganda directed toward the embarrassment of the West. Limited overt activities may favour the advancement of extreme left-wing forces and of pan-African organizations (such as an all-African trade union movement) with no connections with the Western world; but by and large the Soviet Union may be expected to support existing régimes headed by the "national bourgeoisie", to which it will encourage "progressive" forces to lend support in the hope of influencing policies in a socialist or at least anti-Western direction. However, improved relations between the West and the new African countries or suppression of local communist parties would cause the Soviet Union to be critical of their policies even while maintaining diplomatic and economic relations. Only in the event that a leftist extremist group arises in any one country in opposition to the régime, and that sufficiently strong to have a fair chance of gaining and holding power, is the Soviet Union likely in the next few years to back other than the régime in power. After that, however, if it feels that it has a surer grasp of African realities, it may be more strongly tempted to exploit instability and to give greater encouragement to left-wing forces determined to overthrow the régime, especially in an area where there are no vital Western interests and where the West is therefore unlikely to react strongly.

67. See minor changes, sentences 1 and 3 of text of 1962 paper.

~~X~~ At end of sentence 2, add:

... which in the past year have become much sharper and clearer in the course of the running polemical dispute between the two countries.

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(76)  
X  
68. Replace whole paragraph by the following:

The evidence suggests that the Soviet Government sees in India, which it probably regards as a counter-balance to China, the key to its Asian policy and is hopeful that Indian political evolution will take place in increasingly close association with the Soviet Union. As in the Middle East, it is therefore anxious that no action should be taken which would alienate non-communist opinion. It faced a particularly difficult decision over the Chinese attack on India. Apart from one pro-Chinese statement at the height of the Cuba crisis, it has in its other public statements indicated, despite its effort to affect a neutral stance, that its sympathies lay more with India than with the Chinese aggressor. It has continued large scale economic aid to India and has even continued deliveries of military equipment contracted for prior to the Chinese attack. Despite some warnings to India not to let present difficulties with China lead the country away from neutralism and into undue dependence on the West, particularly for military supplies, it has been at pains to avoid hurting Indian sensibilities and not to criticize too severely the upsurge of Indian nationalism and even jingoism which the Chinese attack has engendered.

(177)  
X  
69. Replace whole paragraph by the following:

In the Far East and South Asia, the chief concern of the Soviet Union will be to maintain and increase its influence and prestige and to limit that of the Chinese. In this it should meet with considerable receptivity from a number of Asian countries which are fearful of Chinese expansionism and regard Soviet assistance as less dangerous than Chinese assistance and at the same time a means of avoiding too heavy reliance on the Western powers. Some Asian countries, such as Indonesia, may attempt to make use of the Soviet desire to limit Chinese influence by insisting on more substantial Soviet support, both material and moral, for furtherance of foreign policy objectives, as in the Indonesian dispute with Malaysia. Where it sees no danger of precipitate and violent action by an Asian country leading to a conflict with the West into which the Soviet Union might be drawn, the USSR cannot be expected to counsel moderation; but where it foresees such a risk, it will limit its assistance to propaganda, aid and diplomatic action designed merely to embarrass the West. It is not likely to encourage belligerence by, say, Indonesia unless it sees a reasonable chance of an Indonesian victory which would enable the Soviet Union to advertise itself as the champion of national liberation struggles whose support is indispensable for such struggles. Insofar as China is concerned, it will continue its attempts to moderate extreme Chinese policies. While it would undoubtedly come to the assistance of China if it were the object of outside attack, it is unlikely to give China any support for "foreign adventures" and might not even come the assistance of the Chinese in a serious crisis in the Taiwan Straits if the Chinese had clearly initiated the crisis.

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(78) X 70. Replace second part of sentence 3 by the following:  
... to exploit Japanese resentment at American attempts to control or limit trade with the Soviet Union.

(79) X 71. Replace sentence 2 by the following:  
Cuba now has about all the earmarks of a Communist state and is almost completely dependent on the Soviet bloc for its economic survival. For the Soviet Union, the advantages of having a satellite in the American backyard and a beach-head of communism in the Americas may be counterbalanced to some extent by the drain which it imposes on Soviet economic and military resources. The way in which Cuba was treated by its Soviet protector last October as a pawn in the East-West power struggle aroused resentment in Cuba and may have impressed other Latin American states with the dangers of too heavy a reliance on the USSR. And for the Soviet Union, the Cuban pattern of revolution founded on guerrilla activities may not always be reconcilable with the Soviet gradualist tactics of using local communist forces not to make open bids for power but to infiltrate non-communist groupings and to generate popular pressures for policies leading to closer political and economic relations with the Soviet bloc.]

X Add to sentence 3 the following:  
... if only to avoid another heavy Soviet commitment in the area and the risk of another direct confrontation with the USA.

(80) X 72. After sentence 2, add the following:  
Soviet propaganda directed against Canada will probably concentrate on the dangers to Canadian independence and security deriving from the "domination" of its economy and defence by the USA.

(81) X 73. Replace first five sentences by the following:  
During 1962, the Russians quietly withdrew from their previous obstructionist attacks on the structure and organization of the United Nations. They voted for the appointment of U Thant as Secretary-General and abandoned, at least temporarily, their "troika" proposal for the Secretary-Generalship, concentrating instead on increased Soviet bloc representation on the Secretariat. They did not abandon, however, their total opposition to special levies on U.N. members for the financing of U.N. peace-keeping operations such as that in the Congo nor their attempts to re-assert the primacy of the Security Council, where they could wield the veto, over what they regarded as incursions on its powers by either the General Assembly or the Secretary-General. The less obstructive Soviet approach, including a willingness to accord some rôle to the Secretary-General in the critical East-West dispute over Cuba, suggests that Soviet membership in the U.N. is now on balance considered profitable and worth the relatively small Soviet contribution to the regular budget of the organization.

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Add to end of sentence 8 the following:

... and to continue to make full use of the United Nations as a propaganda forum.

o Remove final sentence.

DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

NUMBERED LETTER

TO: THE UNDER-SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.  
ATTENTION: DEFENCE LIAISON (2) DIVISION

FROM: SECURITY OFFICER,  
CANADIAN EMBASSY,  
MOSCOW, U.S.S.R.

Reference: Transmittal Slip dated July 16, 1962  
from Defence Liaison (2) Division.

Subject: Destruction of Document.

Security: CONFIDENTIAL

No: 211

Date: March 21, 1963.

Enclosures: 1

Air or Surface Mail: Air Bag

Post File No: 128.1

Ottawa File No.

D.L.(2): 50028-B-40

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References

As instructed, we have destroyed  
copy No. 48 of Canadian JIC paper 437/1(62)  
of June 20, 1962 entitled "Soviet Likely  
Courses of Action".

*Arthur*  
Security Officer

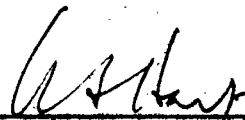
Internal  
Circulation

Distribution  
to Posts

CERTIFICATE OF DESTRUCTION

This is to certify that the document  
enclosed with Transmittal Slip of July 16, 1962,  
from Mr. Grande has been destroyed.

3/21/63

  
\_\_\_\_\_  
(Signature) (A.F.Hart)

D.L.(2) File: 50028-B-40

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JIBS 266-2000-1  
CAN JIC 437/1(63)

Ottawa,  
March 14, 1963.

TO: Secretary,  
J.I.C.

JIB Contribution to updating of CAN JIC 437/1(63), Soviet Likely Courses of Action

Economic-General

1. Soviet courses of action, both domestic and foreign, will continue to be heavily influenced by the rate at which total national product is growing and by the existence of forces making for change in the pattern of the uses of this output. As far as national product is concerned, there appear to be grounds for believing that its real rate of growth is declining and that an average rate of growth of 9.6 percent for 1960 to 1970, the rate implied in the <sup>20</sup> Twenty Year Programme, may prove to have been overoptimistic. Nonetheless, at present rates of increase, the 1965 target for national income will be more or less fulfilled (and though in the longer term some non-fulfillment is in prospect, it seems as yet to be a matter of small percentages). Thus, any scaling down which may be required in the <sup>20</sup> Twenty Year Plan, which ~~after all~~ was never intended to have the operational significance of current plans, ought not to prove either momentous or embarrassing.

2. However, if the apparent decline in the average annual growth of national income does develop into a trend, it is evident that constraints on some projected programmes will result and it is ~~not impossible~~ that a reappraisal of the whole pattern of distribution may ensue. In particular, the failure in agriculture has already imposed limitations on real wage increases and, in addition, the investment programme has been radically underfulfilled in several parts of the economy, though this latter phenomenon is primarily an outcome of inefficiency and difficulties in planning of the distribution and employment of the construction industry. Of course, incomplete investment programmes will affect output in future years. The rapidly growing requirements for research and development, particularly in projects associated with defence industries but also in civilian industry, have ~~very likely~~ been important in reducing investment in new productive capacity.

3. The Soviet Union will, we believe, continue to devote a very large proportion of its resources to sustaining growth rates and to defence which ~~the government views as~~ very high priority subjects. It is possible that in the future, agriculture will receive a considerably larger share of total investment. Meanwhile, <sup>under</sup> the decline, small though it is, in the rate of economic growth, will ~~reduce~~ the expansion of less vital programmes whose progress had been projected upon assumptions of a somewhat higher growth rate. In particular, the level of real wages, the provision of housing, and the extension of ~~of economic assistance to other communist countries~~ <sup>within the bloc</sup> and to the underdeveloped countries are likely to be the sectors to suffer from any ~~secular~~ decline in the Soviet Union's economic growth rate.

Economic - Foreign Economic Policy

4. The scope and nature of the economic means which the <sup>USSR</sup> Soviet Government will employ to further its foreign objectives will fall into three categories - those applicable to ~~the~~ underdeveloped and uncommitted countries, those used in relation with the industrial nations of the West, and those employed to maintain the dominant position of the Soviet Union in the communist world.

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48. <sup>Moscow</sup> The importance which the ~~Soviet Government~~ attaches to economic means in seeking to extend its influence among ~~the~~ under-developed countries will depend in future on its assessment of the success of its aid programmes to date, on the amount of resources it has to devote to this purpose, and on the opportunities which are presented to it.

There are indications that the Soviet Government has been in some respects disappointed by the limited impact of its economic aid programmes. (~~see JIC 459(63)~~). The rate of extension of new credits was sharply curtailed in 1962 and there was evidence that an increasing number of technical and political difficulties were being encountered. At the same time, Soviet military assistance has continued at a high level. While these <sup>projection</sup> trends have been apparent for too short a period to permit their ~~extension~~ into the future with any degree of confidence, it seems likely that Soviet economic aid policy may be more cautious *in the future* than it has been in the past.

49. <sup>USSR</sup> 7. There is little doubt that the ~~Soviet Government~~ has the resources to expand its aid programmes considerably if it judges that the results are likely to justify the effort. Nevertheless, there are many demands on Soviet resources and Khrushchov has recently reminded the Soviet people that the necessary priority given to defence will continue to rule out any major improvements in living standards. In this situation, the diversion of additional resources to foreign aid will be carefully scrutinized and it is difficult to envisage any major expansion.

*serious* 8. On the other hand, there is little likelihood that Soviet aid programmes will be completely abandoned. The Soviet Government probably estimates that a total abandonment of the field would have a *disastrous* *most* effect on the Soviet image abroad. Its future actions may therefore depend <sup>in part</sup> largely on the kind of opportunities which are presented to it. For example, the prospect of an increased foothold in Latin America, particularly in a major country such as Brazil, would almost certainly be exploited. Large scale expansion of aid commitments to previous recipients is less likely and the cost of maintaining the Cuban economy may discourage the Soviet authorities from seeking or accepting the major share of responsibility for the economic development of any particular country.

✓ 50. 9. In contrast, military aid programmes, which have been pursued with great vigour over the past few years, may continue to occupy an important place in Soviet policy. The increase in the supply of military equipment to underdeveloped countries may indicate that the Soviet Union now considers this of greater political value than economic aid as it tends to <sup>lead to indirect</sup> ~~make an important source of political power (often the most important source)~~ in the recipient country. ~~defence and the~~ <sup>recipient country's</sup> armed forces heavily dependent on the Soviet Union in <sup>continuing ways:</sup> ~~sense in various ways~~ initial supplies, spare parts, newer models as old models become obsolete or wear out, training of recipient country personnel in the Soviet Union, and presence of Soviet instructors in the recipient country. The dependence may well be greater than ~~for the~~ ~~equivalent financial commitment~~ in the case of ~~trade or technical~~ assistance because of the greater sophistication and specialization of military equipment. It may also indicate that the volume of Soviet military production and the availability of stocks on hand is such that the Soviet Union can more easily find an exportable surplus of military equipment than of civilian ~~sector~~ economic aid. ~~These considerations are likely to remain operative over the next five years.~~

✓ 51. 10. The association of military aid with arrangements for the stationing of Soviet offensive forces outside the Soviet Bloc occurred

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for the first time in Cuba in 1962, ~~and~~ <sup>U.S.S.R.</sup> This represented a radical change in Soviet policy. The Cuban experience may make a repetition of such an undertaking in other parts of the world less likely in the next five years, but there is a possibility that the ~~Soviet Union~~ will exploit relationships with underdeveloped countries established through economic and military aid to ~~establish~~ <sup>establish</sup> naval and other facilities for its own use. This possibility will be stronger if opportunities occur in areas which are of interest to the Soviet Union but are not of vital interest to the U.S.A.

✓ 52. 11. Soviet trade with the underdeveloped countries continues to grow, but the growth is not particularly impressive in absolute terms. Nevertheless, new trade agreements promise further expansion of Soviet trade with the major underdeveloped countries, such as India and Brazil, and the heavy repayment commitments of major recipients of Soviet aid, such as Indonesia and the UAR, should assure a continuing upward trend. The basic long-term limitation continues to lie in the unwillingness of the Soviet Government to develop large consumer markets or to modify their development plans to permit a major dependence on supplies from overseas. The impact of Soviet trade is therefore likely to remain concentrated in a few commodities and areas. ~~and~~ It is probable that the present dominance of western nations in the trading patterns of the underdeveloped countries will not be greatly modified.

12. <sup>Moscow</sup> ~~The Soviet Government~~ will continue to regard the industrial nations of the West as an important source of industrial equipment. In order to maintain its purchases it will seek to expand the markets for Soviet products such as oil. Its primary purpose will be to earn foreign exchange rather than to cause disruption which might result in western retaliatory measures. Nevertheless, Soviet efforts to penetrate western markets are likely to have some disruptive effect. ~~The Soviet U.S.S.R. Government~~ will also continue its attacks on the Common Market and other exclusively Western schemes for economic cooperation. However, its activities in this field will of necessity be largely restricted to political devices like the proposal for a world trade conference and to propaganda.

56. X 13. Within the communist world the Soviet Government will continue to encourage economic integration by strengthening the executive organs of CEMA, by engaging in cooperative investment programmes, by encouraging industrial specialisation schemes in Eastern Europe and by other such policies. Although progress in CEMA may be slow the net effect of economic integration among the communist countries will be to increase the dependence of the smaller states on the Soviet Union. The extent to which the Soviet Government will employ economic sanctions against China and Albania will depend on the development of the political dispute. *Some sanctions have already been applied.* In the event of continued Chinese intransigence, a virtually complete cessation of trade is a possibility.

14. In summary, the foreign economic activities of the Soviet Government, including the provision of military assistance, are likely to constitute one of the most important instruments of Soviet policy over the next five years.

Original Signed by  
D. A. CAMFIELD

D.A. Camfield,  
Chief,  
Estimates and Research Division,  
Joint Intelligence Bureau.

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HQTS 9042-34/0-13  
Our file ref. .... (FIS)



DEPARTMENT OF NATIONAL DEFENCE

ARMY

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OTTAWA, 13 Mar 63

*File  
Rw*

Secretary,  
Joint Intelligence Committee

DMI Comments on Revision of JIC Paper  
Soviet Likely Courses of Action  
(Ref CSC 7-17(JIC) 28 Dec 62)

1. DMI suggests that paragraphs 8-12 be recast along the following lines:-

- a. The Soviet leaders are undoubtedly aware of the consequences of a global nuclear war irrespective of how it may start. The resulting devastation to the USSR is believed to be unacceptable to them. They are also aware of the danger of escalation and it is therefore felt that the Soviet Union would avoid any deliberate action which might lead to a global nuclear war. The possibility of war by miscalculation is also recognized by the Soviet leaders and they would therefore attempt to reduce the possibility of such an occurrence.
- b. Soviet strategic thinking reflects the aim of Soviet policy which is to gain world domination by "all mischief short of war". It appears to be positive, mature and flexible with the essential military and economic support available for its implementation. The continuing development of strong strategic strike forces which is taking place is an essential prerequisite of the maintenance of their international position and prestige.
- c. In addition to the development of strategic strike forces the Soviet Union considers the conduct of theatre campaigns, especially in Western Europe, an essential part of their strategic plan in a global nuclear war. The Russians do not accept the doctrine of defence for their tactical armed forces, and the employment of the Ground Forces in a defensive role would be accepted only as a temporary measure prior to the launching of a counter-offensive. Their doctrine further stresses the use of all types of armed forces from the start of a global nuclear war and based on this premise ground and tactical air forces are maintained to conduct theatre campaigns simultaneously with strategic operations. The Ground Forces have been completely re-equipped and re-organized to carry out their role within Soviet strategic concepts.

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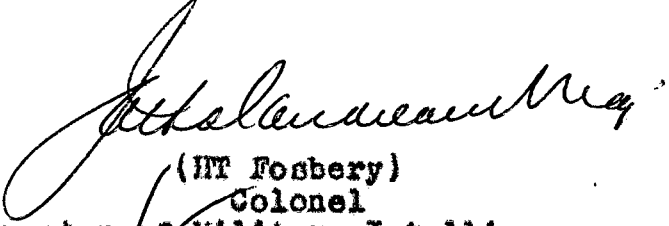
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- d. As evidenced by Soviet action in Cuba, it is believed that the Soviet Union may again attempt to use its military capacity to complete a specific political aim by military action.
2. Paragraph 36. The action in Cuba noted above and the possibility of direct Soviet military encroachment in other countries, as for example Indonesia, seem to imply that the Soviet leaders may again be willing to use their armed forces outside the Soviet periphery.
3. Paragraph 37. It is suggested that this paragraph be deleted as the Soviet Union has complete military control over Bloc territory.

  
(H. T. Fosbery)  
Colonel  
Director of Military Intelligence

JBSA/gk

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U6-1000(DAI)

MEMORANDUM

11 Mar 63

Ref: CSC 7-17(JIC) dated 28 Dec 62

Sec JIC

Soviet Likely Courses of Action

1 The Can JIC paper being prepared on the above subject is basically political in nature. Estimates of Soviet military capabilities during the period under consideration are contained in CANUS. For these reasons DAI will not have a contribution, as such, for inclusion in the paper, but will be prepared to comment on the draft when it is circulated.

*EL Howey*  
(EL Howey) W/C  
for DAI

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*Mr. Max Laren*

CONFIDENTIAL

JIB BRIEF NO: 8/63

COPY NO: 5 OF 26

8 March 1963

INTELLIGENCE BRIEF

PREPARED FOR: J.I.C.  
BY: J.I.B.  
SUBJECT: Khrushchov's Speech to Constituents  
SOURCE: Press  
DATELINE: Feb. 61

1. Mr. Khrushchov, in the course of an acceptance speech on 27 February to the electorate of the Kalinin electoral district in Moscow - he has been selected as the representative of this district in the Supreme Soviet of the Russian Republic - surveyed the nature of present internal and external political and economic developments. After touching briefly on the reorganization of the party structure below the level of the Central Committee, the continuing concern of the party for general public welfare and what he described as the current good progress of internal affairs, the Soviet Premier turned to a discussion of defence issues and to the government's present policy of resource allocation.

2. At this point in his speech, Mr. Khrushchov indulged in what might almost be described as an apologia, to the extent that his points were in explanation of the government's present policy of resource allocation, heavily influenced as this is by spending of considerable resources on national defence and security requirements. What appears to be most important concerning this latest of Mr. Khrushchov's various treatments of Soviet defence and economic allocation policies, is the extent to which the Premier spelled out the inevitable relationships existing between the end uses of resources. His remarks were an expansion and an elaboration of the points made on this subject in the course of his address in October, 1961 to the XXII Party Congress. At that time, the Soviet Premier referred briefly to the functional relationship between allocations for defence and for welfare (living conditions) but did not spend his time attempting to clarify the nature of the various end uses of resources as variables - in the sense of quantities whose values depend on and vary with that of all other related quantities. On 27 February, the Premier made good this omission by spelling out the lesson that the various end uses, that is industrial investment, investment in agriculture, housing and defence are all parts of a whole and are therefore intimately related, one to another.

3. It is evident from the tone of this portion of Mr. Khrushchov's speech that there is an awareness amongst the leadership of a growing need to explain to the Soviet people, at least briefly, the background of current policy and, in this case, to define its terms of reference on the question of the use of presently available resources. This and other speeches, as well as articles in economic journals are evidence of this.

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JIB BRIEF NO: 8/63  
8 March 1963

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4. Although Mr. Khrushchov has thus taken the public to some extent into his confidence on short term problems of resource allocation, especially for defence, basic longer term problems, resulting from the coincidence in time on the one hand, of a relative slowing down of the rate of growth of the national income and on the other, heavy demands for defence and increasing recognition of the needs of agriculture and the consumer, were not discussed and evidently have not yet been resolved.

DISTRIBUTION

Briefing Officer	1 to 3
External Affairs	4 to 8
DMI	9
DNI	10
DAI	11 and 12
DSI	13
CB	14
RCMP	15
Mr. R. McGibbon	16 and 17
Mr. Fish for E.I.C.	18 to 22
Mr. J. Langley - XA	23
File	24 to 26

Our file ref. CC 1544-5(JIC)



DEPARTMENT OF NATIONAL DEFENCE

JOINT STAFF  
JOINT INTELLIGENCE COMMITTEE

RESTRICTED  
(Enclosure SECRET)

OTTAWA, 8 Mar 63

ADDRESS REPLY TO  
CHAIRMAN  
CHIEFS OF STAFF,  
OTTAWA

DNI  
DMI  
DAI  
DSI  
JIB  
CB NRC

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K. C. BROWN

CURRENT SOVIET AIRCRAFT  
AND  
ASSOCIATED ARMAMENT

Reference: (a) CC 1544-5 (JIC) of 7 Mar 63

Enclosure: (1) SG 260(FINAL) of 8 Feb 63.

Enclosure (1) is forwarded to holders of SG 253/2.  
Four copies, in addition to the file copy, are held by  
the Secretary and will be available on request.

Enc.

AM/2-5459/1c

→ cc: J.J. McCardle, Esq.,  
Dept. of External Affairs. (no enclosure)  
RCMP

(A. Malysheff)  
LCDR, RCN,  
Secretary.

Mr W. Brown  
Is this on  
our channels?  
If not. File

12



NO ENCLOSURES

EXTERNAL AFFAIRS  
REGISTRY  
MAR 12 2 43 PM '00



**RESTRICTED**  
(Enclosure SECRET-US/UK/CANADIAN EYES ONLY)  
**JOINT INTELLIGENCE COMMITTEE**

CSC 1145-1 (JIC)

6 Mar 63.	
50028-B-40	
14	46

Ottawa, Ontario

MEMORANDUM TO THE JIC:

THE MILITARY AID PROGRAMME OF SOVIET BLOC  
COUNTRIES AND COMMUNIST CHINA

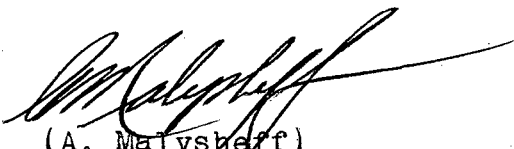
Reference: (a) Minutes of the 946th Meeting,  
Item X.

Enclosure: (1) 801-9 (DAI) dated 5 March, 1963.

Enclosure (1), containing a revised para 6 proposed  
by DAI for inclusion in CANADIAN JIC 462(63), will be  
discussed at the 6 March meeting.

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File  
KB

  
(A. Malysheff)  
LCDR, RCN,  
Secretary.

Enc.

AM/2-5459/jr

cc: CJS  
JIS(2)  
SOJIR  
SOCI

O P Y

US/UK/CANADIAN EYES ONLY  
SECRET

801-9 (DAI)

MEMORANDUM

5 Mar 63

Ref CSC 1145-1 (JIC) 22 Feb 63

A12-6

The Military Aid Programme of Soviet Bloc  
Countries and Communist China

1. Please circulate the following revised para 6 of the subject paper to JIR members for clearance and subsequent incorporation into CAN JIC 462 (63).

The number of Communist Bloc military instructors/advisers in the underdeveloped countries continued to increase during the past year. The figure was approximately 2,500 by July 62 and rose to almost 3,500 by December. The number of foreign military or para-military trainees at Bloc facilities increased in almost the same ratio. The accumulative total, covering the period 1 Jan 56 - 31 Dec 62, of persons trained in the Bloc is estimated at 12,000.

The aforementioned totals include the Soviet personnel in Cuba who have been identified as technicians/instructors and the Cubans who have trained in the Bloc. However, the Soviet personnel in the indigenous USSR military units and in the military establishments (GUIDELINE, cruise missile, early warning and FISHBED squadron) which are superimposed on the Cuban organization are excluded. These personnel, totalling some 17,500 on 31 Dec 62, do not fall within the normal pattern of Soviet military aid.

(G. Kamoff)  
DAI/A12-5  
2-2668

002242

Excerpt from Minutes of 947th meeting  
of Joint Intelligence Committee held  
on 6 March, 1963.

File 50028-B-10 KLB
CONFIDENTIAL

✓ XII. THE MILITARY AID PROGRAMME OF SOVIET  
BLOC COUNTRIES AND COMMUNIST CHINA

16. The Committee considered CANADIAN JIC 462(63) dated 22 February, 1963 on the above subject which had been prepared by JAWG and which had been initially considered at the 946th meeting.

(CSC 1145-1 (JIC) of 22 Feb 63 and 4 Mar 63)

17. The Committee:-

- (a) agreed on an amendment submitted by DAI,
- (b) approved the paper as CANADIAN JIC 462/1(63) dated 6 March, 1963.
- (c) authorized the following distribution:-

Chairman JIC (3)

for Canadian Missions Abroad. (20)

DNI (2)

for Maritime Commander Atlantic

Maritime Commander Pacific

Flag Officer Atlantic Coast

Flag Officer Pacific Coast

DMI (2)

for GOSC, Army Commands (4)

Commandant, CASC

DAI (2)

for AOSC, Operational Commands (5)

Commandant, Air Force Staff College

DSI

RCMP

CB NRC

JIB (5)

for EIC (6)

JIS(M)

JIS(JIB)

Secretary JAWG (12)

...../2

- 2 -

SOJIR  
SOCI  
JICLO(W)  
for USIB (34)  
JICLO(L)  
for BR JIC (15)  
Commandant, NDC (3)  
Chairman, CJS(L)  
Chairman, CJS(W)

ACTION: Secretary

Our file ref. CSC 7-8-1 (JIC)  
CSC 1824-1 (JIC)



DEPARTMENT OF NATIONAL DEFENCE  
JOINT INTELLIGENCE COMMITTEE

RESTRICTED

OTTAWA 5 March, 1963.

50028-B-10  
17 46

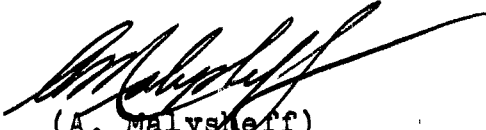
MEMORANDUM FOR THE JIC:

POSSIBLE USE OF THE MALDIVES

Reference: (a) CSC 7-8-1, CSC 1824-1 (JIC)  
dated 14 February, 1963.

Enclosure: (1) Canadian JIC comments on  
BR JIC(62)109(Final) dated  
31 January, 1963 on the above  
subject.

Enclosure (1) is forwarded for your information.

  
(A. Malysheff)  
LCDR, RCN,  
Secretary.

Enc.

AM/2-5459/1c

cc: JIS (2)  
SOJIR  
SOCI  
JICLO(L) (for your personal information only)

2

RESTRICTED

CSC 7-8-1 (JIC)  
CSC 1824-1 (JIC)

5 March, 1963.

Comments on BR JIC(62)109(Final) dated 31 January, 1963  
"Possible Use of the Maldives"

---

DMI: As DMI has no collection ability in the area under discussion, it is not possible to make an assessment of this paper.

However, the conclusions have been noted and are considered reasonable.

DAI: DAI is in agreement with this paper. Should the facilities at Gan be denied to the British, communications between Britain and South East Asia will be severely hampered. Gan is a replacement for the facilities at Trincomalee, lost when Ceylon gained its independence.

XA, DNI, DSI, RCMP, JIB, CB NRC: No comments.



**SECRET**

DSI Ref: G-85

50028-B-40	
✓	—

*File*  
*pm*

OTTAWA 4, Ontario,  
4 March, 1963.

Secretary,  
JIC.

SOVIET LIKELY COURSES OF ACTION  
CANADIAN JIC 437/1 (62)

Reference your memorandum on CSC 7-17(JIC)  
of 28 December, 1962, following are DSI's comments:

PARA 49 - PAGE 18

58.

*USSR*  
The Soviet Government is keenly aware of the political and economic advantages accruing from major scientific achievements. In support of its political aims the Soviet Govern-<sup>ment</sup> *Union* will continue to pursue vigorously a scientific research program to demonstrate its technical competence. It will attempt to achieve still more "firsts" in space and will capitalize heavily on their more spectacular aspects. This is not to say that the program will not have important scientific value but rather that it will not be guided by purely scientific or military objectives. The Soviet Union will also give high priority to other areas of science in which remarkable break-throughs could lead to important political, military and economic advantages e.g., controlled thermonuclear reactions. For political reasons as well as for the full exploitation of its ~~full~~ scientific resources, the Soviet Union will continue to promote close scientific collaboration within the Bloc. It is also to be expected that it will use its scientific assistance to other countries as another arm of its political action. *partly for political reasons*

PARA 50a- PAGE 18

59/(con)

*In its*  
The scientific research and development programme ~~of~~ the Soviet Union will naturally continue to give high priority to defence. However, the growing strength of the Soviet scientific establishment both in terms of manpower and equipment will enable it to apply a substantially greater research effort to those basic areas of the economy which are badly lagging e.g., agriculture and the chemical industry. The economy as a whole will benefit from the accelerated automation of industry as well as from scientific planning and control.

PARA 50b-PAGE 18

The use of science to analyze and program<sup>at</sup> social development will continue although it will take some time for these measures to develop to the point where positive results are evident.

PARA 51 - PAGE 18

As before

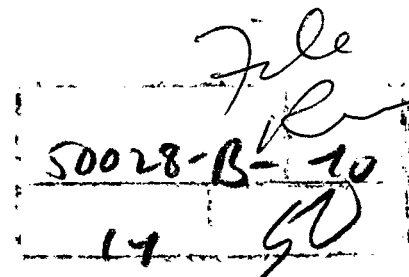
Original Signed by  
R. MARTINEAU

W/ec

R. Martineau,  
for Director of Scientific Intelligence.

002247

D.L.(2)Division/S. Grey/ar



RESTRICTED


Ottawa, February 27, 1963.

Our file: 50028-B-40  
Your file: CSC 1145-1 (JIC)  
CSC 1824-1 (JIC)

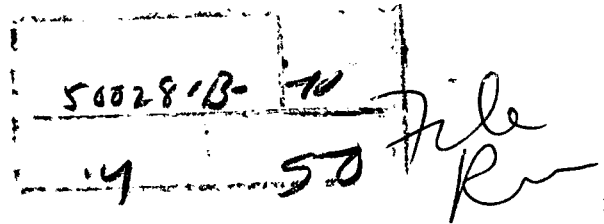
Lt. Cdr. A. Malysheff,  
Secretary,  
Joint Intelligence Committee,  
Department of National Defence,  
O T T A W A, Ont.

The Sino-Soviet Dispute

In reply to your letter of February, 1963,  
we wish to inform you that this Department has no  
comments on (a) CSC 1145-1, CSC 1824-1 (JIC) dated 16  
January, 1963, (1) Annex to BR JIC(62)111(Final) dated  
24 January, 1963, entitled "The Sino-Soviet Dispute".

 J.J. McCardle

J.J. McCardle  
Defence Liaison (2) Division.



RESTRICTED

Our file: 50028-B-40  
Your file: CSC 7-8-1 (JIC)  
CSC 1824-1 (JIC)

Ottawa, February 27, 1963.

Lt. Cdr. A. Malysheff,  
Secretary,  
Joint Intelligence Committee,  
Department of National Defence,  
O T T A W A, Ont.

Possible Use of the Maldives

In reply to your letter of 14 February, 1963,  
we wish to inform you that this Department has no  
comments on BR JIC (62) 109 (Final) dated 31 January,  
1963, entitled "Possible Use of the Maldives".

DEFENCE LIAISON (2) DIVISION

J.J. McCardle  
Defence Liaison (2) Division.

S0028-B-70	
14	SO

*file*  
*pm*

S E C R E T

Ottawa, February 19, 1963.

Director,  
Joint Intelligence Bureau,  
Defence Research Board,  
Department of National Defence,  
O T T A W A, Ont.

Sino-Soviet Bloc Factory Markings

Attached is a copy of a paper entitled "Sino-Soviet Bloc Factory Markings" which has been prepared by the British SIS. You may retain this copy for your files. We are also sending a copy to the Directorate of Military Intelligence.

W. M. OLIVIER

J.J. McCardle  
Defence Liaison (2) Division.

European Division/A.P.McLaine/rm

Diary  
Daily  
File.

Defence Liaison (2) Division

S E C R E T

February 14, 1963

European Division

NIE No.10-63 of January 10, 1963.

5028-B-10	
19	

Economic and Military Assistance Programmes.

The document under reference contains a valuable analysis of the scope and effectiveness of the Soviet bloc's current economic and military assistance programmes. The views expressed coincide largely with our impressions.

2. We agree that the delay in utilizing existing credits may be largely due to the technical and planning requirements necessary prior to the construction stage of any new investment project, through there is a possibility that the USSR is re-assessing the political value of economic aid programmes. At the same time, part of the delay may rest with the recipient countries' inability to allot meaningful priorities to a substantial number of projects, to supply the necessary labour and local raw material resources, and to a conscientious desire to refrain from becoming too closely aligned or dependent on the Soviet bloc. In relation to technical assistance, there is increasing evidence to suggest that many of the recipient countries are dissatisfied with some aspects of the educational opportunities being offered their students in the USSR.

(original signed by)  
JEAN FOURNIER

European Division



RESTRICTED  
(Enclosure SECRET)

JOINT INTELLIGENCE COMMITTEE

CSC 7-8-1 (JIC) 4  
CSC 1824-1 (JIC) 1

14 February, 1963.

Ottawa, Ontario

→ J.J. McCardle, Esq.,  
Dept. of External Affairs.

DNI  
DMI  
DAI  
DSI  
RCMP  
JIB  
CB NRC

50028-B-10	
17	46

198

POSSIBLE USE OF THE MALDIVES

Enclosure: (1) BR JIC(62)109(Final) dated  
31 January, 1963 on the above  
subject.

Enclosure (1) is forwarded for consideration of  
members.

2. It is requested that comments, if any, reach the  
Secretary by 28 February, 1963.

*Will forget*  
*Please enter*  
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Enc.  
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*me*

AM/2-5459/1c

cc: JIS (no enclosure)

*Malysheff*  
LCDR, RCN,  
Secretary.

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C. BROWN

Action

*Done*  
*14-2-63*

FEB 12 1963

- Please Copy 166. KLB

002252

DEPARTMENT OF EXTERNAL AFFAIRS

MEMORANDUM

EUROPEAN/J.B. Seaborn/st *TW*

TO: *This might make a unique file* The Under-Secretary of State

for External Affairs

FROM: European Division

REFERENCE:

SUBJECT: Sino-Soviet Dispute

Security CONFIDENTIAL

Date February 13, 1963

File No.	50028-B-10
	50393-40-Y1

(see TIC WIR 7/63)

Pravda of February 10 published a lengthy editorial "For the Marxist-Leninist unity of the Communist movement". This is the latest in the series of Soviet and Chinese statements and speeches on the dispute between Moscow and Peking, and a direct reply to the Peoples Daily editorial of January 27.

2. The Canadian press, reporting very briefly on the article, has said that Moscow has now accepted the Chinese proposal for a meeting of Communist parties. This is an over-simplification. Moscow has agreed to a new meeting of Communist parties "if the fraternal parties deem it expedient", provided an end is first put to polemics, and providing due preparation for such a conference is made, preferably by means of bilateral discussions between parties. The conditions attached suggest that Moscow is not likely to take the initiative to call a conference and has at most moved only slightly closer to a conference than was indicated in the Khrushchov speech to the East German Party Congress in mid-January. It may be, in fact, that this latest Soviet declaration on the subject is little more than a tactical move to make it appear that the Soviet Union is being reasonable and that the Chinese are responsible for the failure to create conditions for a workman-like conference which would honestly contribute to finding a compromise on the disputed questions.

3. The tone of the Pravda editorial may suggest that the Russians are holding out a small olive branch to the Chinese, but if so it is a rather strange hybrid with some thorns attached to it. The editorial defends at considerable length the Soviet-Yugoslav rapprochement on the grounds that the League of Yugoslav Communists have now corrected a number of the errors which made it impossible to have closer relations between the Soviet and Yugoslav parties at an earlier stage, and that it is up to a responsible well-intentioned party to help an erring member along the correct Marxist-Leninist course. The apologia for the Yugoslavs and for the rapprochement is likely to annoy further the Chinese who emphasized in the January 27 editorial that a firm castigation and rejection of Yugoslav revisionism by Moscow must be a precursor to any serious attempt to settle the differences between Moscow and Peking. Pravda regrets the sharp criticism in the Peoples Daily of the speeches of fraternal

CIRCULATION

DL(2) Div.  
Far East.

-2-

delegates at the SED Congress in Berlin and the attacks on Yugoslavia. Moreover, quoting back at the Chinese the 1960 declaration of Communist parties, the Pravda editorial emphasizes that part of the declaration which speaks of the dangers of dogmatism and sectarianism and says flatly that "leftist opportunism" is now no less dangerous than revisionism. And it quotes Lenin to the effect that unity in approach to basic questions does not rule out diversity based on national difference, different stages of development and "concrete experience" in international relations.

4. ~~We may expect to see shortly the Chinese rejoinder to this latest Soviet statement.~~ From the number of references within the last month or two to the necessity for the unity of the socialist camp, and to the possibility of a new conference to achieve that end, it would appear that Moscow and Peking may be edging slowly towards a new meeting of Communist parties comparable to the one in November, 1960. This would not, however, appear to be an immediate prospect and meanwhile we may expect to see a considerable amount of manoeuvring by Moscow and Peking to improve their "images" and to line up support among the parties in other countries against the possibility of an eventual conference. Even if a conference does come about, it would appear on present evidence that it could do little more than attempt to paper over the cracks in the Sino-Soviet dispute; it might, indeed, make the differences only more evident.

5. When all this has been said, it should nevertheless be recognized that there is a great deal (particularly their common dislike of "imperialism" and "capitalism") which keep the Russians and the Chinese together in spite of the acerbity of the present dispute and their differing views as to how to promote the interests of Communism. Mr. Khrushchov, speaking over the weekend <sup>of January 7-10</sup> with the Canadian newspaper magnate, Mr. Roy Thompson, rejected forcibly the latter's suggestions that Moscow might soon find itself lining up with the Western powers against the Chinese. This situation may develop some years hence, but it would appear to be unlikely within the next two to three years.

(Original signed by)  
JEAN FOURNIER

European Division



DEPARTMENT OF EXTERNAL AFFAIRS

INTELLIGENCE BRIEF

CONFIDENTIAL

For: .....JOINT INTELLIGENCE COMMITTEE..... No: 6/63.....  
Source: ...Departmental Memoranda..... Date: February 18, 1963.  
Subject: ...Sino-Soviet Dispute.....

Pravda of February 10 published a lengthy editorial "For the Marxist-Leninist unity of the Communist movement" (see JIC WIR 7/63). This is the latest in the series of Soviet and Chinese statements and speeches on the dispute between Moscow and Peking, and a direct reply to the Peoples Daily editorial of January 27.

2. The Canadian press, reporting very briefly on the article, has said that Moscow has now accepted the Chinese proposal for a meeting of Communist parties. This is an over-simplification. Moscow has agreed to a new meeting of Communist parties "if the fraternal parties deem it expedient", provided an end is first put to polemics, and providing due preparation for such a conference is made, preferably by means of bilateral discussions between parties. The conditions attached suggest that Moscow is not likely to take the initiative to call a conference and has at most moved only slightly closer to a conference than was indicated in the Khrushchov speech to the East German Party Congress in mid-January. It may be, in fact, that this latest Soviet declaration on the subject is little more than a tactical move to make it appear that the Soviet Union is being reasonable and that the Chinese are responsible for the failure to create conditions for a workman-like conference which would honestly contribute to finding a compromise on the disputed questions.

3. The tone of the Pravda editorial may suggest that the Russians are holding out a small olive branch to the Chinese, but if so it is a rather strange hybrid with some thorns attached to it. The editorial defends at considerable length the Soviet-Yugoslav rapprochement on the grounds that the League of Yugoslav Communists have now corrected a number of the errors which made it impossible to have closer relations between the Soviet and Yugoslav parties at an earlier stage, and that it is up to a responsible well-intentioned party to help an erring member along the correct Marxist-Leninist course. The apologia for the Yugoslavs and for the rapprochement is likely to annoy further the Chinese who emphasized in the January 27 editorial that a firm castigation and rejection of Yugoslav revisionism by Moscow must be a precursor to any serious attempt to settle the differences between Moscow and Peking. Pravda regrets the sharp criticism in the Peoples Daily of the speeches of fraternal delegates at the SED Congress in Berlin and the attacks on Yugoslavia. Moreover, quoting back at the Chinese the 1960 declaration of Communist parties, the Pravda editorial emphasizes that part of the declaration which speaks of the dangers of dogmatism and sectarianism and says flatly that "leftist opportunism" is now no less dangerous than revisionism. And it quotes Lenin to the effect that unity in approach to basic questions does not rule out diversity based on national differences, different stages of development and "concrete experience" in international relations.

4. From the number of references within the last month or two to the necessity for the unity of the socialist camp, and to the possibility of a new conference to achieve that end, it would appear that Moscow and Peking may be edging slowly towards a new meeting of Communist parties comparable to the one in November, 1960. This would not, however, appear to be an immediate prospect

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DISTRIBUTION

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Briefing Officer - JIR  
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and meanwhile we may expect to see a considerable amount of manoeuvring by Moscow and Peking to improve their "images" and to line up support among the parties in other countries against the possibility of an eventual conference. Even if a conference does come about, it would appear on present evidence that it could do little more than attempt to paper over the cracks in the Sino-Soviet dispute; it might, indeed, make the differences only more evident.

5. When all this has been said, it should nevertheless be recognized that there is a great deal (particularly their common dislike of "imperialism" and "capitalism") which keep the Russians and the Chinese together in spite of the acerbity of the present dispute and their differing views as to how to promote the interests of Communism. Mr. Khrushchov, speaking over the weekend of February 9-10 with the ~~Canadian~~ newspaper magnate, Mr. Roy Thompson, rejected forcibly the latter's suggestions that Moscow might soon find itself lining up with the Western powers against the Chinese. This situation may develop some years hence, but it would appear to be unlikely within the next two to three years.



IN REPLY PLEASE REFER  
TO.....

OFFICE OF THE  
HIGH COMMISSIONER FOR CANADA  
CANADA HOUSE,  
LONDON, S.W.1.

FEB 18 1963

SECRET

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February 13, 1963.

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Dear Mr. McCardle,

I am enclosing two copies of a paper  
which has been prepared by the U.K. SIS on  
"Sino-Soviet Bloc Factory Markings".

Yours sincerely,

*no signature*

P.A.E. Johnston.

J.J. McCardle, Esq.,  
Head, D.L.(2) Division,  
Dep't of External Affairs,  
Room 248, East Block,  
Ottawa.

*Serial one  
copy to JIB  
and make  
another copy  
for DMI.*

*Run  
19-2-63  
G.S.*

Excerpt from Minutes of 94th Meeting  
of Joint Intelligence Committee held  
on 13 February, 1963.

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KB

✓ XIII. THE MILITARY AID PROGRAMMES OF  
SOVIET BLOC COUNTRIES AND COMMUNIST CHINA

(CONFIDENTIAL)

24. The Committee considered comments submitted by the Department of External Affairs on the paper on the above subject which had been approved as CANADIAN JIC 1394/1(63) dated 30 January, 1963.

(CSC 7-17-3 (JIC) of 11 Feb. 63)

25. The Committee:-

- (a) agreed with the comments submitted by External Affairs,
- (b) noted that the points raised by External Affairs would be covered in the JIC 459(63), now under preparation, on the subject of Communist economic activities in underdeveloped areas,
- (c) agreed that the paragraph of JIC 1394/1(63) affected by the External Affairs comments would be cross-referenced by means of a foot-note, to JIC 459(63).

ACTION:

JIS

DEPARTMENT OF EXTERNAL AFFAIRS

File  
Daily  
Diary

MEMORANDUM

EUROPEAN/J.E.Seaborn/st

TO: ..... Defence Liaison (2) Division .....  
.....  
FROM: ..... European Division .....  
REFERENCE: ..... Your memorandum of December 21, 1962 .....  
..... and January 25, 1963 .....  
SUBJECT: ..... Contributions to JIC Paper entitled "Annual Review of .....  
..... Developments in Policies of Communist Countries."

Security CONFIDENTIAL.....

Date February 13, 1963.....

File No.

5-028-B-40

84

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+

We are enclosing with this memorandum  
two additional draft sections of the JIC Annual Review;  
one covers political developments in Eastern Europe  
and the other foreign policy and intra-bloc relations  
in Eastern Europe.

(Original signed by)

JEAN FOURNIER

European Division

CIRCULATION

CONFIDENTIAL

February 13, 1963

Eastern Europe - Foreign Policy and Intra-Bloc Relations

Trained in the shadow of Stalin, and confident in the might of the Soviet Union, Khrushchov has perhaps always tended to take too much for granted the unifying force of Communism. His bold initiatives led to the popular movements in the Satellites in 1956, when only the Red Army was able to restore unity by crushing the revolt in Hungary. Soon Khrushchov pressed on again, despite the growing restlessness in Peking, but he did allow himself to be diverted in 1958 from his course towards closer relations with Yugoslavia. Albania was subsequently separated from Moscow's immediate power, and rapidly reverted to a rigid Stalinism more compatible with Mao's thinking than with Khrushchov's. By 1961 it was clear that there were two poles of attraction in the Communist world, and that Albania was in the Chinese camp. In 1962 Khrushchov moved decisively to prevent any further deviations among the remaining Satellites and possibly to bring new pressure to bear on Albania by a rapprochement with Yugoslavia.

2. In asserting Soviet hegemony in the bloc, Khrushchov took a typically non-doctrinaire approach, well expressed by Todor Zhivkov at the Bulgarian Party Congress in November: "One's attitude toward the Soviet Union is the touchstone of loyalty to Socialism". Khrushchov could allow considerable variation in the domestic policies of the Satellites, but very little in the major aspects of their foreign policy. All bloc leaders gave full support to the principles of Soviet foreign policy, peaceful coexistence, negotiation of East-West differences, condemnation of Albania, dogmatism, and willingness to have "fraternal" relations with Yugoslavia. Clearly they had not been consulted beforehand on the Cuba affair, but after Khrushchov had called them

-2-

one by one to Moscow (perhaps to forestall joint criticism?) to get the bloc line, they all dutifully rallied to his support. Nevertheless in some intra-bloc affairs there appeared some difference in emphasis. For instance, Gomulka who appears to enjoy Khrushchov's fullest confidence took a softer line with regard to Albania and China than did Novotny or Ulbricht whom Khrushchov might reasonably have suspected of being sympathetic to Maoism. It is conceivable that Gomulka is being held in reserve as an eventual mediator between Moscow and Peking. All of the Satellites, however, maintained their relations with Albania and China at a reduced level.

3. It was probably Ulbricht who had most difficulty in accepting the principle of peaceful negotiation of all East-West differences, standing as he has for a militant policy towards West Berlin and the Federal German Republic. However, he obediently switched to the new soft line in December, 1962, a month before Khrushchov made it official at the East Berlin Congress. For its part, Poland fears West German revanchism in connection with its Western Territories, and continues to exhibit great sensitivity on this point. However, its position hardened perceptibly during the year, and it seems clear that Poland would now no longer consider the establishment of diplomatic relations with the Federal Republic without a German guarantee of the Oder-Neisse frontier. Nevertheless, Poland has just signed a three year trade treaty providing for the maintenance of its present very valuable export market in West Germany, and discussions are still going on about the establishment of a German trade office. Even East Germany has had extensive trade negotiations with West German offices to obtain more generous credit arrangements.

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4. The carefully orchestrated Soviet-Yugoslav rapprochement may be of great significance for the future of the bloc. It is apparent that Yugoslavia is moving towards a closer relationship with an evolving Soviet bloc; conceivably we may even one day see a sort of "Communist Commonwealth" around the nucleus of the bloc. The Satellites have gone loyally along with this development welcoming a "fraternal" delegation from Yugoslavia to the East Berlin Congress in January - the first such occasion since 1958. Rapacki visited Yugoslavia following Tito's triumphant return from Moscow, and Kadar honoured him en route through Hungary. Bulgaria, the historic foe, had to undergo special indoctrination which began last May during Khrushchov's visit, and it only slowly picked up the new tune; Zhivkov proved it could be done, however, when he stopped over for two days in Belgrade while en route home from the East Berlin Congress. For its part Yugoslavia appears willing to avoid friction in its relations with Bulgaria by toning down the "greater Macedonia" theme on which it has in the past permitted its provincial government in Skopje to play.



FILE

CONFIDENTIAL

European Satellites - Political Developments

In contrast with the situation prevailing with respect to foreign policy and intra-bloc relations, Khrushchov has allowed his allies considerable latitude in the way they apply communism internally. Although all the leaders have had to pay lip-service to de-Stalinization, the degree and speed of its implementation has varied substantially, with allowance made for differences in economic stability, differing national characteristics and the unity and outlook of the ruling elite. Poland and Hungary, whose leaders appear to share Khrushchov's more permissive attitudes and to enjoy his confidence, feel free to govern with a degree of pragmatism and lack of rigidity unusual in Eastern Europe. East Germany and Czechoslovakia have taken only reluctant steps towards de-Stalinization and the application of their domestic policies is still based on strict control of their populations.

Albania, the most backward country in Europe, appears to be firmly in the control of Enver Hoxha and the Stalinist old guard. The economic difficulties caused by the termination of Russian credits and the reduction of trade with other Communist countries is not likely to cause any re-thinking in Albania since the average Albanian lives in any case at little more than subsistence level.

A minor purge of the leadership preceded Khrushchov's visit to Bulgaria in May, 1962, and a major purge followed Zhivkov's visit to Moscow in early November, during the later phases of the Cuban crisis and immediately prior to the 8th Communist Party Congress in Sophia. The purges

- 2 -

removed many of the country's best known leaders, including several ministers, a deputy Prime-Minister, Prime Minister Yugov and one-time First Secretary and Prime Minister Chervenkov. Unquestionably there is an element of de-Stalinization in the purges since all of the victims were at one time associated with, or in charge of, the Ministry of the Interior and the Secret Police; they were also strongly anti-Yugoslav. It is unlikely, however, that Zhivkov, now First Secretary and Prime Minister, was motivated primarily by ideological considerations; he has never given any indication of being more tolerant or liberal than those he ousted. However, having hitched himself to Khrushchov's star, Zhivkov has tended to become the leader of the more progressive faction of the Bulgarian old guard. He has taken some steps towards internal relaxation, and the announcement of price rises immediately before the Party Congress, indicated his willingness to meet Bulgaria's economic difficulties in Soviet-inspired fashion.

The old guard in Czechoslovakia, although out of step with Khrushchov, apparently presented such a united front that it was able to retain control of party, government and domestic policy provided only that it gave full support to Moscow's foreign policy. They drove a surprisingly good bargain considering the political and economic difficulties Czechoslovakia faced in 1962.

When former Deputy Prime Minister and Minister of the Interior Barak was imprisoned in April, ostensibly for misuse of public funds, there was speculation that Khrushchov's man had lost a struggle for power with Novotny and the old guard. Although there were subsequent

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- 3 -

rumours concerning the departure of Novotny because of economic troubles, he maintained his position even when this the richest of the satellites had to cancel its current five-year plan, announce a one-year plan for 1963 and promise a new seven-year plan for the period 1964 to 1970. The only heads which fell were those of the three Ministers directly responsible for the sectors of the economy in most serious difficulties, Heavy Engineering, Chemical Industry, and Transport and Communications. May Day student riots, provoked mainly by food shortages popularly attributed to over-ambitious and politically-motivated foreign aid programmes, were answered not with concessions but by the institution of a five year programme of compulsory labour in agriculture or industry for students finishing school. At the Czechoslovak Communist Party Congress in December 1962, Novotny's answer for the economic and social difficulties of Czechoslovakia was simply a more rigid application of the Communist remedies already prescribed, greater "democratic centralism" greater party discipline, and the "development of socialist public relations in village life". Almost the only concession to de-Stalinization in Czechoslovakia during 1962 was the long-delayed decision to replace the monument of Stalin brooding high above Prague by a temple to Soviet-Czechoslovak friendship. The work is proceeding slowly.

Ulbricht in East Germany was not quite so successful as Novotny in resisting Soviet pressure for relaxation of the rigid Stalinist orthodoxy which has caused such hardship for the average East German. Since, as Khrushchov explained at the January Party Congress, the Berlin wall

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- 4 -

has consolidated East Germany's exposed position in much the same way as a peace treaty was to do, since further large-scale credits from the Soviet Union are not to be expected, and since the road to economic salvation lies in higher labour productivity, Ulbricht was obliged to take a new course. He confirmed that the current seven year plan is to be abandoned for a more modest and realistic one. Although the consumers' interest is still to be subordinated to the needs of capital investment, the lot of the hard-pressed farmers may be slightly alleviated. Ulbricht even exhorted his officials at the Party Congress to work so that "the initiative of all citizens will be encouraged and mutual confidence between citizens and State apparatus strengthened". One tangible effect of this spirit of de-Stalinization was the dismissal of the Chairman of the State Planning Commission, an efficient if rather dogmatic economist who had been advocating even greater effort and sacrifice on the economic front. In these circumstances, Khrushchov was apparently willing to leave Ulbricht in power, while giving some prominence to more suitable leaders for the future such as Honecker, Verner and Prochlich. Khrushchov's presence at the January Congress was obviously intended in part to give a moral boost to the East German Communist regime, all the more necessary in view of the announcement that there would be a further delay in the signature of a Peace Treaty.

Political relaxation has proceeded so quickly in the six years since Soviet armed forces crushed the anti-Communist rebellion, that Hungary can now be considered

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about as "liberal" in its internal policies as Poland. Under the slogan "he who is not against us is with us" (it refers to people rather than to ideology), Kadar has appointed competent non-party people to managerial posts, reduced petty party interference in the arts and sciences, allowed greater freedom for travel abroad and removed class limitations on candidates for higher education. Police terror has steadily abated. It now appears probable that Kadar is preparing for another step forward in his programme of national reconciliation and international rehabilitation by the declaration of an amnesty for revolutionaries imprisoned since 1956.

This process has not gone entirely smoothly, for there were strong Stalinist forces opposed to Kadar's liberal measures and the measures themselves do not yet appear to have swung to Kadar's side the great mass of the Hungarian people. Two powerful leaders of the old regime, Rakosi and Geroe, were ousted "in absentia" from the party last August, and at the same time Haroly Kiss and 23 other Stalinists were removed from office. Marosan was ousted in October; a member of the Communist Party Political Committee (like Kiss) and also a member of the Party Secretariat, Marosan was often considered to be second only to Kadar in the Party. Such purges allowed Kadar to take absolute control of the Party organs at its November Congress. Apparently, however, there is still considerable Stalinist strength in the lower echelons of the Party and Kadar finds it necessary to continue his middle road course. His speech to the Congress was marked by alternate blandishments ("Our party does not strive to sharpen the class struggle") and warnings ("We shall continue to take a firm stand against all reactionary

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- 6 -

political forces opposing our system") to the uncommitted. Despite the many measures of political relaxation in Hungary, therefore, many of the old difficulties have not yet disappeared.

The people of Poland probably still have more real liberty than the Hungarians, but the current in the two countries has been in opposite directions. While the Hungarians have seen their lot improve, the Poles have been losing ground in their resistance to communization. In 1962 the State continued its salami tactics against the church, careful as always never to take so big a slice that there would be a popular protest, but inexorably reducing the rights of church and clergy. The major developments in this regard during 1962 were the closing of more church schools and the eviction of some religious orders devoted to nursing. New hope developed as the year ended, however, with the mooted possibility of a Concordat between Warsaw and the Vatican following favourable references by John XXIII to the disputed Western Territories of Poland. The perennial battle of the modernists against communist orthodoxy in the arts and literature went on without definite advantage to either side during 1962, although the liberal thinkers were given a clear warning with the closing of their well-known club, "The Crooked Circle".

2 Riding the crest of its impressive economic "boom", Roumania is making unspectacular progress with its de-Stalinization. Rising standards of living and a growing national pride, have encouraged the Gheorgiu-Dej regime - secure in any case in the knowledge of their rigid control of the country - to feel their way toward

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- 7 -

more tolerant attitudes enabling the country to emerge  
a little further from the shell which has isolated it  
from the West since the war.



RESTRICTED

JIB BRIEF NO: 4/63

COPY NO: OF 20

11 February 1963.

INTELLIGENCE BRIEF

PREPARED FOR: JIC

BY: JIB

SUBJECT: USSR 1962 Plan Fulfilment

SOURCE: Soviet Press

DATELINE: January 1963.

S0028-B-10	
14	

1. Soviet national income in 1962 reached a new high of 161.5 billion roubles. The rate of growth of the national income in 1962 was reported to be six per cent, the lowest recorded since 1945. Since this rate is down 1.1 per cent from the average annual rate implied in the Seven Year Plan, it seems unlikely that the Soviet economy has generated during 1962 an absolute amount in product sufficient to cover all new commitments. Evidence of this is thought to be provided by an official statement to the effect that in 1962 investment and defence commitments required a larger than planned proportion of total product. Added proof would appear to be offered by the fact that real incomes of state workers rose by 2 rather than the 3.7 to 4 per cent implied in the Seven Year Plan.

2. A new production peak was apparently reached by the combined divisions of Soviet industry in 1962. Until the Soviet central statistical bureau publishes, later this year, the details of sectoral contributions to national income, there is no unchallengeable way of ascertaining what the net increase in value of total industrial production was in 1962. The central statistical bureau has announced, as is its practice in late January of each year, the rate of increase in the gross value of industrial output for 1962. However, since this computation still appears to be based on the so-called unchanging or constant prices of 1926/27 and is thus of undiscoverable merit and meaning, about all that can be said on the basis of this data is that output apparently did rise. The claim in these abstruse terms is of a 9.5 per cent rise in output during 1962. Reduced to net growth terms, it is estimated--on the basis of preliminary JIB calculations--that industrial output in 1962 may have increased by perhaps 5 to 7 per cent.

3. New output peaks were achieved in 1962 in a key commodity grouping including steel, coal, oil, gas, electric power and engineering goods. While the physical output of steel<sup>1</sup> was 600,000 tons less than planned, the 8 per cent rate of growth was about average for the period 1959-62 and was 1.4 per cent above the average annual rate implied in the Seven Year Plan. The level of output in the remaining products either reached the magnitudes previously forecast or exceeded them. Most notable in this context was the actual volume of natural gas extracted which hitherto has fallen somewhat short of Seven Year Plan figures. Whereas the plan called for output to rise to 72.4 billion cubic metres, actual output exceeded 75 billion cubic metres. If gas output in 1963 should reach the level of 88 billion cubic metres predicted by the 1963 plan forecasts and thereafter rise at the average annual rate of 27 per cent implied in the Seven-Year Plan, the 1965 output will not be short of the target of 150 billion cubic metres by much more than 5 per cent or some 8 billion cubic metres.

<sup>1</sup> 76.3 millions tons.

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JIB BRIEF NO: 4/63

11 February 1963.

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4. In terms of gross output, the value of commodities manufactured in the engineering division of industry rose at a rate of 15 per cent, rather than the planned rate of 12 per cent. However, performance within the subdivisions of this field appears to have been remarkably uneven. Whereas the output of specialized farm equipment rose at a rate of 21 per cent, or 3 per cent more than planned, the output of equipment for the petroleum industry rose 1 per cent less than planned and the manufacture of equipment for the chemical industry 9 per cent less than planned. The production of rolling mill equipment, scheduled to rise 32 per cent, is not specifically referred to in the Plan report published. The results for output of all metallurgical equipment show a rise of only 13 per cent and, since this figure presumably reflects performance in works producing rolling mill equipment, it is possible that actual performance here is still below the levels required.

5. Within the automobile and tractor subdivision of the engineering fields, while the output of cars, trucks and tractors fell by 2 per cent compared with 1961, the production of trolley buses rose 21 per cent compared with 8 per cent the previous year. Soviet output of cars and trucks was about 70,000 units above the Canadian level of 507,000 units, the proportions of cars to trucks in the respective totals being reversed.

6. Though still at a low absolute level, the output of a wide range of consumer durables grew at roughly the rates scheduled. The value of furniture produced rose by 12 per cent, rather than the 13 per cent expected, the total number of television sets manufactured increased by 11 per cent compared with the 12 per cent predicted, domestic refrigerator output by 22 per cent or 2 per cent more than forecast and finally washing machines by 40 per cent rather than the expected 38 per cent.

7. In agriculture, it is claimed that the gross grain yield in 1962 rose to an all time high of 147.5 million metric tons, 8.5 million tons greater than in 1961 and 6.3 million tons greater than the previous high in 1958. The bulk of the increase apparently resulted from a 4.1 million ton rise in wheat output and a 3.1 million ton rise in output of peas. Total yields of potatoes, sugarbeet for non-fodder purposes and cotton, however, showed a decrease compared with 1961. Reflecting the mixed showing in the harvest, the state increased its direct purchase of grain, vegetables, fruit and tea but reduced its purchases of potatoes and cotton. Livestock numbers on Soviet farms of all types reached an all time high in 1962. Cattle, pigs, sheep and goats numbered 333 million head, up nearly 100 million from the level of 1954, when Khrushchev introduced his new farm policy. These increases made possible larger outputs of meat, milk and eggs, which in turn resulted in heavier direct state purchases of these items. In spite of improvement over the past decade, the gross agricultural output continues to increase at an average annual rate of only some 2 per cent, far below the 8 per cent called for in the Seven-Year Plan. In consequence, it seems virtually impossible that the 1965 agricultural goals will be reached.

8. About 12 million persons are reported to have been rehoused throughout the USSR during 1962. This figure appears to include both new housing and renovations to existing dwellings. Of the total area of new housing brought into service in 1962, more than 2 million units--apartments and houses--were raised in urban and industrial townsites and about 450,000 units--mostly houses--were built in rural areas. Despite the addition of such substantial quantities of new residential living space, the total of 81 million square metres was more than 10 per cent less than the average annual increase of 93

RESTRICTED  
JIB BRIEF NO: 4/63  
11 February 1963

- 3 -

million square metres implied by the control figures for the Seven-Year Plan, a shortfall apparently accounted for by the lag of the private housing programme, since the state programme of 60 million square metres was fulfilled. The number of new housing units put up in the countryside was more than 50 per cent less than the average annual number of 1 million forecast in the Seven-Year Plan.

9. Employment in the state sector again reached a new high of 68.4 million persons in 1962, a 4 per cent increase or 2.6 million persons, over the previous year. Thus, the state labour force at the end of 1962 was greater by 3.4 million than the total originally expected for December 1965. A large part of the excess results from the nationalization of collective farms and small cooperative industrial concerns and the subsequent reclassification of their labour forces. Collective farm workers are reported to have had a 5 per cent increase in their real incomes as a result of higher state purchase prices for farm goods, following the 1 June 1962 price changes, in addition to rising output per worker. State workers are claimed to have had a 2 per cent increase in real incomes, resulting from a 3.5 per cent increase in real wages and an increase in the level of the public consumption fund. Together, these increases are claimed to have outweighed the 1.5 per cent fall in the general level of real incomes attendant on increase retail prices for meat and dairy products. The average nominal wage for state workers is believed to be 90 roubles or about 100 dollars a month.

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Mr. J. Langloy XA	17
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RESTRICTED  
(Enclosure TOP SECRET)

JOINT INTELLIGENCE COMMITTEE

CSC 1145-1 (JIC)  
CSC 1824-1 (JIC)

11 Feb 63

Ottawa, Ontario

→ J.J. McCardle, Esq.,  
Dept. of External Affairs.

DNI  
DMI  
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JIB  
CB NRC

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THE SINO-SOVIET DISPUTE

Reference: (a) CSC 1145-1, CSC 1824-1 (JIC)  
dated 16 Jan 63

Enclosure: (1) Annex to BR JIC(62)111(Final)  
dated 24 Jan 63 on the above  
subject.

Enclosure (1) is forwarded for your consideration and  
it is requested that comments reach the Secretary by 25 Feb 63.

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C. BROWN

Action

~~Mallysheff~~

~~Phasenter~~  
~~+ distribute~~  
~~as before~~

Enc.

cc: JIS (no enclosure)

Mr. Mallysheff  
LCDR, RCN,  
Secretary.

done  
14-2-63  
a.s.

13 Mar 63

Copy 182 & 186  
Hakenoff file  
to Winterton  
to Brd JIC

FEB 14 1963 - I have Copy 186. KLB

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S E C R E T

Ottawa, February 8, 1963.

Secretary,  
Joint Intelligence Committee,  
Department of National Defence,  
O T T A W A, Ont.

The Military Aid Programmes of  
Soviet Bloc Countries and Communist China

You will recall that, when the JIC at its 942nd meeting on January 30 considered the paper on the above subject (Canadian JIC 1394 (63) of January 23), I expressed my approval of the paper subject to any comments which my Department might wish to make following a further examination of it. I have now received the comments outlined below, which I should like the Committee to consider at its next meeting.

2. Brief reference is made in paragraph 1 of the Conclusions and paragraph 5 of the Discussion to the contraction of Bloc economic aid and the growth of its military aid to underdeveloped countries. We think that an elaboration of this point might serve as useful background to the substance of the paper and therefore suggest a possible expansion of the ideas in paragraph 5, as follows, to include a brief analysis of some of the likely reasons for this development:

5. "In contrast to the contraction of their economic aid programmes the Communist countries during 1962 extended military aid with an estimated gross value of \$550-\$650 million, and since 1955 have

- 2 -

provided an estimated \$2.9 billion in arms and military training to underdeveloped countries. The U.A.R., Syria, Indonesia, Iraq, Cuba and Afghanistan account for the bulk of military assistance, but commitments to Yemen, Guinea, Mali and Morocco, which are much smaller, are still of major significance in relation to the size and requirements of these countries.

6. The marked decline in Soviet economic aid to underdeveloped countries may be attributable to a Soviet reappraisal of the political value of economic assistance to underdeveloped countries; to Soviet difficulties in supplying economic aid and difficulties of the recipients in utilizing outstanding credits; to growing reluctance of recipients to tie themselves too closely to the Soviet bloc; or to some combination of these factors. Equally, the increase in supply of military equipment may indicate that the Soviet Union now considers this of greater political value than economic aid as it tends to make an important source of political power (often the most important source) in the recipient country (defence and the armed forces) heavily dependent on the Soviet Union in a continuing sense in various ways - initial supplies, spare parts, newer models as old models became obsolete or wear out, training of recipient country personnel in the Soviet Union, and presence of Soviet instructors in the recipient country. The dependence may well be greater than for the equivalent financial commitment in the case of trade or technical assistance because of the greater sophistication and specialization of military equipment. It may also indicate that the volume of Soviet military production and the availability of stocks on hand is such that the USSR can more easily find an exportable surplus of military equipment than of civilian-sector economic aid.

7. The Soviet Union is undoubtedly playing on and probably fostering the new countries' concern with one of the attributes of new-found sovereignty and independence, i.e., impressive-looking armed forces for the purposes of prestige or for use against enemies real or imagined, actual or potential. It has also been able to take advantage of the West's

- 3 -

reluctance to supply large quantities of military equipment to new countries out of a desire to avoid regional frictions or because the West believed there was no legitimate defence requirement or that the proposed recipient could not support the burden on its economy. Such considerations of conscience affect the Soviet Union much less and in fact the local trouble-making which large supplies of arms may foster can be of advantage to the Soviet Union. And ipso facto, anything which reduces Western influence in such countries is good from the Soviet point of view."

3. We have two other comments of a minor nature:
- (1) wherever appropriate, the term U.A.R. might be used instead of Egypt;
  - (2) paragraph 10 might mention that there is some evidence of Yugoslavia's being used for servicing of Soviet aircraft in the UAR.

E. J. MCCARDLE

Defence Liaison (2) Division.

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43	50

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Ottawa, February 6, 1963.

Our file: 50028-B-40  
Your file: CSC 1145-1 (JIC)  
CSC 1824-1 (JIC)

Lt. Cdr. A. Malysheff,  
Secretary,  
Joint Intelligence Committee,  
Department of National Defence,  
OTTAWA, Ontario.

The Sino-Soviet Dispute

In reply to your letter of January 17, 1963,  
we wish to inform you that this Department has no  
comments on BR JIC(62)111(Final) dated 7 January, 1963,  
entitled "The Sino-Soviet Dispute".

E. J. MCCARDLE

J.J. McCardle  
Defence Liaison (2) Division.

*Mr. McPherson*  
*Mr. King*  
SECRET

USSEA

Mr. Menzies )

Mr. Campbell(A/USSEA)Mr. Nutt )D.L.(1)

February 6, 1963.

Defence Liaison (2) Division.

50028-B-10	
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"The Soviet Space Program": US-NIE 11-1-62 of 5 December, 1962.

We have received a U.S. National Intelligence Estimate which seeks on admittedly skimpy evidence to evaluate the current status of the Soviet Space programme and to estimate its progress over the next 5 to 10 years. Following is a summary of the main conclusions in this interesting report. The Department of National Defence, (and in particular the Directorate of Scientific Intelligence) have indicated there is nothing in substances and little of detail to which they do not subscribe.

Soviet space efforts in the next decade will include increased man-in-space activity, some military support systems, scientific satellites, interplanetary probes, and lunar exploration. Specific developments which could occur are manned space stations in earth orbits and manned lunar landings. Demonstrations of developmental space weapons systems may occur. Soviet scientific and technological capabilities are adequate to accomplish these objectives but they will be competing directly for the scarce skills and resources also needed in the ICBM, air and missile defence, and economic programmes.

The underlying motives of the Soviet leaders in planning their space programme are to enhance the security of the USSR and to increase its power and prestige. Decisions about specific projects are governed by the likely political and military gains as well as by technical and economic limitations. These considerations, as well as the desire to achieve scientific gains, will result in a much broader space programme in the future than in the past, but attempts to accomplish spectacular "firsts" will continue.

The Soviets have recently expanded their unmanned space flight programme to collect data on "near earth-space environment" and to test new space components and systems for manned space vehicles. In addition they may attempt an unmanned soft landing on the moon or the orbiting of an unmanned satellite around the moon at any time.

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Launch probes to Mars and Venus will continue and as greater propulsion capabilities are developed, more extensive and complex investigations of interplanetary space will be undertaken. A high failure rate in Soviet interplanetary attempts indicates, however, difficulties which may handicap or modify the programme.

Dramatic space flights are likely in the next few years. The Soviets will, probably within the next year, attempt to employ manned satellites in rendezvous, docking and transfer operations. They will probably undertake manned flights of increasing duration and could orbit a two-man capsule at any time. It would be technically feasible for the Soviets to put up a small manned space station or attempt a manned circumlunar flight by 1963-64.

The prestige attached to the first manned lunar landing, its probable political impact and its importance for future advances in space are factors indicating that the Soviets are aiming for a manned lunar landing ahead of or in close competition with the U.S. It is estimated that with a strong national effort, they would accomplish this in the period 1967-1970.

While, on the basis of available evidence, it is not possible to determine the existence of Soviet plans for the military use of space, the U.S.S.R. is almost certainly investigating the feasibility of space systems for military purposes. Soviet decisions to develop military space systems will depend on their expected cost and effectiveness as compared with alternative systems, the political and military advantages, and the Soviet estimate of U.S. intentions and capabilities in comparable fields.

Greater emphasis will probably be placed in future on military applications of space vehicles. The first Soviet military space vehicles are likely to be earth satellites used in various support roles - reconnaissance, early warning, geodetic, communications, or navigation and these could be launched at any time. Other possibilities are an orbital bombardment satellite system and an orbiting satellite inspection system. However, the U.S. does not believe that Soviet space technology has progressed sufficiently for the U.S.S.R. to have decided on a large scale programme for offensive and defensive space weapons.

The Soviets have the capability to develop an orbital bombardment satellite and a demonstration could occur at any time; however, its military effectiveness will in the near future be minimal until certain technical drawbacks can be overcome.

La C.  
H.A.R.

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JOINT INTELLIGENCE COMMITTEE

CSC 1145-1 (JIC)

CSC 1824-1 (JIC)

4 February, 1963.

95  
Ottawa, Ontario

MEMORANDUM TO THE JIC:

THE SINO-SOVIET DISPUTE

Reference: (a) CSC 1145-1, CSC 1824-1 (JIC)  
dated 17 January, 1963.

The Canadian JIC have no comments on BR JIC(62)111  
(Final) dated 7 January, 1963 on the above noted subject.

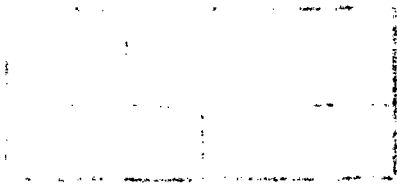
*[Signature]*  
(A. Malyshoff)  
LCDR, RCN,  
Secretary.

AM/2-5459/jr

cc: JIS

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NO ENCLOSURES

Excerpt from Minutes of 942nd Meeting  
of Joint Intelligence Committee held on  
30 January, 1963.

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✓ IX. SOVIET INTERDICTION OF ALLIED (SECRET)  
COMMUNICATIONS -  
PART IV - ASSESSMENT OF THE LIKELY EFFECTS  
ON ALLIED TRANSANTLANTIC COMMUNICATIONS  
PART V - RECOMMENDATIONS FOR COUNTERMEASURES

16. The Committee considered Parts IV and V of the  
UK JIC draft on the above subject and Canadian JIC comments  
thereon.

(CSC 1860-2, CSC 1824-1 (JIC) of 14 Jan 63)

17. After lengthy discussion the Committee agreed  
to refer Parts IV and V to the Joint Telecommunications  
Committee with a request that the JTC:-

- (a) comment on these papers from a DND point of view,  
with particular emphasis on the "Conclusions",
- (b) where necessary, seek the comments of interested  
civil departments of the government (e.g. DOT, EMO),  
through appropriate inter-departmental channels.

ACTION: Secretary

**Excerpt from Minutes of 942nd Meeting  
of Joint Intelligence Committee held on  
30 January, 1963.**

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F.6  
K.B.

✓ VIII. THE MILITARY AID PROGRAMMES OF SOVIET BLOC COUNTRIES AND COMMUNIST CHINA (CONFIDENTIAL)

14. The Committee considered CANADIAN JIC 1394(63) dated 23 January, 1963 on the above subject prepared by JAWG.

(CSC 7-17-3 (JIC) of 30 Nov 63 & 24 Jan 63)

15. After discussion the Committee:-

(a) amended and approved the paper as Canadian JIC 1394/1 (63) dated 30 January, 1963,

(b) authorized the following distribution:-

IPC (15)  
Chairman JIC (3)  
DNI  
DMI  
DAI (3)  
DSI  
RCMP  
JIB  
CB NRC  
JIS (M)  
JIS (JIB)  
SOJIR  
SOCI  
JICLO(W)  
for USIB (28)  
JICLO(L)  
for UK JIC (15)  
Chairman, CJS (W)  
Chairman, CJS(L)  
Secretary, JAWG. (3)

(c) that a version of the paper at SECRET level would be prepared by JAWG, the first draft of which would be due to reach the Secretary by 27 February, 1963.

ACTION: Chairman, JAWG  
JIS  
Secretary

002283



SECRET

JOINT INTELLIGENCE COMMITTEE

CSC 1733-1 (JIC)  
CSC 1322-1 (JIC)

29 January, 1963.

Ottawa, Ontario

MEMORANDUM TO THE JIC:

TRENDS IN SOVIET POLICY TOWARD  
SUB-SAHARAN AFRICA

Reference: (a) CSC 1733-1, CSC 1322-1 (JIC)  
dated 8 January, 1963.

Comments on US NIE 11-12-62 dated 5 December, 1962,  
"Trends in Soviet Policy Toward Sub-Saharan Africa".

JIB: Among the obstacles to the expansion of Bloc influence  
in Conclusion C, page 1 we would have added:

- a. Limited ability or willingness of Bloc to provide  
markets for tropical products e.g., fluctuations in  
the cocoa trade;
- b. Limited range of Bloc products available for export  
e.g., difficulty some countries have had in using  
up favourable trade balances;
- c. Difficulty of negotiating the allocation of credits  
e.g., Ethiopia;
- d. Difficulties over the high cost of Bloc technical  
aid e.g., Ghana.

2. In general, the pattern suggests slow progress accom-  
panied by increasing embarrassments and liabilities.

XA, DMI, DNI, DSI, RCMP, DAI, CB NRC: No comments.

(A. Malyshoff)  
LCDR, RCN,  
Secretary.

AM/2-5459/jr

cc: JIS(2)  
JICLO(W) (for your personal information only)

NO ENCLOSURES

EXTERNAL AFFAIRS  
REGISTRY

FEB 2 4 00 PM '63



CONFIDENTIAL

JOINT INTELLIGENCE COMMITTEE

CSC 7-17 (JIC)  
CSC 1924-1 (JIC)

29 January, 1963.

50028-B-40	
17	46

Ottawa, Ontario

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MEMORANDUM TO THE JIC:

LIKELIHOOD OF WAR WITH THE  
SOVIET UNION UP TO 1967

Reference: (a) CSC 7-17, CSC 1924-1 (JIC)  
dated 9 Jan 63.

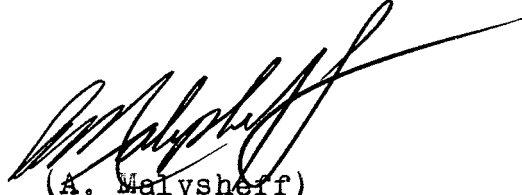
(b) BR JIC(62)77 (Final) dated 6 Dec 62.

Members have no comments on this paper.

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3	C. BROWN
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AM/2-5459/jr

cc: JIS(2)

  
(A. Malysheff)  
LCDR, RCN,  
Secretary.





NO ENCLOSURES

EXTERNAL AFFAIRS  
REGISTRY

JAN 31 12 07 PM '63


50028-B-10	
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RESTRICTED

Ottawa, January 29, 1963.

Our file: 50028-B-40  
Your file: CSC 1733-1 (JIC)  
CSC 1322-1 (JIC)

Lt. Cdr. A. Malysheff,  
Secretary,  
Joint Intelligence Committee,  
Department of National Defence,  
O T T A W A, Ontario.

Trends in Soviet Policy toward  
Sub-Saharan Africa.

In reply to your letter of January 8, 1963,  
we wish to inform you that this Department has no  
comments on NIE 11-12-62 dated 5 December, 1962, entitled  
"Trends in Soviet Policy toward Sub-Saharan Africa".

E. J. McCardle

J.J. McCardle  
Defence Liaison (2) Division.

DEPARTMENT OF EXTERNAL AFFAIRS

MEMORANDUM

TO: ..... Mr. J. McCardle.....

Security ..SECRET.....

..... Defence Liaison (2) Division.....

Date ..... Jan. 28/63.....

FROM: .... Communications Division.....

File No.		
50028-B-40		
2	—	

REFERENCE: ... JIC memo dated 14 January 1963.....

..... Agenda Item 9: 942<sup>nd</sup> J.I.C. Meeting, Jan 30/63.....

SUBJECT: ..... SOVIET INTERDICTION OF ALLIED COMMUNICATIONS.....

The referenced paper is the first indication we have had that the problems of transatlantic communications were being discussed in such great detail in JIC or elsewhere. We are very interested since the continued operation of our communications network in an emergency is predicated on the maintenance of transatlantic facilities.

File  
KB

2. The maintenance of national facilities in wartime has been and is currently under discussion in ENTO (Emergency National Telecommunications Organization), IETC (Interdepartmental Emergency Telecommunications Committee) and particularly in the Sub-Committee on Communications Vital Points. These are all part of EMO with ENTO having been established with Cabinet approval on April 26, 1960. ENTO is organized and controlled by the Minister of Transport with representatives on IETC from those departments having an interest in the maintenance of adequate communications in a national emergency. Attached for your information is a copy of the paper outlining the composition and functions of ENTO.

3. We have been participating in meetings of ENTO and its committees to keep abreast of arrangements being made for emergency communications but have found that the discussions are, in the main, concerned with domestic facilities in which we have only limited interest. We have been striving to get information or action on the protection of overseas facilities which are our prime concern. The Sub-Committee on Vital Points appears to be the organization where this subject is most frequently discussed. This sub-committee has, for about two years, been trying to determine what should be considered vital points and to draw up a list of points which require protection, mainly against sabotage. At the last meeting on Dec. 13/62 some progress was apparently made in that it was decided that main telegraph and telephone switching centres owned and operated by the CP, CN and the Trans-Canada Telephone Association members should be considered vital. A list of points submitted by these organizations was reviewed and certain installations accepted as being vital points. The overseas cable heads and cable routing terminals were considered but were rejected as not being vital. This conflicts with some of the comments contained in the referenced material coming before JIC.

CIRCULATION

- 2 -

4. We are not entirely aware of who make up the representatives on JIC but amongst those represented on the ENTO committees are Service communications people such as W/C W.C. Maclean (JTS), Lt. Col. J.A. Parker (JTS), Cdr. N.H. Howe (DN/Com), Lt. Col. W.H. Finch (D.Sigs Army), W/C G.J. Bury (DCOM RCAF). Mr. E.F. Gaskell (PCO) is an active participant in IETC (Vital Points) discussions. The RCMP representative is Supt. G.W. Mudge and there are representatives from EMO, DOT and DDP as well as External.

5. This, I think, covers the area in which discussions are taking place. I get a feeling that there is some lack of cohesion in that discussions are going on and plans are being formulated in more than one forum and there is some need for bringing the whole thing together. Where this should be is difficult to say but wherever it is there should be some strong representation from this and other civil departments to ensure that we do not suddenly find ourselves (and for that matter the whole civil group) without transatlantic facilities with the Services pre-empting available facilities for military or para-military use.

6. The interdiction papers assume that present cable and HF, VHF and UHF wireless facilities will for all intents and purposes be lost. This is also the feeling in other quarters. As far as Canada is concerned this is a serious situation which, under present planning, leaves us only domestic facilities for survival, if that. The only possible solution available and put forward in the papers is for the establishment of LF or VLF high power transatlantic facilities. This has been obvious for some time and has been discussed on many occasions and particularly, as far as this department is concerned, in discussions on the improvement of reliability of the Hydra net.

7. The latest discussion I can recall is one which took place at Army headquarters last summer when the probable alteration of Hydra facilities and their relocation at Carp next year was discussed between ourselves, the Army and representatives from the British Diplomatic Wireless Service (Foreign Office). At that time, as a side issue of the main questions, the possibility of setting up LF transmitters and receivers for Hydra was tentatively considered and cost and availability of equipment were discussed. It appeared to be generally agreed that it was an excellent idea but there were serious reservations about the cost of establishing such a facility. Major M.H. Watson of D.Sigs Army is aware of this since he is the person most directly concerned with the operation of Hydra.

8. The tenor of the discussion was that the British were capable of providing suitable receivers and, if I remember correctly, transmitters, with the aerial system on this side of the Atlantic to be provided by Canada. A mast could best be purchased in the U.S. The British seemed to feel that they could work out their side of the operation. The problems of cost arose mainly from the expense of erecting a transmitter tower in the order of a thousand feet in height in a

- 3 -

location as near as possible to Europe (the Maritimes) where a fair area of land would be required. It is difficult to quote precise figures but the cost would probably run to several millions of dollars. The RCN, who operate an LF network on the East coast should have a good idea of the costs involved.

9. In the light of the apparent seriousness of the situation, although such a project could probably not be undertaken by this department, there would appear to be a good deal of justification for the expenditure by Canada of this very considerable amount of money rather than find ourselves and the British, not to mention the U.S., without essential transatlantic facilities at a critical moment. Since the cable facilities on which Canada relies so heavily are the responsibility of COTC, perhaps, in view of the apparent susceptibility of cables to interdiction, it could be made the responsibility of COTC to provide alternate LF or VLF wireless channels which would be available to prime users of the cable in case of cable failure.

10. To sum up, we feel that the interdiction papers outline the problem well and the threat is obvious. There seems to be an amazing lack of progress in solving the problem in relation to its apparent seriousness. Action is certainly required but we must be very sure that all of the right people are brought together to attempt to rectify what is a serious problem to both military and civil users of transatlantic communications facilities.



(E.L. Warren)  
Communications Division

**THE EMERGENCY NATIONAL TELECOMMUNICATIONS ORGANIZATION**

**(ENTO)**

**for  
Government Control of Telecommunications  
in Canada under Wartime Conditions**

**DEPARTMENT OF TRANSPORT  
Telecommunications & Electronics Branch**

**OTTAWA**

DEPARTMENT OF TRANSPORT  
TELECOMMUNICATIONS AND ELECTRONICS BRANCH

EMERGENCY NATIONAL TELECOMMUNICATIONS  
ORGANIZATION  
(ENTO)

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DEPARTMENT OF TRANSPORT

TELECOMMUNICATIONS AND ELECTRONICS BRANCH

1. AUTHORITY FOR THE ESTABLISHMENT OF ENTO

1.1 The recommendation for the establishment of an Emergency National Telecommunications Organization contained in the Memorandum to the Cabinet Committee on Emergency Plans, Document CEP2/60, dated February 22, 1960, together with Appendix, was approved by the Cabinet Committee on Emergency Plans on March 10, 1960, and given full Cabinet approval on April 26, 1960.

2. PURPOSE OF ENTO

2.1 ENTO is to assure that the Government as a whole, its various agencies, and private users with essential wartime functions will make the best possible use of the country's telecommunication services and facilities in preparation for, during, and after a national emergency. It will exist in nucleus form in peacetime as a planning agency, and in wartime will function as the executive agency of Government in controlling and administering the national telecommunications systems, including radio and television broadcasting.

3. CONSIDERATIONS

3.1 Canada's ability to withstand and recover from a nuclear attack and thereafter to co-operate with her allies in the prosecution of the war will depend to a considerable degree on the continued availability and rapid restoration of the national civil telecommunications systems.

3.2 If there is to be any assurance that the systems could be used at all effectively during and after attack, it seems necessary to attempt to resolve the following major problems in advance:

- (a) Security clearance of commercially employed civilian telecommunications personnel;
- (b) Physical security of civil telecommunications plant and equipment;
- (c) Provision of by-pass and alternate routes;
- (d) Provision of automatic switching facilities to restore vital circuits quickly;
- (e) Provision of adequate stocks of standby equipment, essential spares, and mobile equipment for civil systems;
- (f) Provision of emergency power supplies;
- (g) Arrangements for the control of electromagnetic radiations to deny navigational aid to the enemy;
- (h) Provision for the control and co-ordination of radio frequency assignment and monitoring;

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- 2 -

- (i) Preparation of a system of precedences for Governmental and other essential users of the national commercial telecommunications systems;
  - (j) Preparation and maintenance of lists of essential circuits, with an indication of restoration priority;
  - (k) Provision of a technical control organization to ensure rapid and effective control of all main commercial telecommunications systems in the country, and
  - (l) Allocation of commercial telecommunications facilities in the national interest.
- 3.3 It is not sufficient to provide only a wartime emergency organization to direct the use and restoration of national civil communications resources. Such an organization will fail unless thorough and sound planning and preparation have taken place in peacetime, in consultation with users and operators of communications, and unless the organization and its working procedures are well exercised prior to an emergency. The measures and plans necessary to resolve the many problems involved require close co-operation with the users and operators of telecommunications and with the Censorship Organization.

#### 4. ORGANIZATION

- 4.1 The Emergency National Telecommunications Organization has been organized and is controlled by the Minister of Transport, in whom, by virtue of the Radio Act, the Telegraph Act, the Railway Act, and the Ship Station Radio Regulations under the Canada Shipping Act, extensive authority over telecommunications in Canada is vested.
- 4.2 To ensure adequate representation of all interested parties, ENTO consists of the following main elements:
- (a) An Emergency Controller of Telecommunications;
  - (b) A Military Adviser to the Emergency Controller of Telecommunications;
  - (c) A Censorship Adviser to the Emergency Controller of Telecommunications;
  - (d) A Deputy Controller for Radio Emissions;
  - (e) A Deputy Controller for Telecommunications Allocations, Priorities and Services;
  - (f) A Co-ordinator;
- Note: Names of incumbents of the above positions are listed in Appendix A.
- (g) An Interdepartmental Emergency Telecommunications Committee;
  - (h) An Advisory Committee of Commercial Telecommunications Agencies.

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#### 4.3 Emergency Controller of Telecommunications

4.3.1 The position of Emergency Controller of Telecommunications shall be occupied by an official nominated by the Deputy Minister of Transport. His duties shall be:

- (a) In peacetime: he shall be designated but will carry out his duties on a part-time basis, continuing also to perform normal departmental duties as well. He shall direct the planning and preparations for the wartime or emergency functioning of the Emergency National Telecommunications Organization (ENTO). He shall act as the Chairman of the Interdepartmental Emergency Telecommunications Committee, and
- (b) In wartime: he shall direct the functioning of ENTO and administer and regulate the use of national telecommunications in accordance with national legislation and on the basis of regulations established beforehand by the Interdepartmental Emergency Telecommunications Committee, or as he may be directed by the Deputy Minister of Transport in the light of circumstances at the time.

#### 4.4 Military Adviser to Emergency Controller of Telecommunications

4.4.1 The position of Military Adviser to the Emergency Controller of Telecommunications shall be occupied by an official nominated by the Chairman, Chiefs of Staff, Department of National Defence. His duties shall be:

- (a) In peacetime: he will provide military advice (on a part-time basis) to the Emergency Controller of Telecommunications on emergency telecommunications matters on the basis of direction from the Joint Telecommunications Committee of the Department of National Defence. He will continue to carry out his normal military duties as well, and
- (b) In wartime: he will provide full-time and direct military advice to the Emergency Controller of Telecommunications, on the basis of general policy established by the Joint Telecommunications Committee of the Department of National Defence, or as he may be directed by the Chiefs of Staff at the time.

#### 4.5 Censorship Adviser to Emergency Controller of Telecommunications

4.5.1 The position of Censorship Adviser to the Emergency Controller of Telecommunications shall be occupied, in peacetime, by a representative of the provisional organization for National Censorship, and in wartime, by a duly accredited representative of the Director of Censorship (Telecommunications Branch). His duties shall be:

- (a) In peacetime: he will carry out his duties on a part-time basis and will advise the Emergency Controller of Telecommunications on matters associated with planning arrangements for censorship of telecommunications, and

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- (b) In wartime: he will maintain liaison with the Emergency Controller of Telecommunications with a view to ensuring proper co-ordination of the Emergency National Telecommunications Organization's activities with censorship requirements (e.g., the effective control of all transmissions - including voice messages - handled by, or through, the National Telecommunications Systems for security/intelligence purposes).

#### 4.6 Deputy Controller for Radio Emissions

4.6.1 The position of Deputy Controller for Radio Emissions shall be occupied by an official nominated by the Deputy Minister of Transport. His duties shall be:

- (a) In peacetime: he will be designated, but will carry out his duties on a part-time basis, continuing also to perform his normal departmental duties as well. He will participate on a part-time basis in the planning of measures to effect the wartime or emergency use of radio, and
- (b) In wartime: he will carry out his duties on a full-time basis. He will administer the use of radio under the direction of the Emergency Controller of Telecommunications.

#### 4.7 Deputy Controller for Telecommunications Allocations, Priorities and Services

4.7.1 The position of Deputy Controller for Telecommunications Allocations, Priorities and Services shall be occupied by an official nominated by the Deputy Minister of Transport. His duties shall be:

- (a) In peacetime: he will be designated but will carry out his duties on a part-time basis, continuing also to perform his normal departmental duties as well. He will participate on a part-time basis in the planning of measures to effect the wartime administration of telecommunications allocations, priorities and services. He will act as Chairman of the Advisory Committee of Commercial Telecommunications Agencies, and
- (b) In wartime: he will carry out his duties on a full-time basis. He will administer and regulate telecommunications allocations, priorities and services under the direction of the Emergency Controller of Telecommunications to ensure that national telecommunications resources are available to the Defence Services, and to those Government Departments and Agencies and private users which require them in the interests of national survival.

#### 4.8 Co-ordinator, Emergency National Telecommunications Organization

4.8.1 The position of Co-ordinator, ENTO, shall be occupied by an official nominated by the Deputy Minister of Transport. He shall carry out his duties on a full-time basis, with no other departmental employment, in peacetime or wartime. He shall have the following duties:

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- (a) In peacetime: he will carry out on a full-time basis under the direction of the Emergency Controller of Telecommunications, co-ordination of the planning and preparations for the wartime administration of telecommunications in Canada to ensure availability of the telecommunications services of the country for those needs essential to the national interest; and will act as Secretary of the Interdepartmental Emergency Telecommunications Committee, and
- (b) In wartime: he will co-ordinate all activities of ENTO under the direction of the Emergency Controller of Telecommunications.

#### 4.9 Interdepartmental Emergency Telecommunications Committee

4.9.1 The Interdepartmental Emergency Telecommunications Committee shall consist of representatives of:

- (a) Department of National Defence - the Directors of Communications of the Armed Services and a member of the Joint Telecommunications Staff;
- (b) Privy Council Office (Censorship);
- (c) Royal Canadian Mounted Police;
- (d) Department of Transport;
- (e) Department of External Affairs;
- (f) Emergency Measures Organization;
- (g) Canadian Broadcasting Corporation;
- (h) Department of Defence Production; and
- (i) Others as found necessary.

4.9.2 It shall be primarily a peacetime planning committee, but shall meet also in wartime when necessary and possible. Its members shall function on a part-time basis, carrying out their normal departmental duties as well. It shall have the following functions:

- (a) Consider and make recommendations to the Emergency Controller of Telecommunications on all measures required to ensure the proper functioning and continued operation of national telecommunications in war;
- (b) Examine and make recommendations to the Emergency Controller of Telecommunications on such matters as may be referred to it by the Emergency Controller, by the members of the Committee, or by other authorized officials and agencies; and
- (c) Arrange for the provision of direction to the Advisory Committee of Commercial Telecommunications Agencies, through the Emergency Controller of Telecommunications, on the order of restoration of circuits either in advance of, during, or after a major interruption.

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#### 4.10 Advisory Committee of Commercial Telecommunications Agencies

4.10.1 The Advisory Committee of Commercial Telecommunications Agencies shall be established by the Deputy Minister of Transport in consultation with the major telecommunications agencies of the nation, and should include the following:

- (a) The major telegraph companies in Canada (CN & CP) covering their interests as well as other similar common carriers;
- (b) The Telephone Association of Canada covering the interests of each of the major provincial telephone organizations;
- (c) The Independent Telephone Association covering the interests of all the independent telephone companies of Canada;
- (d) The Canadian Overseas Telecommunication Corporation (COTC) covering international aspects;

N.B. The words "covering international aspects" are to imply that COTC is competent particularly in the field of external communications and not in the field of domestic communications. COTC will not be the only source of information and advice to ENTTO in the international field.

- (e) The Western Union International Communications;
- (f) The Commercial Cable Company.

4.10.2 It shall have the following functions in peacetime;

- (a) Provide advice on any matters referred to it by, or through, the Emergency Controller of Telecommunications;
- (b) Provide advice on the most effective, economical, and efficient means of providing essential government telecommunications needs in such cases as are referred to it by, or through, the Emergency Controller of Telecommunications;
- (c) Provide advice in the preparation of measures and plans to ensure the availability of national commercial telecommunications for essential purposes in time of war;
- (d) Keep the Emergency Controller of Telecommunications and through him, the Interdepartmental Emergency Telecommunications Committee informed of commercial telecommunications routes and capacity, on future plans for commercial telecommunications systems, and on any other matters that might affect telecommunications in wartime, and

- 7 -

- (e) Arrange for appropriate representation of the Commercial Telecommunications Agencies in ENTO for executive and technical purposes in wartime.

## 5. FUNCTIONS

5.1 The functions of ENTO are summarized as follows:

- (a) In peacetime: initiate and co-ordinate the plans and arrangements necessary to ensure that the telecommunications services and facilities of the country will be available in wartime for use by Government and its various agencies, particularly the Armed Forces, and by private users having essential functions to perform in the interest of national survival, and
- (b) In wartime: exercise control over telecommunications services and facilities and co-ordinate the use of telecommunications generally to ensure that the needs of all essential users are equitably met in the national interest.

OTTAWA, Ontario.  
June 1, 1961.

DL(2)/K.C. Brown/cmd

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DEPARTMENT OF EXTERNAL AFFAIRS

MEMORANDUM

CONFIDENTIAL

TO: ..... European Division

(S E C R E T)  
Security with enclosure.....  
January 25, 1963.

FROM: ..... Defence Liaison (2) Division

Date .....

REFERENCE: .....

File No. 50028-B-40		

SUBJECT: ..... Canadian JIC Paper on "Soviet Likely Courses of Action"

As you know the JIC prepares an annual paper on the above subject. At a recent meeting the Committee decided that this year's paper should retain the same object, scope and format as last year's, Canadian JIC 437/1(62), of which a copy is attached. It was also agreed that the cut-off date for the paper would be March 1, 1963 and that the first draft, to be prepared by this Department from JIC members' contributions, would be due on March 15.

2. Mr. Brown of this Division will be responsible for preparing the first draft from the contributions received. We should be grateful, therefore, if you could send him as soon as possible after March 1 your draft of this Department's contribution.

3. When he has assembled the complete draft, I think it would be desirable, if you agree, for it to be considered by the Sino-Soviet Panel before it is circulated to JIC members for their consideration.

CIRCULATION

*J.J. McCardle*  
J.J. McCardle,  
Defence Liaison (2) Division.

SECRET



JOINT INTELLIGENCE COMMITTEE

*Mr. Melander has duplicate*

CSC 1860-2 (JIC)  
CSC 1824-1 (JIC)

25 January, 1963.

Ottawa, Ontario

MEMORANDUM FOR THE JIC:

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SOVIET INTERDICTION OF ALLIED COMMUNICATIONS  
PART IV - ASSESSMENT OF THE LIKELY EFFECTS ON  
ALLIED TRANSATLANTIC COMMUNICATIONS  
PART V - RECOMMENDATIONS FOR COUNTERMEASURES

*File B*

Reference: (a) CSC 1860-2 (JIC), CSC 1824-1 (JIC)  
of 14 Jan 63

Enclosure: (1) JIC comments on the above mentioned  
paper.

Reference Enclosure (1), as Directorates have no  
substantive comments on the intelligence content of these  
papers, it is proposed that the Committee now consider  
inviting the Joint Telecommunications Committee to:

- (a) comment on these papers from a DND standpoint;  
and,
- (b) suggest whether the comments of interested civil  
departments of the Government (eg. Dept. of  
Transport) should be sought, possibly through  
the Privy Council Offices.

2. This subject is included as Item 9 on the Agenda  
at the meeting to be held on 30 January, 1963.

(A. Malysheff)  
LCDR, RCN,  
Secretary.

Enc.

AM/2-5459/1c

cc: CJS  
JIS (2)  
SOJIR  
SOCI  
Secretary, JTC

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NO ENCLOSURES

EXTERNAL AFFAIRS  
REGISTRY

JAN 28 4 30 PM '63

SECRET

CSC 1860-2 (JIC)

CSC 1824-1 (JIC)

25 January, 1963.

JIC Comments on

SOVIET INTERDICTION OF ALLIED COMMUNICATIONS  
PART IV - ASSESSMENT OF THE LIKELY EFFECTS  
ON ALLIED TRANSATLANTIC COMMUNICATIONS  
PART V - RECOMMENDATIONS FOR COUNTERMEASURES

DNI: Part IV - Para 10(c)

DNI considers that VLF emanating from a distant station can be easily jammed near a receiver site and without detriment to local VLF transmissions because the jammer could be low powered for use in a small designated area.

DAI: DAI and JIB have no objection to the subject papers from an Intelligence point of view. The conclusions reached now concern the effects of Soviet interdiction on our communications and countermeasures that we could take. Additionally in Part V para 24 there is a suggestion that a communications control organization be set up on each side of the Atlantic. Both the conclusions and the suggestions have now gone beyond the Intelligence field and it is suggested that the time has come for the Joint Telecommunication Committee to participate in the study.

XA, DMI, DSI, RCMP, CB NRC: No comments.

Mr. Seaborn - European Division  
Mr. Small - Far Eastern Division

**CONFIDENTIAL**  
(SECRET with  
enclosures)

January 25, 1963.

Defence Liaison (2) Division

50028-B-40	
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JIC Paper on "Sino-Soviet Relations"

file  
KB

As you know the JIC agreed, at a recent meeting, on the preparation of a paper entitled "Sino-Soviet Relations" with the following object, scope and format:

"OBJECT"

The object of this paper is to review the main factors affecting Sino-Soviet relations, to discuss recent developments, and to consider in general terms their possible evolution during the next five years.

SCOPE

A brief review of the background; a review of political, economic and military relations, including ideology, intra-bloc relations and approach to international problems since 1960; and a brief estimate of possible trends in the next five years.

FORMAT

- I Object
- II Conclusions
- III Background
- IV Developments since 1960:
  - (a) Political
    - (i) intra-bloc relations,
    - (ii) international affairs.
  - (b) Economic
  - (c) Military.
- V Possible trends through 1967."

2. The JIC also agreed that
- (a) the cut-off date would be February 1, 1963,
  - (b) the first draft would be prepared by the Department of External Affairs from members' contributions which shall be due by February 15, 1963, and,
  - (c) the first draft would be circulated for members' comments by March 1, 1963.

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CONFIDENTIAL

3. I believe that Mr. Seaborn and Mr. Small have agreed to confer on the preparation of the draft of the External Affairs contribution to this paper. I should think that this draft will set the general form of the paper and that the contributions of JIC members (apart from External Affairs) will fit naturally into the appropriate economic and military sections.

4. Attached are copies of the two previous papers which may be of some assistance for reference purposes:

- (i) Canadian JIC 423/2(61) of November 1, 1961, entitled "Sino-Soviet Economic and Military Relations".
- (ii) Canadian JIC 383/2(60) of November 23, 1960, entitled "Sino-Soviet Relations".

5. Mr. Brown is responsible in this Division for ensuring that the first draft with all contributions incorporated, or at least accounted for, is circulated in due course to JIC members for their comments. Before this is done, I should think it would be useful, if you agree, for the Sino-Soviet Panel to consider the draft.

J.J. McCardle,  
Defence Liaison (2) Division.

DEPARTMENT OF EXTERNAL AFFAIRS

MEMORANDUM

*Handwritten notes:*  
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in [unclear] } [unclear]

TO: Mr. Seaborn - European Division  
Mr. Small - Far Eastern Division

Security **CONFIDENTIAL**

Date January 25, 1963.

FROM: Defence Liaison (2) Division

File No.  
50028-B-40 *SD*

REFERENCE: My Memorandum of December 21, 1962.

*30* ———

SUBJECT: Contribution to JIC Paper entitled "Annual Review of  
Developments in Policies of Communist Countries."

In my memorandum under reference I stated that the period covered by the JIC paper with the above title was January 1 to December 31, 1962. The JIC has now decided that the period should be extended by one month. It is now, therefore, January 1, 1962 to January 31, 1963.

2. Accordingly the date by which contributions are to be received for the Joint Intelligence Staff has been changed from January 15 to February 15. I should be grateful, therefore, if your contribution could reach Mr. Brown, if possible, by February 8. This would afford time, if it appeared desirable, for this Department's contribution to be considered by the Sino-Soviet Panel before being sent to the JIS.

*J. J. McCardle*  
J. J. McCardle,  
Defence Liaison (2) Division.

CIRCULATION

RESTRICTED  
(Enclosure SECRET)



JOINT INTELLIGENCE COMMITTEE

CSC 7-17 (JIC)  
CSC 1824-1 (JIC)

24 January, 1963.

Ottawa, Ontario

MEMORANDUM FOR THE JIC:

SOVIET MARITIME POLICY

Reference: (a) CSC 7-17, CSC 1824-1 (JIC)  
of 4 Jan 63

Enclosure: (1) Canadian JIC comments on  
BR JIC(62)86(FINAL) dated  
6 Dec 62 on the above subject.


Enclosure (1) is forwarded for your information.

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Enc.

AM/2-5459/1c

cc: JIS (2)  
SOJIR  
SOCI  
JICLO(L) (for your personal information only)

  
(A. Malysheff)  
LCDR, RCN,  
Secretary.

SECRET

CSC 7-17 (JIC)  
CSC 1824-1 (JIC)

23 January, 1963.

Comments on BR JIC(62)86(Final) dated 6 Dec 62  
"Soviet Maritime Policy"

DNI: DNI considers that this is an excellent paper on Soviet Maritime Policy. Unfortunately, this paper was prepared in a period of rapidly changing appreciations and has now become slightly dated in some aspects. These are:

- (a) ONI and NSA from recent firm evidence no longer discount Soviet submarine operations into the Western Atlantic; but accept that these operations have been carried out sporadically since as early as 1957. This represents a major change in ONI policy.
- (b) NSA has recently modified the assessed role of the Soviet SIGINT naval auxiliary trawler to include submarine support.

With reference to the introduction to the paper, it is considered that the Soviet Ballistic Missile submarines constitute an offensive capability in addition to the naval roles outlined.

DAI: It is noted that para 7 does not include SAC operations as a target for SIGINT operations by Soviet trawlers. Aside from this observation DAI has no comment to offer on this paper.

JIB: JIB considers that this paper adequately covers its stated objective which is to examine the activities of the Soviet merchant fleet in support of cold war policies at the present time. It does not cover the primary aims of Soviet maritime planning and ship acquisition programmes which have been the reduction of Soviet reliance on free world shipping for the carriage of Soviet sea borne trade.

In spite of the impressive growth of the Soviet merchant fleet since 1958 the volume of sea-borne trade has increased faster than the ability of the expanding merchant fleet to keep pace.

It appeared that a further intensified programme of ship acquisition between 1962 and 1965 might reverse this trend and that Soviet shipping would be able to carry an increasing share of its trade in its own ships. However, the outcome of the Cuban blockade which has resulted in a western policy which effectively forces the Soviet Union to transport all the Cuban trade either in its own ships or ships of the European satellites may result in a costly loss of flexibility of fleet employment and tend to set back the trend towards maritime self sufficiency.

XA, DMI, DSI, RCMP, CB NRC: No comments.

50028-B-40	
17	50

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Our file: 50028-B-40  
Your file: CSC 7-17 (JIC)  
CSC 1024-1 (JIC)

Ottawa, January 22, 1963.

Lt. Cdr. A. Malysheff,  
Secretary,  
Joint Intelligence Committee,  
Department of National Defence,  
O T T A W A, Ont.

Likelihood of War with the Soviet  
Union up to 1967.

In reply to your letter of January 9, 1963,  
we wish to inform you that this Department has no  
comments on BR JIC(62)77 (FINAL) dated 6 December, 1962,  
entitled "Likelihood of War with the Soviet Union up to  
1967".

E. J. MCGARDLE

J.J. McGardle  
Defence Liaison(2) Division.





EXTERNAL AFFAIRS  
REGISTRY

NO ENCLOSURES

57/11/83

WAS-320-10

WAS-320-10

WAS-320-10

WAS-320-10

enclosure (1) 12-11-83

enclosure (1) 12-11-83

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enclosure (1) 12-11-83

1	2	3	4
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LR1 (1)  
ATB (1)  
DVL (1)  
DTE (1)  
DML (1)

INTERNAL SECURITY COMMITTEE

(OPTIONAL) (REMARKS)

RECORDED

50028-B-	10
64	50

Our file: 50028-B-40  
Your file: CSC 7-17 (JIC)  
CSC 1824-1 (JIC)

Ottawa, January 18, 1963.

Lt. Cdr. A. Malysheff,  
Secretary,  
Joint Intelligence Committee,  
Department of National Defence,  
O T T A W A, Ont.

Soviet Maritime Policy

In reply to your letter of January 4, 1963,  
we wish to inform you that this Department has no comments  
on BR JIC(62)86(FINAL) dated 6 December, 1962, entitled  
"Soviet Maritime Policy".

J. J. MCCARDLE

J.J. McCardle  
Defence Liaison (2) Division.

D.L.(2)/S. Grey/ib

50028-B-70	
4	50

RESTRICTED

Our file: 50028-B-40  
Your file: CSC 7-17 (JIC)  
CSC 1322-1 (JIC)

Ottawa, January 18, 1963.

Lt. Cdr. A. Malysheff,  
Secretary,  
Joint Intelligence Committee,  
Department of National Defence,  
OTTAWA, Ont.

The Soviet Space Program

In reply to your letter of January 9,  
1963, we wish to inform you that this Department  
has no comments on DIB 11-1-62 dated 5 December  
1962, entitled "The Soviet Space Program".

J. J. McCardle

J. J. McCardle  
Defence Liaison (2) Division

SECRET



JOINT INTELLIGENCE COMMITTEE

Agenda Item 9: 942<sup>nd</sup> JIC Meeting,

CSC 1860-2 (JIC)

CSC 1824-1 (JIC)

Jan. 30/63.

No duplicate received

14 January, 1963.

Ottawa, Ontario

→ J.J. McCardle, Esq.,  
Dept. of External Affairs.

DNI  
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SOVIET INTERDICTION OF ALLIED COMMUNICATIONS  
PART IV - ASSESSMENT OF THE LIKELY EFFECTS  
ON ALLIED TRANSANTLANTIC COMMUNICATIONS  
PART V - RECOMMENDATIONS FOR COUNTERMEASURES

- Reference: (a) CSC 1860-2, CSC 1824-1 (JIC) of  
18 Jan 60 *In vault*  
(b) CSC 1860-2, CSC 1824-1 (JIC) of  
7 Mar 61  
(c) Minutes of 827th meeting, Item X  
(d) CSC 1860-2, CSC 1824-1 (JIC) of  
3 Oct 61  
(e) Minutes of 849th meeting, Item IX  
(f) Minutes of 850th meeting, Item VIII  
(g) CSC 1860-2, CSC 1824-1 (JIC) of  
19 Oct 61

- Enclosure: (1) Ext. 327 dated 12 December, 1962 from  
Maj.Gen. L. De M. Thuiller, CB., OBE.  
(2) Soviet Interdiction of Allied  
Communications - Part IV  
(3) Soviet Interdiction of Allied  
Communications - PART V.

Enclosures (1), (2) and (3) are forwarded for  
comments of members.

2. Members will recall that it had been intended to  
stage a "War Game" on the likely scale of enemy attack  
against allied communications as a necessary step in the  
preparation of Part IV and V of the Interdiction study.  
The Committee had agreed that Canadian representatives  
in London would be directed to cooperate. It would appear  
however, that the "War Game" operational study did not  
take place and that the UK Working Party proceeded directly

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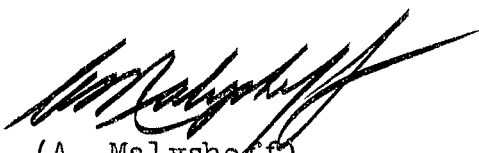
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- 2 -

to the preparation of Parts IV and V.

3. It is requested that comments on Parts IV and V be forwarded to the Secretary by 22 January, 1963. Members' comments will be coordinated by the JIS and the subject placed on the agenda of the meeting on 30 January, 1963.

4. Since JTC has in the past been requested to comment on some aspects of the Interdiction study, the attention of the Secretary, JTC will be invited to the receipt of Parts IV and V.

  
(A. Malysheff)  
LCDR, RCN,  
Secretary.

Enc.

AM/2-5459/1c

cc: CJS (no enclosure)  
JIS "  
SOJIR "  
SOCI "  
Secretary, JTC (no enclosure)

↓  
JTC membership is the 3 Service Directors of Communications and D R B. DOT and PCO are not represented.

C O P Y

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From: Maj.Gen. L.de M. Thuiller, C.B., O.B.E., AMIEE

EXT. 327

8/6/120

12th December, 1962.

TRANSATLANTIC INTERDICTION EXERCISE

You will recall my letter to you of the 26th September last year in which we explained the difficulties that faced us at that time in the preparation of Part IV.

2. We gave considerable further thought to the problem and came to the conclusion that, if we in the United Kingdom were to continue with the exercise by preparing Parts IV and V, then the need for the detailed operational study referred to in paragraph 3 of my previous letter might become clearer. We completed, therefore, both these Parts and I enclose 20 copies of each. You will see in paragraph 23 of Part V that our difficulties have been clearly stated again but this time in their proper context as a conclusion resulting from the completion of these two studies.

3. I will be grateful for your comments. You will note that although Part V specifically deals with recommendations for countermeasures we have at this stage omitted them preferring to await your comments and those from Ottawa.

4. I am sending a copy of this letter with 10 copies of both parts to the Secretary, J.I.C., Joint Staff National Defense Headquarters, Ottawa, for comments.

(SGD) L. de M. Thuiller

Dr. Karl H. Weber,  
Chairman,  
United States Scientific Intelligence Committee.



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## INTERDICTION

### PART IV - ASSESSMENT OF THE LIKELY EFFECTS ON ALLIED TRANSLANTIC COMMUNICATIONS

#### INTRODUCTION

1. In this part of the study we assess the likely effects of Soviet Union interdiction measures on existing transatlantic communications, and those cable and radio links for which firm plans are known and which are likely to be installed during the next three or four years. This part of the study is confined to the effects of interdiction of the actual submarine cables, their immediate landing points and installations, and radio transmissions of all nations. We realise that Soviet activities will include such targets as internal landline systems, traffic centres and radio transmitter-receiver sites.

#### SUBMARINE CABLES

2. It is stated in Part III (Conclusions paragraph 19(b)) that "selected submarine cables can be cut without the purpose being immediately recognised by the West". Taking as a guide the assumption that the cutting of the telephone cables across the Atlantic by trawlers would be the least difficult of the possible method of attack to implement and that it would not require a large number of breaks to dislocate the system, it is considered that all modern submarine telephone cables may be cut, probably simultaneously, and therefore all telephone and telegraph circuits routed in these existing and planned cables, would be interrupted. Therefore the risks attached to routing circuits connected with the control of the nuclear retaliatory forces and the early warning networks in these cables should be clearly recognised. By 1963, there will be five modern cables following different routes across the Atlantic; if more than two were cut at any one time, there would be sufficient cause for suspicion on the part of the West.

3. We believe that the Soviet Union would also send trawlers to the areas occupied by the older cables which do not carry speech, in the hope that such an additional operation of cutting these cables would have a certain nuisance value. It is difficult to decide which of these older cables the Soviet Union would select for this operation, but in making their plans they would no doubt take into consideration, assuming that they would only use trawlers for this purpose, such factors as whether the presence of Soviet trawlers over the more southern of the older cables at their western ends might arouse suspicion. On balance it is thought that the Soviet Union would not cut the older cables south of the latitude 48°N.

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RADIO COMMUNICATION SYSTEMS

4. The interdiction of radio transmissions operating in the HF band is most likely to be achieved either by electronic counter-measures (mainly jamming) or by sabotage of focal points in the whole communication system. In respect of the former, it must be assumed that the intensive jamming of selected links is likely to be successful enough to achieve complete interruption of those high frequency circuits used for long range communications. It is difficult to determine which of these radio circuits the Soviet Union will select as their targets, but it may be fair to assume that the following will be high on their priority list. The references are to Annex 2 to Part I (Tripartite Draft) -

Serials 1, 2 and 3	Civil circuits, with defence channels
Serial 19	TAT breakdown circuit
Serials, 29, 30, 31, 32, 33, 34, 39, 40, 43 and 44	Government and military circuits.

5. Those circuits for the control of operation of nuclear retaliatory forces, and for early warning radar reporting, which are carried in ionospheric and tropospheric scatter systems, are likely to be targets for jamming. Of these, ionospheric systems are more likely to be disrupted by jamming than tropospheric systems.

6. United Kingdom Bomber Command and United States Strategic Air Command air to ground links in the UHF/VHF bands might be jammed from specially equipped Soviet Union aircraft, but this might be overcome by using high power transmitters at the ground stations, so that these links might be free to operate in war within the required operational ranges. Early warning radar reporting links in the UHF/VHF bands could also be jammed by specially equipped aircraft, but because of the technical difficulties of this, such aircraft are more likely to jam only the early warning radars, so that the reporting links are likely to remain operative. The effect of this will be that the Soviet Union would concentrate their airborne jamming capability on jamming the early warning radars, leaving the command and control circuits free to operate unhindered.

7. There are at present no transatlantic VLF communication systems. VLF communication systems, normally used for communications to submarines, are difficult to jam, and although the Soviet Union might attempt to do so it is possible that VLF systems would continue to operate. These VLF communication systems might be used for a very small amount of vital transatlantic traffic as an alternative to systems which might be interdicted.

## SABOTAGE

8. In addition to the interdiction of communications by cutting submarine cables and jamming radio links there is the possibility of denying circuit use through sabotage. Such sabotage, which might be carried out by persons already employed in installations, or by intruders, could involve the use of explosives, arson or mechanical means to damage or destroy vital equipment at focal and other points between terminals and users. There is also the possibility that technicians and operators might deny circuit use through intentional or accidental mishandling of terminal equipment. No special skill or training is required to commit sabotage of this kind.

9. The cable and radio communications systems pass through a comparatively small number of focal and other points which, owing to the nature of their construction, are vulnerable to sabotage. Attacks at these points are feasible and if successful would interrupt a large number of circuits. The greatest danger is from acts of sabotage during the critical period. These acts would be carried out, probably simultaneously, at points where communications could not be restored immediately by re-routing or by alternative means. It is difficult to assess the effects of this action without detailed knowledge of the communications systems and alternative routes available.

## CONCLUSIONS

10. We conclude that -

- (a) All the modern submarine telephone cables are liable to be cut almost simultaneously. Therefore no absolute reliance can be placed on any telephone or telegraph channel routed in them. Simultaneous interdiction of two or more of them in the presence of other supporting indications could be taken as an indication of a need to place the West on the alert for a Soviet attack. The larger the number of cables cut simultaneously, the greater the indication of an impending attack.
- (b) The jamming of all governmental and military channels, together with important civil channels, in transatlantic HF systems, will be the prime aim of the Soviet Union. While jamming would not necessarily be 100 per cent successful on all the above targets, in the absence of any knowledge as to which channels at any moment would escape the jamming it is safer to assume that they will all be successfully interdicted.

- (c) Though there is no evidence of Soviet intention to attack ionospheric and tropospheric scatter systems, it is within their capability to do so. Hence, it should be assumed that they would do so, and it is thought that ionospheric systems would be more likely to be interrupted than tropospheric systems.
- (d) Measures to overcome attempts to jam air to ground links in the UHF/VHF bands for strategic bomber forces are likely to be successful. Early warning radar reporting links in these frequency bands are also likely to continue to be operative.
- (e) Since VLF communication systems are likely to be free to operate in war conditions, consideration should be given to establishing VLF transatlantic systems, either for primary or standby use, for purposes vital to the war effort of Canada, United Kingdom and United States.
- (f) Sabotage of focal and other vital points in both cable and radio systems, and international and accidental mishandling of terminal equipment are all, in varying degrees practical means of interdiction. The effects of such action are difficult to assess, but are likely to be critical if carried out at points where alternative communications are not immediately available.

INTERDICTIONPART V - RECOMMENDATIONS FOR COUNTERMEASURESINTRODUCTION

1. The previous four parts of this exercise have been devoted to listing those radio and cable circuits which were likely to be the targets of Soviet attack; to estimating the potential at the disposal of the Soviet Union; to assessing the manner and extent to which they would be prepared to use it and to arriving at some conclusions as to the likely effect of such Soviet attacks. The circuits in the U.S.A.F. tropospheric scatter system across the North Atlantic have been taken into consideration though the system is not yet fully operational and the effects of Soviet attacks on this particular type of radio system have been included.

2. The conclusions in Part IV have shown that clearly it is within the bounds of possibility that all the modern submarine telephone cables (TAT.1, TAT.2, SCOTIC AND CANTAT now in operation, as well as TAT.3 and ICECAN, to be brought into service in 1963) could be cut simultaneously and that all H.F. radio circuits across the Atlantic could be jammed by Soviet bloc jammers with such success as to render them unusable. Although there is no evidence to support Soviet intention to jam ionospheric and tropospheric scatter circuits it is within their capability to do so. As they must be aware of the existence of such systems it should not be supposed that they would escape attention.

ASSUMPTIONS

3. We make three assumptions. In the first we regard the period during which our countermeasures must achieve their maximum efficiency to be that stated in Part III - the period immediately preceding a global war. We consider however that we must not exclude the possibility that global war may come by escalation and therefore there may well be a state of increasing international tension followed by an outbreak of limited war in Europe or elsewhere which escalates into global war. We recognise the statement in J.I.C.(62) 38 (Final) that "The Russians would have so little to gain from an attack that they would not thereby prejudice surprise", which is applicable to an evaluation of the indication of Soviet attack, but for the purposes of this study, it is necessary to assume that conditions could arise in which the Soviet Union would attempt to interdict the communications of the West before nuclear attack. It would be very much in their interests to attempt such interdiction in order both to deny effective use of the B.M.E.W.S. and MIDAS organisations and to prevent or limit effective consultation between the Prime Minister and the President in connection with the launching of the nuclear retaliatory forces.

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4. Our second assumption concerns the relative importance of all circuits across the Atlantic. We do not consider that we require to recommend countermeasures to protect them all. We think we ought to place them in priority categories and devote our effort to the protection of those in the higher categories at the expense of those in a lower category. We assume therefore that our priority categories, details of which will have to be specified and which may vary according to differing sets of operational circumstances, should be on the following broad lines -

Priority I - Warning and Consultation Circuits

Nuclear Retaliation Launching Circuits

Priority II - Circuits for diplomatic and military consultations

Priority III - Circuits for important civil use

Priority IV - Remainder

Hence we consider that the relatively small number of circuits in Priorities I to III should be protected at the expense of those in Priority IV.

5. Thirdly we assume vide Part III that submarines and nuclear weapons will not be used for cable cutting nor nuclear weapons to create disturbances in the ionosphere or destroy ground terminals of communication systems except as part of general nuclear war.

6. We infer from these assumptions that our countermeasures must therefore apply to those important circuits in Priorities I to III above during a period immediately preceding a global war, a period which might include global war by escalation, and be directed against -

- (a) Cutting of submarine cables by trawlers and other means.
- (b) Jamming of selected radio links.
- (c) Selective sabotage of focal points.

#### COUNTERMEASURES

7. The measures that we consider in the following paragraphs can conveniently be divided into three categories -

- (a) Organisational methods involving the whole communication complex across the Atlantic.
- (b) Measures against attacks on each type of communication system - radio, cable etc.
- (c) Measures such as the introduction of new types of communication systems which may be resistant to Soviet attacks.

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ORGANISATIONAL METHODS

8. The considerations that apply to the use of organisational methods are:-

- (a) There are now so many different types of communications - submarine telephone and telegraph cables, radio circuits, including ionospheric and tropospheric scatter systems - some under military control and others under civil control, that it should be possible to co-ordinate all military and civil resources to provide a diversified and flexible system capable of offering a minimum scale of priority circuits necessary to meet any combination of operational requirements.
- (b) The Soviet Union would be aware of the traffic patterns of all our transatlantic circuits and they will probably have identified those which are in general use for high priority military tasks. It might be possible in peacetime to introduce and practise plans for radio circuits to counter this by the application firstly of traffic flow security methods and secondly the use in time of emergency of such measures as the rapid and simultaneous changing of frequencies. These could gain valuable minutes of troublefree operation for the transmission of vital information.
- (c) The remaining capacity of the submarine telegraph cables either direct or by setting up a chain via Recife and Barbados might offer a small bonus that should be taken into account.
- (d) The use of telegraph cables eastabout to North America via South Africa and Australia or the Far East is not recommended. They have a small capacity, messages would have to be relayed through countries not necessarily loyal to the West.
- (e) The use of north-south H.F. radio circuits, e.g. via Salisbury or Ascension Island or Barbados would make the task of the Soviet jammers more difficult.

9. The above considerations lead us to believe that the application of such organisational methods would necessitate the setting up of some form of communications control organisation on each side of the Atlantic permanently manned in peacetime and ready to operate in a period of increasing international tension, leading to global war.

10. The tasks of such a communications control organisation would be:-

- (a) To establish agreed lists of priority circuits according to varying operational circumstances. See paragraph 4 above.

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- (b) To plan diversified routes through different systems and simultaneous transmissions on more than one radio circuit. Implicit in this is the need to reduce to a minimum the circuit availability for lower priority traffic.
- (c) Plan and exercise in peace the measures described in paragraph 8(b) above.
- (d) Carry out sufficient exercises in peacetime to ensure that the measures in 10(b) above can be brought to immediate operation when required.
- (e) To recommend such additional circuits and/or systems as may appear necessary and to determine their priority.

#### AGAINST SUBMARINE TELEPHONE CABLES

11. It is difficult to protect the submarine telephone cables against cutting by trawlers. One method might be to put a naval boarding party aboard each trawler in the area where cables can be grappled. Another method is to attack every trawler from the air. Both methods would only be possible during a period of limited war given the available sea and air effort for this purpose which we doubt whether the West would be able to afford. Such action certainly would not be possible during a period of international tension since it could be regarded as an act of war. Whilst we therefore see no countermeasure which is certain to prevent their interdiction, it would be a protracted operation to cut them all at once. However it should be noted that in order to prevent accidental damage to the cables from trawler activities, the cable owners are adopting a measure of patrolling, by sea and air, those areas off Newfoundland where such damage is most likely to occur. It is also believed that some preliminary research is being done by the American Telephone and Telegraph Company into the possibility of burying the cables where the continental shelf of the Atlantic is sand or silt by a process called "jetting". In this a jet of water excavates a shallow trench in to which the cable then follows. In course of time, the trench is filled up with sand and silt and the cable cannot be grappled.

#### AGAINST JAMMING OF SELECTED RADIO LINKS

##### 12. H.F. Circuits

H.F. circuits, particularly those used for speech, are vulnerable to long range jamming. Measures which might reduce the effects of jamming include:-

- (a) Avoiding action - by sending vital signals on alternative frequencies - using a number of separate transmitters simultaneously. The changing of frequencies may result in jammers following suit but may achieve momentary gains.
- (b) Where not already explored the use of modern SSB equipment, diversity reception, very narrow band filters, error correction and detection and directional aerials with minimum side lobes.

**SECRET**



- (c) Routes passing over enemy territory should be avoided at all costs.
- (d) For telegraph traffic a number of special techniques such as short signal and correlation can be used.

13. VHF/UHF Ground to Air Links for Bomber and Strategic Air Commands

- (a) The use of very high powered transmitters on the ground.
- (b) The employment of wide band 'noise' techniques.

14. Ionospheric and Tropospheric Scatter Systems

These systems are vulnerable to jamming by relatively small low power jammers either in high flying aircraft or ships in the main beam or dropped by parachute or agent in the vicinity of the receiver stations. Transmitters are not amenable to wide changes in frequency and there is not much which can be done to prevent this type of attack. Intermittent long range jamming using sporadic E and meteor trail effects could also be troublesome. Reducing the side lobes and improving directivity of the aerials can reduce this nuisance. The use of the meteor scatter mode offers considerable resistance to jamming but is limited to a low information rate.

15. LF and VLF Circuits

The use of spaced directional frame aerials at receiver sites can provide a very high degree of protection against jamming on VLF except when the jamming station is located on the direct path between the two stations (i.e. in a specially fitted ship in the Atlantic). Avoiding action by changing frequency is impracticable owing to the narrow bandwidth and complexity of the transmitter aerial loading systems. It is thought that a peninsula of land as a slot aerial could be used to reduce the physical vulnerability of an aerial for VLF circuits, though such a technique has yet to be proved experimentally.

16. General

All radio systems are vulnerable to a determined jamming offensive. The use of special techniques such as short signal and noise modulation or very narrow filters makes the problem more difficult for the jammer. The best defence is to be able to send the vital message simultaneously over as many different frequencies and systems as possible. Surprise and deception would keep the Soviet Union guessing. Hence organisational methods such as continuous traffic flow to conceal vital traffic on some links and spasmodic use of certain frequencies on other links would help to prevent them making the most effective jamming plan, and would increase our chances of maintaining communications when they are most vital.

### AGAINST SELECTIVE SABOTAGE

17. A variety of counter-sabotage measures can be instituted at those points in the cable and radio communications system where selective sabotage might be carried out. These measures, which need not necessarily be expensive, would be designed to give physical protection to vital circuits and equipment and to prevent access by unauthorised persons. If properly planned and co-ordinated such measures would provide reasonable effective protection against sabotage by intruders and by persons already employed in non-sensitive parts of installations. Conditions of good protective security may also frustrate sabotage by persons with legitimate access to targets, but it is impossible to eliminate completely the chance of intentional mishandling of terminal equipment by technicians and operators.

### NEW TYPES OF COMMUNICATION SYSTEMS

#### 18. Satellite Communication Systems

While it is more than probable that the tests being undertaken across the Atlantic this year (TELSTAR and RELAY) will prove the feasibility of establishing an active system for commercial purposes across the Atlantic, the military authorities, both in the United Kingdom and the United States, have not yet made up their minds whether an active or a passive system - and if the latter whether of the passive balloon, plate or orbiting dipoles type - will finally meet their requirements. Theoretical considerations indicate that an active satellite system in a medium or low orbit is vulnerable to jamming. An active one in a synchronised orbit is less vulnerable since the effects of jamming can be lessened by noise modulation methods or by spread spectrum techniques. Passive satellite systems on the whole of whatever type, are less vulnerable to, but by no means wholly immune from, jamming owing to the increased freedom or frequency shifts in a random manner. Of the passive systems project WEST FORD - with its orbiting dipoles - has the military advantage over the others in view of the imperviousness of the toroid to physical attack, as it is thought that an explosion in the middle of it could puncture a hole which would be filled up in the course of time by dipoles moving in to take the place of those destroyed. A distinct form of satellite communications is the use of the moon as a passive reflector. The United States Naval authorities have established a multi-channel telegraph circuit between the U.S.A. and Hawaii. Good service has been provided particularly during disturbed ionospheric conditions. Owing to the distance of the moon from the earth and thus the time taken for the signal to be reflected back (just over three seconds) an ordinary telephone conversation would be difficult to conduct, but a telephone circuit of this nature might still be useful for the passing of code words etc. However the moon would only be visible to ground stations on both sides of the Atlantic for limited but predictable times. A moon relay communication system is therefore more suitable for the exchange of bulk logistic traffic of low priority rather than for a standby link in the event of failure of other systems. It is doubtful whether experimental data to prove or disprove theoretical considerations regarding the vulnerability of satellite systems in general to electronic attack will be available for some time. Hence it is difficult to state now whether such systems will make a significant contribution to the reliability of our transatlantic systems whilst under attack.

## 19. Deep Strata Communications

Theoretically there is reason to believe that there may be a wave guide in the earth's crust at some one to twelve miles below the surface. The attenuation of the boundary crust between wave guide and the surface of the earth will be very high and would thus protect any circuit established in the wave guide from atmospheric noise and jamming. It is thought that it might be possible to establish at the VLF frequencies which may have to be used, single Duplex teleprinter circuits over distances of up to 1,500 miles. However if the wave guide is continuous, and such long distance propagation is possible in it, it would be possible for the Soviet Union to use it for transmitting jamming signals.

## 20. Short Signal Techniques

The characteristic feature of short signal techniques is that transmissions are kept extremely short and made on a number of frequencies selected by a scheme intended to be secret. As long as this is the case, such transmissions are very resistant to interception and jamming. Messages are in data or telegraphic form and sent at high speed; as usage is intermittent, the capacity of the system is limited. The advantages of short signal systems vanish as soon as the frequency selection plan or method is compromised. Frequencies for long distance communication must be carefully selected in accordance with ionospheric conditions to minimise multi-path distortion; oblique ionospheric sounding can be used for this purpose.

## 21. Noise Modulation Systems

In Noise Modulation communication systems the information is conveyed by varying a "noise-like" wide band signal. At the receiver an identical or nearly identical signal is locally generated and the information is derived by comparing, or correlating, the received and the local "noise". The bandwidth of the transmitted noise signal is many times greater than that of the original message, and resistance to jamming is increased in the same proportion. If the radio power density is low the signal may be concealed under the ordinary noise present in any receiver and may thus escape notice and be immune from interception. These advantages are gained at the expense of complexity and cost of equipment. Long distance applications which must make use of ionospheric propagation in the HF band have less advantage. Traffic capacity is limited to one or a few telegraph channels, the receiving equipment is very elaborate, and the signal is unlikely to be insignificant enough to avoid detection.

## CONCLUSIONS

22. We therefore conclude that:-

- (a) No existing, or proposed, transatlantic communication system can be considered as immune to interruption by Soviet efforts.
- (b) In the majority of cases precautionary measures can be taken that will appreciably reduce the probability of such interruption, but in no case can they be guaranteed to prevent it.

- (c) Organisational measures, as outlined in paragraph 8 above, should enhance the probability of keeping our high priority circuits through by exploiting the difficulty of simultaneous interruption of many diverse channels, but cannot guarantee 100 per cent continuity of communication.
- (d) The probability of interruption depends to a large extent on the type of circuit required. It may well be possible to maintain a duplex slow speed telegraph channel (e.g. by VLF or submarine telegraph cable) under conditions when all voice channels have been interrupted.

23. These conclusions give rise to a difficult situation. It is clear that, if we seek the worst possible case, we must assume that all transatlantic communication is impossible at critical times whatever countermeasures we propose, with all that this implies to Western policy and strategy. It is, however, by no means clear that this assumption is realistic, since it is based on what is possible rather than what is probable, and it ignores the operational difficulties involved in the simultaneous interruption of all types of circuit. We should endeavour therefore to seek some means by which we can assess the extent to which transatlantic communications were likely to be disturbed in various circumstances leading to global war and to estimate the cost effectiveness of the various possible countermeasures. An assessment might be achieved either by playing a "war game" or by mathematical analysis. In either case the result could only be of real value if the game or analysis is based on realistic initial assumptions, the procurement of which will require a considerable amount of preliminary work, which is beyond the task of the Working Party engaged in the preparation of these papers.

24. Such preliminary work, if agreed to and sanctioned, would take time to achieve and would depend upon the priority allocated to the task in those establishments on either side of the Atlantic that might be in a position to undertake it. In view of this delay, and the present grave threat to the whole transatlantic communications complex which these studies have revealed, we believe we ought to take some interim precautions to minimise the risk. We have concluded in paragraph 22(a) above that the organisation measures described in paragraphs 8 - 10 enhance the possibility of keeping our high priority circuits through, and we consider that these could be implemented at a relatively moderate cost. We believe, therefore, that steps should be taken to set up as early as possible communications control organisations on each side of the Atlantic, charged with the tasks enumerated in paragraph 10(a) - (e).

25. We consider it improbable that such action would run counter to any conclusions resulting from any "war game" or mathematical analysis that might be held since it appeared to be the most effective form of precaution that can be taken. Even if it emerged from the study or analysis that no precautions that could be taken would be adequate to preserve the essential minimum of communications during the early phases of global war, the organisation referred to would, we believe, be of considerable value in lesser emergencies, including those of national origin, and would not, therefore, be a waste of money or effort.



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JOINT INTELLIGENCE COMMITTEE

CSC 1145-1 (JIC)

14 January 1963

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Ottawa, Ontario	

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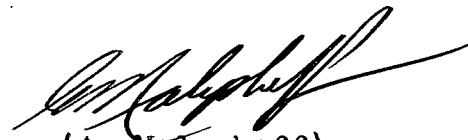
MEMORANDUM TO THE JIC:

SINO-SOVIET RELATIONS

- Enclosure: (1) Chairman JIC letter of 8 Jan 63.  
(2) HC 274 of 21 Dec 62.  
(3) Extracts from JICLON 171 of 20 Dec 62.  
(4) Sino-Soviet Relations, X.A. comments of 8 Jan 63.

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Enclosures (1) to (4) are forwarded as directed by the Chairman for information of members.

  
(A. Malysheff)  
LCDR, RCN,  
Secretary.

Encls.  
AM/2-5459/jr

cc: JIS(2)  
SOJIR  
SOCI

①

C O P Y

DEPARTMENT OF EXTERNAL AFFAIRS

CANADA

Reply to be addressed to:  
The Under-Secretary of State  
for External Affairs  
Ottawa

CONFIDENTIAL

Ottawa, January 8, 1963.

Secretary,  
Joint Intelligence Committee,  
Department of National Defence,  
Ottawa, Canada.

Sino-Soviet Relations

Attached is a copy of telegram HC 274 of December 21, 1962, from Mr. Johnston on the above subject. Paragraph 1 refers to a British assessment "in the current UK JIC Weekly Survey of Intelligence", i.e., paragraphs 35-37 of JICLON 171 of December 20, 1962; a copy of these paragraphs is attached for easy reference.

In paragraph 2 of telegram HC 274, Mr. Johnston asks to be provided "within the next week" with "even tentative" views on the development of the Sino-Soviet dispute, for his use in commenting on a draft UK JIC paper being prepared by the Sino-Soviet Working Party of which he is a member.

I would normally have asked the JIC to consider the action to be taken on this request. However, the holiday season intervened and I doubt that comments would now be useful to Mr. Johnston. The JIC will of course be able to consider in the usual way the final UK JIC paper on its release to us.

The European and Far Eastern Divisions of this Department have produced the attached comments on the British assessment which might be of interest to JIC members.

I should be grateful if you would bring this letter and its enclosures to the attention of JIC members, for their information.

'J. J. McCardle' Sgd.

J. J. McCardle,  
Defence Liaison (2) Division.

C O P Y

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C O N F I D E N T I A L

PP 211157Z/12/1962

FM HICLON

TO EXTOT

BT

HC274

SINO-SOVIET RELATIONS

YOU WILL HAVE NOTED UK ASSESSMENT OF STATE OF SINO-SOVIET RELATIONS AND TENTATIVE SPECULATION ON POSSIBILITY OF EITHER SIDE SEVERING PARTY OR STATE RELATIONS IN CURRENT UK JIC WEEKLY SURVEY OF INTELLIGENCE.

2. THIS ASSESSMENT IS TAKEN FROM DRAFT UK JIC PAPER ON THIS SUBJECT WHICH HAS BEEN PREPARED BY SINO-SOVIET WORKING PARTY OF WHICH I AM MEMBER. I SHALL BE ASKED TO COMMENT ON FINAL DRAFT WITHIN ABOUT A WEEK. IT WOULD BE HELPFUL THEREFORE IF I COULD HAVE EVEN TENTATIVE VIEWS OF CDN WORKING GROUP ON DEVELOPMENT OF DISPUTE BY TEL OR COPIES OF ANY PAPERS THAT MAY HAVE BEEN PREPARED IN THE PAST FEW DAYS, BY BAG, WITHIN THE NEXT WEEK.

3. I WOULD BE GRATEFUL FOR SOMETHING IN THE WAY OF AN ASSESSMENT RATHER THAN AN ACCOUNT OF DEVELOPMENTS AS OUTLINED IN CDN JIC WIR 49/62 UNLESS OF COURSE YOU ARE IN POSSESSION OF FRESH INFO.

4. CURRENT VIEW IS THAT, OF THREE PLANES OF RELATION STATE, PARTY AND DEFENCE, STATE AND DEFENCE WILL PROVE MOST DURABLE AND THAT BREAK COULD OCCUR AT ALL-PARTY CONF AT WHICH ONE FACTION MIGHT REFUSE TO SIGN FINAL COMMUNIQUE AND TWO SEPARATE DECLARATIONS PRODUCED. OR CONCEIVABLY TWO SEPARATE CONFS MIGHT BE CONVENED AGAIN PRODUCING SEPARATE DECLARATIONS.

5. IN TRADE FIELD JIB HESITATE TO ATTRIBUTE FALL IN TRADE BETWEEN TWO COUNTRIES TO POLITICAL FACTORS ON GROUNDS IT COULD WELL BE ACCOUNTED FOR BY CHINAS INTERNAL ECONOMIC PROBLEMS AND NEED TO FIND FOREIGN EXCHANGE FOR FOOD PURCHASES FROM WEST. THOUGH FLOW OF AID INTO CHINA DROPPED BY ABOUT 45 PERCENT DURING 1961 IT HAS CONTINUED AT STEADY RATE AND THERE IS NO EVIDENCE THAT USSR HAS INTENTION TO DENY IT.

C O P Y

PAGE TWO HC274 CONFIDENTIAL

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CONFIDENTIAL

6. IN DEFENCE FIELD IT IS NOT THOUGHT LIKELY RUSSIANS WILL STOP SUPPLY OF ESSENTIAL MILITARY EQUIPMENT BUT WILL MAINTAIN FLOW JUST SUFFICIENT TO KEEP TANKS RUNNING AND AIRCRAFT IN AIR. HOWEVER RAF HAVE POINTED OUT THERE SEEMS TO BE SIGNIFICANT DROP OF CHINESE AIRCRAFT SEEN IN SERVICE AND SUSPECT CHINESE AIR FORCE MAY HAVE BEEN FORCED TO CANNIBILIZE. IT IS CONSIDERED VERY UNLIKELY SINO-SOVIET TREATY WOULD BE DENOUNCED ON GROUNDS SUCH ACTION COULD BE MISINTERPRETED BY TAIWAN REGIME OR WEST AS SIGN THAT RUSSIANS HAD LOST INTEREST IN MAINTENANCE OF COMMUNIST REGIME IN CHINA OR AS SIGN THAT CHINESE WOULD NOT IN LAST RESORT AVAIL THEMSELVES OF SOVIET NUCLEAR UMBRELLA.

BT

CFN:CONFIDENTIAL NICLON EXTOT HC274 CDN JIC WIR 49/62 45 PERCENT

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EXTRACTS FROM JICLON 171 of 20 Dec 62.  
(Paras 35 to 37).

SINO-SOVIET RELATIONS (CONFIDENTIAL).

35. SINO-SOVIET RELATIONS ARE DETERIORATING RAPIDLY. IN HIS SPEECH OF 12(12 DECEMBER KHRUSHCHEV GAVE A BLUNT AND PROVOCATIVE ANSWER TO CHINESE CRITICISMS OF HIS CUBAN(CUBAN POLICY. HIS THEME WAS THAT THE CHINESE SHOULD NOT(NOT ABUSE HIM FOR REFUSING TO RUN RISKS WHICH THEY WERE NOT(NOT PREPARED TO RUN THEMSELVES EVEN TO REGAIN THE COLONIAL TERRITORIES OF HONG KONG(HONG KONG AND MACAO(MACAO ON THEIR OWN DOORSTEP. HE ADDED HIS OWN CRITICISM OF CHINESE POLICY TOWARDS INDIA, LEFT THE CHINESE IN NO(NO DOUBT THAT SOVIET RECONCILIATION WITH YUGOSLAVIA(YUGOSLAVIA WOULD CONTINUE, AND FOR GOOD MEASURE ATTRIBUTED TO THE ALBANIANS(ALBANIANS AND BY SCARCELY VEILED IMPLICATION TO THE CHINESE SOME OF THE WORST HERESIES(HERESIES IN THE COMMUNIST CANON(CANON.

36. PREDICTABLY THIS LED TO A COUNTER-BLAST FROM PEKING(PEKING ON 15(15 DECEMBER WHICH IF IT DID NOT(NOT NAME KHRUSCHEV MADE CLEAR THAT WE WAS ITS TARGET. THE PEKING STATEMENT ATTRIBUTED TO HIM THE SINS OF PURSUING A LONG TERM POLICY OF SURRENDER TO THE US(US AND OF DANGEROUSLY ADVENTURISTIC(AD-VENTURISTIC POLICY IN INSTALLING NUCLEAR WEAPONS IN CUBA IN THE SHORT RUN. BUT ITS MAJOR THEME WAS THAT SINCE THE RUSSIANS HAD COMMENCED THE PROCESS OF DISINTEGRATION IN THE BLOC BY ATTACKING THE ALBANIANS IT WAS UP TO THEM TO TAKE THE INITIATIVE IN RESTORING UNITY. THE STATEMENT MADE CLEAR THAT THE CHINESE SAW THEMSELVES AS THE TRUE FAITHFUL, EVEN THOUGH IN THE MINORITY, AS THE BOLSHEVIKS(BOLSHEVIKS HAD BEEN IN THE EARLY DAYS OF THE RUSSIAN REVOLUTION. IT IS CLEAR THEREFORE THAT IT WOULD NOT(NOT BE THEIR INTENTION, IF THE CONFERENCE OF ALL COMMUNIST PARTIES OF THE WORLD FOR WHICH THEY HAVE CALLED TOOK PLACE, TO COMPROMISE ON THEIR OWN PRINCIPLES. THEY PROBABLY CALCULATE THAT KHRUSHEV WOULD STILL NOT(NOT WISH TO RUN THE RISK OF A MAJOR SHOWDOWN IN THE WORLD COMMUNIST MOVEMENT TO WHICH THE CONFERENCE COULD WELL LEAD AND WILL THUS OPPOSE IT. THEY CAN THEN REPRESENT THEMSELVES AS THE PARTY GENUINELY INTERESTED IN UNITY OF THE BLOC. EVEN IF THE CONFERENCE DOES MEET, THE CHINESE WILL BE IN A TACTICALLY STRONG POSITION AND IT WILL PROVIDE A FORUM(FORUM IN WHICH THEY CAN AIR THEIR MANY GRIEVANCES.

37. IT IS TOO EARLY TO PREDICT THE EXTENT TO WHICH THESE EVENTS WILL AFFECT THE REMAINING FABRIC(FABRIC OF SINO-SOVIET RELATIONS... NEITHER SIDE SEEMS YET READY TO TAKE THE INITIATIVE IN SEVERING PARTY OR STATE RELATIONS. BUT THE CLOSURE OF THE SOVIET TRADE DELEGATION OFFICE IN SHANGHAI(SHANGHAI IS A PRACTICAL EXAMPLE OF THE CONTINUING DISINTEGRATION OF THAT FABRIC. 002335

C O P Y

CONFIDENTIAL

January 8, 1963.

SINO-SOVIET RELATIONS

European and Far Eastern Divisions' Comments  
on Draft UK JIC Assessment

As we agree generally with the draft JIC assessment of Sino-Soviet Relations, our comments are limited.

While the Chinese may well calculate that Khrushchev will oppose a communist conference, this is not the central point. We consider that the Chinese genuinely wish a meeting of communist parties at which they can argue their case in private. Their success in having some of their cherished views included in the 1960 statement probably encourages them to believe another meeting would have a similar result. They also probably consider that the strength of the desire on all sides to avoid an open break would be sufficient to result in another compromise document which would have to take account of Chinese thinking. Their position would be strengthened by the authority of the Moscow 1957 declaration and 1960 statement which could hardly be abandoned without serious consequences. In this sense we agree with the UK JIC that the Chinese tactical position at a conference would be strong. Against this, however, must be placed the fact that the large majority of communist parties would line up with the Russians against the Chinese on both tactics and ideological questions.

We agree that neither side is ready to sever party or state relations and expect that the pattern of the past year, when relations fluctuated between harsh recriminations and a state of uneasy truce, will continue in the immediate future. Two separate conferences and declarations seem unlikely at the present stage.

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JOINT INTELLIGENCE COMMITTEE

CSC 1735-2 (JIC)

10 January, 1963.

Ottawa, Ontario

J.J. McCardle, Esq.,  
Dept. of External Affairs.

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Chairman, SMIG(P&O)

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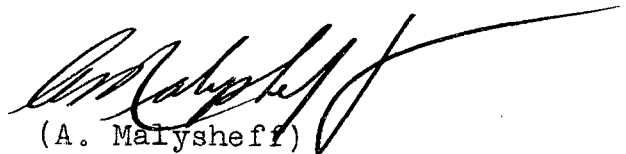
ANNUAL REVIEW OF DEVELOPMENTS IN POLICIES  
OF COMMUNIST COUNTRIES

Reference: (a) CSC 1735-2 (JIC) of 14 Dec 62  
(b) Minutes of the 937th meeting,  
Item IX

At the 937th meeting of the JIC the Committee agreed that preparation of the above mentioned paper be postponed one month, and that

- (a) the cut-off date would now be 1 Feb 63,
- (b) members' contributions should reach the Secretary by 15 Feb 63.

2. In the sections of the paper entitled "Military Developments in the Soviet Union" and "Military Developments in Communist China", a brief review should be included of developments and trends in the production and deployment of missiles. (See last year's paper CANADIAN JIC 432/2(62) of 2 May 62, paras 35, 39-42, 46-49, 76.) In order to avoid duplication of effort in Directorates, it is requested that draft paragraphs be prepared by SMIG(P&O) for submission to the Secretary by 15 February, 1963.

  
(A. Malysheff)  
LCDR, RCN,  
Secretary.

EAC/2-5459/1c

cc: JIS (2)  
SOJIR  
SOCI  
Secretary, SMIG(P&O)

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(Enclosure SECRET)



JOINT INTELLIGENCE COMMITTEE

CSC 7-17 (JIC)  
CSC 1322-1 (JIC)

9 January, 1963.

Ottawa, Ontario

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CB NRC  
Chairman, SMIG(S&T)

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THE SOVIET SPACE PROGRAM

Enclosure: (1) US NIE 11-1-62 of 5 December, 1962 on the above subject.

Enclosure (1) is forwarded to members and Chairman, SMIG(S&T) for comments which should reach the Secretary by 25 January, 1963.

2. It is requested that directorates draw attention of their members of SMIG(S&T) to the above NIE.

*(Signature)*  
(A. Malysheff)  
LCDR, RCN,  
Secretary.

Enc.

AM/2-5459/1c

cc: CCOS

→ J. McCardle, Esq.,  
Dept. of External Affairs. (no enclosure)

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(Enclosure SECRET)



JOINT INTELLIGENCE COMMITTEE

CSC 1733-1 (JIC)  
CSC 1322-1 (JIC)

8 Jan 63

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Ottawa, Ontario

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TRENDS IN SOVIET POLICY TOWARD  
SUB-SAHARAN AFRICA

Enclosure: (1) US NIE 11-12-62 dated 5 Dec 62  
on the above subject.

Enclosure (1) is for information of members and it is  
requested that comments reach the Secretary by 25 January,  
1963.

*copied and sent*

*to A.M.E. Div*

*(A. Malysheff)*  
LCDR, RCN,  
Secretary.

Enc.

AM/2-5459/1c

cc: CCOS

*J.J. McCardle, Esq.,*

Dept. of External Affairs. (no enclosure)

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EXTERNAL AFFAIRS  
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NO ENCLOSURES



CONFIDENTIAL

JIB BRIEF NO: 2/63

COPY NO: 3 OF 20

7 January 1963.

INTELLIGENCE BRIEF

PREPARED FOR: J.I.C.  
BY: J.I.B.  
SUBJECT: The USSR 1963 Plan.  
SOURCE: Soviet press.  
DATELINE: December 1962.

Mr. BROWN  
K. C. Brown  
Mr. Grey  
Mr. MacKenzie

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1. The 1963 Plan of the USSR was approved in December 1962. To date, the final results for 1962 are not available, thus making an assessment of the new plan's feasibility difficult. However, where evidence exists, some attempt at evaluation has been made. For the most part the 1963 plan is realistic and, while not especially buoyant in outlook, is reasonably optimistic as far as can be ascertained on the basis of preliminary figures. Notable exceptions are agriculture where, although grain harvest figures are not explicitly stated, it appears improbable that any substantial increase is anticipated and the consumer, whose lot seems unlikely to be significantly improved, judging by figures published to date. The net national product (national income in Soviet terms) is to rise by 7 per cent to the end of the year. This rate of increase is 1.6 per cent lower than forecast for 1962 over 1961 and marks the second successive year when such a decline has been evident. Nonetheless, even at this declining rate, the expected national product at the end of 1963 is in line with the lower range of the Seven Year Plan, i.e. 62-65 per cent over 1955.

2. Gross industrial production and its two main subdivisions, the capital goods section and the consumer goods section are expected to grow in 1963 at rates of 8, 8.5 and 6.3 per cent respectively. All three of these forecasts show some drop compared with 1962 forecasts and, further, are in each case below the average annual rates of growth implied or explicit in the Seven Year Plan. Inasmuch as annual forecasts of total industrial growth have tended to be somewhat conservative since at least 1958, there is little reason to believe that the real rate of growth in 1963 will not exceed the forecast, or that the Seven Year target appears anything but secure. Similarly, it is virtually certain that the growth rate in the capital goods section (group A industries) will exceed the forecast and hence come close to the average annual rate implicit in the Seven Year Plan. However, if the trend based on real rates of growth in consumer goods output in 1960 and 1961 is any guide, it is likely that the forecast for this section, while possibly conservative, points to an official expectation that output will probably not match the average annual rate implicit in the Seven Year Plan.

3. Somewhat lower rates of growth for ferrous metallurgical products, including pig iron, steel and rolled metals, indicate the continuation of a slight decline in emphasis on this area. Nonetheless, if the proposed output for 1963 is attained, then Soviet industry, by simply maintaining previous absolute increments, should by 1965 be producing quantities of these three key ferrous metallurgical products well above the lower range of the Seven Year Plan goals of 65 to 70, 86 to 91 and 65 to 70 million tons respectively.

4. Crude oil production is expected to rise to 205 million metric tons or 10 per cent above the level forecast for 1962. In absolute terms this amounts to 19 million tons, the same increase forecast for 1962 over 1961.

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JIB BRIEF NO: 2/63  
7 January 1963.

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Since the 1965 target is 230-245 million tons, it is clear that it will be fulfilled handily by a mere maintenance of 1962's increase. Extraction and output of natural gas in 1963 appears to have been estimated at about 82-83 million cubic metres. If the actual output in 1962 was equal to 70.5 million tons (the estimated forecast) then the absolute jump would amount to about 12 million cubic metres, compared with the forecast rise of 11.5 for 1962 over 1961. Without some quite unexpected development, it appears unlikely that the Seven Year Plan target of 150 million cubic metres of gas will be attained. Even to approach such a figure, the gas industry would have to increase its output in both 1964 and 1965 by more than double the amount forecast for 1963 and this does not seem a reasonable prospect. Since gas has become an important raw material, for the chemical industry as well as for domestic purposes, a significant shortfall in output could have widespread effects, presuming the original Plan to have been internally coherent. However, any burden created by this shortfall will probably be borne by householders rather than industry, thus minimizing the adverse effect on industrial growth rates.

5. Coal supplies in 1963 are to total 522 million metric tons. Thus, if the 1965 goal of 600-612 million metric tons is to hold good, the Soviet coal industry in 1964 and 1965 will have to add at least 78 million metric tons to annual output. On the assumption that the 1963 output is reached, the total increment for the period 1958-63 will amount to 26 million metric tons. This compared with annual additions to output in the years 1954-56 of about 40 million tons and, while it is not impossible that demands will be made upon the industry to achieve such increases, especially in the light of the shortfall in natural gas production, it is questionable whether the Seven Year Plan target will be hit.

6. Chemical production is to grow by 17 per cent, the annual rate implicit in the Seven Year Plan. The output of plastics and synthetic resins is expected to rise by 25 per cent, 1 per cent less than the rate of growth predicted for 1962. Chemical fertiliser production is to move upwards to a level of 20 million metric tons, leaving a gap of 15 million tons in relation to the 1965 target. In other words, to make good the Plan, the tonnage of fertiliser output must grow in both 1964 and 1965 by an amount equivalent to the entire increase expected between 1958 and 1963 an improbable achievement.

7. In keeping with the Seven Year programme for the commissioning of new productive capacity as well as the replacement of a significant portion of existing plant, the gross value of output of the engineering industry in 1963 will rise by 11.5 per cent, about one per cent more than indicated by the 1959-1965 plan.

8. In agriculture, as usual, no target figures for the grain harvest have been published. However, as far as can be ascertained from the state plan for grain procurement, the government does not expect a 1963 harvest much, if at all, in excess of the 1962 yield. State procurement of grain in 1963 is expected to amount to the same as it did this year, 65 million metric tons. On this basis, it would seem that the gross grain harvest in 1963 is expected to be in the vicinity of 145-150 million metric tons. While this figure might be attained in gross terms, much depends

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JIB BRIEF NO: 2/63  
7 January 1963.

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on weather and the continued success of the additional acres brought in by the abandonment of grass fallowing.

9. Nearly 10,000 kilometres of rail line will either be electrified or converted to diesel traction in 1963 and by the end of the year, it is expected that about 47 per cent of total track will operate on the basis of either electrified or diesel traction. The length of rail so operated will exceed 60,000 kilometres. Freight turnover is to increase by 6 per cent, inclusive of a 2.8 per cent increase in rail traffic, a 31.5 per cent rise in water transport a 20.7 per cent increase in pipeline throughput and a 9 per cent rise in automobile transport.

10. More than 33.5 billion roubles will be invested by the state during 1963. This is said to represent a 9.9 per cent increase compared with 1962 and is also claimed to be a higher sum than was expected under the Seven Year Plan. Growth in the rate of investment is to be most marked for programmes concerned with increasing facilities in the chemical, oil, gas and electric power industries, and plant designed for producing agricultural implements and consumer durables. The volume of capital investment in the chemical industry for example will be 36 per cent above that of 1962 and in rouble terms amount to 1.7 billion roubles or about 5 per cent of total state investment.

11. While the money income of the population is expected to expand by 5.9 per cent, the retail turnover of state and cooperative trade is to grow by 6.9 per cent and that of the public canteens by 5.5 per cent. The area of residential housing to be constructed during 1963 has been estimated at 91 million square metres, including housing financed from state, cooperative and private funds.

#### DISTRIBUTION

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RCMP	10
Mr. R. McGibben	11 and 12
Mr. Fish for E.I.C.	13 to 16
Mr. J.C. Langley, XA	17
File	18 to 20

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JOINT INTELLIGENCE COMMITTEE

CSC 1145-1 (JIC)  
CSC 7-17 (JIC)  
CSC 7-2-1 (JIC)

7 Jan 63

Ottawa, Ontario

*20 duplicate received*

*J*

MEMORANDUM FOR THE JIC:

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SINO-SOVIET RELATIONS

Reference: (a) CSC 1145-1, CSC 7-17,  
CSC 7-2-1 (JIC) of 28 Dec 62

(b) Minutes of the 938th meeting,  
Item XIX.

At the 938th meeting of the JIC it was agreed  
that a paper should be prepared entitled "Sino-Soviet  
Relations" with the following object, scope and format:

OBJECT

The object of this paper is to review the main  
factors affecting Sino-Soviet relations, to  
discuss recent developments, and to consider  
in general terms their possible evolution during  
the next five years.

SCOPE

A brief review of the background; a review of  
political, economic and military relations, including  
ideology, intra-bloc relations and approach to  
international problems since 1960; and a brief  
estimate of possible trends in the next five years.

FORMAT

- I. Object
- II. Conclusions
- III. Background
- IV. Developments since 1960:
  - a. political
    - (i) intra-bloc relations,
    - (ii) international affairs.
  - b. economic
  - c. military.
- V. Possible trends through 1967.

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EXTERNAL AFFAIRS  
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CONFIDENTIAL

2. The Committee also agreed that:
- (a) the cut-off date, be 1 February, 1963,
  - (b) that the first draft be prepared by the Department of External Affairs from members' contributions which shall be due by 15 February, 1963, and,
  - (c) that the first draft be circulated for members' comments by 1 March, 1963.

  
(A. Malyshoff)  
LCDR, RCN,  
Secretary.

EAC/2-5459/1c

cc: JIS (2)  
SOJIR  
SOCI

Excerpt from Minutes of Joint Intelligence Committee's

37th meeting held on 4 January, 1963.

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✓ XIX.

SINO-SOVIET RELATIONS

(CONFIDENTIAL)

34. The Committee considered a memorandum from the Secretary calling for the preparation of a paper on the above subject with a cut-off date of 1 February, 1963.

(CSC 1145-1, CSC 7-17, CSC 7-2-1 (JIC) of 28 Dec 62)

35. The Committee agreed:-

- (a) on the object, scope and format of the paper as proposed by the Department of External Affairs,
- (b) on the cut-off date of 1 February, 1963,
- (c) that the first draft be prepared by the Department of External Affairs from members' contributions which would be due by 15 February, 1963,
- (d) that the first draft be circulated for members' comments by 1 March, 1963.

ACTION:

Members  
JIS





RESTRICTED  
(Enclosure SECRET)

JOINT INTELLIGENCE COMMITTEE

CSC 7-17 (JIC)  
CSC 1824-1 (JIC)

4 January, 1963.

Ottawa, Ontario

*No duplicate received.*

J. J. McCardle, Esq.,  
Department of External Affairs.

DNI  
DMI  
DAI  
DSI  
RCMP  
JIB  
CB NRC

50028-B-40	
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SOVIET MARITIME POLICY

Enclosure: (1) BR JIC(62)86(Final) dated  
6 Dec 62 on the above subject.

Enclosure (1) is forwarded for information of members  
and it is requested that members' comments reach the  
Secretary by 18 January, 1963.

*Will forget*  
*Resenter*  
*send one copy to Encl. Dir.*  
*"for comments if any"*  
*send one copy to all (C's)*  
*"for comments if any"*  
Enc. circulate one copy to  
Mr. McCardle  
Mr. [unclear]

(A. Malysheff)  
LCDR, RCN,  
Secretary.

AM/2-5459/jr

cc: JIS (no enclosure) *done 10-1-63 a.s.*



EXTERNAL AFFAIRS  
REGISTRY

JAN 8 4 24 PM '63



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JOINT INTELLIGENCE COMMITTEE

CSC 1145-1 (JIC)  
CSC 7-17 (JIC)  
CSC 7-2-1 (JIC)

28 December, 1962.

*no duplicate received*  
*J*

Ottawa, Ontario

MEMORANDUM TO THE JIC:

SINO-SOVIET RELATIONS

Reference: (a) CSC 2-1-3-1 (JIC)  
CSC 2-1-3-6 (JIC) dated 21 Dec 62.  
(b) Minutes of the 880th Meeting, Item XIII.

Serial 8 of the JIC Work Programme calls for the preparation of a paper on the above subject with a cut-off date of 1 February, 1963.

2. The last two papers on the subject were CANADIAN JIC 383/2(60) of 23 November, 1960, entitled "Sino-Soviet Relations" and circulated under CSC 7-17 (JIC)/CSC 7-2-1 (JIC) DATED 24 November, 1960; and CANADIAN JIC 423/2(61) of 1 November, 1961, entitled "Sino-Soviet Economic and Military Relations" and circulated under CSC 1145-1 (JIC) dated 23 November, 1961. It was agreed at the 937th Meeting that the paper on this subject, called for under Serial 8 of the 1962 JIC Work Programme, would be dropped.

3. Since the terms of reference for the 1962 paper do not appear to have been recorded, DL2 Division, Department of External Affairs has been requested to prepare a suggested object, scope and format for the 1963 paper for consideration of JIC.

4. The preparation of the new paper will be considered at the meeting on 4 January, 1963 when members will be asked to confirm:-

- (a) the proposed object, scope and format to be tabled by the Department of External Affairs,
- (b) the cut-off date of 1 February, 1963,
- (c) that the first draft be prepared by the Department of External Affairs from members' contributions which shall be due by 15 February, 1963,
- (d) that the first draft be circulated for members' comments by 1 March, 1963.

*[Signature]*  
(A. Malysheff)  
LCDR, RCN,  
Secretary.

AM/2-5459/jr

cc: CJS SOJIR  
JIS (2) SOCI

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XA - 4 copies



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JOINT INTELLIGENCE COMMITTEE

CSC 1145-1 (JIC)  
CSC 1824-1 (JIC)  
28 December, 1962.

*Mr. McEwale has duplicate*  
*J*

MEMORANDUM TO THE JIC:

Ottawa, Ontario	
50028-B-10	
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THE EMPLOYMENT OF THE SINO-SOVIET BLOC  
MERCHANT FLEETS IN PEACE AND WAR

Reference: (a) CSC 1145-1, CSC 1824-1 (JIC),  
dated 3 December, 1962.

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*C. BROWN*  
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JIB considers that this paper has been improved in format over its predecessor JIC (61)51 (FINAL).

2. It would appear that JIB and JIC comments of 24 Nov 61 concerning the statement to the effect that allied shipping seized in Soviet ports would probably exceed the amount of Soviet shipping lost at sea or caught in allied ports, has now been satisfied, as for the first time this statement has been deleted.

3. The paper as it now stands is a useful gross capability estimate. Otherwise there are no significant differences except that a general factual updating and some reorganization of the format has been undertaken.

4. Paras 2(e), 23(b), 27(e): The concept of merchant raiders in modern warfare is possibly obsolete except in the case of ships which have been fitted out in advance and are in a suitable position at the outbreak of a war.

5. Para 24: Larger hatches and heavy-lift derricks and cranes are being fitted in new-construction Soviet merchant ships such as the "Poltava" class.

6. XA, DNI, DMI, DAI, DSI, RCMP and CB NRC have no comments.

AM/2-5459/jr

cc: JIS (2)

*Lawlor Brown*  
(A. Malysheff)  
LCDR, RCN,  
Secretary.

DEPARTMENT OF EXTERNAL AFFAIRS

MEMORANDUM

EUROPEAN/J.B. Seaborn/st

TO: R. W. Murray

FROM: J. B. Seaborn

REFERENCE:

SUBJECT: JIC Paper Entitled "Annual Review of Developments in Policies of Communist Countries"

CONFIDENTIAL  
Security (TOP SECRET with enc.)  
Date December 27, 1962

File No.	S3
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We have been asked by DL(2) to prepare contributions for this paper on political developments in and foreign policies of the European Communist countries.

2. I am attaching, from last year's comparable paper, the sections on political developments within the European satellites and on the foreign policies of the European satellites. Would you prepare drafts along these lines covering the period January 1 to December 31, 1962. This year, the JIC paper will also consider Yugoslavia; hence your contributions should take into account the internal and foreign policy developments for the current calendar year. DL(2) have requested that our drafts be in their hands by January 11. I would, therefore, appreciate it if I could have your contribution by January 9.

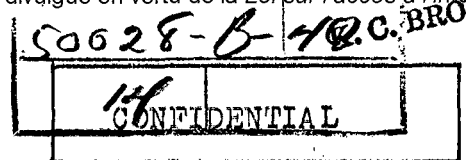
3. In the preparation of your contributions you may find useful the papers prepared by the meetings of NATO experts on Eastern Europe, and the background papers which were made available at those meetings. Would you please return to me, with your draft, the enclosures to this memo as they will have to be returned to DL(2).

CIRCULATION

J. B. Seaborn

DEPARTMENT OF EXTERNAL AFFAIRS

INTELLIGENCE BRIEF



JOINT INTELLIGENCE COMMITTEE  
For: ..... No: 18/62  
Source: Departmental Memoranda ..... Date: December 17, 1962  
Subject: Soviet Foreign Policy: Khrushchov's Speech of December 12. ....

Almost the whole of Khrushchov's two hour and forty minute speech to the Supreme Soviet of December 12 is a sturdy defence of his policy of peaceful co-existence, with particular reference to his handling of the Cuba crisis. His words are directed primarily against his critics within the bloc, the Albanians explicitly and the Chinese implicitly, rather than against the leaders of the West.

SUMMARY

Cuba

2. Khrushchov's contention is that, following upon a mounting policy of active opposition to the revolutionary Government of Cuba, the United States was preparing for a new armed attack on Cuba and the military suppression of the Cuban revolution - "the export of counter-revolution". At the request of the Cuban Government, the USSR had sent arms which were intended as a means of deterring a real threat of invasion which the United States was preparing. The only aim of the Soviet Union was the defence of Cuba. If they had been preparing for a war against the United States why would it be necessary to place rockets in Cuba when they already had the capability to strike the blow from their own territory?

3. Events moved quickly in the Cuba crisis Khrushchov said, but the key point was that, when it seemed as if the world was on the brink of thermo-nuclear war, a mutually acceptable compromise solution was achieved whereby the United States pledged not to invade Cuba and the Soviet Union undertook to remove from Cuba all the weapons which the United States described as offensive. It was impossible to say whose side had triumphed and who had won, because both sides had been willing to make mutual concessions and compromises to avoid war. "Some people" say that the United States forced the Soviet Union to give in to something, but if the Soviet leaders had played the part of die-hard politicians and had refused to accept mutual concessions, we would have been like two rams who met on a little bridge over a precipice: each refused to give way to the other and both of them crashed into the precipice.

4. The Soviet Union has been and remains with revolutionary Cuba. It will adhere firmly to the agreement that has been reached with the USA but its pledges remain in force only so long as the other side abides by the agreement.

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DISTRIBUTION

DNI	DSI	Briefing Officer
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JIB	Pol. Co-ord.	

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5. Some statesmen in the West have begun to say that questions in dispute should be settled by means of concessions only on one side. This is an unwise and dangerous policy, but during the Cuba crisis "hysterical and dissatisfied voices resounded also from another corner from people who even call themselves Marxists-Leninists. I have in mind in particular the Albanian leaders". The Albanian leaders act in the manner of senseless little boys whom "somebody" has taught to say vile words, and they are paid and praised when they swear more strongly and picturesquely. It is ridiculous to say that the Soviet Union has retreated, for socialist Cuba still exists; the United States had undertaken not to invade Cuba; and the threat of a thermo-nuclear war has been averted. If imperialism is a paper tiger, the paper tiger has atomic teeth and one cannot treat it light-heartedly.

6. When difficult conditions emerged for Cuba, some people limited themselves to insults but the Soviet Union tangibly defended Cuba. "One must be very careful and not indulge in irresponsible accusations that some are implementing an orthodox while others pursue a mistaken policy, that some carry on an offensive against imperialism and are intolerant of it while others allegedly display liberalism." One must take into account the actual situation and all the possibilities for action. The Chinese refrain from attacking Macao and Hong Kong and they must have weighty reasons for it. It would be ludicrous to accuse the Chinese on this account of concessions to the British and Portuguese colonialists and of appeasement.

7. If, said Khrushchov, we had listened to "ultra-revolutionary loud mouths" we would have sunk into the morass of a nuclear world war. Our vast country would have withstood this, but tens and tens of millions of people would have perished, while Cuba would simply have ceased to exist. "Certain dogmatists have slid down to Trotsky-ite positions and are driving the Soviet Union and other Socialist countries onto the path of launching a new world war. They would like to impose as provocative a policy as that which Trotsky pursued in his time. Apparently the Albanian leaders and those who are pushing them have lost faith in the possibility of socialism's victory without a war between states." Both the adventurist forces of imperialism and the dogmatists are trying to push events in the same direction of war: they possess a unity of views and actions on this vitally important question. "We not only reject a world thermo-nuclear war, but in general all wars between states, with the exception of a just liberation war and a defensive war".

8. The Cuba crisis had the additional and sobering effect said Khrushchov, that millions of Americans for the first time felt the acute proximity of thermo-nuclear war.

#### Outstanding East-West Problems

9. In a comparatively brief reference to the outstanding East-West issues, Khrushchov said that the Soviet Government was actively striving to free international relations from disputed and involved problems. "There are such problems of first priority whose solution brooks no procrastination." Among these is that

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of general and complete disarmament, and one of its ingredients, the banning of nuclear weapons tests, on which the Soviet Union has striven for a rapprochement with the position of the Western powers. Another is the conclusion of the German Peace Treaty and the normalization of the situation in West Berlin. The main controversial issue is the presence of troops in West Berlin, or more accurately, the question as to the status and under what flag the troops would be there and for how long they will remain. The Soviet Union proposes that the NATO flag in West Berlin be replaced by that of the U.N. and that the U.N. should accept specific international undertakings and functions. Let no one think that the Soviet Union will abandon its determination to conclude a German Peace Treaty. "We are for negotiations with the Western Powers, but the long patience is approaching an end." A third problem is that of the elimination of colonialism.

#### Sino-Indian Dispute

10. Khrushchov skated rather carefully around this subject and showed his embarrassment that what he clearly considered a pretty senseless frontier dispute over an unimportant area should have arisen for the first time (sic) between a Socialist country and a non-aligned country. He expressed the hope that a peaceful solution would be found; said that the Chinese declaration on a unilateral cease-fire and the withdrawal of Chinese troops was "reasonable"; and said that the conflict was a godsend for the imperialists and the reactionary forces in India who were hoping to draw India away from its policy of non-alignment. He hoped the Chinese leaders would not be provoked by those who claimed that the Chinese cease-fire offer was a retreat. He thought that the Chinese realized that the military conflict might turn into a large-scale war.

#### Yugoslavia

11. Khrushchov said that the main share of the responsibility for the worsening of Soviet-Yugoslavian relations after the war should be attributed to Stalin. At the present time, on many international problems, and on questions of state and economic relations, Yugoslavia and the Soviet Union had a common understanding and common views. On ideological questions there were still serious divergencies, but the Soviet and Yugoslavian Communists were advancing towards an improvement in their Party relations. It was understandable that there could be no complete coincidence of views as every Communist Party had to combine the problems of Marxism-Leninism with the concrete historical, geographical and other conditions of its country. It was impossible to evolve one model and apply it to all socialist countries. The Albanians, who are so violent in their criticism of the Yugoslavs, are themselves retreating much further from Marxism-Leninism than those whom they accuse. The imperialists are strengthening and expanding the union of countries of the Common Market despite differences among member states, but the Albanian sectarians and dogmatists are trying to disunite the socialists, and Yugoslavia is a socialist country.

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## Albania

12. Recently the leaders of the Albanian Workers Party have passed all bounds in their malicious attacks on the party and the whole communist movement. Hoxha and Shehu would not remain in power if they relaxed their regime of repression and violence. The Albanian leaders have broken with Marxism-Leninism. They are bogged down in leftist opportunism and sectarianism. The CPSU, following the tenets of the 1960 declaration of the meeting of the 81 Communist Parties, will continue to carry on the struggle against both revisionism and against dogmatism and sectarianism; but these latter are increasingly emerging as a serious danger within the world communist movement and both right-wing and left-wing opportunism are now no less dangerous than revisionism. Over Cuba, the Yugoslavs occupied a correct position and the most dangerous position was taken by the dogmatists with their pseudo-revolutionary phrases. They slid down to a Trotsky-ite position and played into the hands of the most aggressive imperialist circles. Such a policy was correctly appraised at the congress of Communist and Workers Parties in Bulgaria, Hungary, Czechoslovakia and Italy.

## COMMENT

13. Khrushchov has attempted to give a convincing explanation as to why the Soviet Union felt obliged to install missile bases in Cuba in the first place, and why it was correct and acceptable to withdraw them. More than half of his speech is devoted to a lengthy exposition, almost an apologia, on the origin, development and aftermath of the Cuba crisis from the Soviet point of view. He has alid over the element of ultimatum in the American response, and while some of his audience will recognize that there has been some Soviet retreat under pressure, we suspect that his strong plea for the necessity of avoiding war, both over Cuba and in general, will meet with wide acceptance. He has also gone out of his way to flatter Castro in an attempt to assuage his hurt feelings over being used as a pawn in the East-West struggle.

14. Disarmament and colonialism are given only cursory mention. The speech has thrown no new light on Soviet policy on Berlin. The presence of Western troops is still the crux of the matter, but no new time limit has been set. Khrushchov did not say, as he said to Arnold Smith, that a Berlin settlement must precede any progress on disarmament, and, for what significance it may have, disarmament was mentioned ahead of Berlin in citing the major outstanding East-West problems.

15. The most interesting aspect of the speech, which runs right through it, is the strong defence of Khrushchov's policy of peaceful coexistence and the absolute necessity of avoiding major war. In keeping with other Soviet post-Cuban statements, there is almost no trace of belligerence toward the U.S. administration

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as such, and there are compliments for President Kennedy's wisdom. Khrushchov has not even made the attack on U.S. bases which might have been expected.

16. The speech constitutes, we believe, the strongest attack which Khrushchov himself has yet made on his critics within the bloc. The Albanians have been given a violent tongue-lashing, but it has been made even clearer than previously that the criticism is directed at the Chinese, especially if one recalls that a few days ago Pravda, which had previously deleted direct critical references to the Chinese in reporting on the recent series of Communist Party congresses, published speeches by Togliatti and Novotny specifically criticising the Chinese support of Albania. Perhaps even more blunt a retort to Chinese criticism than Khrushchov's words was the fact that Tito, the arch-heretic to the Chinese, not only occupied a place of honour on the rostrum but actually spoke at the Supreme Soviet. The implication is that Khrushchov finds "revisionism" less objectionable than "dogmatism". Particularly scathing and serious, in Communist jargon, is that the dread term Trotsky-ite should be applied to the "contemporary left-wing opportunists and sectarians". The Sino-Soviet dispute, which is often couched in rather obscure ideological terms but which relates to the vital questions of peace and war and to the proper and possible methods of spreading Communism, is getting sharper.

CONFIDENTIAL



JOINT INTELLIGENCE COMMITTEE

50028-B-70	
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CSC 1735-2 (JIC)  
14 December, 1962.

Ottawa, Ontario

MEMORANDUM FOR THE JIC:

ANNUAL REVIEW OF TRENDS IN  
SINO-SOVIET BLOC POLICIES

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- Reference: (a) Minutes of the 935th meeting,  
Item XXII  
(b) Minutes of the 936th meeting,  
Item XIII

At the 936th meeting of the JIC, the Committee decided:

- (a) the title of the 1963 version of this paper  
should be amended to read:

"Annual Review of Developments in Policies  
of Communist Countries"

- (b) the object of this<sup>e</sup> paper would read:

"The object of this paper is to review the  
main political, economic, military and  
scientific developments in Communist countries;  
in their political and economic inter-relations,  
together with developments in their foreign  
policies and foreign economic relations during  
the year 1962; and thus to identify signifi-  
cant trends which should be taken into account  
in projecting estimates in other papers."

- (c) that in addition to the countries considered in  
last year's paper, Yugoslavia, Cuba, North Vietnam  
and North Korea should be considered in this paper.

2. The decisions taken at the 935th meeting (reference (a))  
still stand, namely that:

- (a) the cut-off date would be 1 January, 1963,  
(b) the first draft would be prepared by the Estimates  
Staff from members' contributions which would be  
due by 15 January, 1963,  
(c) the first draft would be circulated for comments  
by 1 February, 1963.

*A. Malysheff*  
(A. Malysheff)  
LCDR, RCN,  
Secretary.

AM/2-5459/1c  
cc: JIS (2), SOJIR, SOCI

Excerpt from Minutes of 936 Meeting  
Joint Intelligence Committee held on  
12 December, 1962.

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✓ XIII.

ANNUAL REVIEW OF TRENDS IN SINO-SOVIET (CONFIDENTIAL)  
BLOC POLICIES

26. The Committee considered a memorandum submitting a draft "OBJECT" to the forthcoming paper on the above subject.

(CSC 1735-2(JIC))

27. The Committee agreed:-

- (a) that the title of the paper would be changed to "Annual Review of developments in policies of Communist Countries".
- (b) amended and agreed on the "Object",
- (c) agreed that Yugoslavia, Cuba, North Korea and North Vietnam would be considered in the paper.

ACTION: Members  
JIS  
Secretary

50028-B-	10 K. C. BROWN
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COPY NO: 5 OF 6

CANADIAN EYES ONLY  
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JIB # 1858

JIC Arms Working Group

Meeting 1400 hours, 14 December 1962

AGENDA

1. Minutes of meeting held on 23 November 1962.
2. Revision of JIC 1321/1(62) "Sino-Soviet Bloc Arms Trade with Countries Outside the Bloc". The Secretary, JIC has advised that the cut-off date will be 1 January 1963 and the first draft forwarded to the Secretary by 15 January 1963.

DISTRIBUTION


DNI Mrs. P. Morin  
DNI Capt. J. Wallis  
CB Mrs. O. Maxwell  
DAI Mr. G. Kamoff  
→ KA Mr. K. Brown  
File 3

11 December 1962

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CERTIFICATE OF DESTRUCTION

This is to certify that the document enclosed  
with Transmittal Slip of October 4, 1962, from  
Mr. McCardle has been destroyed.

  
\_\_\_\_\_  
(Signature)  
Canadian Embassy, Moscow

D.L. (2) File: 50028-B-40

D.L. (2)<sup>0</sup> Division/S. Grey/af

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Our file: 50028-B-40  
Your file: CSC 1145-1 (JIC)  
CSC 1824-1 (JIC)

Ottawa, December 10, 1962.

Lt. Cdr. A. Malysheff,  
Secretary,  
Joint Intelligence Committee,  
Department of National Defence,  
O T T A W A, Ont.

The Employment of the Sino-Soviet  
Bloc Merchant Fleets in Peace and War

In reply to your letter of December 3,  
1962, we wish to inform you that this Department has  
no comments on BR JIC(62) 60(FINAL) dated 6 November,  
1962, entitled "The Employment of the Sino-Soviet  
Bloc Merchant Fleets in Peace and War".

J.J. McCardle  
Defence Liaison (2) Division.

CONFIDENTIAL



JOINT INTELLIGENCE COMMITTEE

CSC 7-17 (JIC)

3 December, 1962.

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Ottawa, Ontario

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C. BROWN

MEMORANDUM TO THE JIC:

SUMMARY OF SOVIET TRAINING EXERCISES

File  
KCB

Reference: (a) CSC 2-1-3-1 (JIC)  
CSC 2-1-3-6 (JIC) dated 29 Dec 62.

Serial 32 of the JIC Work Programme calls for the preparation of a JIC paper on the above subject with a cut-off date of 1 January, 1963.

2. The last paper on the subject was CANADIAN JIC 1334/2 (62) dated 9 May, 1962 and circulated under CSC 6-2/JIR 19-13-2 dated 22 May, 1962. The paper was prepared by the Estimates Staff from contributions submitted by members. The due date for contributions was set at 1 April, 1962.

3. Preparation of this paper will be considered at the meeting on 5 December, 1962 when members will be asked to confirm that:-

- (a) the paper should retain the same object, scope and format as CANADIAN JIC 1334/2(62),
- (b) the cut-off date be 1 January, 1963,
- (c) that members' contributions be submitted to the Secretary by 1 April, 1963,
- (d) the first draft be prepared by the Estimates Staff and circulated for comments by 15 April, 1963.

not available  
here.

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I have  
obtained

a copy (filed in  
which is Sp. Reg.)  
attached.

KCB

(A. Melysheff)  
LCDR, RCN,  
Secretary.

AM/2-5459/jr

cc: CJS  
JIS (2)  
SOCI  
SOJIR  
Chairman, SMIG(S&T)  
Chairman, SMIG(P&O)



RESTRICTED  
(Enclosure SECRET)

JOINT INTELLIGENCE COMMITTEE

CSC 1145-1 (JIC)  
CSC 1824-1 (JIC)

3 December, 1962.

Ottawa, Ontario

J. J. McCardle, Esq.,  
Department of External Affairs.

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DMI  
DAI  
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CB NRC

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K. C. BROWN

THE EMPLOYMENT OF THE SINO-SOVIET BLOC  
MERCHANT FLEETS IN PEACE AND WAR

Enclosure: (1) BR JIC(62) 60 (Final) dated  
6 Nov 62 on the above subject.

Enclosure (1) is forwarded for consideration of  
members. It is requested that comments reach the Secretary  
by 14 December, 1962.

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Send no comments later  
also circulate for info  
to Far East  
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(A. Malysheff)  
LCDR, RCN,  
Secretary.

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AM/2-5459/jr

cc: JIS (no enclosure)

*Done 10-12-62  
G.S.*

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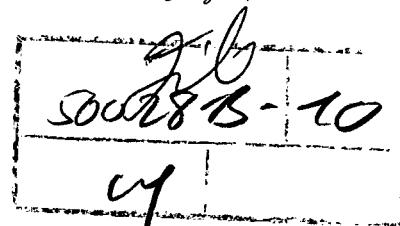


The Commerce Journal

November 30, 1961

Negotiating with the Russians

John Holmes



This isn't just a battle for men's minds, as it is fashionable to say. It is more like a poker game. The forces in conflict are real forces, and we shall not find peace unless we find agreements based on mutual interests. In a period of nuclear stalemate, ideas are powerful. I do not suggest that Communist propaganda is unimportant in winning support throughout the world or that we should not be mindful of the need to explain our cause to the uncommitted. This is an important part of the cold war, but it is not at the heart of it. Fundamentally, it is a conflict of interests, and we shall not find grounds for reconciliation by scoring debating points.

The world is composed of a great many governments and blocs of governments seeking, as is their duty, to promote the economic and political interests of their own peoples. This is a natural state of affairs which has always existed and presumably always will exist. Peace depends not on finding some magic constitutional or behavioural formula - like world government or brotherly love - which will suddenly resolve all these conflicts. It depends rather on our continuing capacity to adjust these conflicts so that countries will satisfy their own needs while effecting the least possible damage on the interests of others. This process of adjustment goes on constantly even among such normally friendly aggregations as the North Atlantic or Commonwealth communities. In this day and age it has to go on also even among less friendly groups such as the Communist bloc, the unaligned countries, and the West because the brutal facts of the nuclear age compel us all to make adjustments whether we are disposed to do so or not. Our search, therefore, is to find some ground on which we can agree because there is some mutuality of fundamental interest. Only by adjustment, and not by victory can we continue to live through the seventh decade of the twentieth century. This is not the world as we should like it, but it is the world we have to live with for some time to come.

The theory is, of course, a lot simpler than the practice. Finding grounds of mutual interest between East and West is extremely difficult. First of all comes the problem of whether or not we can "trust the Russians". This

dilemma is too often seen simply as a question of sincerity and honesty. We forget that Hitler was sincere enough; what was wrong was the ghastly policy he believed in. The Russians will be sincere enough in pursuing their interests. All countries, however moral and "Western", have in their times refused to be bound by agreements they considered contrary to their fundamental interests. It is not true that the Russians keep no agreements. They can, in fact, be trusted to do things which they consider to be in their national interest and they can't be trusted to do other things.

There is, of course, a difference between the Communist and the Western democratic attitude towards agreements. The Communist ethic sanctions unscrupulousness in a prescribed way which is not to be found in our philosophy, and we must expect double-dealing from Communist states of a deliberate kind which we are inhibited from practising. Our record is better than theirs - if for no other reason than that our public opinion is reluctant to sanction policies and tactics too outrageously unscrupulous. We should, however, be careful not to see this as a black and white issue and to come thereby to the depressing conclusion that no accommodation with the Russians is possible because they will never keep any agreement.

We have reached agreement with the Russians and we can reach further agreements with the Russians which will be kept, provided these agreements confirm certain mutual interests. An agreement on the cessation of nuclear tests was maintained for three years because, although it involved strategic sacrifices and risks on both sides, both sides saw long-range advantages in this step to check the armaments race. It will be objected, of course, that the lesson of this is that the Russians will keep such an agreement only so long as it is in their interests to do so. Exactly so. It was by no means impossible that the United States would have ended the agreement for the same reason. The lesson, however, is that we shall not get this agreement renewed by reading either side lectures on their wickedness or by asking the United Nations or the Belgrade Conference to tell them they are wicked. We shall do so only by contriving again a situation in which both sides have an interest in foregoing the short-range advantages of nuclear testing for the long-range advantages of checking the nuclear arms race.

One of the pressures which might help to bring about that situation is the power of world public opinion as deployed at the United Nations or at Belgrade. Power in the world today is not simply a matter of brute military strength. However, world opinion is still only one supplementary factor of power and should be regarded as such. It is a factor which the Russians do not ignore by any means. They cannot afford to ignore it completely because of their long-range interest in converting ever more countries to Communism. Nevertheless, they were prepared to disregard it bluntly when there were other more powerful reasons for resuming tests. The progress of Western nuclear capability will have to be the decisive factor in inducing the Russians to accept our new bargain on tests.

The objection to this incantation about not trusting the Russians is not that it is unfair to them but rather that it is a kind of thinking which leads us away from practical solutions. What we have to look for in these times is not a solution which represents absolute justice but an agreement, a bargain, an accommodation based on an intersection of interests.

This need to strike a bargain makes it supremely important to understand what the Russians want, what they are driving at and what they might settle for. It is not good enough for intelligent citizens to consider that all they need to know about Communism is that it is a bad thing and that all they need to know about Soviet policy is that it is totally dishonest. On the contrary, we have to recognize that in the eyes of the Soviet leaders, most of the Soviet peoples, and quite a few other people as well, Communist aims are in the best interests of humanity, that it is we who are thwarting the path of progress, that they are right and we are wrong. It is a dangerous illusion for us to see the Soviet Union simply as a gigantic conspiracy in which millions of unhappy people are imprisoned by a power-hungry minority who have invented a philosophy called Communism to buttress their power and feel the free world. The truth is much more serious. We are coping not with a handful of tyrants but with millions of people on the march and convinced that the future is theirs. Most of us recognize now that Soviet military power is invincible, that the U.S.S.R. cannot in fact be destroyed by Western force without our destroying ourselves in the process. Nevertheless, we are slow to accept the implications of this balance of power in the policies we advocate. We forget that we cannot deal with the Communists as we finally dealt with the Nazis, on the basis of unconditional surrender. Public

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opinion, particularly in the United States, was most reluctant to recognize, for instance, in the case of the Korean War that we had to settle for a draw with the Communists because we had not destroyed their power and were not prepared to take the risk of doing so. We cannot impose a solution on the Russians. There is no use arguing that we ought to be able to impose such a solution because it is right and just. We differ as to what is right and just, and furthermore there is no power on earth to make them behave as we want. There is no use calling upon the United Nations to do so because the United Nations is not an abstraction. It is made up of member states and can accomplish no more militarily than its members can. It was understandable of people to feel frustrated because the Russians had their way in Hungary, but it was childish to denounce the United Nations for failing to perform an impossible military feat.

This argument may sound cynical but it is the argument of optimism rather than the argument of pessimism. The pessimist is one who believes that nothing is possible without a near-perfect system of world justice with unquestionable powers of enforcement. This being impossible, he is without hope. But he has no historic sense. He fails to see the world as it is, a whirling mass of peoples and states of various shapes and sizes and in various stages of political and economic development, quite incapable of fitting themselves for a long time into any rigid system of world order but willing in a rough way to combine together to improve their lot and escape destruction. C.S. Lewis once said that he was an optimist because he believed in the fall of man. It is the wretched Rousseauians who discourage us, these people with the illusion that we are all children of paradise and paradise would exist if a few wicked people would not interfere with the natural rights of the billions of innocents. This is nonsense. It is the conflicting interests of peoples rather than the wilfulness of leaders which present the basic problems. It is doubtful if the world would be very much more peaceful today if Marx and Lenin had never been born or Gandhi had died of a fast. The rather comfortable relationships among states to which we had grown accustomed by the nineteenth century was bound to be rudely dislocated by the consequences of the age of science. There are genuine conflicts of interest in the world which have to be painfully adjusted, conflicts between classes and countries and races and continents. These conflicts were not invented by Communists to make our lives miserable, even though they have exacerbated and exploited.

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I am an optimist also because it seems to me remarkable that men of such varying backgrounds have turned as often as they have to international agreements and institutions to settle their disputes rather than resorting to primitive force. There are two different ways of looking at the United Nations, depending on whether one is an optimist or a pessimist. The pessimist is concerned with the difference between the United Nations as it exists today and the perfect instrument of world order we should all like to have. The optimist sets his eyes rather on the extraordinary amount of international institutions we have established in a generation and thinks this is not bad considering the billions of years mankind has been around.

I realize full well that I am in danger of begging the question as to whether, in spite of all our progress, we are moving fast enough to keep up with the racing capacity for destruction. And yet it is this same revolution in the capacity for destruction that does in fact give us the chance to escape destruction. If we had only the weapons of the First World War, it seems to me altogether likely that the Soviet and Western forces would already have come into military conflict. Russian Communism, and perhaps even more so Chinese Communism, has that crusading dedication to its cause, that righteous belief that its mission is to liberate the earth that would almost certainly have led them to use military means to spread their doctrines, as have other great crusades which preceded them. The mutual fear of nuclear weapons has, however, induced on both sides a caution that is our one hope of escaping disaster. It is certainly not a sure hope, but it is our one hope. It has already had one remarkable achievement in that it has altered the fundamental tenets of Marxism-Leninism. According to a recent statement of Soviet theory: "We are now living in a period when all mankind is vitally interested in averting war." This may sound like ordinary horse sense to us, but it represents the abandonment of one of the most sacred, and most dangerous, of Communist tenets, the belief that capitalists and imperialists will inevitably resist with force the revolution of the proletariat and that therefore force in the form of war will inevitably be necessary to suppress them. This belief in the fact that war will destroy us all together is one thing that the West and the Communists have in common, and this must be the starting point in seeking any possible basis of agreement.

At this point, I must pause, I think, to meet the argument that these words of the Communists cannot be trusted, that they are professing these beliefs only to lull us into unawareness and that they have as much intention as ever of striking us with rockets when they have them ready. This is not an easy argument to counter with assurance because one cannot ever pretend to know the secrets of the Kremlin. One good reason, however, for accepting these new views as representing real opinions is that the Russians are an intelligent people and it is hard to believe they could go on being so stupid as to think that they would not be destroyed in a nuclear war. If one looks at the Soviet Union close up one is aware of the fact that their major interest is in completing the revolution at home rather than exporting it abroad and that however much they may care about making Communists in Cuba, they will not give that a priority over raising crops in Kazakhstan.

The flaw in the theory that Soviet policy is all part of one brilliantly coordinated conspiracy is that it attributes to the Russians powers of coordination and collaboration beyond the most utopian conception. The Russians certainly do try to fool us, and their tactics on any issue from Laos to Berlin are deliberately deceptive. But you can't fool all the people all the time, even in totalitarian states. They have not only presented this new thesis about war to foreigners; they have hammered away at it to their own citizens, who are by no means as docile as we imagine. They too have to keep a lot of different people satisfied - the Eastern Europeans, the Chinese, the Cubans, and Guineans, their own generals and their own population. They blunder and shift in their policies, appeasing one section of the Communist world and then another. It is quite an illusion to believe that Soviet policy is all run by some master at the keyboard, pulling this stop and that, starting a revolution here or a coup there, playing on themes and slogans to beguile various publics with craft beyond the dreams of Madison Avenue. As a totalitarian state they can certainly plan their moves in diplomacy more cleverly than we can in the glare of democratic publicity. So much is true, but it is unwise to exaggerate this advantage into the possibility of a gigantic hoodwink which no state in this day and age could pull off. It is a mystery why some of the most vigorous anti-Communists, those who see a clever Communist conspiracy in every event at home or abroad, are the biggest victims of Communist propaganda. They seem to have accepted the boast that Communism does indeed change the nature of society and of men and enable them to perform prodigious feats of diplomacy no mortal society has ever before mastered. A friend of mine before the War came back from the Soviet Union with what I have often thought was the wisest comment about that country. When asked his impressions, he said that he was inclined to think that everything that was ever said about the USSR was right. This is no doubt an overstatement,

It has a core of important truth. Much of what the strongest anti-Communists say about the danger from Russia is true, but on the other hand one can't understand Soviet policy either without comprehending that what its defenders and apologists say has its own kind of validity. The Communists dangerously threaten us not so much because of their guile as because of their conviction that our society is rotten. It is their belief that it is incapable of meeting the needs of the masses of the world whereas their system is; that a great war of liberation is going on in the world which the Western powers are obstructing for their own selfish reasons; and that it is not only the opportunity but also the duty of Communists to give all prudent means of support to this struggle against capitalism and imperialism. They threaten us also, of course, because they have amassed an appallingly dangerous military machine which, whether or not they consider it as a weapon of defence or offence, can have its own momentum.

The Communists threaten us also with political and economic theories which have had striking success - as well as failures - in the Soviet Union and other countries. There are theories which have much in them that underdeveloped countries consider, with some justification, more applicable to their problems than are the sophisticated economic practices of highly developed capitalist states. The essential element of political and spiritual freedom which for us makes all the difference in the world makes considerably less difference to people who have never been able to enjoy much of this luxury. Communism has very little if anything to offer Canada, and the theories of Canadian Communists are irrelevant to the problems of our times and country. The choice for a Vietnamese or a Cuban is less clear cut. Whatever its merits, the appeal of communism is so strong throughout the world that we cannot any longer think in terms of exterminating it. We can hope to check it and to dilute it, but it is here to stay in one form or another and to this we had better make up our minds.

The Russians are interested in establishing a regime of peaceful coexistence for two reasons. One reason is that they recognize that a nuclear war which destroyed the Soviet fatherland would not be worth while even if it brought Communism to Patagonia. The other is that they confidently believe that they are riding the wave of the future, that they are midwives to a new era of peace and prosperity for all the world. We accuse them of duplicity in advocating peaceful coexistence when we know their intention of pressing on to convert the world to Communism regardless of whatever truces we might sign. This estimate of their intention is right, but I think they are innocent of the charge of duplicity. Khrushchev has made it perfectly clear to any one who asked him that they would consider

themselves obliged after a truce of peaceful coexistence to carry on assisting the struggle for "liberation of the masses" even if this sometimes meant assisting in "wars of liberation". Let us, therefore, have no illusions that we can ever get a bargain with Khrushchov which would oblige him to stop abetting Communism in other continents. We could hope to tie his hands from the more overt kind of military intervention - which he may be very hesitant to use anyway far from his borders - but subversion will be carried on. We too, therefore, will have to think of carrying on the struggle against the unacceptable elements of the Communist offensive regardless of whatever agreements are reached at summits or at the United Nations.

If it is true that the Russians and their allies are interested in peaceful competition with us and do not intend to use arms to achieve their ends, could we not, therefore, abandon our arms and throw all our resources into this healthy competition in raising living standards throughout the world? The difficulty remains, of course, that the Russians have come to believe in peaceful competition for a very practical reason. It is because they recognize that we have the power to destroy them even as they destroy us. It is the balance of nuclear power which has produced this equilibrium and it might not survive the removal of the power of one side. The grim fact is that if peace now depends on the nuclear balance, we have to keep the forces on each side roughly in equilibrium because the shift of power to one side or the other would give that side an unbalance in diplomacy. The Russians may not have the intention of launching a war against us and they may sincerely believe in peaceful coexistence, but they, like all great powers, tend to tune their diplomacy to fit their strength, and if they became conscious that they possessed a decisive military superiority - say the capacity to defend themselves against our aircraft and missiles - their diplomacy would become even more commanding than it is at the present time.

So we are forced to maintain the arms race, however costly and self-defeating it may be. What is worse, the West is forced to develop a power of total destruction which may be totally inappropriate to the use we want to make of it. To keep the Russians from getting their own way, we have to threaten to destroy them and ourselves. The grim paradox is that we must at the same time ask ourselves whether the differences between our ways of life, great though they are, justify the extinction of life on the scale we must accept. If we admit this doubt openly, however, we weaken the credibility of the deterrent and allow the Russians to win by a bluff.



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There is no easy way out of this dilemma, but there is an approach which provides some hope. I think we must rule out immediate disarmament as a possible solution if for no other reason than that it cannot be inspected, and I see no hope of convincing the leaders of either side to take such a gamble. We must rule out military defeat of the Russians and Chinese because it is unattainable. We must rule out the end of Communist rule by internal revolution because the vast majority of citizens of the heartlands, although not the periphery, of the Communist world, have insufficient desire to revolt. We can't have unconditional surrender, we can have only a truce. This involves, as the Prime Minister said about Berlin, painful concessions on both sides.

What we can seek is the stabilization of the world rather than its pacification. Because the world is in the throes of unprecedented change, this is a peculiarly perilous condition to achieve. But, let's face it, the world is a very perilous place in which to live and always has been. We can't have solutions for the world's conflicts but we can seek to find settlements in danger spots such as Berlin or Laos or Korea or Taiwan which leave the area in an uneasy but acceptable state. While we seek ways and means to get started on a process of mutual disarmament, we can seek to experiment in arms control agreements which curb the appalling risks of the present state of affairs. The suspension of nuclear tests was one such measure, and it is profoundly discouraging that it should have been broken. Nevertheless, we might get back to it. We might find some grounds of agreement with the Russians on limiting the number of nuclear powers - although we might have to alter present NATO strategy to do so. I hope we could find some agreement about mutual early warning schemes and for areas of disengagement in which there will be no control of weapons if not their complete abolition. The prospects are not good but if it proves possible to achieve a temporary bargain over Berlin and Germany there might well be a radical change in the Soviet attitude to such matters. Such a bargain, however, would have to be one which maintained essential Western positions. The need to bargain and negotiate does not mean the need to bargain at any price. In fact, capitulation to Soviet demands over Berlin as distinct from an accommodation of mutual interests would upset the balance and destroy the opportunity for negotiation provided us by the nuclear stalemate.

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RESTRICTED

Ottawa, November 8, 1962. /72

Our file: 50028-B-40  
Your file: CSC 7-17 (JIC)  
CSC 1322-1 (JIC)

Lt. Cdr. A. Malyshoff,  
Secretary,  
Joint Intelligence Committee,  
Department of National Defence,  
OTTAWA.

The Soviet Atomic Energy Program

In reply to your letter of October 26, 1962, we wish to inform you that this Department has no comments on (1) US HIE 11-2A-62 dated 16 May 1962, entitled "The Soviet Atomic Energy Program".

J.J. McCardle,  
Defence Liaison (2) Division.

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AUSTRALIAN HIGH COMMISSION,

OTTAWA,

CANADA.

HIGH COMMISSIONER

2nd November, 1962.

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*Dear Mr McCordle,*

Thank you for your letter of 4th October sending me, on the usual "see and return" basis, Copy No. 21 of J.I.C. paper 447(62), "Civil Defence in the Soviet Union", which I am returning to you with this letter.

*Yours sincerely*  
*D. O. Hay*

(D. O. Hay).

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