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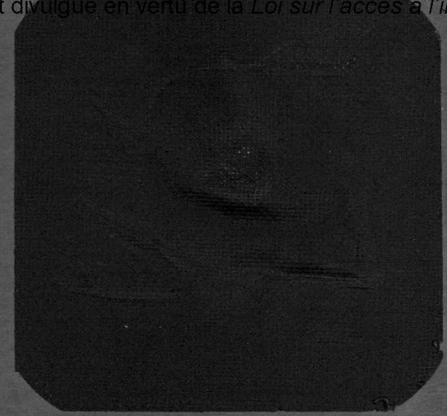
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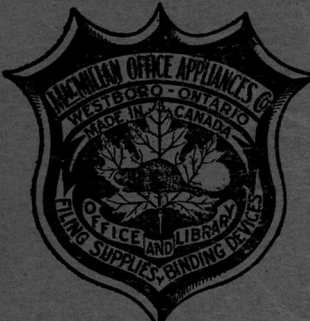
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Volume NINE(9)
From November 1, 1959
To December 31, 1960

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DEPARTMENT OF EXTERNAL AFFAIRS

MEMORANDUM

Defence (2)

Mr. Johnston

TO: ~~Mr. G. det. Glazebrook.~~

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Date December 20, 1960.

FROM: Mr. Watkins.

File No.		
50028-B-10		
14	✓	

REFERENCE:

SUBJECT: JIC Paper on Sino-Soviet Relations of November 24.

Sorry to have been so long in reading this. It is a good paper on the whole, if a bit heavy going at times and rather wordy and repetitious.

2. Perhaps not enough is said about possible conflicts of national interest as opposed to ideological differences, some of which are merely the result of the different stages at which the two revolutions find themselves. The Chinese are here the more orthodox Leninists, the Russians, the revisionists. It is possible that the Russians may eventually have to seek an arrangement with the United States to protect them against Chinese expansionism.

3. At the rate the Chinese seem to be progressing I wonder if the disparities will be so much greater in five years. They may make much more rapid progress in agriculture than the Russians did because the resistance to collectivization seems to be much less.

CIRCULATION

4. If the Germans get nuclear weapons, the Russians may not be able to continue to resist the Chinese demand.

5. The recent meeting may have opened ways for the Chinese and Russians to consult more adequately.

J.B.C.W.
J.B.C. Watkins.

20.12.41(us)

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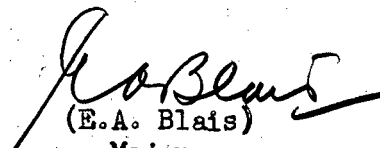
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24 November, 1960.

SINO-SOVIET RELATIONS

Enclosure: CANADIAN JIC 383/2 (60) dated 23 November, 1960
"SINO-SOVIET RELATIONS"

The above enclosure is forwarded for information and
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(E.A. Blais)
Major,
Secretary.

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CANADIAN JIC 383/2 (60)

23 November, 1960.

COPY NO. 129

SINO-SOVIET RELATIONS

OBJECT

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

INTRODUCTION

2. In 1959, the JIC issued a study of the history of the Sino-Soviet relationship in the ideological, political, strategic and economic fields (JIC 341/3 (59)). The current paper is intended to supplement this and to examine in more detail the recurrent divergences in the policies of the two Communist regimes, which were touched upon in JIC 354/2 (60) and JIC 361/3 (60).

CONCLUSIONS

3. In view of the complex and changing nature of the Sino-Soviet relationship, and also because of our limited knowledge of its inner workings, the conclusions of the paper are necessarily general and tentative.
4. The foundations of the Sino-Soviet relationship are a close interdependence of basic interests and a common basic ideology. The first ten years of the alliance have brought both countries considerable advantages. In particular, Soviet support in the political, military and economic fields has enabled China to become the leading indigenous power in Asia.
5. Because of the relative independence of the Chinese Communist Party since 1934, the diversity and magnitude of the internal and external problems faced by each country and, in particular, the disparity in their internal conditions, both sides have been forced to recognize that their foreign policy positions and the doctrinal formulations associated with their internal and foreign objectives can no longer be identical in all cases.

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6. The most important characteristic of present relations between the Soviet Union and China has been their increasing inability to find a formula which would permit consultation in matters of mutual concern and the reconciliation of divergent interests. On some occasions both the Chinese and the Soviet governments have made unilateral policy decisions apparently without giving prior warning to the other partner. It is clear for instance that the Chinese regime does not make a practice of consulting the Soviet Union in those matters on which the Soviet position can be expected to conflict with Chinese objectives.

7. For both countries however, an important reason for continuing their partnership in its main outlines would be the consequences which its disintegration would entail for their national interests, as well as the cause of international communism. Thus the relationship has become one in which the two countries are maintaining the alliance and are probably trying to derive maximum advantages for themselves, without sacrificing national interests which they consider as essential.

8. We believe that the causes of differences between China and the Soviet Union will tend to increase during the period of this estimate, although some efforts will no doubt be made to hide them from the outside world. The cumulative impact of foreign policy differences, of disagreements over communist principles, combined with the frustrations which will continue to confront China in the achievement of wider international recognition and the attainment of internal economic and military objectives, will tend to loosen further the ties between the two countries.

9. The reconciliation of Chinese and Soviet foreign policy objectives will become more difficult. The Chinese will probably intensify their efforts to reduce the effects of the Soviet policy of peaceful coexistence. They will probably attempt to limit Soviet freedom of action in international negotiations on such questions as disarmament, nuclear tests and east-west relations in general.

10. Differences over ideology will probably continue, as conflicts over internal and external policies may well again, from time to time, find their expression in ideological controversies.

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11. The effects of the disparity in the social and economic structures of both countries will probably be felt increasingly during the next five years as the divergences in per capita living standards in the two countries increase. China can be expected to continue to make the sacrifices which are necessary to maintain its economic independence vis-a-vis the Soviet Union.

12. Differences over the employment of force and the role of war in communist theory will remain a major source of friction during the period of this estimate. The Chinese can be expected to maintain, both on theoretical and practical grounds, that war could in certain circumstances work to the advantage of the Communist cause. It is possible that, as a result of the current meetings of Communist leaders in Moscow, the Chinese may agree to end temporarily their public dispute with the Russians on the question of the inevitability of war. There is no doubt, however, that they will not hesitate to attack Soviet policy openly on this point if Soviet pronouncements and actions should in the future threaten interests which the Chinese consider as essential.

13. Conflicts of interest over the distribution of military power within the Sino-Soviet alliance can also be expected to worsen. We believe that the acquisition of a nuclear capability, including an intercontinental delivery capability, must constitute a major long-term objective of Chinese policy, as such capabilities would enable China to force the major world powers, including the Soviet Union, to take greater account of Chinese policies and interests. The limited nature of Soviet assistance to China in the nuclear field suggests that the Soviet Government is attempting to limit the Chinese nuclear weapon programme without wholly abandoning it. In addition, we have no reason to believe that the Soviet Union has given any nuclear weapons to the Chinese.

14. The Soviet Union and China will probably be unable to find a more acceptable political modus vivendi or a more satisfactory formula for the negotiation of their disputes. Although we do not foresee any definite rupture in the relations between the countries during the period covered by this estimate, it appears probable that a greater degree of mutual distrust and some hard bargaining will become a permanent feature of their relations.

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DISCUSSION

I. THE BACKGROUND OF THE SINO-SOVIET ALLIANCE

The Origins of the Chinese Revolution

15. Chinese Communism was an indigenous movement in the sense that it was created by members of the Chinese intelligentsia who discovered Marxism - Leninism by themselves through their independent study of the Russian revolution. Nevertheless, Stalin sought from the first to direct the Chinese revolution through the Comintern. Because he was ill-informed about conditions in China, he tried to impose the pattern of the October Revolution on the Chinese and, in particular, clung to the view that the Chinese revolution should be led by the proletariat. This was the origin of several contradictory and ill-advised Soviet directives which, particularly during the critical years of 1926 to 1930, hampered rather than assisted the advance of the Chinese revolution. After 1934, the Chinese Communist movement developed along largely independent lines and Mao Tse-tung, choosing the only course open to him, intensified his efforts to build up support for the communist cause among the Chinese peasantry.

16. In addition to owing little to the Soviet pattern, the Chinese revolution was also largely the result of a military victory achieved with a minimum of Soviet help. Stalin, who was either suspicious of the Chinese brand of communism, or may not have believed in Mao's ability to defeat the Kuomintang, was probably surprised by the rapidity with which the Chinese Communists established their rule. Although he soon recognized the necessity of acknowledging China as a new communist power, he insisted on Soviet supremacy in all matters concerning doctrinal interpretation and the leadership of the international Communist Movement.

17. Thus the Chinese Communist Party had behind it a significant period of independent action when it established the People's Republic of China in 1949. Its relations with the Soviet Party may have been closer since Stalin's death, but they have continued to be threatened by a constant danger of divergence, in spite of the efforts of both parties to find practical solutions to differences. In China, as earlier in Yugoslavia, the emergence of an independent Communist Government gave political power to a brand of communism with primarily national roots and this in turn contributed to the weakening of the myth of Soviet hegemony over all communist revolutions.

Ideology

18. Nevertheless, a common belief in the Marxist ideology forms the main basis of the Sino-Soviet alliance. The Soviet and Chinese regimes share the fundamental conviction that they are the predestined instruments of a world-wide revolution which is "on the march in history". They are engaged in a joint crusade to accelerate this "inevitable" process. The recurrence of differences over doctrinal questions is restricted primarily to disagreements concerning the application of communist principles to the very different circumstances in which each country finds itself at a given time.

19. The Chinese Communist leaders are still to a large extent motivated by the revolutionary fervour which inspired them during their long and bitter struggle for power. Quite apart from this largely emotional factor which is compounded by the isolation of China from developments in the rest of the world, the Chinese are also unable, for practical reasons, to follow the doctrinal evolution of the Soviet Union. Within China, the successive indoctrination campaigns intended to make party members conscious of the need to sacrifice themselves for the cause of communism, the experience of the communes and the "great leap forward" programme are examples of the Messianic zeal of the Chinese leaders which limits their

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flexibility in dealing with the Soviet Union. Similarly, the Chinese devotion to the cause of international communism is characterized by the advocacy of an aggressive proselytism which conforms with their beliefs but, at times, constitutes a cause of serious embarrassment to the Soviet Union. On the other hand, the methods used by Khrushchev in the de-Stalinization campaign of 1956, the emphasis placed within the Soviet Union on incentives rather than sacrifices, and the Soviet advocacy of peaceful competition as one method of dealing with capitalism are probably interpreted in Peking as evidence that the Russian revolution is losing momentum and that the Soviet regime is prepared to compromise on the integrity of the Communist creed, without regard to the Chinese position, whenever the current interests of the Soviet Union are at stake.

20. It is probable, nevertheless, that Chinese doctrinal innovations would be tolerated by the Soviet Union if the Peking regime did not insist on exalting them to the level of doctrinal orthodoxy and even at times presenting them as a model for other Communist states to follow. The differences between the Soviet Union and Communist China over such questions as the communes, the role of war in Leninist theory, the transition from socialism to communism and Soviet supremacy in doctrinal matters, are all basic to the relationship between the two countries. Although persistent efforts have been made on both sides to show that these differences have been settled, there is no indication that the Chinese have substantially altered their stand. Moreover, the causes of these divergences have not been removed and the risk of further conflicts has not diminished. On the contrary, it is quite probable that as China's internal power and international status grow, and as it becomes less dependent upon the Soviet Union, it will advance stronger claims to an ideological parity which the Soviet Union will be under increasing pressure to accept in order to avoid a definite schism within the Communist bloc.

Power Relationship

21. The community of interests between the Soviet Union and Communist China also derives in large measure from a convergence of separate national interests which are vital to both powers. The basic elements of this mutual dependence are the necessity to oppose a common front to the West, the dependence of China on Soviet assistance in the economic, technical and military fields and the advantages which the alliance affords China and the Soviet Union within the context of the political and strategic balance of power. In 1949 Mao Tse Tung described the nature of the Chinese interests in the alliance from a national viewpoint when he referred to the necessity for China to "lean on one side". For the Soviet Union the greatest advantage of the alliance lies in the added military and political strength it gives to the communist bloc.

22. Nevertheless, this fundamental solidarity has not prevented the growth of differences during the last five years, and it appears that the reconciliation of policies becomes more difficult as China grows in power and stature. This conflict of interests may be generally characterized as follows:

- (a) the geo-political problems facing each country are different and, in some cases, constitute a cause of friction. China is essentially a Far Eastern power with traditional interests in the area, and particularly in Southeast Asia. Although it has been striving to achieve a global presence, its attention in recent years has been mainly devoted to the settlement of national questions which the Chinese Communist regime has inherited in some cases by accident of history. It is not surprising that China, after a long period of internal lethargy during which it was unable to protect its national interests, should use its newly-found power to settle long-standing border disputes with neighbouring countries, and to re-establish Chinese control or influence over areas and populations which had either always been considered by tradition as forming an integral part of the Chinese national heritage or as falling under Chinese influence. It is also natural that the Chinese regime

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should feel committed for purely national reasons to defend the interests of the large Chinese colonies spread in various parts of Southeast Asia. It was inevitable that in using aggressive tactics in the pursuit of these national objectives the Chinese should have seriously embarrassed the Soviet Union, which has recently made a concerted effort to retain the goodwill of the countries of the area, particularly Indonesia and India.

- (b) The Soviet predominance in the councils of the world from which China is excluded also constitutes a source of friction. The Chinese resent the fact that the Soviet Union acts as the spokesman for the Sino-Soviet bloc in international discussions where decisions are taken on issues affecting vital Chinese interests such as East-West relations, disarmament, etc. The Chinese regime has at times resorted to pressure tactics to hamper Soviet freedom of action in international negotiations. During the Middle East crisis of 1958, Chinese pressure seems to have influenced, at least to some extent, the Soviet change of attitude regarding the holding of a Summit conference within the Security Council. More recently, in the period preceding the Paris Summit, the Chinese have taken pains to describe in detail how their position towards the West was different from that of the Soviet Union. The Chinese may try to provoke divisions within the Soviet leadership itself or differences between the Soviet Union and its European satellites in order to prevent the Soviet Government from pursuing international objectives which are in conflict with their own.
- (c) In examining Chinese and Soviet policies in previous papers, we have suggested that Chinese assessments of world developments bear little resemblance to the Soviet view of the international situation. The Soviet Union has reached a state of internal development and has achieved an international status which enables it to discard the Marxist conception of "capitalist encirclement" on which the Chinese still depend so much to justify the sacrifices imposed on the Chinese people in the struggle against the Western imperialism. As a consequence, the two regimes disagree over the methods of dealing with the non-Communist world. The Soviet Government has at its disposal a variety of instruments to employ in the pursuit of its objectives which are not available to the Chinese. It is in a position to adopt a flexible approach to the West and to shift at will from a policy of conciliation to one of pressure and rigidity. The Chinese Communists, on the other hand, are largely out of formal contact with the outside world and they tend to interpret the East-West struggle in the light of traditional communist concepts. This leads them not only to misjudge Western intentions but also to miscalculate the effect of their policies. Similarly the economic and military instruments at the disposal of the Chinese are considerably inferior to those which the Soviet Union possesses. (See paras. 41-46).

The Timing of the Chinese Revolution

23. The disparity of timing between the Russian and Chinese revolutions is an historical factor which has a profound bearing on all aspects of the Sino-Soviet relationship. The Soviet Union has long ago passed the phase of its revolutionary transformation. It has reached an advanced stage of economic and technological development; it has extended its direct sphere of influence in Central and Eastern Europe; it has achieved the status of a major world power and, in terms of military and economic strength, it can only be challenged on equal terms by the United States. Soviet policy is as a result characterized by a new sense of satisfaction, security and confidence. The progress achieved within the Soviet Union has resulted internally in increasing popular pressures for a relaxation of controls and the enjoyment of a higher standard of living.

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24. In contrast, the Chinese Communist regime is still gripped by the great challenge of transforming the basic economic and social structures of China. Although it is attempting to force the pace of this transformation by establishing a stringent system of economic and psychological control, it is confronted by enormous difficulties in this task and particularly by the problem of ensuring that economic and social progress keep pace with the population upsurge. Externally, the Chinese Government has not yet been successful in obtaining wide international recognition. Finally, China has unsatisfied territorial ambitions and remains unable to achieve the liberation of Formosa.

Other Factors

25. The future evolution of the two societies will doubtless have an important impact on the relations between the two countries. Chinese resentment against the more satisfied and affluent Soviet nation is likely to increase as the divergences in living standards become more noticeable in the two countries. The gap between the two civilizations may therefore in the long run widen and constitute more than any other factor a centrifugal force within the alliance.

26. There are, in addition to the above considerations, a number of variable factors which may influence the evolution of the Sino-Soviet relations. For example, the attitude adopted by the Western powers towards China and the Soviet Union respectively obviously has significant bearing on these relations. The favourable Western response to the Soviet policy of detente has not been paralleled, for obvious reasons, by any corresponding effort to improve relations with China. Such a situation is likely to continue to have a divisive effect on the two partners within the Communist alliance.

27. Changes in the Soviet or Chinese hierarchies during the period of this estimate are also possible. Mao's death or his disappearance from the Chinese political scene would, among other consequences, deprive China of the prestige which accrues from the fact that Mao is a legendary figure symbolizing the achievements of the Chinese Revolution and is recognized as the most outstanding living Communist theoretician. A return of "Stalinists" to power in the Soviet Union is another example of a possible situation which could have far-reaching consequences on Sino-Soviet policies.

II. SIGNIFICANT TRENDS IN SINO-SOVIET RELATIONS

International Problems

28. Differing Sino-Soviet attitudes have been most evident recently in the context of relations between the Communist Bloc and the Western world. There have been increasing indications during the last two years that Moscow and Peking were not in agreement on the tactics which should be employed in dealing with the West. While the Soviet Government has on the whole pursued a policy aimed at a reduction of international tensions, China has remained more aggressive and uncompromising. Under Khrushchev's direction, the Soviet Government appears to have revised its estimate of Western intentions and re-assessed the methods of dealing with the challenge of capitalism. It is clear, for example, from Khrushchev's statements that he no longer regards war in the nuclear age as a useful instrument of policy. The conduct of Soviet foreign policy appears to be based on the premise that time is on the side of the Soviet Bloc and that a period of peaceful competition with the West would facilitate the consolidation of the Communist rule within the Bloc, the continued development and closer integration of the economies of Communist states, and the extension of Communist influence abroad, particularly in the under-developed regions of the world. Soviet persistence in promoting the idea of East-West negotiations during the last two years also suggests a desire to reach a new and more lasting modus vivendi with the Western powers, particularly in Europe and a hope that the increasing strength of the Soviet Union could be used in due time to obtain a settlement on Soviet terms of such key issues as the question of Germany and Berlin.

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29. Chinese hostility towards the West, which is rooted in the long history of Western interference in Chinese internal affairs, has increased since the Communist take-over in China because it is Western, and in particular U.S., opposition which constitutes the main obstacle to the liberation of Formosa, to the wider international acceptance of China, and to the extension of Chinese influence in Asia. The myth of a national enemy, which is so useful to the Chinese to galvanize national energies, also explains and justifies the Chinese policy of unremitting hostility towards the West. It is certain that the Chinese Government considers that any prolonged period of detente in East-West relations would tend to perpetuate the status quo in the Far East and would have a detrimental effect on Bloc solidarity which would necessarily be reflected in a more definite parting of ways in the course of Soviet and Chinese policies. The Chinese may also believe that peaceful co-existence as proposed by Khrushchev will jeopardize the advance of Communism in the world. Until Khrushchev's visit to the United States, the Chinese avoided challenging Soviet positions openly, but in recent months they have taken pains to publicize their own views on the Leninist concept of peaceful co-existence, to voice their doubts about the sincerity of Western expressions of peaceful intentions and to stress the importance which they attach to the continuation of an active struggle against imperialism.

30. The Chinese have also been suspicious of Soviet attempts to negotiate with the West. They have been concerned lest the Soviet Union might make concessions to the West which could affect the vital interests of China and the Bloc. While they did not object to Soviet efforts to negotiate a settlement of the questions of Berlin and Germany at the Summit level, they may have feared that the Soviet Union might be prepared to pay too high a price in return for Western concessions. With regard to disarmament, the Chinese have clearly stated that they would not be bound by an agreement reached without formal Chinese participation. By refusing in advance to accept the terms of an eventual disarmament agreement, the Chinese Government undoubtedly intended to make it clear that it would only renounce the use of force of its own free will and in particular that it had no wish to see other powers prejudge the issue of its accession to the nuclear club. It may also be that the Chinese are hoping to advance their claim to a wider international recognition by pointing out that disarmament is meaningless without Chinese participation, a position with which the Soviet Union may be forced to agree publicly.

31. The Chinese open opposition to the direction of Soviet foreign policy may not be a direct cause of Khrushchev's actions in Paris and at the United Nations, but it is certain that it constituted one of the important factors which had to be taken into account, particularly if the Chinese views were favourably received by important sections of Soviet leadership or the leaders of certain Communist states. The Sino-Soviet dispute over East-West relations and associated doctrinal formulations has become more acrimonious since the failure of the Paris Summit meeting. Chinese statements and articles show that the Chinese Government remains convinced that Khrushchev has not abandoned his policy of co-existence with the West, in spite of the more aggressive tactics adopted by the Soviet Government in Cuba and the Congo as well as at the United Nations.

Chinese Policy in Asia

32. Chinese conduct in Tibet, the quarrels with India and Indonesia, the rupture in trade relations with Japan, the Chinese trade offensive of 1958 combined with the unpopularity of the communes in Asia have all but destroyed the good will which China had succeeded in building up among Asian nations since the Bandung Conference of 1955. The Soviet Government, whose main objective has been in recent years to maintain friendly relations with the uncommitted states in Asia, has adopted a neutral attitude in most of Chinese national disputes in the area. It has continued to provide substantial assistance to India and Indonesia. During his recent visits to these two countries, Khrushchev did not appear anxious to rehabilitate the Chinese and clearly gave the impression that his main concern was to repair any damage which had been done to Soviet prestige and influence as a result of Chinese conduct in Asia. Soviet propaganda has supported the Chinese campaign against the Kishi Government in Japan, but, on the other hand, has given wide publicity to the recent trade agreement with Japan.

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33. The Chinese regime has recently made some efforts to mend its political fences, at least with the uncommitted Asian countries. This shift in Chinese tactics probably stems from the realization that the principal results of the methods favoured in 1958 and 1959 has been to help anti-communist forces in Asia. An additional reason for this new attitude may have been the fear that the Soviet Union might not hesitate to take advantage of Chinese difficulties in Asia to undermine the position of China as the leading Communist power in the area.

Formosa

34. The occupation by Nationalist China, supported by the United States, of Formosa, the Pescadores and off-shores islands is the major military problem facing Communist China and represents a humiliating reminder that the Chinese revolution remains incomplete. There is no evidence of Soviet support for direct Chinese action to liberate Formosa and we believe that the Soviet Union's advice to the Chinese has been in the direction of moderation. The Chinese must be aware that the Soviet Union is unlikely to risk a major war with the United States to assist in the achievement of a purely national Chinese objective. For this reason, the assurances of support given to China by the Soviet Union from time to time on Formosa remain of questionable value from the Chinese viewpoint and the problem of Formosa will remain an irritant in Sino-Soviet relations.

III. RELATIONS IN SPECIFIC FIELDS

Intra-Bloc Relations

35. Since 1957 the Chinese stand on the question of intra-bloc relations has presented a striking contrast between China's pressing advocacy of bloc solidarity under Soviet leadership and Chinese claims to a unique position within the Socialist camp. In the course of 1956, the Chinese appeared to be genuinely concerned over the long-term consequences of the Soviet degradation of Stalin and the liberalization which became evident within the bloc under the new Soviet regime. Their concern over the new trends became more acute when they discovered, following the failure of the "free-speech" period, that revisionism had also become a strong dynamic force in China itself. As a result, they began emphasizing the necessity for the solidarity of Communist countries under the leadership of the Soviet Union, which they certainly considered just as essential for their long-term interests as the rectification campaign launched on the domestic scene.

36. At the same time, however, the Chinese Government has retained and exercised the right to develop its policy independently and to manipulate Communist principles to its advantage in a way which has been damaging to the unity of the Socialist camp. It has, for example, gone much further than the Soviet Union in the condemnation of Yugoslav revisionism. Dissatisfied with the new orientation of Soviet policy, it has also criticized Soviet doctrinal formulations. As noted above, Chinese public criticism of the Soviet Government became more intense and vocal after Camp David.

37. The existence of clearly defined and widely publicized Chinese objections to Soviet policies and methods constitutes in itself a permanent challenge to solidarity. It opens possibilities to other members of the Bloc to use the Chinese position in order to advance their interests whenever they consider that the Soviet Union does not take sufficient account of them. Moreover, Chinese deviations from the Soviet line could, under certain circumstances, provoke dissensions, or exacerbate already existing divisions within the Soviet hierarchy or the leadership of bloc countries.

The International Communist Movement

38. Disagreements over the direction to be given to national communist parties, particularly in underdeveloped countries, have come to constitute a serious source of irritation in Sino-Soviet relations. Soviet instructions to Communist parties in

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these areas have been based in large part on the prior requirement for the reduction and eventual elimination of Western influence accompanied by the development of "national liberation movements" in the course of which the Soviet long term aim of establishing communism in these areas has been kept firmly in the background. Accordingly communists and communist parties have been urged to cooperate with "bourgeois nationalists" against the "common imperialist enemy", without necessarily taking a leading role, on the understanding that in due time they will be in a position to supplant the emerging bourgeois nationalist regimes.

39. Since 1958 the Chinese have made it plain at a number of world communist gatherings that they regard this policy with grave misgivings in the conviction that, whatever may be the tactical desirability of lessened tension with Western nations, the Communist World should not be deterred from taking advantage of all opportunities openly to encourage the development of political forces favourable to communism in the underdeveloped countries. The Chinese have consistently put forward the view that communist groups should assume by all means possible, including resort to violence if necessary, the leadership of the anti-colonial movement.

40. On the occasion of the Rumanian Party Congress in June 1960 the Chinese insisted again that the revolutionary weapon in "colonial and semi-colonial" territories must not be blunted by programmes designed to relax international tensions. It is believed that the Chinese resisted the Soviet view on this question to such effect that the Russians were subsequently obliged to rally support from other Parties in preparation for the meeting of Communist leaders organized on the occasion of the Anniversary of the October Revolution. At that meeting - which is currently taking place - the Russians may encounter a good deal of resistance to their policies which in many cases have already (as in the case of the Iraqis, Egyptians and Syrians) exercised restraints on Parties convinced of the advantages of a more militant course of action. However, with the possible exception of Parties from Albania and a few South-East Asian countries, where Chinese control is believed to have at least come to contend seriously with Russian control, their support is unlikely to be long-lived.

Economic Relations

41. In their efforts to transform China rapidly into a modern industrialized power, the Chinese leaders have turned to the Soviet Union as a long-term source of assistance. Soviet co-operation has been of basic importance to Chinese economic development in the field of technical assistance and as a source of credits and supplies of a wide range of industrial equipment. The Soviet Union, together with the European satellite countries, have agreed to assist in the construction or reconstruction of 400 industrial plants during the first and second five-year plans. In addition, credits amounting to \$1.300 billion have been extended for the purchase of military equipment and installations and the Soviet share of mixed Sino-Soviet corporations. Since 1956 no loans have been extended to China and at the present time all exports of Soviet products and services are being paid for in the course of normal trade. Bilateral trade represents now approximately 40 per cent of China's total foreign trade and about 20 per cent of the Soviet Union's. In 1959 Sino-Soviet trade increased by 35 per cent, although a 20 per cent rise had originally been forecast. This increase has resulted mainly from a considerable expansion of exports of Soviet machinery to China.

42. Financial assistance in the form of credits and loans has been relatively modest when compared to the aid offered to other countries by the Soviet Union, i.e. to the UAR and India. Moreover, the terms of trade have not been favourable to China and the latter has at times been forced to reduce internal consumption of agricultural products and certain raw materials in order to meet its repayment obligations. Although China has reportedly been displeased at the size and form of Soviet aid, the sacrifices which it has made to discharge its financial obligations seem to indicate that it attaches great importance to maintaining its economic independence vis-a-vis the Soviet Union.

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SECRETMilitary Relations

43. The distribution of military power within the Sino-Soviet alliance is of fundamental importance to its stability and future development. As long as Communist China is without a long-range nuclear weapons system and is therefore unable to bring its military power directly to bear on the United States the strategic initiative within the Bloc will remain with the Soviet Union. In these circumstances the dispute between the two countries over foreign policy will be necessarily confined to Chinese efforts to persuade or embarrass the Soviet Government into a change of strategy. With the acquisition of a long-range nuclear strike force, however, the Chinese would be in a position, through the threat of unilateral action, to force the rest of the Bloc, not to mention the U.S., to take greater account of their strategic views. For this reason we believe that the acquisition of such a force is a major Chinese objective.)

44. The Chinese Government probably estimates that Sino-Soviet military power is currently great enough to force U.S. concessions and, in the event of war, to ensure the survival of communism in China. It is doubtless impatient of Soviet reluctance to underwrite its military adventures but, since it cannot be sure of Soviet support, it is obliged to forego strong military action. This situation, which in itself is a cause of friction, is made worse by the apparent unwillingness of the Soviet Union to give large technical and material support to a separate Chinese nuclear weapons programme. From the Chinese Communist point of view, the Soviet Government is failing to exploit its power advantages to the limit - a fatal communist sin - and is at the same time wilfully retarding Chinese progress.

45. For its part, the Soviet Union faces a serious dilemma. If it dissociates itself completely from Chinese military ambitions it weakens the solidarity of the Bloc and deepens the crisis it must ultimately face when China develops nuclear weapons independently. On the other hand, whole-hearted support of a Chinese nuclear weapons programme would only serve to complicate the problem of restraining Chinese aggressiveness. Little is known about the extent of Sino-Soviet cooperation in the development of nuclear weapons and means of delivery. There is no evidence concerning the presence of nuclear weapons in Communist China, but we have no reason to believe that the Soviet Union has given, or has any intention of transferring, such weapons to the Communist Chinese. Should China insist on having Soviet nuclear weapons and adequate means of delivery on its soil, it is not impossible that the Soviet Union might, in certain circumstances, accede to such a request, while retaining the right to control the use of such weapons. The Soviet Union has extended considerable assistance in developing Chinese capabilities in the field of nuclear energy and it is more than probable that the knowledge and assistance thus received by the Chinese has been used as a basis for developing an independent Chinese nuclear weapons programme. It therefore remains possible that China will be capable of developing, during the period covered by this estimate, a rudimentary nuclear capability. But it is unlikely that progress in the nuclear field or in the development of delivery vehicles will be rapid enough to enable China to acquire a significant long-range striking force during the next five years. Nevertheless, the limited nature of Soviet assistance suggests that the Soviet Government is attempting to limit the Chinese programme without wholly abandoning it, perhaps in the hope that an agreement on arms limitation can eventually be applied to China. In any event, friction between the two governments over the development and employment of their military power is likely to intensify.

46. Outside the nuclear field Soviet assistance to the Chinese armed forces has been one of the principal features of Sino-Soviet collaboration. During the years 1950 to 1956, the value of Soviet military equipment and supplies exported to China was believed to be between \$250 million and \$400 million annually, representing about 50 per cent of China's imports from the Soviet Union and 25 per cent of China's total imports during that period. Since 1956 the import of arms from the Soviet Union is believed to have declined substantially probably as a result of an evident Chinese wish to reduce the proportions of the debt to the USSR, and concurrently as a result of Chinese domestic production and adequate holdings of some equipment. China, however, will continue to be heavily dependent on the Soviet Union as a source of modern arms and equipment for armament plants.

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SECRETIdeological Relations

47. As indicated above, the cause of ideological divergences between the Soviet Union and China lies in the vast differences between the Soviet and Chinese internal and foreign policy situations. This has been well illustrated by the disputes which have arisen over the communes and, more recently over the interpretation of the Leninist doctrine concerning the struggle against capitalism. The Chinese introduced their commune programme in 1958 in an attempt to regiment and control the rural population of China for the purpose of achieving the goals of the "Great Leap Forward". When the establishment of the communes was announced, it was with the claim that Communism "was not far distant in China", that the commune was a significant new organ of socialist society and a major step in the path to Communism. The Chinese, basing themselves on Mao's theory of uninterrupted revolution, asserted that it was possible and necessary to institute communist forms before the productive forces had, according to traditional marxist conceptions, made earlier forms obsolete. A general implication emerging from these claims was also that the Chinese initiative could be followed with profit by other Socialist countries.

48. In 1959, the Chinese Government abandoned some of the most extreme aspects of the communes and also retreated from the claim to an early achievement of Communism through the medium of the communes. At the same time, the Chinese leaders continued to develop the theoretical foundation of the rural commune programme and during the celebrations marking the 10th anniversary of the Chinese Revolution in October 1959 they re-asserted their belief in the communes as the best form for developing Communism under Chinese conditions. The fundamental objection raised by the Soviet Union to the original Chinese claims evolved mainly around the Soviet assertion that the building of Socialism can only be accomplished by stages and that an advanced stage of industrial and material progress is an essential prerequisite to the achievements of Communism. Khrushchev has also repeatedly stressed (and again at 21st Party Congress of 1959) the necessity of material incentives in the building of Communism and the importance of pay in accordance with the work performed.

49. There have been no Soviet comments concerning the announcement made at the National People's Congress held in Peking in the spring of 1960 that China was now pressing the establishment of urban communes. The urban communes which are mainly designed to establish in the cities a system of political, social and economic control comparable to that existing in the rural areas, will probably further exacerbate Sino-Soviet discord on the issue of the proper road to Communism.

50. Sino-Soviet disagreements over foreign policy tactics have recently found their expression in the most serious and fundamental polemic which has developed since the formation of the alliance. The dispute began when, on the eve of the abortive summit meeting, the Chinese openly attacked the ideological basis of Khrushchev's policy of detente. At the 20th and 21st Party Congresses, Khrushchev has asserted the new doctrine that war was no longer inevitable because the Soviet Bloc had become too strong to be attacked. During his visit to Peking in October 1959, he developed this thesis further by warning that it would be foolish for the Socialist countries "to test by force the stability of the capitalist system." Subsequently, Khrushchev stated that U.S. capitalism could survive disarmament and also expressed the opinion that President Eisenhower was in favour of peace.

51. In a series of articles and official statements, the Chinese have, since April 1960, been waging a virulent campaign against the Soviet position and have reasserted in the strongest terms the permanent value of the Marxist dogma that imperialism is the source of war. In May 1960, Mao warned that it was unrealistic to describe, as some people did, Eisenhower as a man who cherishes peace. Subsequently, in a statement purporting to support Soviet disarmament proposals, the Chinese stressed that it would be illusory to believe that the imperialist powers could accept disarmament. Khrushchev's actions in Paris and his subsequent vilification of President Eisenhower failed to placate the Chinese who continued to voice their discontent with increasing bitterness.

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SECRET

52. The Soviet authorities attempted at first to refute the Chinese arguments by reiterating that Khrushchev's doctrine constituted a creative addition to the Marxist creed. In the face of Peking's persistence, however, the Soviet Union was obliged to state its position in a more fundamental and forthright manner. Khrushchev seized the opportunity of the Rumanian Party Congress in June 1960 to dispel any idea that a re-assessment of his pre-Summit policy was warranted and to reiterate his formulation that war is no longer inevitable. The Bucharest communique, which endorsed the Soviet views on the non-inevitability of war and the possibility of a peaceful Communist victory over the non-Communist world, also acknowledged that war remains possible as long as imperialism exists and that violence might in certain circumstances be essential to accomplish a proletarian revolution. The attempt to reach a compromise at Bucharest was unsuccessful and the communique was in fact used by each side to canvass support for its own position among other Communist parties. The Russians will undoubtedly attempt to modify the Chinese position at the current meeting of communist leaders in Moscow but their efforts in that direction are unlikely to bear fruit. The Soviet authorities, who are anxious to contain the Chinese heresy, will also try to bring all other communist parties into line with Soviet doctrinal interpretations. All concerned will probably try to minimize in the eyes of the outside world the importance of Sino-Soviet differences.

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Department of National Defence

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JOINT INTELLIGENCE COMMITTEE

December 19, 1960.

→ J.K. Starnes, Esq.,
Dept. of External Affairs.

DNI
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SOVIET BLOC MERSHIP INDEX AND DECODE

1. Reference is made to memorandum on this file dated 15 December, 1959, forwarding for information and necessary action a copy of SACLANT Serial N-1175 dated 24 November, 1959 on this subject.
2. Enclosed are copies of SACLANT Serial 1182 of December 5, 1960. The attention of members is invited to paragraph 8. Any amendments to this publication should be forwarded to the Secretary as they become necessary.

Enc.
EAB/2-5459/1c

cc: DMI (no enclosure)
DSI

E.A. Blais
(E.A. Blais)
Major,
Secretary.

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DEC 9 1960

Mr. Starnes
The paper on Ghana has just been approved.
The paper on Guinea will not be ready for some time. It
might be best to wait until completion of Guinea paper
because our requirements may depend on developments in the
interim period. If you agree I could ask Blais to take this
off the agenda until the Guinea paper is circulated.

7 December, 1960.

MEMORANDUM FOR THE JIC:

COMMUNIST PENETRATION IN CERTAIN AREAS

Reference: (a) Minutes of the 784th meeting of the
JIC - Item X, para 17 (b).

The subject covered under the above reference will now
be discussed at the meeting to be held on 14 December, 1960.

E.A. Blais
(E.A. Blais)
Major,
Secretary.

EAB/2-5459/cp

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CANADA

Department of National Defence

JOINT INTELLIGENCE COMMITTEE

SECRET

21 November, 1960.

JIS

MEMORANDUM FOR THE JIC:

CHANGES IN SOVIET HIGH COMMAND

Attached for your information is a copy of NATO Paris message No. 2998 dated 16 Nov 60.

NOV 22 1960

E.A. Blais
(E.A. Blais)
Major,
Secretary.

Att.

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C O P Y

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FM NATOPARIS NOV 16/60 SECRET

TO EXTERNAL 2998 PRIORITY

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REF YOUR LET S764 NOV9

CHANGES IN SOVIET HIGH COMMAND

UK REP IN YESTERDAYS PAC MEETINGS, REFERRING TO DEATH OF MARSHAL

NEDELIN, MENTIONED ALSO ANNOUNCEMENT OF DEATH OF GEN PAVLOV. HE

SAID SOVIET NEWSPAPERS CONTAINED NUMEROUS MENTIONS OF DEATH OF

CIVILIANS ABOUT SAME TIME WITHOUT GIVING DETAILS OF THEIR CAREERS

OR OTHER ORDINARY INFO. IS APPARENTLY SPECULATING THAT THIS COULD

BE THE RESULT OF SOME SORT OF TRANSPORT ACCIDENT BUT EQUALLY IT MAY

BE RELATED TO SOME SPECTACULAR ROCKET FAILURE DURING KHRUSHCHOVS VISIT

TO NY.

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Department of National Defence

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18 November, 1960.

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MEMORANDUM FOR THE JIC:SOVIET HIGH COMMAND STUDY - 1960

Reference: (a) Minutes of the 790th meeting - Item X

Members are advised that the author of the above noted study, Mr. Malcom McIntosh, will address the committee at 1000 hrs, Thursday, 24 November, 1960.

2. Members who wish to attend this informal meeting are invited to bring interested personnel in possession of the appropriate Security Clearance.

3. It would be appreciated if the Secretary could be informed of numbers who will attend this meeting in order that seating can be arranged.

(E.A. Blais)

Major,
Secretary.

EAB/2-5459/lc

cc: CJS
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Chairman, GMIWG (P&O)

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JIB BRIEF NO: 74

COPY NO: 3 OF: 16

17 November 1960

INTELLIGENCE BRIEF

PREPARED FOR: J.I.C.
BY: J.I.B.
SUBJECT: USSR Currency Reform.
SOURCE: Press and Intelligence Reports.
DATELINE OF REPORT: May-November 1960.

1. The Council of Ministers of the USSR has decreed that as of 1 January 1961, the State Bank shall observe a gold purchase price of one rouble per gram. The gold content of the rouble will be officially pegged at 0.987412 grams of pure gold. In terms of the United States dollar, an official exchange rate of 90 kopecks per dollar has also been set as effective 1 January 1961.
2. The current rouble has a gold content of 0.222 grams of fine gold which is one quarter the present gold content of the United States dollar, specifically 0.888 grams. By fixing the gold content of the rouble at 4.5 times the current content the Soviet Government will define its rouble as being equivalent to 1.125 United States dollars.
3. This change in gold content attends upon the issuance of a new rouble to be commenced as of 1 January 1961. One new or 1961 rouble will exchange domestically for 10 current roubles. Prices and wages will be rearranged by simply dividing present levels by 10. Hence a current wage of 1000 roubles per month will, as of 1 January 1961, become 100 new issue roubles per month. The government has assured the country, that any quantity of present roubles will be exchanged for the new currency. Trading of large stocks of roubles at depreciated values for foreign currencies provides some evidence that not all Soviet citizens are satisfied with the government's assurances.
4. Had no official pronouncements on gold content of the new issue rouble been made, then this rouble would presumably have contained 2.22 grams of fine gold and therefore been worth 2.50 United States dollars. The decree fixing content as of 1 January 1961, at 0.987412 grams hence implies a diminution in gold content rather than an increase as the official communique labours to demonstrate.

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JIB BRIEF NO: 74

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5. For internal purposes in the Sino-Soviet Bloc the change is of more than purely propaganda value. The rouble is the unit of account for the Sino-Soviet Bloc and any move towards a more realistic relationship between the dollar and the rouble is important with regard to the transacting of Bloc trade and business. Under present conditions, for example, the economic advantages of external or internal trade are not always evident -- it is not always possible for individual Bloc countries to decide whether it is of economic advantage to manufacture or to grow goods domestically or to import them from other Bloc countries or the West.

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JIB BRIEF NO: 71

COPY NO: 3 OF 16

4 November 1960.

INTELLIGENCE BRIEF

PREPARED FOR: J.I.C.
BY: J.I.B.
SUBJECT: Soviet Bloc Harvests.
SOURCE: Press and Intelligence Reports.
DATELINE OF REPORT: August - October 1960.

1. Judging from somewhat sketchy information the 1960 harvest for the Soviet Bloc has not been good. In the Soviet Union the grain harvest this year probably will be about the same as the 1959 total of 115 million tons. This failure to expand grain production is due to a combination of poor spring and summer weather conditions, some shortage of manpower and the inefficient use of machines (see JIB Brief No. 37, 30 May 1960). The output of corn did increase but probably will not be enough to offset other grain losses. Output of some technical crops also may have increased a bit but cotton production is believed to have fallen. Meat and milk production, a source of pride in 1959, probably failed to expand for the country as a whole and in some areas actually declined in 1960. The overall picture for Soviet agriculture appears to be one not much different from that of 1959 and certainly far from achieving the unrealistic increases called for by the Seven-Year Plan.

2. As in much of the Soviet Union unfavourable weather plagued the Satellite nations especially those in the north. Probably hardest hit was Poland which on top of the substantial losses wrought by winter kill and late spring frosts had thousands of hectares of cultivated land ruined by summer floods (see JIB Brief No. 32, 2 May 1960). Estimates place the Polish grain crop at perhaps as much as two million tons below last year's record output of 14 million tons. Since imports of grain from the Soviet Union and the United States last year ran to a million and a half tons it may be expected that Polish grain imports will have to exceed this amount in 1961. Presumably the Soviet Union will not find it as easy to meet Poland's need for grain this year because for the second year in a row the USSR grain production has been below Soviet expectations.

3. Information is sparse on the situation for other agricultural commodities in Poland and this also applies to the remaining Satellites. Agricultural output in Czechoslovakia (which also had major flooding during the growing season) and Hungary is expected to be down from last year but that of East Germany, especially in grain, probably will be up. Bulgaria and Rumania had fair weather in 1960 but crop yields are expected to be lower than in 1959. It is not yet possible to make an overall estimate of 1960 Satellite agriculture, but as far as the grain harvest is concerned it may run as much as five million tons below the record output of almost 50 million tons in 1959.

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Date October 1960

JOINT INTELLIGENCE BUREAU

Ottawa

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GLOSSARY

ASSR	Autonomous Soviet Socialist Republic
Geologorazvedka	Geological reconnaissance
Gipronikel'	State Institute for Planning Enterprises of the Nickel Industry
Giprostroyindustriya	State Institute for Planning the Building Industry
kray	Administrative region
IGY	International Geophysical Year
oblast'	Administrative region
okrug	Administrative region
Sovnarkhoz	Regional economic board
SYP	Seven Year Plan

SOURCES

Daily Review of Soviet Press
Ekonomicheskaya Gazeta
Grazhdanskaya Aviatsiya
Krasnaya Zvezda
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AGRICULTURE & FISHERIES

KAMCHATKA Trawler Fleet

The personnel of the KAMCHATKA trawler fleet fulfilled the 9 month plan. 758 thousand centners of grade A fish were obtained. About 75 freight trains would have been required to transport this catch by rail. The fishermen of the trawler fleet have given a pledge to provide not less than 1 million centners of various fish by the end of the year.

Trud, 21 September 1960
Page 2 (Abridged).

Soviet Whaling Flotilla

The factory vessels SLAVA and SOVETSKAYA UKRAINA have left ODESSA for the whaling season in the Arctic.

The factory vessels and the fleet of smaller whaling ships will be accompanied by scientific-reconnaissance vessels and a refrigerator ship.

Trud, 14 October 1960
Page 4 (Abridged).

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ARCTIC

Unravelling the Mysteries of the Icy Wastes

Thousands of invisible threads bind the old mansion behind the wrought iron fence on the bank of the FONTANKA River, with the Arctic and the Antarctic.

This is the world-famed Institute of the Arctic and Antarctic. It originates from the Northern Scientific and Industrial Expedition which Lenin organised in the early years of Soviet power. In the past 40 years it has grown into a major scientific establishment conducting explorations of the polar regions and facilitating their successful development.

In the past 10 years the Institute has sponsored several major expeditions and explorations in the Arctic. These include the drifts of two permanent scientific stations, which have been continuing for more than 5,200 days, a series of high-latitude expeditions by sea, and the operations of the diesel-electric vessels OB! and LENA, in the northern part of the Sea of Greenland. Of equal importance is the work being done at the four Arctic observatories, which are the centres of scientific observations conducted in that part of the world.

At the present moment the Institute is engaged on an important project for Soviet economy. It is common knowledge that the ports of LENINGRAD, RIGA, ARKHANGELSK, ZHDANOV, NAGAYEVO and VANINO discontinue operations entirely or partially every winter, due to heavy ice. To prolong the navigation season in non-Arctic ports that freeze in winter the Institute's scientists are helping to introduce the experience gained in guiding ships through ice. Furthermore, research is underway to find technical ways of retarding ice-formation in these ports or of making shipping channels through the ice.

It is extremely important to prolong the navigation season in the Arctic, particularly at the mouth of the YENISEI River and through the VILKITSKY Straits, as this will enable Siberia to ship out large amounts of cargo and thus facilitate the rapid development of this rich territory. Modern scientific achievements and our powerful ice-breaker fleet with its flagship, the atomic ice-breaker, LENIN, make the solution of this task quite feasible.

In the last four years man has come to know more about the mysteries of the Antarctic than in all of history before. We have already conducted four Antarctic expeditions and a fifth one is currently out there.

In accordance with IGY tasks and working in close contact with their colleagues in other countries, the Soviet scientists have carried out a vast programme of research. Several of the discoveries made are already showing themselves to be of definite value in the solution of many tasks of practical importance.

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- 3 -

Soviet geographers have drawn up an accurate map of a third of the Antarctic coast, which answers all modern requirements. They have charted many islands, bays, capes and glaciers that were not indicated before. More than 200 such geographical points have been named and included in a recently published geographical directory.

The Institute is currently completing extensive preparations for a new Antarctic expedition. This expedition, the sixth, which will be headed by an experienced polar explorer, V. M. Driatsky, M.Sc. (Geography), will continue Antarctic investigations started during the IGY.

The expedition will go by the diesel-electric vessel OB1, which will first call at the LAZAREV Station, to land the wintering party and the building workers and the main portion of the equipment and building materials. This station, on a shelf glacier, will be moved 100 to 200 kilometres to the interior of the continent, where it will be more convenient to conduct investigations.

After that the OB1 will cruise along the Antarctic's eastern coast towards the South Pole Observatory at MIRNY where it will land machinery, scientific equipment, and supplies, at the same time the personnel of the station will be replaced. Then it will set out on a long cruise off the Antarctic coast with the purpose of conducting oceanographic observations.

Pravda, Reprinted in Daily
Review of Soviet Press VOL VI
No. 240 (1601) dated 5 October 1960
(Extracts).

ECONOMIC DEVELOPMENT

New Techniques at the OLENEGORSK Dressing Plant

Until recently the loading of rods at rod mills of ore dressing plants was made manually. In the OLENEGORSK ore dressing plant this operation usually required 8 workers. Moreover the mill had to be stopped for periods of 30-40 minutes. Rods are loaded on an average, about once a week.

In order to mechanize this manual process and reduce the standing time of the machinery, two workers of this plant have designed an automatic machine. It was built at the workshops of the OLENEGORSK Ore Board, tested and is now undergoing user trials at the ore dressing plant. The loading of a complete set of rods (12) now requires only 2.5 minutes.

Ekonomicheskaya Gazeta,
21 August 1960
Page 3 (Full text).

The VYGOSTROV Hydro-Electric Power Station

The volume of work is increasing daily at the construction site of one of the major projects of the SYP in Karelia -- the VYGOSTROV hydro-electric power station.

Excavation work for canals and the building of the station are in progress. A concrete factory started production as well as stone crushing and sand sorting enterprises.

Ekonomicheskaya Gazeta,
30 August 1960
Page 1 (Full text).

New Mining Equipment

The development and research institute Gipronikel' (LENINGRAD) is studying methods for improving existing machinery and designing new equipment for mining non ferrous metals.

Last year the institute completed projects of 11 types of new machinery which they tested and then handed over to factories for series production.

At the present time the attention is focused on health problems in ore mining. The Gipronikel' institute is dealing with this problem. An ultra-sonic dust collecting machine has been designed and built. It is of the UPZ type and is used for dry dustless boring.

The experimental models of this machine were tried at the mines of the Severonikel' combine; the Apatit combine, Kapital'naya, No. 1 mine of the DEGTYARSKIY Ore administration and at the NORILSK combine. These machines proved satisfactory and were found to be particularly effective in permafrost areas where the wet method of dust control is not recommended.

Ekonomicheskaya Gazeta,
8 September 1960
Page 4 (Extract).

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Practical Training for High School Children

Under the guidance of expert geologists high school children of the YAKUT ASSR have taken part in explorations in the area of the rivers VIL'YUY, and BATAMAY. Traces of gold were discovered in the bed of the latter river.

Other parties explored the western and northwestern regions of Yakutia. Brown coal, lime and other items were noted.

Interesting data was received from the area between the rivers CHUL'MAN and TIMPTON. Traces of phlogopite, crystal and dolomite were discovered.

Trud, 21 September 1960
Page 4 (Abridged).

Countless are the Riches of the Northeast

The MAGADAN region, which was once a barren northeastern "outskirt" of the country, is now becoming transformed into an economically developed area. New gold fields, mines, and enterprises are opened every year, and hundreds of kilometres of new motor highways are built. The working people of the MAGADAN Economic Region have fulfilled, gold extraction assignments ahead of schedule.

The economy of the region is advancing rapidly, as new districts are being drawn into its economic life. We crossed the Arctic Circle long ago. New enterprises, ports, piers and motor highways have already appeared in the boundless expanses of CHUKOTKA. Less than a year ago the IULTINSK Mines started operations, and this year the GRENUCHLY Gold Fields will begin functioning.

Our region is called the non-ferrous metal shop of the country for it now occupies one of the first places in the Soviet Union for its deposits and extraction. There is no doubt whatever that these deposits will be extended. The amount of money allocated for geological exploration work during the current seven-year period is as much as was spent on the exploration of the North East in a quarter of a century.

Geologists have set themselves the task of annually accumulating deposits of non-ferrous metal in an amount that will be twice the volume that can be extracted by the miners in a year. This will enable us to create, in the near future, a lasting raw-material base for the further development of the mining industry and the successful fulfilment of the seven-year plan. The miners are now doing all they can to reach, in 1963, the level of extraction planned for 1965. The figure set for extraction in 1961 has already been surpassed.

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The mining enterprises have changed beyond recognition. Instead of the pick, shovel and wheelbarrow they have powerful excavators, wheeled scrapers and washing apparatus. Today, instead of the 100-150 people who were engaged in difficult physical work at the gold fields, there are only two or three men on duty, to take charge of the modern machinery.

Since the 20th and 21st Party Congresses, the Party organizations of the area have done especially important work in mechanizing production. The removal of the peat and the washing and transporting of the sands during their underground extraction have been fully mechanised, and the crushing shops at the ore dressing plants have been changed over to automatic control.

In recent years labour productivity has increased considerably as a result of mechanization, and the cost price of the extracted metal has considerably decreased. But we are no longer content with our present achievements. The July Plenary Meeting of the C.C. C.P.S.U. stressed the importance of improving the economic figures for the work of industrial enterprises. The decisions of the Plenum are of special significance for us Northerners, for the cost of mining work here is much higher than in the central areas of the country because of the unfavorable natural conditions of the Far North (low temperature, perma frost, long winters and short summers).

We must cut the cost of mining work considerably and also that of the extraction of gold. At a plenary meeting of the regional committee of the Party, held recently, the miners were set the task of making all enterprises profitable ones, within the next two or three years, and being able to get along without state subsidies. This may be achieved by a better use of the machinery. The experience of the foremost collectives shows that the excavating machines can move much more rock than they do at present in the North. For instance, in 1959 the team of bulldozer operators headed by Leskovsky and Slepetsky moved more than 100,000 cu. m. per machines, or 2.4 times as much as the average for the economic region. Wheeled scraper operators moved 77,000 cu. m. each, which is 1.6 times as much as the average figures for the economic region. Excavator operators moved from 226,000 to 252,000 cu. m. of rock per cu. m. of scoop volume, or twice the average amount.

The introduction of the hydraulic method of extraction, which is new for us, greatly helps to cut the cost price. Many specialists declared that this method could not be used at KOLYMA. Today these conclusions have been refuted by actual experience. The miners of the SHIROKIY Gold fields, have shown that under the conditions existing in the North not only can the hydraulic method be used, but that it is very effective from the point of view of cost. The bureau of the regional Party Committee, after studying the use of the hydraulic method at the SHIROKIY Gold fields, adopted a resolution directing the Party organizations of the region to ensure the wide introduction of this method of extraction.

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The all-round mechanization and further automation of all methods of extraction now used afford tremendous opportunities for lowering the cost of metal. Much still remains to be done in this connection. We have not as yet found the most rational methods for preparing dredging areas. Dredges can work successfully only on thawed ground. This area however is a region of eternal frost. It has to be thawed by artificial means. The present methods of thawing by steam and cold water are laborious and costly. They must be perfected, and ways of simplifying them and lowering the cost must be sought.

The working of the gold fields by the underground method is the most complex and costly. We are planning to do much work next year along the line of mechanizing and automating underground work. For instance, it is planned to design a small-underground bulldozer to replace the outdated scraper devices.

There are no longer any "blank spots" on the map of our region today. The entire territory is being surveyed by geologists. A detailed study of the geology of the region has to be made and the countless riches contained in the earth here have to be revealed.

The geologists are employing new methods of exploration and surveying on an ever larger scale, and the mechanization of geological surveying work is being introduced more and more. The time has passed when geological parties came here only by reindeer in winter. Today they have conventional aircraft and helicopters at their service. Unfortunately, helicopters are used, at present, only to bring the geological parties to the field and to take them back. Our helicopter fleet must be increased at least ten fold. The expenditures will be compensated many times over.

The working people of the region are constantly seeking new means to raise labour productivity. They are fully determined to lower the cost of their product and to give the country as much metal as possible. The first regional economic conference has already been held and preparations are being made for a second conference.

Pravda, 23 September 1960
Reprinted in Daily Review
of Soviet Press.
27 September 1960
(In full).

In the Far North

This article describes the life of settlers in the Far North and the development of the area. The following are extracts from this article.

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... Coal seams 10m thick have been found in the area of VORGA-SHOROM. It is estimated that the mine to be established here will have an output of millions of tons per year...

... VORKUTA absorbed 15,000 demobilised army personnel.

... Drilling rigs are appearing one by one on the banks of the VYCHEGDA and PECHORA. Gas production in the KOMI ASSR will be tripled in the course of the SYP...

... 16 milliard roubles will be spent by the KOMI ASSR on capital construction during the SYP...

... there is an oil refinery at UKHTA which processes oil extracted in the area...

Sovetskaya Rossiya,
29 September 1960.
Page 2 (Extracts).

The NIZHNIY KURANAKH Gold Field

This short article describes how a worker at the NIZHNIY KURANAKH gold field, YAKUT ASSR, suggested certain alterations be made to a dredger in order to prevent spillage of gold bearing sand when the scoops bring it up for washing.

The suggestion was adopted and implemented at other enterprises of the YAKUT ASSR.

Trud, 4 October 1960
Page 2 (Summary).

Geological Prospecting in Siberia and the Far East

The First Deputy Minister of Geology and Mineral Resources USSR, B. Mikonovich, described present trends in geological prospecting in Siberia and the Far East.

More than 60% of the geological research in the USSR is centered in Siberia and the Far East.

Oil in economic quantities has been recently discovered in the KHANTY- MANSIYSK National Okrug. Four wells have been drilled in that area.

The first oil in the IRKUTSK Oblast was obtained in the area of the so-called "ATOVSK Struture". The quantities available and production possibilities are now being studied.

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Dozens of prospecting parties are presently exploring the KRASNOYARSK Kray, where rich deposits of polymetallic ores have been found. Lead is of particular importance.

During the past two years, the Soviet geological maps have changed considerably and reflect the discovery of tin in the YAKUT ASSR, Maritimes and Khabarovsk Kray. Prospecting of the famous Udokansk copper area is now being intensified. New gold fields have been discovered in the Magadan Oblast and in the Chukotsk National Okrug.

New equipment has been introduced to assist in the over all geological prospecting work. Various types of magnetometers of great accuracy are now being used for measuring the magnetic field. The most important are the aeromagnetometers installed in aircraft which permit reconnaissance over wide areas.

A compact gravimetric set is now at the disposal of geological parties for determining heavy masses in the earth's crust. Improved spectrographs allow geologists to analyse ore samples in field conditions.

Trud, 5 October 1960
Page 4 (Extracts).

Mining Methods in Magadan and Yakutiya

Working conditions at the gold fields of the Yakutзолото (Yakut gold) Trust and in the Magadan Oblast are very similar. Yet, in the YAKUT ASSR, the output is higher than in Magadan.

The answer was provided by a delegation from Magadan on a visit to Aldan.

A high yield depends on the early start of the washing season. A novel system for a rapid preparation of the areas containing gold bearing sands has been devised. These areas are cleared of useless top layers in autumn with the help of bulldozers and then flooded. The layer of water prevents the soil from freezing and in the spring there are no delays while awaiting the ground to thaw. The ice is removed by mechanical means and the dredgers may be used immediately.

At the gold fields named after Frunze in the Magadan Oblast, a steam thawing method is in use. This method is costly and not very effective.

Other progressive working methods were observed in the YAKUT ASSR which are now adopted in the Magadan gold enterprises.

At the Arctic mines Deputatskiy located in the Verkhoysansk foothills, a new machine for sorting ore by specific gravity has recently been placed in operation. This is the OMT-550. It allows to extract lumps of pure metal from processed tin bearing ore which formerly were discarded with the waste.

Trud, 19 October 1960
Page 2 (Abridged).

New Towns and Settlements in the YAKUT ASSR

The town of MIRNYI is located on the bank of the river IRELYAKH. This diamond mining centre now has ore dressing plants, a power station and other industrial concerns. MIRNYI has a wide range of public services. Children study in a modern school. Stores display a wide variety of goods; there are two clubs, a library, a hospital and postal and telegraph services.

The town of CHERNYSHEVSK is situated not far from MIRNYI, on high ground above the river VILYUY. It was established by hydro construction workers as this is the site of the future hydro-electric power station.

The VILYUY power station is unique in its concept. There is no other station of this type in existence or planned. Each of its generating units will be within the rocky bank of the river. Water will flow through pressure channels to operate the turbines. Electric power will be available to local enterprises by 1963. A housing project is being developed at an accelerated pace.

The settlement PROMISHLENNYY, established by geologists and situated at the mouth of the river VILYUY is acquiring the aspect of a town. KITCHANY located nearby, is another inhabited locality of the same type.

The town NOVYY is being built. Located at the very edge of the Arctic Circle, it is the second largest diamond centre of the USSR.

There are no longer blank spaces on the map to the north of the 67th parallel. Basins of the rivers ANABAR, OLENEK, OMOLON, YANA, INDIGIRKA and KOLYMA are now settled.

The small reindeer breeding points and trapping posts along the coastline of the Arctic Ocean are now shown as important settlements on the maps of the YAKUT ASSR. Such are the settlements KAZACH'YE, STANNAKH-KHOGO, TIT-ARY, CHOKURDAKH and BATAGAY-ALYTA. Transport routes have linked these remote settlements with administrative centres of the republic.

The Arctic now sparkles with electric lights.

Trud, 22 October 1960
Page 3 (Full text).

The BELOMORSK Algae Processing Plant

It is planned to build an algae processing plant at BELOMORSK. This will be one of the largest and most mechanized concerns of its kind in the USSR. The production of this plant will include:

- a. Special powder to be used in the textile and oil industries
- b. Granular feed for animals
- c. Stuffing material for the furniture industry.

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In order that the yearly crop of algae should reach 30,000 centners by the time the new plant will be in operation, the collection and transportation of the raw material will have to be mechanized.

It is proposed to design a special water jet propelled vessel for the collection of algae in shallow parts of the sea. Such a vessel would be capable of operating in waters 4 m deep.

This entire project is still in the blueprint stage, but the future construction site has been surveyed.

Vodnyy Transport
22 October 1960
Page 4 (Abridged).

Obsidian in KAMCHATKA

Working in the valley of the PLOTNIKOVA river, a survey team discovered obsidian while establishing a bench mark.

A road, 10 km long is being built from the river to the high ground where the obsidian was discovered.

It is proposed to start extraction operations this coming winter. The raw material will be transported to PETROPAVLOVSK by sledge trains.

Stroitel'naya Gazeta
23 October 1960
Page 4 (Abridged).

High Construction Costs in the North

Various industries are developing at a rapid pace in the YAKUT ASSR. This requires construction projects which must be carried out in severe climatic conditions and on permafrost. Difficulties are encountered because of a lack of building experience in the North. Planners must bear in mind that structures must be sufficiently solid and yet inexpensive. Unfortunately not all planning organizations follow this rule.

The POKROVSK plant of ferro-concrete components may be cited as an example. This project was worked out by the KIEV branch of the Giprostroyindustriya and approved by the YAKUT Sovmarkhoz. The yearly output of this enterprise should be about 27,000 cu. m. of various items, including 15,000 cu. m. of cellular concrete components. The equipment therein is standard.

This enterprise is located next to the cement plant. For this reason it does not have boiler premises with fuel supply and ash removal systems nor cement receiving facilities or railway lines. Yet the value of this enterprise is estimated to be 34 million roubles. This high cost is due to poor structural and planning methods that were used at the time the plant was being built. Various alterations to the initial plans were made in the course of the construction work.

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Another reason for the high costs of construction was that the permafrost soil on which the foundation should have rested has been replaced by non heaving materials. It would have been more practical to leave the existing permanently frozen ground. This would have been two to three times cheaper.

Landscaping by means of imported earth/stone mixtures raised the estimated costs by 1.5 million roubles.

It must also be noted that the estimated production costs are high. On the economic side of this project, this question, for some reason, has not been raised. The **cost price of the yearly** output amounts to over 16 million roubles. The selling price however, is only 13 million roubles. Therefore this enterprise will continue to produce with a yearly deficit of 3 million roubles.

It could be that local conditions cause this high cost of production. However, the ferro-concrete plant at MIRNYI is a profit making concern and yet the salary scales are higher and raw material costlier than at POKROVSK. Moreover, the construction costs of the MIRNYI enterprise will be amortized within five years.

Stroitel'naya Gazeta,
23 October 1960
Page 3 (Abridged).

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RESEARCH HYDROGRAPHIC VESSELS

The Expedition Vessel ZARYA

The ZARYA is the only non-magnetic vessel in the world. After a refit of $4\frac{1}{2}$ months in VLADIVOSTOK, the expedition vessel of the Institute of the Earth's Magnetism, Ionosphere and Radio Wave Propagation is ready for a cruise covering 25,000 miles. The vessel will visit Hong-Kong, Australia, New Zealand, Chili and Japan.

Vodnyy Transport,
4 October 1960
Page 4 (Abridged).

The Research Vessel MIKHAIL LOMONOSOV

The flagship of the scientific-research fleet of the Academy of Sciences USSR, the MIKHAIL LOMONOSOV has concluded its 8th Atlantic cruise and returned to SEVASTOPOL'. After a week in port, the vessel left to carry out research work in the Black Sea.

The work will last until early November after which, the vessel will set course ~~for~~ another cruise in the Atlantic.

Vodnyy Transport,
18 October 1960
Page 4 (Abridged).

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TRANSPORT AIR

Helicopters for Geological Surveys

The helicopter has changed the life of geologists. Surveys that required a year to be completed are now done in a few weeks.

Further improvements will be made when the MI-6 helicopter will become available for survey work.

Helicopter for geological reconnaissance are equipped with special instruments. Series production of a special highly sensitive device for helicopters has been started at the LENINGRAD factory Geologorazvedka. This instrument will register the location of economic deposits.

Gräzhdanskaya Aviatsiya,
No. 8 August 1960
Page 7 (Extracts).

Polar Aviation

This article describes the method for preheating aircraft engines used in the Polar Aviation. Mention is made of an aircraft of the Northern Territorial Administration (SEVERNOYE TERRITORIAL'NOYE UPRAVLNIYE) which landed at an airport of the Polar Aviation. Aircraft of other departments (upravleniye) of the Civil Air Fleet are using polar aviation air lines to a greater extent than previously.

Gräzhdanskaya Aviatsiya,
No. 8 August 1960
Page 27 (Extract).

Air Transportation in the YAKUT ASSR

There are no railways in this republic. River transport operates only one quarter of the year. Hard surfaced roads are few. Only aircraft are able to maintain a year round passenger and freight service.

Aircraft fly to the diamond town of MIRNYY, ferrying men, equipment and supplies.

Not far from the ore mines of EGE - KHAYA there are drilling rigs among the knolls of this hilly area. Aircraft touch down at EGE - KHAYA.

Air transportation is available to the drilling personnel of the INDIGIRGA Mining Administration, to the personnel of the ALDAN - Mica Combine etc.

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The volume of air transportation is increasing at a rapid tempo. At the same time the rate of the industrial development must be taken into account. This applies particularly to the diamond, tin and mica industries.

In order to keep pace with transportation demands, the YAKUT Air Group requires a sufficient number of large transport aircraft. Aircraft capable of carrying loads ranging from 3 to 10 tons. Their radius of operations must be over 3,000 km.

There are problems in the supply of aircraft fuels to airports. The fuels are brought in by river vessels with great losses on the way. The cost price of one kg of aviation gas is thus increased five fold.

Grazhdanskaya Aviatsiya,
No. 8 August 1960
(Extracts).

New Air Service

The Civil Air Fleet announces the opening of a new air service linking MOSCOW with the CHUKOTSK National Okrug.

This new line is serviced by IL-18 aircraft which cover the distance in about 12 flying hours.

IL-18 aircraft of the Polar Aviation have been flying on a regular schedule to TIKSI. This service was started a few months ago.

Grazhdanskaya Aviatsiya,
No. 8 August 1960.

Soviet Air Force Station in the Arctic

The author of this article, Major Bukolov, describes the activities at an air force station located beyond the Arctic Circle.

The station has an airfield, meteorological facilities and a storm warning service. The following appointments are mentioned:

Major P. Malyshkin, head of the meteorological station
Bystrikov, meteorological officer
Tarasov, meteorological officer
Captain N. Polyanskiy, head of the meteorological group

The storm warning service is provided with cloud scanning radar. Besides local forecasts, the station provides meteorological data along flight routes and in adjacent regions.

Kzasnaya Zvezda,
10 October 1960
Page 1 (Abridged).

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TRANSPORT RAIL

A Dead Railway Line (MERTVAYA DOROGA)

Several years ago work was started on the railway line SALEKHARD - IGARKA, in the north of the TYUMEN' Oblast'. Rails were laid, stretching hundreds of kilometres; settlements for railway personnel, stations and bridges were built.

This construction project was abandoned because the line was subsequently judged unnecessary. Equipment was sent away and all structures were left standing.

The Deputy Minister of Communications, Gundobin, wrote to the Oblast Executive Committee saying that public and cooperative organizations could dispose, without charge, of all that was available along the abandoned railway line.

However, local organizations made few attempts to salvage or use the existing property. Private individuals, in the meantime were dismantling wooden houses and other structures which they appropriated or sold for personal gain.

The country is in dire need of rails. These could have been dismantled and shipped by rafts to new construction sites. This was not done and hundreds of kilometres of rails are rusting and deteriorating.

The now abandoned line could have served a useful purpose. It passes through the area between the rivers PUR and TAZ, which is presumed by geologists to contain large reserves of oil and gas.

Should a guard system be set up along the line? It is intolerable that government property should be lost.

Izvestiya, 14 July 1960
Page 4 (Full text).

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TRANSPORT ROAD

The Northern Super Highway

The super highway UST'NERA - MAGADAN links the OKHOTSK coast with remote areas of the YAKUT ASSR.

There is incessant traffic of motor trains carrying equipment and food supplies.

The article describes an incident when falling rocks swept a prime mover and its trailers off the highway into the river INDIGIRKA, where they sank out of sight. A passing truck driver winched the submerged vehicles back on the highway. Only minor repairs were necessary before the vehicles were able to proceed further.

Trud, 2 October 1960
Page 4 (Abridged).

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TRANSPORT WATER

Water Jet Vessels

Paddle river boats with a speed of 10-14 km per hr may still be seen on the VOLGA, OB', IRTYSH and other rivers. These are being replaced by fast propeller driven vessels including the Raketa and Meteor. These hydrofoil vessels will soon provide passenger service in Siberia. That type of vessel may be used in deep waters as in the rivers YENISEY and ANGARA.

Shallow rivers will be provided with vessels propelled by water jets. Such vessels were built even before the war at the KRASNOYARSK Shipbuilding yards. Large scale construction was not started until recently. The water jet vessels have twice the speed of former paddle boats. Besides, they are able to navigate waters that are 10 cm deep.

In former years only cargo vessels of this type were produced. Today, passenger jet launches are being manufactured at the KRASNOYARSK and other yards.

Ekonomicheskaya Gazeta,
2 September 1960
Page 4 (Full text).

In the Port of DUDINKA

From the deck of the diesel vessel which covered over 2,000 miles from KRASNOYARSK along the YENISEY river, may be seen the panoramic view of DUDINKA. The port accomodates river and sea-going vessels.

Two vessels were awaiting berthing and in the meantime the sea-going cargo vessel IVAN RYABOV and the freighter ALMETYEVSK were unloading industrial cargo, salt and food supplies. This is the part of the port reserved for sea-going vessels. A small locomotive without a tender may be seen operating along the quay side. The inscription NORIL'SK Railways appears on its side. It pulls away a loaded train. Another takes its place.

The river port is 1 km distant, there the diesel freighters 40 LET VLKSM, ANGARSK, VLADIVOSTOK, SLAVYANKA and KRASNOYARSK are being unloaded. Mention is also made of the diesel vessels ST-707 and XXI S"YEZD KPSS.

Storage space is limited, therefore all loads are directly loaded into rail cars or trucks. Freight is transported along the shortest and northernmost railway line DUDINKA - NORIL'SK.

About one quarter of all the industrial production of the KRASNOYARSK Kray is produced in NORIL'SK. All of it is transhipped in DUDINKA into water transports.

Vodnyy Transport,
24 September 1960
Page 2 (Extract).

Through Fog and Ice

On 6 September, after a forced halt at DIKSON, the convoy of 38 river vessels left for the Island TYRTOV. During the stop-over, members of the TYRTOV polar station visited the vessel OZYERNYY - 82.

From TYRTOV, six ice-breakers, the LENIN, KRASIN, MOSKVA, KAPITAN BOLOUSOV, YERMAK, and KAPITAN VORONIN joined the convoy to lead it through the Straits of VILKITSKIY

On 1 October the convoy arrived in TIKSI. Some of the vessels were heavily damaged and had to be towed by the accompanying tugs. All the 38 river vessels will operate on the river LENA during the next navigation season.

Vodnyy Transport,
6 October 1960
Page 1 (Abridged).

Sea Transportation Statistics - September 1960

The September freight transportation plan of the Ministry of the Sea Fleet USSR, coastal and overseas, shows the following results in percentages:

Shipping Agency	total in Tons	Including Transport Fleet	total in Ton/Miles	Overseas Transportation Financial Index
Northern	81.8	72.3	73.8	66.2
Murmansk	104.7	122.2	112.3	51.0
Baltic	78.1	114.6	111.5	102.4
Latvian	117.6	96.0	107.5	103.6
Estonian	108.7	108.7	112.0	111.8
Black Sea	100.1	104.9	112.7	105.4
Caspian	106.6	106.7	108.0	95.6
Caspian (Harbour)	120.7	121.8	118.3	—
Far Eastern (1)	100.1	96.6	106.7	102.0
Sakhalin	110.7	106.9	109.8	—
Kamchatka	104.0	83.4	111.7	—
Danube	109.2	109.2	101.4	114.3

Results for the
Ministry of the
Sea Fleet

100.7 103.6 106.5 102.5

Including:

Dry freight

97.0 99.9 102.5

Liquids

107.1 108.0 114.6

In addition:

Middle-Eastern

general cargo

108.3 108.3 106.8

(1) Final figures for September are lacking on the Far-Eastern Shipping Agency.

Vodnyy Transport,
6 October 1960
Page 1.

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Transportation Statistics - River Basins, September 1960

The September transportation plan for the shipping agencies of the Ministry of the River Fleet shows the following results in percentages:

<u>Agency</u>	<u>Tons</u>	<u>Ton/Kms</u>
Kolyma-Indigirka	161.3	160.4
Kuban'	157.3	140.5
Northern	124.4	143.0
Lena	122.6	111.8
Yenisey	116.2	119.0
Volgo-Don	104.3	101.4
Belaya	104.0	104.6
White Sea-Onega	102.9	109.4
Sukhon	102.9	103.6
North Western	101.0	104.2
Volgo-Tanker	100.9	103.0
Irtysk	100.4	102.3
Amur	124.4	91.8
Western	110.0	88.9
Volga United	102.3	82.9
Moscow	98.1	105.4
Ob'	88.4	100.7
East Siberian	92.2	95.7
Yana	86.5	85.7
Vyatka	84.3	76.5
Kama	83.4	65.8
Pechora	80.0	51.7

Results for the
Ministry of the
River Fleet

100.5 92.4

Vodnyy Transport,
6 October 1960
Page 1.

New Book

"Ice, a grain of sand and the sun". Such is the unusual title of a new book published by MORSKOY TRANSPORT. The author is the well known polar explorer, Professor I. S. Peschanskiy. The book deals with the new method of thawing ice by using the sun's heat. This method, which is presently used along the Northern Sea Route and on the numerous rivers and lakes of the North, allows an early navigation season.

Vodnyy Transport,
18 October 1960
Page 4 (Summary).

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River Journey to VANAVARA

The settlement VANAVARA, the centre of the TUNGUSKO-CHUNSKIY rayon, is located at the junction of the PODKAMENNAYA TUNGUSKA and the YENISEY.

In 1951, river vessels could only reach the PANOLIKA rapids and the trading post STALINO. In the spring of 1960, the masters of seven self-propelled units decided to reach VANAVARA itself.

The vessels arrived at BAYKIT on 4 June. Time was running out and the water level was dropping. However, it was decided to attempt the journey.

In the spring the airports of VANAVARA and BAYKIT are not operating.

The trip was completed successfully thus proving that this settlement could be reached by water from the outside world.

Vodnyy Transport,
18 October 1960
Page 3 (Extracts).

The Ice-Breaker DEZHNEV

The crew of the ice-breaker DEZHNEV operating in difficult ice conditions assured the supply of freight to polar stations located on islands all along the coast of the LAPTEV and KARA Seas.

During the first trip, the ice-breaker visited nine polar stations among which were MALYY TAYMYR, PREOBRAZHENIYE and PRONCHISHCHEVA. More than 2,000 tons of supplies and equipment were unloaded at these stations.

The vessel could not approach the station UST'-TAYMYR nearer than 25 km due to shallow waters. Freight for this station was ferried by motor launch.

During the 1960 Arctic navigation season, the DEZHNEV visited DIKSON on three occasions.

The ice breaker was the last vessel to leave DIKSON at the close of this years' navigation in the Arctic.

Trud, 20 October 1960
Page 4 (Abridged).

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CONFIDENTIAL

JIB BRIEF NO: 69

COPY NO: 3 OF 16

31 October 1960.

INTELLIGENCE BRIEF

PREPARED FOR: J.I.C.

BY: J.I.B.

SUBJECT: Electrification of Trans Siberian Railway. XXXXXXXXXX

SOURCE: JIB London

DATELINE OF REPORT: 4 October 1960.

ITEM:

1. Complete electrification of the 5,870 miles of the Trans Siberian Railway from Moscow to Vladivostok had originally been envisaged by 1965 but this may possibly have been abandoned in favour of extending electrification to Chita by 1965 and finally to Vladivostok by 1970.

2. The section Moscow-Irkutsk (3,318 miles) is due to be finished by the end of 1960, only 611 miles remain to be completed between Novosibirsk and Irkutsk and work on this section is proceeding rapidly.

3. Delays have however been encountered in the supply of electric power and electric locomotives. Thus a 169 mile stretch between Malukhino and Isil Kul must continue to operate with diesel traction until the Petropavlovsk power station is completed. As far as electric locomotives are concerned, production has lagged and the Soviet Press has been critical of the shortcomings of production, particularly of those that are being built for use with alternating current. A recent article claims that hundreds of new locomotives would be needed, but existing production capacity would meet only half the requirements. It seemed, concluded the item, that reliance would once more have to be placed temporarily on Diesel operation.

COMMENT:

4. Shortcomings in production of these items are not new and have been frequently admitted by the authorities, and 50 AC locomotives are on order from France and 100 from West Germany at the present time.

5. In spite of these difficulties there is no evidence that the Trans Siberian railway is unable to carry all essential traffic.

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33 | 57

Department of National Defence

JOINT INTELLIGENCE COMMITTEE

IN REPLY PLEASE QUOTE

NO. CSC 7-17 (JIC)
CSC 1824-1 (JIC)

CONFIDENTIAL

26 October, 1960.

D-2
EAF

OCT 28 1960

→ J.K. Starnes, Esq.,
Dept. of External Affairs.

DNI
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CB NRC

J12

THE SOVIET FISHING FLEET

Enclosure: (1) UK JIC (60) 71 (Terms of Reference)
dated 18 October, 1960, on the above
subject.

The above enclosure is forwarded for information.

E.A. Blais
(E.A. Blais)
Major,
Secretary.

Enc.

EAB/2-5459/1c

MINISTÈRE DES AFFAIRES
ÉTRANGÈRES

Paris, le 22 octobre 1960

Direction générale politique
Europe
Europe orientaleNOTEa.s. Politique intérieure
soviétique et position
de Khrouchtchev.

Mr. Dyer
I understand this is the basis
of a report on the Soviet
Union's internal situation,
mostly 1959-1960.
P.S.
10/11/60

50028-B-40	
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Au cours des six derniers mois, aucun événement majeur n'a marqué la situation intérieure en Union soviétique. D'une certaine façon, l'on pourrait même dire que le fait saillant est l'absence d'événements importants. Cette atonie de la vie politique est particulièrement sensible depuis le 21ème Congrès (février 1959). Elle contraste avec la période antérieure qui avait été caractérisée par des bouleversements dans la direction collective et par des réformes importantes dans les domaines économiques, administratifs et sociaux.

Toutefois il ne conviendrait pas de conclure de ce calme apparent que la situation n'évolue pas. Divers indices donnent plutôt à penser que des discussions sont en cours dans les sphères dirigeantes du Parti. En même temps il semble que l'on assiste à un renforcement du caractère collégial du pouvoir. Il serait sans doute prématuré de conclure que la position personnelle de Khrouchtchev en soit pour autant sérieusement menacée. Néanmoins l'on ne peut exclure que sa politique soit soumise à des critiques assez sévères.

1°/ Les remaniements et la réaffirmation de la collégialité .

Du 4 au 9 mai derniers, des remaniements sont intervenus dans les hautes sphères du parti, du gouvernement et de l'armée.

Remaniements
dans le Parti
et le Gouver-
nement

Ils aboutissent à une réduction considérable des effectifs du secrétariat du Comité Central, ramenés de 10 à 5 membres (le nouveau Président du Présidium du Soviet Suprême, BREJNEV, a quitté aussi le secrétariat à la mi-juillet). Cet organisme a peut-être été jugé trop puissant et trop étroitement lié au présidium du Comité Central. Désormais, en dehors de KHROUCHTCHEV, aucun dirigeant n'appartient à la fois au Gouvernement, au Présidium et au Secrétariat.

Cependant, les secrétaires libérés de leurs fonctions conservent des postes importants au Gouvernement, comme IGNATOV et FOURTSEVA, ou au bureau du Comité Central pour la R.S.F.S.R., comme ARISTOV et POSPELOV. D'autre part, les principaux bénéficiaires des remaniements : KOSSYGUINE et KOZLOV, nommés l'un membre du Présidium et Premier Vice-Président du Conseil et l'autre adjoint de KHROUCHTCHEV au Secrétariat du Parti, sont considérés comme des hommes de confiance de KHROUCHTCHEV. Et ceux qui avaient déjà été écartés, comme KIRITCHENKO et BELIAEV, tombant encore plus bas dans la disgrâce, sont éliminés les 15 et 25 juin de leurs modestes postes de secrétaires de région.

Remaniements
dans l'armée.

Les mutations dans le haut commandement de l'armée ont amené également au pouvoir des maréchaux comme TCHOUIKOV et GRETCHKO, plus proches de KHROUCHTCHEV que leurs prédécesseurs SOKOLOVSKI et KONIEV. Le contrôle du parti sur l'armée continue d'ailleurs de se renforcer (création de cellules du parti dans les bataillons depuis la démobilisation, conférence des secrétaires de cellules de l'armée, 11-14 mai). En créant, le 7 mai, un commandement des Fusées confié au maréchal NEDELINE, KHROUCHTCHEV imprime à l'organisation de la défense l'orientation qu'il avait toujours préconisée.

..//.

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Réaffirmation
de la
collégialité

Cependant KHROUCHTCHEV et ses collègues ont paru désireux ces derniers temps, d'afficher un certain retour à la "collégialité" et le Premier secrétaire évite de se mettre toujours seul en avant. Sans doute est-ce encore lui qui harangue les "travailleurs de choc" (28 mai), les officiers sortant de l'Académie militaire (28 juin), les instituteurs de R.S.F.S.R. Il continue de voyager et de porter la bonne parole à l'étranger.

Et la presse ne manque pas d'entretenir, dans les grandes occasions comme lors de son voyage à New-York, le "culte" de sa personnalité. Mais il cède la parole à KOZLOV et SOUSLOV pour expliquer au Comité Central (13-16 juillet) et aux principales organisations de parti, à Moscou et Léninegrad (26-28 juillet) les résultats du Congrès de Bucarest. C'est également SOUSLOV qui donne les directives du parti aux écrivains le 17 juillet. KHROUCHTCHEV dément, d'autre part, les bruits circulant à l'étranger sur la disgrâce de MIKOYAN (28 mai) et se montre ostensiblement avec SOUSLOV et KOROTCHIOV en villégiature dans le midi (13 juin).

2°/ Signes de discussion possible à l'intérieur du parti :

Ces faits insolites peuvent amener à se demander si des discussions ne sont pas en cours à l'intérieur du parti.

Campagne contre
le dogmatisme

La multiplication, depuis le mois de juin, d'articles contre le "gauchisme", le "sectarisme" et le "dogmatisme" donnent à penser que le débat qui se déroule entre Soviétiques et Chinois oppose également les Soviétiques entre eux⁽¹⁾. Le Kommunist du 10 juillet critique, en tout cas, "certains

..../.

(1) Articles de "Sovetskaja Rossia" du 10 juin, de la "Pravda" du 12 juin; discours de Khrouchtchev à Bucarest, 21 juin; article du Kommunist du 10 juillet : Konstantinov et Momdjan : "La dialectique et l'actualité"; résolution du C.C. du P.C. du 16 juillet; rapports de Souslov aux militants du Parti à Moscou et à Léninegrad, 26/28 juillet; article de Frantsev dans la Pravda, 7 août; critique des Izvestia contre le dogmatisme, 15 août; article de l'académicien Joukov dans la Pravda 26 août; article du Kommunist

littérateurs et dirigeants communistes", sans spécifier qu'il s'agisse d'étrangers.

Des déviations se seraient-elles manifestées dans le parti sinon, ce qui est peu vraisemblable, au niveau suprême du Presidium, du moins au niveau du Comité central ?

Déviations de gauche Les attaques contre le "gauchisme" sont surtout lancées à propos de discussions sur la politique extérieure, qui portant essentiellement sur les mérites respectifs de la coexistence pacifique et de la révolution armée. Certains semblent s'être attachés à préconiser le recours à la manière forte pour faire avancer la cause du communisme, plutôt qu'à faire reposer l'action extérieure sur la "détente". En fait, depuis 1953, les discussions à ce sujet n'ont guère cessé en URSS. Il ne serait pas étonnant qu'elles se poursuivent, la notion même de "détente" et de "coexistence" étant sujette à des acceptions diverses sinon antagonistes.

- en politique intérieure Sur le plan intérieur, le parti met, d'autre part, en garde contre des essais de "communisation" hâtive. C'est ainsi que le Kommunist n° 8 (18 mai) accuse certaines "brigades de travail communiste" de vouloir créer dans les usines où elles travaillent "une petite société communiste expérimentale" (proche sans doute des communes chinoises).

Déviations de droite Les membres du parti accusés de "gauchisme" semblent riposter en reprochant à leurs collègues de se laisser entraîner dans la voie du "déviatinnisme de droite". KHROUCHTCHEV a fait allusion, dans son discours du 5 mai au soviet suprême, à "certains camarades" opposés à la suppression des impôts, au nivellement des salaires et à l'octroi de facilités aux industries de consommation. Face aux partisans de l'expansion de l'industrie de consommation, les défenseurs de la priorité du développement de l'industrie lourde ont pu arguer des difficultés

..../.

... du 10 septembre; BELIAKOV et BOURLATSKI "La théorie léniniste de la Révolution socialiste et l'actualité"; éditorial de la Pravda, 18 oct. 1954 "Notre arme idéologique". 001304

actuelles d'exécution des plans. Ils peuvent se déclarer satisfaits aujourd'hui, car, devant les retards d'investissements et l'insuffisance de certaines productions de base (électricité, métaux, ciment) les allocations à l'industrie lourde ont été augmentées (décret promulgué le 9 août en application des décisions du C.C. de juillet).

Leurs limites

Les rares mesures prises en faveur de la population : suppression des impôts directs, annoncée le 5 mai, augmentation du nombre de points de vente décrétée le 9 août, ne constituent pas un cadeau très généreux et ne créent pas de difficultés économiques ou financières à l'Etat. Les contributions indirectes continuent de peser lourdement sur les simples citoyens. La révision du régime des salaires actuellement en cours parallèlement à la réduction des heures de travail entraîne l'établissement de nouvelles normes assez mal accueillies par les ouvriers (des grèves se seraient même produites fin juin-début juillet en Ukraine et à Léninegrad). Quant aux paysans, la session du soviet suprême, en relevant les assurances agricoles, leur a apporté un surcroît de charges parafiscales.

- en politique extérieure

A l'extérieur, le style donné par KHROUCHTCHEV à l'orientation de la politique soviétique, la façon dont il a engagé le pays dans la "détente", surtout après la visite aux Etats-Unis, ont pu lui attirer des reproches.

Position d'équilibre du parti

Dans ces conditions, le Premier Secrétaire appuie sans doute tout particulièrement la campagne contre le dogmatisme. Lorsqu'ils affirment que le marxisme-léninisme ne peut souffrir le dogmatisme, certains rendent en même temps hommage au "rôle créateur" de KHROUCHTCHEV. Jusqu'en 1956, le Premier secrétaire avait déjà mis l'accent sur la lutte contre le "dogmatisme". Par la suite, il avait plutôt dénoncé le danger de "révisionnisme", pour des raisons d'actualité. Mais pour l'instant le parti semble désireux de maintenir un certain équilibre. La résolution

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du Comité Central du 6 juillet donne satisfaction aussi bien aux partisans d'une large détente, en interprétant le communiqué de Bucarest comme la confirmation des thèses du XXème et du XXIème Congrès (1), qu'aux partisans d'une tactique plus énergique contre l'Occident. Les remaniements effectués dans le parti et le Gouvernement en U.R.S.S. maintiennent aussi la partie à peu près égale entre personnalités de tendances diverses : des postes importants continuent d'être occupés par SOUSLOV et FOURTSEVA, qui ont plutôt la réputation de "vigilants", et des hommes qu'on pourrait qualifier de "pragmatiques" comme KOSSYGUINE et KOZLOV bénéficient d'une promotion notable.

Difficultés
rencontrées
par les ré-
formes de
Khrouchtchev

Il reste que l'application des Réformes lancées par KHROUCHTCHEV se trouve aujourd'hui considérablement freinée. Une réaction se dessine contre la décentralisation économique, et on voit se superposer aux sovnarkhozes à la fin de juin, dans les principales Républiques : Ukraine, R.S.F.S.R., Kazakhstan, des conseils économiques nationaux, sortes de "supersovnarkhozes". L'affectation d'un nouveau Président au Gosplan, NOVIKOV, le 4 mai, et la création d'un nouvel organisme de planification, le Gos-ekonomsoviet, décidée par le C.C. le 16 juillet, donnent à penser que l'organisation économique n'est pas jugée satisfaisante. Dans le domaine agricole, les proportions inquiétantes prises par l'érosion dans les terres récemment défrichées et les pronostics de récolte peu favorables cette année sont autant de mécomptes pour KHROUCHTCHEV .

.. / .

(1) Le communiqué ne mentionne pas, en fait, les thèses du XXIème Congrès, mais seulement celles du XXème .

3°/ Actuelle campagne de vigilance.

Conseils de vigilance à la population

Le Parti cherche actuellement à faire régner dans le pays un esprit de discipline renforcé. De nombreux articles mettent la population en garde contre les contacts avec l'étranger (avertissements aux habitants des pays baltes, aux juifs cherchant à établir des liens avec Israël) et invitent les Soviétiques à se montrer vigilants à l'égard des touristes. Le procès de POWERS a contribué à entretenir dans le pays une atmosphère de méfiance contre les "espions". Le Kommunist insiste, dans le courant de l'été (n° 11, 9 juillet) sur la nécessité de renforcer les organes de sécurité qui ne sont nullement appelés, selon lui, à déperir ; il condamne toujours, il est vrai, les méthodes "criminelles" employées par BERIA.

Contrôle de l'intelligentsia

Le contrôle du Parti sur les intellectuels continue de se faire activement sentir. Adressant la parole aux écrivains le 17 juillet, SOUSLOV leur rappelle qu'ils ont pour tâche de "mobiliser le peuple pour la construction du socialisme". La parution de quelques nouvelles plus originales dans la Revue "Novy Mir" (les oeuvres de DOUDINTSEV "Histoire de nouvel an" et de TENDRIAKOV "Trois, sept, As" en particulier) a probablement jeté l'alarme. Cependant le poème de TVARDOVSKI, "Au loin, au loin..." qui loue STALINE tout en le critiquant, a dû donner satisfaction aux censeurs. Le Congrès des artistes de R.S.F.S.R., proclame au mois de juin le "réalisme socialiste" comme la "seule voie correcte pour l'art soviétique", et incite à la "vigilance" contre l'art abstrait. Si le Parti use de ménagements avec les intellectuels c'est seulement pour demander aux critiques, par la voix de SOUSLOV, de se montrer moins sévères à l'égard des auteurs qui s'attaquent à des sujets d'actualité.

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Formation
idéologique
dans le Parti

Un besoin de redressement se fait également sentir en ce qui concerne la formation idéologique des membres du Parti. En ce début d'année scolaire, le manque de manuels de philosophie marxiste est déploré amèrement. Le concours ouvert en avril 1959 pour la rédaction de nouveaux instruments d'étude n'aurait pas donné jusqu'ici de résultat satisfaisant.

*

* *

A première vue, la scène intérieure soviétique paraît stable, et même plus rigide que précédemment. A observer de plus près, cependant, on s'aperçoit que la politique à laquelle KHROUCHTCHEV a imprimé sa marque provoque aujourd'hui un débat qui peut mettre le Premier Secrétaire en difficulté. Les "dogmatiques" auxquels s'attaque violemment la presse sont en effet ceux qui, à la différence du Premier Secrétaire, attachent encore de l'importance à la théorie et ne font pas de l'efficacité pratique l'unique critère de vérité. "Seuls les aveugles, les dogmatiques, déclare l'éditorial de la Pravda du 18 octobre, ne voient pas les changements énormes survenus dans la vie autour de nous, nient l'importance des faits, de la pratique, de l'expérience, Par là même ils minimisent l'importance de la théorie révolutionnaire, l'importance des partis eux-mêmes".

Au nom de cette vérité "pratique" dont KHROUCHTCHEV s'est plus d'une fois réclamé, l'organe du Parti défend non seulement la ligne adoptée par le Premier Secrétaire à l'extérieur, mais encore les réformes dont il s'est fait le promoteur dans le pays.

../.

En défendant les thèses du Parti sur la coexistence pacifique, la liquidation du régime colonial, la possibilité d'éviter les guerres, l'éditorialiste loue expressément la façon dont KHROUCHTCHEV les a développées à l'O.N.U. comme un modèle de "pureté marxiste-léniniste". Il n'hésite pas, en outre, à attribuer aux principales réformes économiques de KHROUCHTCHEV : réorganisation de la gestion industrielle, développement des kolkhozes et transformation des M.T.S., réforme de la planification agricole, renforcement du progrès technique, réduction de la journée de travail, suppression des impôts, lutte contre le parasitisme, une "grande importance théorique".

De nouveau des critiques semblent avoir été portées contre la politique intérieure de KHROUCHTCHEV. A la différence des attaques contre la politique de "détente" elles ne peuvent guère provenir que des Soviétiques et non des Chinois. Lors de la crise de juin 1957, les membres du groupe antiparti s'étaient vu déjà reprocher leur scepticisme à l'égard des plans de défrichement de KHROUCHTCHEV. Sans se préciser de façon aussi dangereuse dans l'immédiat, une nouvelle opposition semble bien se dessiner, qui met aussi bien en discussion l'attitude de KHROUCHTCHEV face à l'Occident et aux pays sous-développés que ses innovations en agriculture et dans l'industrie./.

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~~Ann K. C. Brown~~
~~European Disarmament~~
7 file
M. Dupuis

CONFIDENTIAL

JIB BRIEF NO: 64

COPY NO: 3 OF: 16

3 October 1960.

INTELLIGENCE BRIEF

PREPARED FOR: J.I.C.
BY: J.I.B.
SUBJECT: Economic Incentives for the Development and Use
of New Technology in the Soviet Union.
SOURCE: Intelligence Reports and Local Records
DATELINE OF REPORT: September 1960.

1. On 3 July 1960 a Soviet decree offering economic incentives and designed to encourage the development and utilization of new technology was issued. Under the decree state employees presenting suggestions of technological and economic significance can be granted one-time bonus payments of up to 2 million roubles. This scheme, aimed primarily at the plant level is a further attempt to encourage innovation in a system which in the past has been unavoidably over-cautious and to a large extent has discouraged changes which might upset the chance of plan fulfilment.

2. The dimensions of the bonuses offered along with the current emphasis on industrial efficiency in the Soviet Union very likely will lead to the submission and implementation of some sophisticated proposals for technological improvements and probably will result in significant economic returns.

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CANADA

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(UNCLASSIFIED without enclosure)

Department of National Defence
 ROYAL CANADIAN NAVY

IN REPLY PLEASE QUOTE

NO. NSS 1700-106/253

Ottawa,

15 September, 1960.

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Dear *John*

Attached are the personal views of A/Capt. Barrett,
R.C.N., Canadian Naval Attache, Moscow.

Yours sincerely,

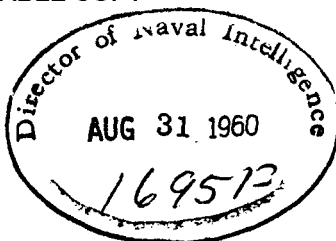
(L.L. Atwood),
Captain, R.C.N.,
DIRECTOR OF NAVAL INTELLIGENCE.

Mr. J.K. Starnes,
Defence Liaison (2) Division,
247 East Block,
Ottawa.

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SEP 22 1960

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

NAMS 1480-146/37

Naval Attache
Canadian Embassy
Moscow USSR
18 Aug 60SEMI-ANNUAL REVIEW - RUSSIAReference (a) - Instructions to Naval Attaches 3.02(6)
(b) - NAMS 1480-146/37 d/18 Jun 60

Submitted in accordance with Ref (a) and further to Ref (b) that events concerning Russia during the last six months have received sufficient attention in the press and elsewhere to make a detailed recapitulation superfluous.

2 Nothing has happened to invalidate the comments in Ref (b), and there is little to add to them.

3 It is considered that since the two plane incidents, the attitude of Russian guests, both officials and civilians, at official receptions has been cooler - with a hesitancy to engage in conversation which was not apparent before. In one or two cases it has been necessary to indicate that NA was a Canadian before a willingness to converse was exhibited.

4 The friendly attitude of the average Russian away from officialdom and official functions does not seem to have changed, at any rate towards Canadians. A recent trip on the Volga was without any objectionable incident and many of the people met seemed anxious to demonstrate their friendliness.

5 The tone of the Russian press is perhaps more vituperatory than at any time during the past year, with the USA of course being the prime target, and West Germany a close second. Disarmament, the Japanese Security Treaty, Cuba, Congo, South Korean elections, to mention only some, have, of course, provided a fruitful medium for discrediting the USA and NATO countries in Russian eyes.

6 In any other country but Russia one would predict that relations were deteriorating to the point of war, and it is always possible that a war may be started by accident or that a limited, non-nuclear war on someone else's territory, such as recently threatened in the Congo, may break out. However, there are grounds for believing that Russia is neither expecting nor preparing for an exchange of nuclear bombing. Anybody who has seen the enormous building and development programme being carried out in Moscow alone, the lack of accent on air raid shelters, the lack of ARP training, and the utter impossibility of evacuating Moscow's 5 million inhabitants in a reasonable time, must conclude either that Moscow and other large cities and industries are considered expendable or that nuclear bombing attacks are not seriously being anticipated.

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7 Furthermore, it should perhaps be reiterated that the Russian people generally urgently want peace and are afraid of war. It is almost impossible for the people of North America, whose land and homes were unscathed during the last war, to appreciate what the Russians went through at the time of the German invasion. The people who remember these horrors want no more of them and to a growing extent the voice of the people is being listened to by their leaders.

8 While the Russian people generally admire Mr. Khrushchov and support his action at the summit many of them would have admired him still more if, instead of disruption, he had brought back some evidence of progress toward peace and international understanding.

Original Signed By

R. D. BARRETT

(RD Barrett)

Captain, RCN

Directorate of Naval Intelligence
Naval Headquarters
Ottawa
Ont.

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DEPARTMENT OF NATIONAL DEFENCE
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OUR FILE REF.

56028-B-40	
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Ottawa, Ontario,
31 August, 1960.

The Under-Secretary of State,
Department of External Affairs,
East Block,
OTTAWA, Ontario.

Attention: Defence Liaison (2) Division

Re: Soviet Retail Prices

I am returning, as requested, the memorandum
on Soviet Retail Prices, dated 19 January, 1959. I regret
that there has been such a delay.

Would it be possible to obtain a more up-to-date
list of Soviet Prices please, as we find this type of
information of great interest and use in our work.

Enc.

R. L. McGibbon
R. L. McGibbon,
for: Director,
Joint Intelligence Bureau.

SEP 6 1960

Feli

*of I remember that these figures were gathered
by the US Embassy in Moscow and sent
to Ottawa by our Liaison there in connection
with a cost of living survey Admin Services
is consolidating existing cost of living surveys
showing a trend & maybe to JIB on regular basis*

BEST AVAILABLE COPY

EUROPEAN DIVISION

S E C R E T

ECONOMIC I DIVISION

August 23, 1960

Defence Liaison (2) Division

50030-3-1-40

11185-2-40

50028-E-40

Collection by Soviet Bloc of unclassified information of strategic value

-- At a recent meeting of the NATO Special Committee,
members were asked to prepare short papers on this subject
with particular reference to the method of collection and
the kinds of information sought. I attach, for your
information, a copy of the Canadian submission which has
-- been passed to NATO, as well as copy No.8 of AC-46-D/768
which was prepared by the United Kingdom Delegation,
which contains some interesting comments on the motives
underlying this activity where Soviet Bloc intelligence
officers are concerned.

2. Would you please return this memorandum, with
its attachments, to Defence Liaison (2) Division.

(Sgd.) G. K. GRANDE

Defence Liaison (2) Division

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DEPARTMENT OF EXTERNAL AFFAIRS
CROSS REFERENCE SHEET

Security

50028-B-40		
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Type of Document..... *Letter* No..... *G 355-54-1-2-2* Date..... *19/8/60*
From..... *R C M P*
To..... *E P*

Subject: *Re*
1) *Collection by the Soviet Bloc*
of Unclassified Information
of Strategic Value
2) *Subversive Activities Among*
the Chinese in Canada

Original on File No..... *50030-M-3-40*
Copies on File No.....
Other Cross Reference Sheets on..... *11185-2-40*

Prepared by.....

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CONFIDENTIAL

EXCERPT FROM THE MINUTES OF THE 772ND
MEETING OF THE JOINT INTELLIGENCE COMMITTEE
HELD ON WEDNESDAY, AUGUST 10, 1960

50028-B-40	
ST	—

X XIV. THREAT ESTIMATES FOR
NON-MILITARY GOVERNMENT PLANNING

(CONFIDENTIAL)

27. The Secretary tabled a letter from the Director, EMO dated 3 Aug 60 to the Chairman, JIC which requested:

- (a) the opinion of the JIC on a proposal to publish an article entitled "The Threat and Planning Assumptions" in an unclassified form in a forthcoming issue of the Civil Defence Bulletin; and
- (b) that the JIC provide EMO with an unclassified paper on Soviet Civil Defence activities.

(CSC 5-11-4-4 (JIC) of 10 Aug 60)

28. After discussion, the Committee agreed:

- (a) that the Chairman would speak to the Director, EMO on the disadvantages of publishing the proposed article on "The Threat and Planning Assumptions" in an unclassified form; and
- (b) that JIB would provide the information requested on Soviet Civil Defence activities.

ACTION: Chairman
JIB.



CANADA

50028-B-40	
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IN REPLY PLEASE QUOTE

NO. GSC 7-17 (JIC)

Department of National Defence

JOINT INTELLIGENCE COMMITTEE

SECRET

11 Jul 60

MEMORANDUM FOR THE JIC:

THE ROLE OF THE MILITARY IN CURRENT
SOVIET POLITICS - ONE STUDY

1. Attached for your information is a copy of Washington Numbered Letter No. WI-121, concerning an ONE study on the role of the military in current Soviet policies.
2. You will note that the first paragraph of this numbered letter refers to an ONE staff memorandum on this subject. I am informed that one copy of this memorandum has been received in Ottawa and is now being circulated in the Department of External Affairs. I am attempting to ensure that this memorandum is made available for circulation to members of the JIC as soon as possible.

Att.

JHT/2-5459/1c

cc: Mr. J.K. Starnes (no enclosure)

CJS

JIS (3)

SO/JIR

SO/CI

T. Trotman
(J.H. Trotman)
Acting Secretary.

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NATO DOCUMENT

IN REPLY PLEASE QUOTE

No. CC 1374-1 (JIC)



Department of National Defence

JOINT INTELLIGENCE COMMITTEE

4

7 Jul 60

MEMORANDUM FOR THE JIC:TRANSLITERATION

Enclosure: (1) AG 0920 INTEL dated 23 Jun 60
and attachment thereto.

The above enclosure is forwarded for your information.

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JUL 11 1960

J.H. Trotman
(J.H. Trotman)
Acting Secretary.

Enc.

JHT/2-5459/lc

cc: CB NRC (no enclosure)

of file
ML

BEST AVAILABLE COPY DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

NUMBERED LETTER

TO: THE UNDER-SECRETARY OF STATE FOR
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: CANADIAN EMBASSY
MOSCOW

Reference: /
Subject: Books entitled: The USSR in Figures
for the Year 1959 and Short
Reference Guide for the Seven-Year
Plan of the USSR

Security: RESTRICTED
No: 625
Date: June 9, 1960
Enclosures:
Air or Surface Mail: Air
Post File No:

Ottawa File No.

50028-B-40

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References

We are sending you by the next sea bag,
for forwarding to the Joint Intelligence Bureau,
the following two books:

- (1) The USSR in Figures for the Year 1959
(SSSR v Tsifrakh v 1959 Godu)
- (2) Short Reference Guide for the
Seven-Year Plan of the USSR
(Kratkiy Spravochnik o Semiletнем
Planye SSSR)

2. We have purchased one copy of the
Short Reference Guide for the Embassy Library.
Unfortunately we could only obtain one copy of the
USSR in Figures, and we thought it would be more
useful to forward it to Ottawa than to keep it here.

[Signature]

The Embassy.

*Refer Copy to JIB✓
Original to Historical Division✓
& file June 21/60
MP*

ENCLOSURE

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JUN 21 1960

Internal
Circulation

Distribution
to Posts



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IN REPLY PLEASE QUOTE
NO. CC 1747-1 (JIC)

Department of National Defence

JOINT INTELLIGENCE COMMITTEE

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7 Jun 60

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JUN 8 1960

→ J.K. Starnes, Esq.,
Dept. of External Affairs.

DNI
DAI
RCMP
JIB
CB NRC

SOVIET BLOC MERSHIP - INDEX AND DECODE

1. Reference is made to memorandum on this file dated 12 Apr 60 forwarding Change No. 3/60 to enclosures 1 and 2 of SACLANT Serial N-1175 dated 24 Nov 59.

2. Enclosed is a copy of SACLANT Serial N-1175/4 dated 25 May 60 covering Change No. 4/60 to enclosures 1 and 2 of SACLANT Serial N-1175 dated 24 Nov 59.

E.A. Blais
E.A. Blais
Major,
Secretary.

Enc.

EAB/2-5459/1c



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IN REPLY PLEASE QUOTE

 NO. CSC 7-17 (JIC)
 CSC 1824-1 (JIC)

Department of National Defence

JOINT INTELLIGENCE COMMITTEE

CONFIDENTIAL

25 May 60

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27 MAY 1960

→ J.K. Starnes, Esq.,
 Dept. of External Affairs.

DNI
 DMI
 DAI
 DSI
 RCMP
 JIB
 CB NRC

SOVIET DEFENCE POLICY IN THE PERIOD 1960-70

Enclosure: (1) UK JIC (60) 25 (Terms of Reference)
 dated 12 May 60

The above enclosure is forwarded for your information.

I.A. McPhee
 (I.A. McPhee)
 Commander, RCN,
 Secretary.

Enc.

EAB/2-5459/1c

☛:

BEST AVAILABLE COPY

DEPARTMENT OF EXTERNAL AFFAIRS
CROSS REFERENCE SHEET

Security

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Type of Document... *Transmitted Slip* No... *1821* Date... *May 20/60*
From... *Can Del to NATO & OEEC*
To... *SSFA*

Subject: *Committee of Political Advisers*
AC 119-AC60)18
AC 119-WP(60)52
AC 119-WP(60)52/1
AC 119-WP(60)52/2
AC 119-WP(60)52/3

Original on File No... *50105-G-40*

Copies on File No.....

Other Cross Reference Sheets on.....

Prepared by... *[Signature]*

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CONFIDENTIAL

EXCERPT FROM THE MINUTES OF THE
756TH MEETING OF THE JOINT INTELLIGENCE COMMITTEE
ON MAY 18, 1960

50028-B-40	
28	-

X XI. SHAPE LOGISTICAL CONFERENCE -
SATELLITE RAILWAYS

(CONFIDENTIAL)

33. The Committee considered an invitation from SHAPE for Canadian participation in a Logistic Conference on Satellite Railways to be held at SHAPE from 5-9 Sep 60.

(CC 1374-5 (JIC) of 5 May 60)

34. JIB pointed out that Canadian intelligence authorities obtained considerable benefit from Canadian participation at last year's Conference on USSR railways and in fact, Canada made a significant contribution to the success of the conference. It was anticipated that the benefits accruing to Canada from participation in this year's conference on satellite railways would be even greater.

35. After discussion, JIB proposed and the Committee agreed that the Secretary prepare a letter to the Chairman, Chiefs of Staff for the Chairman, JIC recommending that approval be granted for Mr. E.M. Burwash, JIB to attend this conference.

36. Upon receipt of CCOS approval, the Secretary was directed to reply to SHAPE's invitation.

ACTION: Secretary

XII. JIC STAFF PROGRESS REPORT FOR APR 60

(SECRET)

37. The Committee noted the JIC Staff Progress Report for Apr 60.

(CSC 2-1-3-1 (JIC) of 28 Apr 60)

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IN REPLY PLEASE QUOTE

NO. CC 1544-1 (JIC)

Department of National Defence

RESTRICTED

JOINT INTELLIGENCE COMMITTEE

12 May 60.

INTELLIGENCE ON SOVIET AND SATELLITE EMERGENCY PLANNING INCLUDING CIVIL DEFENCE

Reference: (a) Minutes of the 754th meeting of
the JIC - Item XIV

Enclosure: (1) CC 1544-1 (JIC) dated 12 May 60
to EMO and attachment thereto.

The above enclosure is forwarded for information.

2. It is advised that the copy of the attachment to
enclosure (1) which was forwarded to the Chairman, CJS Washington
on 12 May 60 for onward transmission to the Standing Group, NATO
contained a revised para. 1.

I.A. McPhee
(I.A. McPhee)
Commander, RCN,
Secretary.

Enc.

EAB/2-5459/cp

DISTRIBUTION

J.K. Starnes, Esq.,
Dept. of External Affairs. (2)

DNI (2)
DMI (3)
DAI (2)
DSI (1)
RCMP (2)
JIB (2)
CB NRC (2)
CCOS (1)
JIS (3)
SO/JIR (1)
SO/CI (1)
Secretary, JPC (1)

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IN REPLY PLEASE QUOTE

No. CC 1544-1 (JIC)

Department of National Defence

JOINT INTELLIGENCE COMMITTEE

RESTRICTED

12 May 60.

Director,
Emergency Measures Organization,
150 West Block.

INTELLIGENCE ON SOVIET AND SATELLITE EMERGENCY PLANNING INCLUDING CIVIL DEFENCE

I have been directed by the Joint Intelligence Committee to forward the enclosed "Note by the Canadian JIC" on the above subject which was prepared in response to a request from the NATO Standing Group.

I. A. McPhee
for (I.A. McPhee)
Commander, RCN,
Secretary.

Enc.

IAM/2-5459/cp

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RESTRICTED

CC 1544-1 (JIC)
11 May 1960

Intelligence on Soviet and Satellite Emergency
Planning Including Civil Defence

Note by the Canadian JIC

1. The following information on the above subject has been summarized from published Soviet sources.

Warning System

2. The PVO (Protivovozdushnaya Oborona Strany), a military organization with the status of an independent command, is responsible for the warning system both for air raids and fall out.
3. At the local level the PVO Strany is assisted by the MPVO (Mestnaya Protivovozdushnaya Okhrana) which is responsible for local rescue and survival operations.
4. No details of the general warning service or the anticipated warning period are available. However, Soviet literature indicates that the authorities expect that there would be sufficient warning of attack by aircraft to permit the population to proceed to shelters. We have seen no specific reference to warning of missile attack. No information on any agreement for an interchange of warning messages between the Soviet Union and Satellites is available.

Shelters

5. Soviet handbooks on civil defence state that shelters are one of the principal means of providing protection. These shelters, as described in the books, vary from large size solid, or underground, shelters to small individual shelters built in basements of single family dwellings. The large solid shelters or underground shelters are to be built to provide protection from an explosion as well as from fall out or blast.
6. No information is available as to the number of such shelters which are available or are being built. It is presumably the responsibility of local authorities to provide shelters.
7. Injuries from fall out are to be minimized by the population remaining under cover until the all-clear is given by those responsible for the necessary decontamination.

Self help

8. The main emphasis for remedial measures is placed on local self defence groups. These are organized on a local, as required, basis and operate under the direction of the local MPVO staffs. These staffs have service units at their disposal which are recruited from the local population or the workers of an industrial establishment or educational institution. The emphasis, therefore appears to be on local forces rather than on mobile columns.
9. No actual strength figures of the civil defence workers or officials are available. The textbooks state that self defence groups are organized wherever necessary. A self defence group consists of about 48 individuals, and one of these is to be set up for every 500 persons in collective farms. Rural areas with smaller population set up smaller all purpose groups. In urban areas a self defence group is to be set up for every 300 tenants. In

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densely populated areas and in multi-story dwellings with over 1000 tenants one self defence group is to be set up for every 500 to 700 individuals. No accurate information is available as to the extent to which this has been actually implemented. However the March 1959 issue of Wehrkunde, Munich, quotes Khrushchev as having said that 22 millions had been trained and that further people were trained at the rate of 5 million a year.

Training

10. Most of the training seems to be done on a local basis and no information about national schools is available. The Soviet press has published figures which claim that up to 85% of the population have received training in civil defence procedures and that the figure was to be 100% by 1960. It appears that this aim has not been achieved.

11. The training given to the population consists of instruction in basic self preservation such as the use of respirators, protective clothing, the detection of contamination, be it chemical, biological or atomic, the proper behaviour under blast, the best protective use of any existing structure, behaviour in shelters, protection of food, and other allied skills. Also included is decontamination of the individual, of animals, buildings and food stuffs.

Control of the Population

12. The local chief of MPVO is responsible for the control of the population, assisted by the self help groups.

13. There appears to be no definite limit set to the length of time people are expected to remain in the shelters. The textbooks discuss the problem of food, water and ventilation, implying that extended periods might be spent in them. However, the books also state that as soon as an attack is over the decontamination and rescue squads will enter the damaged area and will let the people leave the shelter when such action is considered safe.

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Department of National Defence

JOINT INTELLIGENCE COMMITTEE

IN REPLY PLEASE QUOTE

No. CC 1374-5 (JIC)

CONFIDENTIAL

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5 May 60.

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MEMORANDUM FOR THE JIC:

LOGISTICAL CONFERENCE - SATELLITE RAILWAYS

Enclosure: (1) SHAPE document AG 0470/1 INTEL dated 22 Apr 60.

The attention of members is invited to paragraph 3 of the enclosure.

2. This subject will be discussed at the meeting of the Committee scheduled for 18 May 60.

(I.A. McPhee)
for Commander, RCN,
Secretary.

Enc.

EAB/2-5459/cp

cc: CB NRC (w/o attachment)
CJS " "
JIS " "
SO/JIR " "
SO/CI " "

DEPARTMENT OF EXTERNAL AFFAIRS

MEMORANDUM

TO: ECONOMIC DIVISION I

FROM: European Division

REFERENCE: Our telegram No. ET-587 of April 27 to
Washington and Washington telegram
No. 902 of April 6

SUBJECT: U.S.-USSR Bilateral Air Agreement

Confidential
Security
May 5, 1960

1281440

European Division

Our telegram No. ET-587 of April 27 to
Washington and Washington telegram
No. 902 of April 6

U.S.-USSR Bilateral Air Agreement

We were interested to note in the telegrams under reference that the United States Government may open negotiations on a bilateral air agreement with the Soviet Government at Washington on July 8, 1960. As the direct air route between the United States and the USSR lies over Canadian territory, the conclusion of a United States-USSR air agreement would raise the question of Canadian consent to those Soviet flights involving passage over and landing in Canada which may be agreed upon under the terms of the proposed air agreement.

2. As you know, we require the Soviet authorities to obtain permission for each Soviet flight over Canada. European Division, through the Secretary of the Visits Panel, has the responsibility of coordinating the response of interested divisions and the other interested departments to each Soviet request for clearance to overfly Canada. The procedures for handling Soviet overflights are now under active review by the departments concerned.

3. You are probably aware that a range of Canadian Government interests are at stake in overflights of Canadian territory by Soviet aircraft, but it may be helpful if I review some of these for you. The intelligence community (chiefly JIC) has an interest in thwarting the acquisition by the Soviet Union of intelligence information that would be useful to it. The JIC is also interested (principally the RCAF) in obtaining information as a result of these flights about Soviet aircraft and aviation equipment. The RCMP has a special interest which relates chiefly to the landings of Soviet aircraft and to the possible disembarkation of passengers and crew. The Department of Transport, as you know, has a very direct interest in all overflights because of its responsibility for maintaining orderly procedures on the air routes and for ensuring that foreign aircraft comply with Canadian regulations.

4. Apart from the other considerations this department has an interest in the political implications of Soviet overflights, many of which are at present concerned with visits to this or other countries by Soviet personages, and we would also be interested in the general implications of a Soviet-United States air service arrangement involving Canada. I assume that your division will be maintaining close liaison with our Embassy in Washington about the progress of Soviet-United States

CIRCULATION
Mr. Cadieux
Mr. Ritchie
D.L. (2)
Mr. Roberts
Amer. Div.

MAY 5 1960

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talks on the possible development of an airline agreement. I would ask that when obtaining information from our Embassy and also when providing comments about Canadian interest you keep in mind the existing concerns of the Visits Panel as outlined above. Any development of a regular air service across Canada by Soviet aircraft flying to the United States would probably necessitate changes in the policies and practice of the Government Departments concerned.

signed

B. A. KEITH

European Division

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IN REPLY PLEASE QUOTE

NO. CSC 7-17 (JIC).....

Department of National Defence

JOINT INTELLIGENCE COMMITTEE

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4 May 60.

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MEMORANDUM FOR THE JIC:

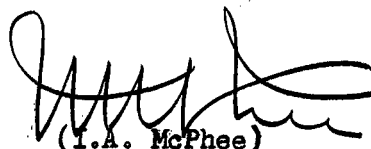
MAY 4 1960

AEROFLOT MOSCOW - NEW YORK ROUTE

Reference: (a) CSC 7-17 (JIC) dated 27 Apr 60.

Enclosure: (1) TS. 1632-1 (DAI) dated 2 May 60
from DAI

The above enclosure is forwarded for consideration
and will be discussed at the meeting of the Committee to be
held on 11 May 60.


(I.A. McPhee)
Commander, RCN,
Secretary.

Enc.

IAM/2-5459/cp

cc: CJS
JIS (3)
SO/JIR
SO/CI

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C O P Y

S E C R E T

TS.1632-1 (DAI)

M E M O R A N D U M

2 May 60

Sec JIC

Aeroflot Moscow-New York Route

1 Reference telephone conversation between G/C Dilworth and Commander MacPhee concerning the proposed Aeroflot Pan-Am reciprocal air service between Moscow and New York, the following additional information is supplied.

Intelligence Implications

2 With the instigation of Commerical Air Services by Western carriers between Europe and Moscow arrangements were made to collect intelligence when overflying Russian territory. It is presumed that the instigation of air travel between New York and Moscow will provide Western intelligence agencies with another means of collecting intelligence, although it is appreciated that Russian air routing will probably be arranged to avoid, as far as possible, attempts to obtain much valuable information.

3 On the other hand, this agreement could be the beginning of a series of negotiations which might in the future involve flights over the North Pole to such cities as Los Angeles and San Francisco. Should this happen a great deal of intelligence information could become available and it is suggested that the ground work for this type of operation be examined now.

Security Implications

4 In flights between Moscow and New York Russian aircraft will be required to overfly the Eastern part of Canada, specifically Newfoundland and the Maritimes. It is known that Russian overflights of Europe have purposely strayed off course, presumably for collection purposes, and it can be assumed that the same will happen in overflights of Canada. This is unlikely to be serious so long as routes flown cover only the Eastern sea coast of Canada. However, should flights be routed across the Arctic the Canadian security problem could become serious.

(sgd) (E.L. Kenny) W/C
for DAI
(2-5259)

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DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

NUMBERED LETTER

TO: THE UNDER-SECRETARY OF STATE FOR
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: THE CANADIAN EMBASSY,
MOSCOW, U.S.S.R.

Reference:

Subject: JOINT INTELLIGENCE REPORT ON THE
MAY DAY PARADE

Security: SECRET

No: 497

Date: May 3rd, 1960

Enclosures: One

Air or Surface Mail: Air

Post File No:

Ottawa File No.

50028-B-40

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Distribution
to Posts

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We enclose copy no. 11 of the Joint Intelligence Report No. 1/60 prepared by Group Captain S.S. Mitchell, our Air Attaché, and by Colonel E. H. Webb, our Military Attaché, on the occasion of the parade which took place in Moscow's Red Square on May 1st, 1960. Copy no. 12 is retained for the Embassy files.

2. Although full reports have gone from the Service Attachés to D.A.I. and D.M.I., you will be interested to know that, around April 10th, a change of plans apparently occurred as to what would be shown at the May Day parade. The original equipment was moved into town starting March 17th and unit practices started on the night of March 21/22. The line-up at that time was essentially the same as for November, 1959. About April 4th, some anti-aircraft artillery, 204 mm. mortars and small rockets disappeared, to be replaced about April 10th with heavier rockets and missiles. On the night practice on April 14th, many of these still had their tactical markings and numbers on.

3. The timing of the apparent change of plans coincided fairly closely with Mr. Khrushchov's visit to France and the second French atomic explosion. The general consensus here, however, is that the decision to show more impressive equipment than has been seen on parade since November, 1957, should be related to the forthcoming Summit conference. Apparently Mr. Khrushchov wants to demonstrate publicly that he is leading from a strong hand and that his public remarks about the military might of the Soviet Union are not idle boasts.

[Signature]

The Embassy.

BEST AVAILABLE COPY

S E C R E T

S1607-1(AAM)
MAR/21-2

Moscow, USSR,
2 May 60

Copy No 11..

JOINT INTELLIGENCE REPORT No 1/60

1960 MAY DAY PARADE

at

RED SQUARE, MOSCOW

by

G/C S.S. Mitchell, CAA

Col E.H. Webb, CMA

<u>Distribution:</u>	DMI	1-5
	DAI	6-10
	Ambassador	11-12
	CNA	13
	UK, JIBC	14
	UKMA	15
	UKAA	16
	USMA	17
	USAA	18
	FMA	19
	File	20-21

S E C R E T

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S E C R E T

1 The locale for the 1960 May Day parade in Moscow was, as usual, Red Square. The weather for the event was quite pleasant for a change, with a light breeze and a warm sun, in spite of thin, broken cloud.

2 The CMA and CAA, with their wives, drove to Pushkin Square at 0845 hrs and proceeded on foot down Gorky Street past Revolution Square where the missiles were assembled and thence on to Red Square. The seven check-points were negotiated without difficulty. By 0945 hrs all the attaches had assembled in their customary positions to the right of the mausoleum and until their departure, remained under the watchful eye of the OVS, who were out in full force.

3 A few minutes before 1000 hrs, the hierarchy, led by Khrushchov, appeared and took their places on the upper level of the mausoleum - from right to left they were: K.K. ROKOSSOVSKY, S.M. BUDENY, S.G. GORSHKOV, K.S. MOSKALENKO, I.K. BAGRANYAN, V.D. SOKOLOVSKY, A.I. EREMENKO, B.I. CHUIKOV, M.V. ZAKAROV, A.A. GRECHKO, R.Ya. MALINOVSKY, K.E. VOROSHILOV, N.S. KHRUSHCHOV, OTTO GROTEWOHL, M.A. SUSLOV, F.R. KOZLOV, L.I. BRYEZHNEV, E.A. FURTZEVA, A.I. MIKOYAN, N.M. SHVERNIK, O.V. KUUSINEN, A.B. ARISTOV, N.G. IGNATIOV, N.A. NUKITDINOV, P.N. POSPELOV, A.N. KOSYGIN, D.S. POLYANSKII, D.F. USTINOV, A.F. ZASYAD'KO, S.P. PAVLOV and V.V. GRISHKIN.

4 Those who occupied the lower level included Marshals RUDENKO, SUDETS and KRASOVSKY. Noticeable military absentees from the upper level were Marshals KONIEV and VERSHININ. KONIEV was reported sick by an OVS officer but an observer reported him present in civilian clothes.

5 Promptly at 1000 hrs the parade got under way and followed the usual pattern when MALINOVSKY took over from MOSKALENKO who then reviewed the assembled troops, mounted the mausoleum and delivered his speech. Following the National Anthem with the 28-gun salute the march-past began, with the dismounted military elements leading, followed by the mounted elements. Towards the end of the military display, Marshal VERSHININ suddenly appeared on the mausoleum and immediately began to carry out serious and animated conversations with his military conferees, including MALINOVSKY. The attaches, who were watching closely, could only speculate on this and included such possibilities as the failure of a major SAF undertaking to commemorate the day to the success of an important and far-reaching USAF achievement. In any case, VERSHININ certainly was not taking any interest in what was passing before him through the Square.

6 A few minutes later, Marshal ZAKHAROV visited the attaches' stand and shook hands with each one. This was a surprising departure from the normal custom which, for the past three years at least, has been carried out by Marshal SOKOLOVSKY. This may possibly bear out the rumour that the latter has lost a certain amount of favour over his opposition to the recent reduction in the military forces and might even explain Marshal KONIEV's absence. From their positions on the mausoleum, GRECHKO may have been promoted.

7 The rest of the parade featured a few amateurish demonstrations by several sports organizations and then the faceless hordes streamed by, at which point Mr. Khrushchov disappeared into the mausoleum for several minutes, probably a respite for his ailing kidneys. A short time after his return, the CMA and CAA made their farewells and departed. It was later reported that one of the twin 57 mm SP AA guns, as it left the Square and proceeded along the Kremlin Embankment, apparently developed track trouble for it ploughed through a stone retaining wall and ended up in the Moscow River drowning at least two of the crew. This may have accounted for some of the hub-bub on the mausoleum.

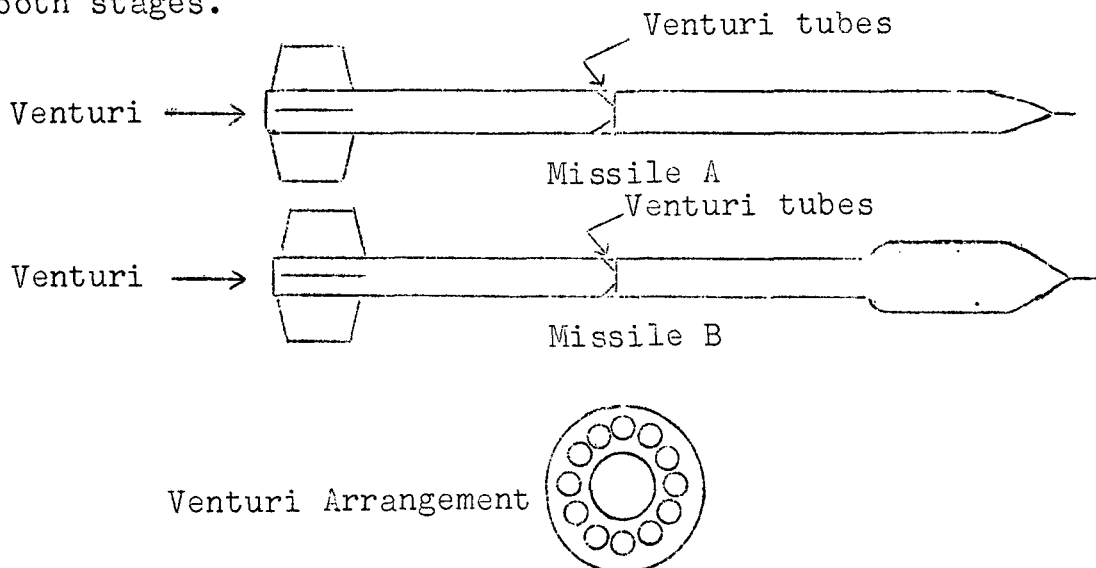
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8 There appeared to be two types of the new amphibious rocket launcher on parade - the first was a slim nosed rocket, with the same diameter throughout its length and a tapered nose. The second had a nose of slightly greater diameter than the main body of the rocket. This wider part was about 4 feet in length. Both had a probe on the nose approximately 14 inches long by 2 inches in diameter. They had four fins and an arrangement of 12 venturi tubes, approximately 2 inches in diameter in a circle around a larger one which was approximately 6 inches in diameter, in the tail. Both appeared to be two-stage, with the 12 venturi tubes appearing in both stages.



9 More information on these, which appear to be modifications of the known weapon, probably to improve its range and ballistic characteristics, will probably be available from photographs. Photographic coverage was quite extensive. Canadian film and one roll of negatives will be forwarded separately. Selected photographs are included with the US report.

10 Marshal MALINOVSKY's speech was quite innocuous (it appeared on the front page of Pravda of 2 May) and the DRSP translation is included as an appendix. The Order of the Day to the troops of the Moscow Garrison, signed by Marshal of the Soviet Union MOSKALENKO, Chief of the Moscow Garrison, Commander-in-Chief of the troops of the Moscow Military Area, appeared on the back pages of Red Star, Soviet Russia, Pravda and Izvestia and in the DRSP translations of 30 Apr 60, followed by instructions to the civilian participants in the demonstration. The order, signed by the Minister of Defence, USSR, Marshal of the Soviet Union, R. MALINOVSKY, appeared on the front pages of all papers on 1 May 60.

LIST OF APPENDICES

Appendix A	-	Order of March (dismounted)
" B	-	" " " (mounted)
" C	-	Unit banners
" D	-	Rehearsals
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ORDER-OF MARCH (Dismounted)

- 1 Bugle and Drum Band, SUVOROV Academy.
- 2 Students of FRUNZE Military Academy.
- 3 Students of Military-Political Order of Lenin, Order of Red Banner Academy, named after V.I. LENIN.
- 4 Students of Military Order of Lenin, Order of Suvorov Artillery/Engineer Academy, named after DZERZHINSKY.
- 5 Students of Order of Lenin Military Academy of Armoured and Mechanized Forces, named after STALIN.
- 6 Students of KUIBISHEV Military Engineer Academy.
- 7 Red Banner Air Force Academy.
- 8 N.Ye. ZHUKOVSKY Military Aviation Engineer Academy.
- 9 Students of FRUNZE Higher Naval School
- 10 Cadets of Supreme Soviet of the RFSR Higher All Arms School.
- 11 Officer Candidates of the Moscow Frontier Troops School.
- 12 Infantry of DZERZHINSKY Division. (bn each of INF and MVD)
- 13 Moscow SUVOROV Cadet School.
- 14 Tula SUVOROV Cadet School.
- 15 Students of Leningrad NAKIMOV Naval School.

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ORDER OF MARCH (Mounted)

<u>Vehicle</u>	<u>Insignia</u>
1 x UAZ 69A	Guards
34 x UAZ 69A	Guards
1 x Amphibious Wheeled APC 4 x 4	Guards
1 x Amphibious Wheeled APC 4 x 4	Guards
24 x Amphibious Wheeled APC 4 x 4	Guards
1 x BTR 152	Guards
20 x BTR 152	Guards
1 x BTR 152	Guards
20 x BTR 152	Guards
1 x BTR 50-P	Guards
24 x BTR 50-P	Guards
1 x UAZ 69A	Airborne
3 x UAZ 69A	Airborne
20 x UAZ	Airborne
1 x UAZ	Airborne
20 x UAZ	Airborne
1 x ASU 57	Airborne
24 x ASU 57	Airborne
1 x ZSU 57-2	Guards
20 x ZSU 57-2	Guards
1 x UAZ 69A	Guards
3 x UAZ 69A	Guards
8 x 100 mm M55 (towed by AT-P)	None
1 x UAZ 69A	Guards
8 x 122 mm D-74 (towed by AT- S)	Red Star
1 x UAZ 69A	Guards
16 x 130 mm D-46 (towed by AT-S)	Guards
1 x UAZ 69A	Guards
8 x 203 mm gun how (towed by AT-T)	Red Star

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Insignia

1 x UAZ 69A	Guards
2 x UAZ 69A	Guards
2 x 310 mm S.P. Guns	Red Star
2 x 400 mm mortar	Red Star
1 x UAZ 69A	Guards
3 x UAZ 69A	Guards
8 x 240 mm ? (17 rd) R.L.	Guards
1 x UAZ 69A	Guards
3 x UAZ 69A	Guards
8 x BMD 20	Guards
1 x UAZ 69A	Guards
2 x UAZ 69A	Guards
8 x 280 mm 6 rd R.L. (on YaAZ-214 chassis)	Red Star
1 x UAZ 69A	Guards
3 x UAZ 69A	Guards
8 x GUIDELINE (towed by ZIL-157)	Guards
1 x UAZ 69A	Guards
3 x UAZ 69A	Guards
8 x 1 rd R.L. (amphibian)	Red Star
1 x UAZ 69A	Guards
4 x new 1 rd R.L. (amphibian) "A"	Red Star
4 x new 1 rd R.L. (amphibian) "B"	Red Star
1 x UAZ 69A	Guards
8 x 1 rd R.L. on JSU	Red Star
1 x UAZ 69A	Guards
3 x UAZ 69A	Guards
8 x SCUD	Red Star
1 x UAZ 69A	Guards
4 x SHYSTER	Red Star

NOTE: UAZ 69A indicates 4-door vehicle.

S E C R E TAppendix "C" to
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1 The following unit banners were noted during parade rehearsals at night on REVOLUTZAYA Square as the vehicles entered RED Square. (During rehearsals observers are not allowed on Red Square and during the actual parade the wrong side of the banners is toward the observers.)

Amphibious Wheeled 4 x 4 APCs

73 Mechanized Guards Red Banner Division.

Airborne

137 Posadobnyi Vozdushno Desantnyi Polk
106
131

240 mm? (17 round) R.L.s

7
6
17

GUIDELINES

1281 Anti-Aircraft Artillery Regiment

1 Round R.L.s

235 Artillery Regiment

SHYSTERS

12 Artillery Regiment

2 The airborne unit banners were the same as for the Nov 59 parade. The number 7 also appeared with the rocket launchers on that parade. Number 235 was with the Field Artillery last November and is now with the one-round rocket launchers, and number 1281 which was with the AA guns last time is now with the GUIDELINES. This may indicate some modernization in the equipment of 235 Arty Regt and 1281 AA Arty Regt.

3 The following two banner numbers were reported in front of the GUIDELINES on REVOLUTSKAYA Square during the forming up period before the parade on 1 May:

242

237

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REHEARSALS

1 As for the 7 Nov 59 parade, coverage of pre-parade activities was co-ordinated on a duty roster basis between the offices of the US, UK, French and Canadian MAs.

2 Most of the units and equipment of the type observed on the Nov 59 parade were seen moving into MOSCOW during the period 17-31 Mar 60, inclusive.

3 Unit rehearsals were first observed on the SADOVOYE KOL'TSO at KOLKHOZNAYA PLOSHCHAD' on the night of 21/22 Mar. The first combined rehearsal on Central Airfield was held on 28 Mar. Foot elements were observed practicing at various locations throughout the city, including Gorky Park, Lenin Stadium and Frunze Academy. Normal routes were followed from bivouac areas to Central Airfield for practices.

4 On 4 Apr it was observed that the 240 mm Mortar, M240, the 152 Gun Howitzer, D-20, the 240 mm Rocket Launcher on AT-S and BM-24, the 130 mm AA gun, M55 and the 100 mm AA gun KS-19 had disappeared from the lineup. About 10 Apr track noises were heard on Central Airfield after the morning practice and observers thought they saw tracked vehicles in the distance on the airfield, through a gap between two buildings.

5 On the night of 14 Apr the first full-scale rehearsal of motorized elements was observed on Red Square and for the first time observers had confirmation that rockets and missiles were to be included in the parade. All the additional equipment was canvas covered but was tentatively identified as that which had participated in the Nov 57 parade, plus one unidentified 1-Round Rocket Launcher on a modified amphibious chassis of the PT-76 type.

6 Once the route to the pre-parade assembly area for these vehicles and weapons had been determined, observers concentrated on them during night rehearsals.

7 The timing of the change in equipment is interesting when considered in relation to KHRUSHCHOV's visit to France and the second French atomic explosion.

8 The timetable for observed rehearsals of mounted elements was as follows:

On KOLKHOZNAYA Pl - 0130, 22 Mar
- 100, 23 Mar
- 0055, 29 Mar

Central Airfield - AM, 23 Mar
- AM, 31 Mar
- AM, 4 Apr
- AM, 7 Apr
- AM, 9 Apr
- AM, 12 Apr
- AM, 16 Apr
- AM, 23 Apr
- AM, 27 Apr

Red Square - 2359, 14 Apr
- 2359, 21 Apr
- 2359, 25 Apr
- 2359, 28 Apr

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BIVOUAC AREAS

1 Reference Moscow Sheet 1:35,000, 12765 Second Edition,
7-57.

(a) Position No. 1 (Khoroshev nye Shosse, E23) contained:

Tracked Recovery Vehicles, BTR 50-Ps, ZSU-57-2s,
122 mm D 74s, 203 mm Gun Hows M-55, 130 mm D-46s.

(b) Position No. 2 (SE edge of airfield, J24) contained

half BTR 152s, 100 mm M55s.

(c) Position No. 3 (Military Stomach Clinic, U22) contained:

Amphibious wheeled 4 x 4 APCs, 17 rd rocket
launchers, half BTR 152s, BMD 20s.

(d) Central Airfield (H25, J25) contained:

Super heavy artillery, 280 mm rocket launchers,
GUIDELINES, 1 round rocket launchers (both amph-
ibious and JS), SCUDs and SHYSTERs.

(e) Timiryazevsky Area contained:

Airborne units and ASU 57s.

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UNIT VEHICLE MARKINGS

1 The following ?unit? numbers, which were later painted out, appeared on vehicles during concentration and early rehearsals:

Amphibious APC, BTR-50P -

800, 802, 804, 807, 808, 811, 812, 813, 816,
817, 818, 819, 821, 822, 823, 824, 825, 826,
827, 828, 829, 830, 862.

Twin 57 mm AA, ZSU-57-2 -

214, 215, 216, 221, 225, 226, 231, 234.

1 round R.L. amphibian -

101, 102, 104, 105, 106.

1 round R.L. JSU chassis -

201, 203, 204, 205, 206, 301, 302, 304, 305.

On first two night practices GUIDELINE prime movers had the following liscense numbers:

Y6-06-73, -55, -67, -62, -74, -54, -72, -71
and -63.

The 280 mm 6 round rocket launchers on YaAZ-214 chassis had among their liscense numbers T5-86-69, -58, -56 and -61 and 5 on the doors.

2 Factory Number observed on Amphibious Wheeled 4 x 4 Armoured Personnel Carrier by US observer, night of 21 Apr 60:

6906. L 5311

3 During the parade, the following numbers were observed on SHYSTER missiles: 245842, 254326 and 278364. Numbers 245869 and 264xxx were also reported but not confirmed. Photography may confirm additional numbers. It should be noted that while numbers were painted out on all other vehicles and weapons when they received their pre-parade paint job, the SHYSTER numbers appeared on what looked like freshly painted missiles.

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SPEECH BY MARSHAL MALINOVSKY

Comrades soldiers and sailors, sergeants and petty officers!

Comrades officers, generals and admirals!

Working people of the Soviet Union!

Our dear foreign guests!

On behalf and on instructions of the Central Committee of the Communist Party and the Soviet Government I greet and congratulate you on the international holiday of the working people -- May Day!

The Soviet people are celebrating this holiday with a feeling of great pride for their country, unshakable faith in the correctness and final victory of our great cause.

Implementing the majestic program of building communism in our country, a program mapped out by the 21 Congress of the C.P.S.U., the peoples of the Soviet Union have achieved outstanding successes. Socialist industry is developing swiftly. Our agriculture is making great headway. Soviet science and culture have reached unprecedented heights. The material well-being of the working people is improving with every day.

Side by side with the working people of the Soviet Union the peoples of the great China, Albania, Bulgaria, Hungary, the German Democratic Republic, the Democratic Republic of Viet-Nam, the Korean People's Democratic Republic, Mongolia, Poland, Rumania and Czechoslovakia are fighting for the triumph of communism. The world system of socialism, this unshakable bulwark of peace and international security, is growing stronger with every day.

Fresh successes in the struggle for independence have been achieved by the peoples of the colonial states. Hundreds of millions of people which but recently languished under the yoke of colonialism are now advancing along the road of national renovation.

The persistent implementation by the Soviet Government of the Leninist peace-loving foreign policy has a positive effect on the entire course of international events.

The proposals for total and universal disarmament submitted by the head of the Soviet Government at the General Assembly of the United Nations, the new considerable reduction of the Soviet Armed Forces, the visits of Nikita Sergeyevich Khrushchov to the United States of America, to the countries of South-East Asia and to France helped to improve understanding among the nations and showed clearly that the Soviet Union is an earnest, consistent champion of peace, ripped the veil of slander and lies, created by bourgeois propaganda, off the eyes of millions of people in foreign countries.

The Four Power Heads of Government Conference will start working within a few days time. The peoples of all the world expect the forthcoming summit meeting to solve justly and without further delay the most vital questions of our times! The problems of total and universal disarmament, the elimination of World War II vestiges. The Soviet Union is going to these negotiations fully resolved to find, together with the other nations, ways to the peaceful settlement of outstanding problems. Noting the present thaw in the international climate, we must not forget that there are still influential forces in several countries, which do not want to countenance this course of events, are putting up a

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vehement resistance to everything that helps to improve understanding among the nations and to relax tension. They are striving to bring the world back to the grim period of the "cold war".

This obliges us to be extremely vigilant, to keep our national defence at a high level.

The Soviet people can rest at ease. Their armed forces, the servicemen of the Soviet Army and Navy, closely rallied around the Communist Party and boundlessly loyal to their people, to the Soviet Government, are always ready to administer a crushing rebuff to any aggressor if he dares attack our great Homeland.

Long live May Day - the day of the international solidarity of the working people, the day of labour fraternity throughout the world!

Long live the great Soviet people and their glorious Armed Forces, vigilantly, guarding the peace and national interests of our country!

Long live the Soviet Government!

Glory to the Communist Party, which is confidently leading our people to the triumph of communism!

Hurrah!

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MAY DAY SLOGANS

1 Long live May Day, the day of international working class solidarity, the day of brotherhood of the workers in all lands!

2 Workers of all countries, unite!

3 Long live the militant solidarity of the working people of all countries, the guarantee that the cause of peace, democracy and socialism is invincible!

Raise higher the banner of proletarian internationalism!

4 Long live peace and friendship between the peoples!

5 The working people of the Soviet Union! Dedicate all your energies to carry out the world-historic decisions of the XXI Party Congress and the great aims of Communist construction!

6 Fraternal greetings to all peoples fighting for national independence and for peace, democracy and socialism!

7 Ardent greetings to the Communist and Workers' Parties in all lands, that fighting vanguard of the working class and all the toiling folk!

Hail the unbreakable unity and solidarity of the Communist and Workers' Parties!

8 Long live the all-conquering teachings of Marxism-Leninism, the mighty ideological weapon of the working people of all countries!

9 Peoples in all lands! Peace is life. Resolutely expose the imperialist warmongers! Struggle for peace and international security, for the exclusion of war forever from the life of society!

10 Peoples of the world! The Soviet Union's proposals for general and complete disarmament show mankind how to rid themselves of the calamities of war and the arms burden. Struggle to realise the great ideas of general and complete disarmament!

11 Peoples in all lands! Get the "cold war" fully abolished and international tension eased further!

Struggle for the termination of all tests and the prohibition of atomic and hydrogen weapons!

Demand the earliest conclusion of a German peace treaty and the abolition of the occupation regime in West Berlin!

12 Long live the world socialist system, that impregnable bulwark of peace and international security! May the great commonwealth of socialist nations prosper and grow strong!

13 Fraternal greetings to the great Chinese people who are building socialism! Hail the everlasting and unbreakable friendship and co-operation between the Soviet and Chinese peoples, that powerful buttress of world peace!

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14 Fraternal greetings to the working folk of the People's Republic of Albania who are building socialism! Hail the everlasting and unbreakable friendship and co-operation between the Soviet and Albanian peoples!

15 Fraternal greetings to the working folk of the People's Republic of Bulgaria who are building socialism! Hail the everlasting and unbreakable friendship and co-operation between the Soviet and Bulgarian peoples!

16 Fraternal greetings to the working folk of the Hungarian People's Republic who are building socialism! Hail the everlasting and unbreakable friendship and co-operation between the Soviet and Hungarian peoples!

17 Fraternal greetings to the working folk of the Democratic Republic of Viet Nam who are building socialism and who are struggling for peaceful national reunification along democratic lines! Hail the everlasting and unbreakable friendship and co-operation between the Soviet and Vietnamese peoples!

18 Long live the German Democratic Republic, the support of all Germany's progressive forces in the struggle for peace and for a united, democratic and peace-loving Germany. Fraternal greetings to the working folk of the G.D.R. who are building socialism! May the friendship between the Soviet and German peoples grow stronger!

19 Fraternal greetings to the working folk of the Korean People's Democratic Republic who are building socialism and are fighting for peaceful national reunification along democratic lines! Hail the everlasting and unbreakable friendship between the Soviet and Korean peoples!

20 Fraternal greetings to the working folk of the Mongolian People's Republic who are building socialism! Hail the everlasting and unbreakable friendship and co-operation between the Soviet and Mongolian peoples!

21 Fraternal greetings to the working folk of the Polish People's Republic who are building socialism! Hail the everlasting and unbreakable friendship and co-operation between the Soviet and Polish peoples!

22 Fraternal greetings to the working folk of the Rumanian People's Republic who are building socialism! Hail the everlasting and unbreakable friendship and co-operation between the Soviet and Rumanian peoples!

23 Fraternal greetings to the working folk of the Czechoslovak Republic who are building socialism! Hail the everlasting and unbreakable friendship and co-operation between the Soviet and Czechoslovak peoples!

24 Fraternal greetings to the working folk of the Federative People's Republic of Yugoslavia! May the friendship between the Soviet and Yugoslav peoples grow stronger and develop in the interests of the struggle for peace and socialism!

25 Ardent greetings to the great Indian people! May the friendship and co-operation between the peoples of the Soviet Union and India grow stronger!

26 Ardent greetings to the great Indonesian people! May the friendship and co-operation between the peoples of the Soviet Union and Indonesia grow stronger!

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27 Ardent greetings to the peoples of Burma, Ceylon and Cambodia, who are struggling for peace and for the consolidation of the national independence!

28 Ardent greetings to the Afghan people! May the friendly and good-neighbourly relations between the Soviet Union and Afghanistan grow stronger and develop!

29 Ardent greetings to the Arab peoples who are fighting against imperialist machinations for the full abolition of colonialism, for the consolidation of the independence and sovereignty of their countries, and for national economic progress!

30 Ardent greetings to the African peoples who are fighting against colonialism for their freedom and national independence! Liberty to all the oppressed peoples of colonial and dependent countries!

31 Ardent greetings to the Latin-American peoples who are fighting against imperialism for the consolidation of the independence and sovereignty of their countries and for peace and co-operation between the peoples!

32 Long live the relations of friendship that are developing between the peoples of the Soviet Union and the United States of America in the interests of stronger world peace and the security and well-being of all mankind!

33 Long live the friendship and co-operation between the peoples of the Soviet Union and Britain in the interests of world peace!

34 Long live the friendship and co-operation between the peoples of the Soviet Union and France in the interests of world peace!

35 Warm greetings to the working people and all progressive forces of the Federal Republic of Germany fighting against the revival of militarism and fascism! May friendship between the Soviet and German people grow stronger!

36 May friendly relations between the peoples of the Soviet Union and Italy develop and grow stronger.

37 Long live friendship and co-operation between the peoples of the Soviet Union and the Republic of Finland!

38 May friendly relations between the Soviet people and the peoples of Sweden, Norway, Denmark and Iceland develop and grow stronger!

39 Long live friendship and co-operation between the peoples of the Soviet Union and Austria!

40 Warm greetings to the Japanese people fighting against the rebirth of militarism, for an independent and democratic development of their country!

41 Long live the Leninist foreign policy of the Soviet Union, the policy of peaceful coexistence of states with differing social systems, the policy of the preservation and consolidation of peace and the security of the peoples; respect for their freedom and independence and the development of economic and cultural contacts with all countries!

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42 Long live the victorious, valiant Soviet Armed Forces, which stand on guard of the state interests, peace and security of our country!

43 Long live the unbreakable alliance of the working class and the collective-farm peasantry, the firm and unshakable foundation of the Soviet system!

44 May the fraternal friendship of the peoples of the USSR, the source of the strength and might of our multi-national socialist state, live long and flourish!

45 Working people of the Soviet Union! Fulfill and overfulfill the seven-year plan! Let us attain a new powerful rise in the economy, culture, and well-being of the peoples of our country, a further consolidation of the might of the socialist country! Forward to new victories in communist construction!

46 Working people of town and country! Let us attain, within a historically shortest period of time, victory in peaceful competition with capitalism! Let us overtake and surpass the United States of America in output per head of the population!

47 Working people of town and country! Fulfilment of socialist pledges is a matter of honour to every collective! Broaden the scope of the nation-wide socialist emulation for a pre-schedule fulfilment and overfulfilment of the national economic plan for 1960, the second year of the seven-year plan!

48 Glory to the front-rank workers and innovators in production, to communist work teams and shock-workers marching in the first ranks of the builders of communism!

49 Workers in industry, construction and transport! Introduce progressive experience, new technics and all-round mechanisation and automation in production on an ever broader scale, fight persistently for further technical progress, for continuous growth of the productivity of labour!

50 Men and women workers, engineers, technicians and foremen! Improve in every way the organization of production, ensure rhythmical operation of enterprises and construction projects, strengthen socialist labour discipline! Work for economy, improve the quality of products and reduce their production costs!

51 Working people of the Soviet Union! The transition to the reduced working day is an important stage on the way to the establishment of the world's shortest working day in the USSR. Let us further enhance production activity and socialist labour discipline!

52 Workers of industry, construction and transport! Put the production capacities and reserves of the national economy to a still better use! Fight for the prudent expenditure of electric power, metal and fuel. Develop mass movement of rationalisers and inventors!

53 Heavy industry is the basis of the further advancement of the entire national economy, improvement of the living standards of the people and consolidation of the defence capacity of our country. Glory to the workers in the heavy industry!

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54 Soviet metal-makers! Improve the technics and technology of production. Step up the pace of the reclamation of new ore deposits. Give more ore, cast iron, steel, rolled metal, pipes and ferrous and rare metals to the national economy!

55 Soviet power workers, builders and assemblymen of power stations and transmission lines! Speed up the putting into operation and mastering of new power capacities, reduce the cost of the construction and exploitation of power systems. Let us give more electric power to the country!

56 Engineering workers! Work faster to cope with the output of modern highly efficient and economic machines, instruments and equipment! Fight persistently for the technical re-equipment of all branches of the national economy, for extensive automation of production!

57 Workers in the oil and gas industries! Intensify the pace of the exploration and reclamation of new deposits and extraction of oil and gas! Build up the capacities of oil refineries, improve the quality of oil products! Let us give more oil and gas to the country!

58 Workers in the coal-mining industry! Introduce integrated mechanisation and effective methods of coal mining on a bigger scale! Raise labour productivity, reduce production cost and improve the quality of coal!

59 Workers in the chemical industry! Work faster to put new capacities into operation, broaden the variety of chemical products! Produce more high-quality cheap consumer goods! Give more fertilisers to agriculture!

60 Soviet builders! Intensify the pace and improve the quality of the construction of new enterprises, houses, schools, hospitals, and children's establishments! Introduce industrial methods of construction on a broader scale! Strive for durability, attractiveness and low construction cost!

61 Workers in the building materials industry! Increase the output and improve the quality of building materials! Give more cement and prefabricated structures and parts to the construction projects of the seven-year plan!

62 Workers in the timber, woodworking and paper industries! Give more high-quality timber, furniture, cellulose and paper to the country!

63 Workers in the light industry! Give more high-quality and attractive textiles, clothing, footwear and other consumer goods to the Soviet people!

64 Workers in the food industry! Increase in every way the output, broaden the variety and improve the quality of foodstuffs!

65 Workers in the fishing industry! Increase the catch of fish, develop fishing in the high seas, oceans and inland reservoirs!

66 Workers of Soviet transport! Ensure uninterrupted freight haulings! Improve service for passengers! Wage the struggle for the speediest implementation of the technical reconstruction of transport, for large-scale mechanization and automation!

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67 Communication workers! Develop and improve the means of communications! Achieve faultless operation of the post telegraph, telephone, radio and television! Improve services for the population!

68 Workers of the local and the co-operative industries! Increase output, improve quality and cut the cost of production! For the all-round improvement of public services!

69 Men and women collective farmers, workers of state farms and repair-and-technical service stations, agricultural specialists! Supply the motherland with more grain, meat, milk, wool, eggs, cotton, flax, sugar beet, potatoes, vegetables, fruit, tea and other agricultural products!

70 Workers in agriculture! Develop to the utmost the commonly-owned livestock, set up a stable fodder base, increase livestock productivity, improve pedigree stock breeding! Follow the example of the front-rankers, benefit from their experience! Let us surpass the United States of America in the per capita output of livestock products!

71 Men and women collective farmers! Develop to the utmost the commonly-owned economy, increase non-distributable assets - the basis of collective farm wealth! Expand inter-collective-farm production ties!

72 Men and women collective farmers, village machine operators! Introduce more widely integrated mechanization in farming and livestock breeding, master technique - use it in a better way for raising labour productivity and for lightening your work!

73 State farm workers! Increase the output of agricultural products and reduce costs! Let us transform all the country's state farms into model and high profitable enterprises!

74 Workers of the virgin lands! Consolidate and multiply the achievements attained! Improve farming efficiency, strive for high and stable harvests! For the all-round development of the commonly-owned livestock!

75 Men and women collective farmers, workers of state farms and agricultural specialists! Introduce more boldly in agricultural production the achievements of science and engineering! Persistently strive for lower costs of produce!

76 Workers of Soviet trade and public catering! For higher efficiency in servicing the population; make a better study of the demands and more fully satisfy the growing requirements of the working people!

77 Soviet office workers! Improve the work of the Soviet apparatus! For an attentive attitude to the requirements and needs of the working people!

78 Workers of science and the higher school! Wage the struggle for the further blossoming of science, for technical progress! For closer ties with production! Train specialists worthy of the communist epoch!

Long live progressive Soviet science!

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Page 7 of
Appendix "H" to
Report 1/60
d/2 May 60

79 Long live Soviet scientists, engineers, technicians, workers who opened up the era of the conquest of outer space!

80 Men of literature and art! Reflect more vividly in your work the grandeur and beauty of the heroic deeds of Soviet Man! Fight for a high ideological content in your work and for artistic skill! For close, inviolable links of literature and art with the life of the people, with the present!

81 Workers of the press, radio and television, publishing houses and cultural enlightenment establishments! Tirelessly bring to the masses the all-triumphant Communist ideas, foremost experiences, and the spiritual wealth amassed by mankind!

82 Workers of public education! Improve the quality of instruction given to the children, strive for closer ties of the school with life and production! Educate the growing generation in a spirit of collectivism, love for work, and loyalty to the motherland and to the cause of Communism!

83 Medical workers! Improve and develop public health service, improve the efficiency of medical and sanitary establishments! Introduce the latest achievements of medical science!

84 Long live the Soviets of the Working People's Deputies - the genuine people's organs of power in our country!

85 Soviet trade unions! Develop in every way the creative initiative and activity of the working class and intelligentsia! Greater solicitude for the further upsurge in the material well-being and the cultural level of factory and office workers! Mobilize all efforts of the working people for carrying out the Seven-Year Plan!

86 Long live Soviet women - active builders of a communist society!

87 Long live the Leninist Y.C.L. - the true assistant and reserve of the Communist Party, the vanguard detachment of the young builders of communism!

88 Communists and Y.C.L.ers! Be in the vanguard of the nationwide struggle for the realization of the decisions of the XXI C.P.S.U. Congress, for the building of communism in the USSR!

89 Men and women Y.C.L.ers, Soviet youth! Learn to live and work in a communist way! Develop high moral qualities! Be conscientious and tireless builders of communism!

90 Young Pioneers and schoolchildren! Persistently master knowledge and develop work habits! Prepare to become active fighters for Lenin's great cause!

91 Long live the great Soviet people - the builder of communism!

92 May the inviolable unity of the Communist Party and the Soviet people - this wellspring of the strength of the socialist system and the guarantee of new successes in building communism, live long and grow stronger.

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Page 8 of
Appendix "H" to
Report 1/60
d/2 May 60

93 Long live the Union of Soviet Socialist Republics - the stronghold of friendship of the peoples of our country, the inviolable bulwark of peace, democracy and socialism!

94 Long live our Soviet Government!

95 Long live the glorious Communist Party of the Soviet Union, the great inspiring and guiding force of the Soviet people in the struggle for building communism, the Party created by Lenin!

96 Under the banner of Marxism-Leninism, under the guidance of the Communist Party - forward to the victory of communism!

97 Long live communism - the bright future of all mankind!

Central Committee of
the Communist Party
of the Soviet Union.

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IN REPLY PLEASE QUOTE

NO. CC 1544-1 (JIC)

Department of National Defence

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JOINT INTELLIGENCE COMMITTEE

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29 Apr 60.

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29 APR 1960

MEMORANDUM FOR THE JIC:


INTELLIGENCE ON SOVIET AND SATELLITE EMERGENCY PLANNING INCLUDING CIVIL DEFENCE

Reference: (a) CC 1544-1 (JIC) of 6 Apr 60

Enclosure: (1) Canadian JIC Contribution on
SGM-154-60 dated 17 Mar 60

The above enclosure is forwarded for consideration and
will be discussed at the meeting of the Committee to be held
on 4 May 60.

//


(I.A. McPhee)
Commander, RCN,
Secretary.

Enc.

IAM/2-5459/cp

cc: CCOS
CJS
JIS (3)
SO/JIR
SO/CI
Secretary, JPC (1)

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CC 1544-1 (JIC)
28 April 1960

Intelligence on Soviet and Satellite Emergency
Planning Including Civil Defence

References: SGM-154-60 of 17 March 1960
SG 254 of 27 October 1959

*we have no
to add to
to follow
to review*

1. The Canadian Joint Intelligence Committee has the following contributions to offer. Information is based on published Soviet sources.

Warning System

2. The PVO (Protivovozdushnaya Oborona Strany), a military organization with the status of an independent command, is responsible for the warning system both for air raids and fall out.
3. At the local level the PVO Strany is assisted by the MPVO (Mestnaya Protivovozdushnaya Okhrana) which is responsible for local rescue and survival operations.
4. No details of the general warning service or the anticipated warning period are available. However, Soviet literature indicates that the authorities expect that there would be sufficient warning of attack by aircraft to permit the population to proceed to shelters. We have seen no specific reference to warning of missile attack. No information on any agreement for an interchange of warning messages between the Soviet Union and Satellites is available.

Shelters

5. Soviet handbooks on civil defence state that shelters are one of the principal means of providing protection. These shelters, as described in the books, vary from large size solid, or underground, shelters to small individual shelters built in basements of single family dwellings. The large solid shelters or underground shelters are to be built to provide protection from an explosion as well as from fall out or blast.
6. No information is available as to the number of such shelters which are available or are being built. It is presumably the responsibility of local authorities to provide shelters.
7. Injuries from fall out are to be minimized by the population remaining under cover until the all-clear is given by those responsible for the necessary decontamination.

Self help

8. The main emphasis for remedial measures is placed on local self defence groups. These are organized on a local, as required, basis and operate under the direction of the local MPVO staffs. These staffs have service units at their disposal which are recruited from the local population or the workers of an industrial establishment or educational institution. The emphasis, therefore appears to be on local forces rather than on mobile columns.
9. No actual strength figures of the civil defence workers or officials are available. The textbooks state that self defence groups are organized wherever necessary. A self defence group consists of about 48 individuals, and one of these is to be set up for every 500 persons in collective farms. Rural areas with smaller population set up smaller all purpose groups. In urban areas a self defence group is to be set up for every 300 tenants. In densely

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populated areas and in multi-story dwellings with over 1000 tenants one self defence group is to be set up for every 500 to 700 individuals. No accurate information is available as to the extent to which this has been actually implemented. However the March 1959 issue of Wehrkunde, Munich, quotes Khrushchev as having said that 22 millions had been trained and that further people were trained at the rate of 5 million a year.

Training

10. Most of the training seems to be done on a local basis and no information about national schools is available. The Soviet press has published figures which claim that up to 85% of the population have received training in civil defence procedures and that the figure was to be 100% by 1960. It appears that this aim has not been achieved.

11. The training given to the population consists of instruction in basic self preservation such as the use of respirators, protective clothing, the detection of contamination, be it chemical, biological or atomic, the proper behaviour under blast, the best protective use of any existing structure, behaviour in shelters, protection of food, and other allied skills. Also included is decontamination of the individual, of animals, buildings and food stuffs.

Control of the Population

12. The local chief of MPVO is responsible for the control of the population, assisted by the self help groups.

13. There appears to be no definite limit set to the length of time people are expected to remain in the shelters. The textbooks discuss the problem of food, water and ventilation, implying that extended periods might be spent in them. However, the books also state that as soon as an attack is over the decontamination and rescue squads will enter the damaged area and will let the people leave the shelter when such action is considered safe.

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EXCERPT FROM MINUTES OF THE
731st MEETING OF THE JOINT
INTELLIGENCE COMMITTEE HELD
ON APRIL 27, 1969

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X XVIII. DETENTION OF USSR FISHING TRAWLER

(CONFIDENTIAL)

38. CB NRC referred to the recent detention of a USSR fishing trawler by the Department of Fisheries and inquired if a report on this vessel was now available.

(CSC 7-17 (JIC))

39. DNI stated that this ship had been boarded and that there was nothing to indicate that she was other than a bona fide fishing trawler.

40. The Committee noted DNI's remarks.

CONFIDENTIAL

DNI 27/60

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MEMORANDUM TO: Secretary JIC

ACTIVITIES OF THE SOVIET TUG SLAVNIY AND TRAWLER MELUGI 8-10 APR

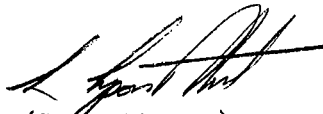
A report has now been received from the Newfoundland office of the Department of Fisheries concerning the incident on 8-10 April which involved the tug SLAVNIY and the trawler MELUGI (incorrectly referred to in earlier reports as the MELVIY).

2. It appears from the report that although the Soviet tug had sought permission to take shelter on the North East coast of Newfoundland to effect engine repairs to the trawler, the permission given by the Embassy was actually to enter St. John's. In spite of this the tug put into Spiller's Cove, which has no anchorage, is in an exposed location, and is not a Customs port. It appeared that the tug had inadequate charts of the Newfoundland coast.

3. The reason for the apparent unwillingness of the tug master to go into St. John's may have been reluctance to spend time in the formalities of Customs inspection when the actual repairs could be carried out in short time, given a sheltered location.

4. Of interest are the facts that the tug master contravened his official instructions; the presence on board of a man whose manner and dress indicate that he may have been the political officer; and also the suspicions of Mr. Carroll that the engine trouble in the trawler was minor. He also notes the proximity of Spiller's Cove to the Elliston radar site; no new installations have, however, been noted at the site since 1956.

5. The Deputy Minister of Fisheries points out that it is extremely difficult to keep a close watch on the activities of the Soviet fishing fleet as well as the fishing vessels of other countries, and with the great numbers of vessels in the area close to Canadian territorial waters, similar incidents will take place from time to time, requiring the enforcement of the Coastal Fisheries Protection Act.


(L. L. Atwood),
Captain, RCN,

DIRECTOR OF NAVAL INTELLIGENCE.

O T T A W A,
11 May, 1960.CONFIDENTIAL



IN REPLY PLEASE QUOTE

NO. GSC 7-17 (JIC)

Department of National Defence

JOINT INTELLIGENCE COMMITTEE

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27 Apr 60.

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MEMORANDUM FOR THE JIC:

AEROFLOT MOSCOW - NEW YORK ROUTE

128 APR 1960

Enclosure: (1) 1632-1 (DAI) dated 25 Apr 60 from
DAI

The above enclosure is forwarded for consideration and
will be discussed at the meeting of the Committee to be held
on 4 May 60.

(Signature)
(I.A. McPhee)
Commander, RCN,
Secretary.

Enc.

IAM/2-5459/cp

cc: CJS
JIS (3)
SO/JIR
SO/CI

C O P Y

1632-1 (DAI)

M E M O R A N D U M

25 Apr 60

Sec JIC

Aeroflot Moscow-New York Route

- 1 INTERAVIA Air Letter No. 4463 dated 12 Apr 60 (extract attached) reports that Aeroflot will inaugurate direct Moscow-New York Tu-114 service in the second half of this year.
2. The only practical air route between Moscow and New York involves crossing Canadian air space.
3. It is recommended that the JIC consider the implications of regular overflights of Canadian territory by Aeroflot.

(Sgd) (E.L. Kenny)W/C
(For) (L C Dilworth) G/C
DAI
(2-3598)

C O P Y

EXTRACT FROM INTERAVIA AIR LETTER NO. 4463

SOVIET UNION

Aeroflot to New York

Brussels: Aeroflot Vice President Vladimir Vassilief said in Brussels on April 8th that Aeroflot and Pan American will inaugurate direct jet services between Moscow and New York in the second half of this year; Vassilief arrived in Brussels on Sabena's inaugural Boeing 707 flight from Moscow.

Aeroflot will operate Tupolev Tu-114s on the route, and Pan Am will fly New York-Moscow with Boeing 707s. Pan Am's Brussels office has confirmed the announcement.

CONFIDENTIAL

EXCERPT FROM MINUTES OF THE
750th MEETING OF THE JOINT
INTELLIGENCE COMMITTEE
HELD ON APRIL 21, 1960

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X III. VISIT - CHAIRMAN DESIGNATE -
UK JIC

(CONFIDENTIAL)

3. The Committee discussed the impending visit of Sir Hugh Stephenson, the Chairman Designate of the UK JIC to the Canadian JIC, with Mr. M.K. Evans, representing the UK JIC.

(CSC 1824-1, CSC 5-11-17 (JIC))

4. The following tentative timetable was suggested to Mr. Evans:

5 May: 1230 to 1530 - Lunch and discussion with Chairman, JIC

1530 to 1700 - Call on CCOS if time acceptable to CCOS. Secretary, JIC to confirm.

6 May: 0930 to 1115 - Visit JIB

1130 to 1230 - Meeting with JIC

1230 to 1430 - Luncheon with JIC at Le Cercle Universitaire.

1430 - Open

5. The Committee agreed that the following briefs would be given to the Chairman Designate, UK JIC:

Tripartite Intelligence Alerts - 15 minutes - Chairman

CB NRC - 15 minutes

Production of JIC papers - 20 minutes - To be decided.

ACTION: Chairman
CB NRC
Secretary.

S E C R E T
CANADIAN EYES ONLY

Ottawa, April 20, 1960

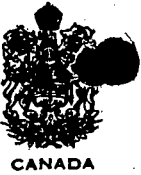
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R. B. Bryce, Esq.,
Clerk of the Privy Council,
Office of the Privy Council,
East Block,
O t t a w a

KHRUSHCHEV'S PUBLIC STATEMENTS
JIC 363/2 (60) 13 Apr 60

I am enclosing herewith a final version of
the above paper amended in accordance with your sugges-
tions.

J. K. Starnes
Defence Liaison (2) Division



Department of National Defence

JOINT INTELLIGENCE COMMITTEE

IN REPLY PLEASE QUOTE

No. CSC 7-17 (JIC)
CSC 1824-1 (JIC)

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for European In Robert
[Signature]
14 Apr 60.
917

KHRUSHCHEV'S PUBLIC STATEMENTS

Enclosures: CANADIAN JIC 363/2 (60) dated 13 Apr 60.

The attached enclosures are forwarded for information.

[Signature]
(I.A. McPhee)
Commander, RCN,
Secretary.

Att.

IAM/2-5459/cp

DISTRIBUTION

Chiefs of Staff (to note)

→ Mr. J.K. Starnes

~~for Canadian Missions Abroad~~

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CANADIAN
JIC 363/2 (60)
13 Apr 60

KHRUSHCHEV'S PUBLIC STATEMENTS

OBJECT

1. To make a general assessment of the veracity of public statements by Khrushchev.

CONCLUSIONS

2. As a broad generalization, we consider that Khrushchev's public statements are normally accurate about general trends, at least within his own Communist frame of reference, but sometimes exaggerate, distort or omit important details. Although many of his statements are not untruthful in the strictest sense, some can be shown to be patently untrue. Furthermore, the real "truth" of many of the statements is not evident without careful study.

3. In addition to being derived from an alien philosophical, moral and political framework, Khrushchev's statements are characterized by:

- (a) shrewd phasing, in the light of the occasion, the audience and world opinion;
- (b) rhetorical exaggeration, possibly sometimes "not in the script", when the occasion or the audience suggests it;
- (c) often, lack of "the whole truth", with the result that many statements are misleading or at least subject to misinterpretation;
- (d) a need for careful textual analysis.

4. In short, a reasonable interpretation of Khrushchev's attitude to the truth is to say that he makes the most of it.

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DISCUSSION

5. Khrushchev is probably the most talkative person in a position of leadership in the world today. Before Stalin's death he made few public speeches, and those were confined mainly to the domestic political economy. Since coming to power, however, Khrushchev, like Stalin, has become the authority on every aspect of Soviet life, from how pictures should be painted and corn planted to the detailed conduct of foreign policy. Recently, since assuming the Premiership, his pronouncements, although equally varied, have acquired a less colourful quality. The advertised picture of Khrushchev as the vodka-tossing Parly leader with the rough and ready sense of humour is giving way to that of a more dignified Chief of State.

6. It should be borne in mind, in using these statements to evaluate the Soviet position on any subject, that they are public statements made with an eye to the audience and in the context of Soviet security regulations. They reflect only what the Soviet leaders wish the world to know of their position and policies and an examination will demonstrate that many have been carefully and shrewdly drafted for this purpose. This does not mean that they are all untrue. But it would only be rational for the leader of such a state as the Soviet Union to put the best face on truth. In general, and bearing in mind the peculiar Marxist view of "truth", our preconceptions lead us to approach Khrushchev's statements with the view that the most generous interpretation of their truth is to say that Khrushchev makes the most of it. In addition, certain material difficulties which beset the interpretation of any public statements are accentuated in the case of those of Soviet leaders. These include the possibility of delivery and translation errors and the effect of Khrushchev's own rhetoric upon a text.

7. This paper examines certain examples of Khrushchev's statements with a view to determining to what extent they are true and complete. We have chosen the following varied selection of subjects to demonstrate our views:

- (a) political statements
- (b) Soviet military capabilities and strategy
- (c) reduction of Soviet armed forces
- (d) Soviet ICBM production
- (e) Soviet economic progress
- (f) foreign trade policy

Example #1. Political Statements

8. General, or even particular, political statements are very difficult to analyse, partly because they can only be understood within the framework of Marxist philosophy. Since Marxists understand something quite different from Western statesmen when they use such words as "morality", "objectivity" and "democracy", a distinction has to be made between those statements that are cynical and deliberate distortions and those which, however false by Western standards, are sincere expressions of the Communist view of the world.

9. For example, Khrushchev has said of the situation in Eastern Europe:

"... we considered that we could not remain indifferent spectators when emboldened fascist elements embarked on bestial outrages against workers, peasants, communists and others of the best representatives of the working class

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of Hungary in the streets and squares of Budapest and other Hungarian towns, when the counterrevolution launched attempts to drown in the blood of the people the socialist conquests of Hungarian workers".

"... I must say that we know of no symptoms of any tensions in this area ..."

"... it is in the Socialist countries that the most free elections are held ..."

10. By any reasonable Western standards these statements are patently false, but it is difficult to say to what extent they are cynically concocted distortions and to what extent they are sincere expressions of the Communist view. It is clear, however, that Khrushchev is capable of consciously making misleading political statements. An outstanding example of this ability is his attitude to co-existence and non-interference in the internal affairs of other countries. In Foreign Affairs he recently wrote:

"The principle of peaceful co-existence signifies a renunciation of interference in the internal affairs of other countries with the object of altering the system of government or mode of life or for any other motives."

Some nine months earlier at the 21st Party Congress, Khrushchev, in a secret speech to the leaders of national Communist Parties, made it plain that the Soviet Union would continue to provide guidance and all possible support to foreign Communist Parties. But, at the same time, he reminded his listeners that it would be expedient henceforth to avoid all public reference to the leading role played by the Soviet Union in the international communist movement. We have substantial evidence that, in defiance of the principle publicly espoused by Khrushchev, the direction and financial support of national Communist Parties by the Communist Party of the Soviet Union is continuing.

Example #2. Soviet Military Capabilities and Strategy

11. Khrushchev's speech to the Supreme Soviet on 14 January was the culmination of a number of separate statements on military and strategic matters by various Soviet leaders. In it he dealt, inter alia, with: the increasing importance of missiles in Soviet defence policy; the future relative strengths of bombers and missiles; and the availability of strategic weapons for attacking the West. He said:

"The Soviet Union has accumulated the necessary quantity of atomic and hydrogen weapons...Our State has at its disposal powerful rocket equipment. With the present development of military technology / or equipment / the Air Force and Navy have lost their former significance. This type of weapon is not being reduced but replaced. We have now sharply cut down and, evidently, will further reduce and even cease the production of bombers and other obsolete equipment. The submarine fleet is assuming great importance in the Navy, whereas surface ships can no longer play the role they played in the past. Our armed forces have been to a considerable extent transferred to rocket and nuclear weapons. We are perfecting and will go on perfecting these weapons right up to the time they are outlawed.

"The Soviet Army today possesses such military techniques and such firepower as no army has ever had before. I want to stress again that we already have so many nuclear weapons - both atomic and hydrogen - and so many rockets

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to deliver these weapons to the territory of a possible aggressor, that if any madman were to provoke an attack on our State or on the other Socialist States, we could literally wipe the country or countries that had attacked us off the face of the earth. Every clear thinking person understands full well that atomic and hydrogen weapons offer the greatest threat to those countries which have a high population density. Of course, if a new World War arises all countries will suffer one way or another. We too will undergo great calamities, we will suffer great losses, but we will survive; our territory is vast and our population is less concentrated in large industrial centres than in many other countries. The West would suffer incomparably more."

12. The above quotations illustrate the nature of many of Khrushchev's statements on general military capabilities and strategy. In general the statements correspond closely with the intelligence view of Soviet thinking. In detail, however, we would, on the basis of the evidence we have, question the precise truth of some of the sentences. In some cases, such as the reference to "wiping an agressor off the face of the earth", this is because we do not really know how many missiles would be required to wipe the United States off the face of the earth, and we do not believe that Khrushchev knows either. We both have estimates, and in our view Soviet capabilities are not yet equal to this task. However, it may well be the quite sincere view of Khrushchev or his planners that they are. In any case, in the context, rhetorical exaggeration, if this is what it is, can hardly be considered untruthful. Western statements concerning "massive retaliation at times and places of our own choosing" come to mind for comparative purposes.

13. A further statement made by Khrushchev in the same speech provides an example of the ease with which statements can be misinterpreted in the West, in the absence of detailed analysis. It was as follows:

"The central committee of the Communist Party and the Soviet Government are able to inform you, Comrades Deputies, that the weapons we already have are terrible weapons, but those which are so to speak about to make an appearance are still more perfect, still more terrible. The weapons which are being developed and are so to say in the portfolios of the scientists and designers, are incredible weapons."

For some days or weeks after the statement, this paragraph was taken in some quarters to indicate the actual possession by the Soviet Union of a radically new weapon - and this even though an examination of the broadcast text would have indicated the general and rhetorical nature of the remarks ¹. A detailed analysis of the Russian texts confirms the view that the remarks were general.

¹Dr Lapp, the US nuclear scientist, was one of those who insisted that Khrushchev was speaking in the singular and of a specific new weapon. A quotation from Dr. Lapp's judgment in an article in the London Spectator led to an interesting correspondence. One correspondent pointed out that Dr. Lapp had misinterpreted Khrushchev's remarks, which had been plural and rhetorical in nature. Upon this the General Secretary of the British-Soviet Friendship Society wrote, supporting Dr. Lapp's view, and relating the prospect of this new weapon to the need for nuclear disarmament on Soviet terms.

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Example #3: Reduction of Soviet Armed Forces

14. In the same speech to the Supreme Soviet of 14 January, Khrushchev gave a circumstantial account (with figures) of the development of the personnel strength of Soviet armed forces since before World War II, and announced that it was planned to reduce Soviet armed forces by 1.2 million from their present strength of 3.623 million in the next two years. He gave reasons for the move, and attempted to allay possible fears about the security of the State after this reduction and about the plight of the discharged personnel.

15. Although a full analysis of this announcement has not yet been completed, the strategic cogency of Khrushchev's arguments, their consistency with what we know of Soviet thinking and the close relationship between Khrushchev's figures and our own estimates, leads us tentatively to conclude that the figure given for the present strength of the armed forces was accurate and that it is the present Soviet intention to carry out the announced reduction in strength.

16. However, Khrushchev's reasons for giving these figures and making this announcement at the time he did are worthy of some analysis. It was the first time that the Soviet Government had publicly stated the numerical strength of its armed forces, and the following is a possible explanation why it should have taken this step at the present time. Once Khrushchev had decided upon a cut in the armed forces, he would naturally wish to extract the maximum possible propaganda advantage by announcing it. He must be aware that doubt has been expressed in the past as to whether the previously announced cuts were ever made and that the Soviet Union has been criticised for not making public the actual numerical strength of its armed forces. From this point of view, Khrushchev might well have calculated that an account of the variations in the strength of the armed forces over the past few years would lead to a greater readiness to accept the Soviet intention to make a further cut. Once he had accepted that there would be advantage in giving a figure for the total present strength, he may also have thought that there was no particular merit in giving a wrong one; indeed, he may have gone further and thought that, if sooner or later some disarmament agreement were to lead to some form of international inspection, it would be as well for the Soviet Union to enter the system with a genuine figure already declared. It seems probable, therefore, that in announcing the total figure Khrushchev was telling the truth. It is also possibly significant that the figure to which Khrushchev says the Soviet armed forces are to be reduced is just below the 2.5 million men which has for long been the figure suggested by the West for the Soviet and U.S. strengths on completion of the first stage of a general disarmament programme. The Soviet claim to be in the process of reducing to below this figure could be used to make the first stage of the Western plan appear otiose by comparison with Khrushchev's own plan of a first stage reduction to 1.7 million.

Example #4. Soviet ICBM Production

17. Khrushchev made two major statements on ICBM production about a year ago. The "Thesis" for his report on the Seven-Year Plan, issued in November 1958, said: "the production of intercontinental ballistic rockets had been successfully set up." We interpreted this to mean that production facilities had been built and that tooling up was completed.

18. On 27 January 1959 in his report to the 21st Party Congress, Khrushchev said that "series production of intercontinental ballistic missiles had been organized". We took this to mean that the final stage in the preparation for missile production had been reached, including probably the mastering of the techniques of series production of rockets.

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SECRET
CANADIAN EYES ONLY

19. Our estimates at the time of these statements did not suggest that ICBMs were in series production, and it was noted that in neither statement was a claim made that production was actually taking place. It was concluded that the latter statement signified that the Soviet Union was in a position to start manufacturing series production missiles immediately. We are of course still unable to judge whether or not our conclusion was a rationalization, but, on the basis of other evidence available to us, we do not believe that either of these statements was true in its superficial sense, although both were accurate if examined with great care.

20. In November 1959 Khrushchev made a further statement on the subject. He claimed that in one year 250 missiles with hydrogen warheads came off the assembly line at a factory he had visited. In the context of his speech, this figure of 250 was obviously intended to appear to refer to ICBM production. Available evidence suggests that at that time only certain of the short-range missiles had been in production long enough to justify such a production claim. Again, careful analysis was required to determine the exact sense in which the statement was "true".

Example #5: Soviet Economic Progress

21. The "thesis" for Khrushchev's report to the 21st Party Congress, issued in November 1959, stated:

"The superiority of the Soviet Union in the rate of growth of production will create a real basis for overtaking and outstripping the United States within approximately five years following 1965, for the level of per capita output. Thus, by this time, or perhaps even earlier, the Soviet Union will have moved to the first place in the world both in gross and per capita output, which will ensure the World's highest living standards for the population."

22. This statement is difficult to judge, as it refers to the more distant future, but we believe that the goals of the Seven-Year Plan (1959-1965) are impressive and realistic, except in agriculture and the chemical industry, and that Khrushchev's claims for the plan are generally well founded. However, when he deals with the period beyond 1965, he allows himself to be carried away. His economic advisers may have estimated on the basis of their statistics that Soviet industrial output is at present 50 per cent of that of the United States, and not 40 per cent, as we estimate. It is however difficult to believe that they would give him as a serious forecast an industrial growth rate of 2 per cent per annum for the United States, as Khrushchev's assertion implies. It is inconceivable that his advisers could estimate that the Soviet Union will by 1970 have the world's highest per capita production, or that the absolute volume of production will exceed that of the United States, except in the case of certain items of Soviet choice. Furthermore, his claim that by 1970 the Soviet Union will have the world's highest living standards is clearly unattainable. In other words, in these cases, Khrushchev's claims have gone far beyond any likely professional advice, and beyond the likely truth.

Example #6: Foreign Trade: Khrushchev's Request for Western Credits

23. No single quotation can be found to summarize all the points that Khrushchev has made in seeking to import machinery from the West on credit. The following example is extracted from a domestic speech made in Kishinev in May 1959:

"We say to the leaders of the Western countries, if you want to receive large orders from us ... then give us credits for this purpose, because we have no free resources. We have no dollars or pounds."

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24. In general, Khrushchev's statements on the credit issue have been more reasonable than is suggested by some of the interpretations in the Western press. The points which he stresses include the following: that Soviet gold and foreign exchange reserves are by no means unlimited; that the fulfillment of the Seven-Year Plan does not rely on the provision of credits by the West; that Western firms and countries have at least as much to gain commercially as the Soviet Union by extending credits; and that, in the case of the United States, time would be required to develop a market for Soviet products equivalent in volume to the orders which the Soviet Union is prepared to place immediately for American goods.

25. In addition to the fact that the Soviet Union would have difficulty finding a large surplus of exportable products on short notice to finance a sudden and unplanned upsurge in imports from the West, we believe that Khrushchev has not given the whole truth and that there may be a hidden motive in the Soviet credit campaign that he has preferred to leave unstated. If credits are extended on a large scale it would be much more difficult for Western Governments to impose restrictions on Soviet imports in subsequent years. Increased sales, it could be argued, would be essential to meet the repayment schedule. Western credits would serve, in this sense, as a form of "insurance", guaranteeing access to a continually larger share of Western markets in future years. This "insurance" objective, though intangible, could be one of the main motivating factors behind Khrushchev's request for credits. Even if this suggestion is an accurate estimate, we do not feel that Khrushchev can be blamed for suppressing it, but the analysis provides a possible example of how many of Khrushchev's statements, especially those concerning motives, cannot be taken at their face value.



CANADA

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No. CC 1747-1 (JIC)

Department of National Defence

JOINT INTELLIGENCE COMMITTEE

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12 Apr 60

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→ J.K. Starnes, Esq.,
Dept. of External Affairs.
DNI
DAI
RCMP
JIB
CB NRC

13 APR 1960

SOVIET BLOC/ MERSHIP -
INDEX AND/ DECODE

1. Reference is made to memorandum on this file dated 10 Mar 60 forwarding Change 2/60 to enclosures 1 and 2 of SACLANT Serial N-1175 dated 24 Nov 59.
2. Enclosed is a copy of SACLANT Serial N-1175/3(59) dated 4 Apr 60 covering Change 3/60 to enclosures 1 and 2 of SACLANT Serial N-1175 dated 24 Nov 59.

Enc.

EAB/2-5459/1c

I.A. McPhee
(I.A. McPhee)
Commander, RCN, Major
Secretary.

CONFIDENTIAL

JIB BRIEF NO: 26

COPY NO: 3 OF: 16

11 April 1960.

INTELLIGENCE BRIEF

PREPARED FOR:

J.I.C.

BY:

J.I.B.

SUBJECT:

Long-term Trade Agreement Between Japan and the Soviet Union.

SOURCE:

Press and various.

DATELINE OF REPORT:

April 1960.

1. On 3 March 1960, Japan and the Soviet Union signed their first post-war long-term trade agreement, a 3 year pact effective from December 6, 1959 to 31 December 1962. It has been reported that the Japanese Foreign Ministry estimates the total trade volume for the period at about \$440 million, \$230 million for Japanese exports and \$210 million for Japanese imports. Japan's exports are scheduled at \$60 million in 1960, \$70 million in 1961, and \$100 million in 1962. A significant feature of the agreement is the provision for deferred Soviet payments up to an unspecified amount for Soviet purchases of capital equipment in Japan, a departure from the former cash-payment practise.

2. The reported trade target for 1960, a total turnover of \$125 million, more than doubles the trade exchange in 1959. The 1959 trade agreement provided for a total turnover of \$70 million, with exports and imports evenly balanced, but actual performance fell short of this. Complete data for the year are not available, but during the first 11 months of 1959 Japan-Soviet trade amounted to about \$52 million; Japan's exports were valued at only \$17 million, imports at \$35 million. The total exchange in 1959 was probably in the order of \$60 million, or a 50 per cent increase over the \$40 million trade volume realized in 1958.

3. The agreement provides for large increases in Soviet exports of crude oil, timber, coal and other raw materials. Japan has approved the import of 1.1 million tons of oil in 1960, a tenfold increase over the 100,000 tons imported in 1959, with imports in 1961 and 1962 tentatively set at 1.4 million tons and 1.7 million tons respectively. The 1960 deliveries would constitute about one quarter of Japan's total imports of crude oil (1958 - 4.3 million tons). Reports of two large scale long-term contracts recently signed by two Japanese firms reveal that Soviet oil has been attractively priced and will be delivered to Japan at an estimated one to two dollars per ton less than oil delivered from the Persian Gulf area. The 1960 protocol provides for Soviet exports of 860,000 cu. meters of timber, with suggested exports of 1,250,000 cu. meters in 1961 and 1,500,000 cu. meters in 1962. In 1957 Japan imported only 163,000 cu. meters, increasing its imports in 1958 to 450,000 ~~tons~~ ^{cu. meters} and in 1959 to over 650,000 ~~tons~~ ^{cu. meters}. Soviet coal exports of 500,000 tons in 1960 have been agreed upon, a considerable increase over the 430,000 tons exported in 1958, with planned increases to 555,000 tons in 1961 and 555,000 - 650,000 tons in 1962. Commodities on the Soviet export list also include wheat, an item of interest to Canada as wheat and flour accounted for \$76 million of the \$140 million worth of goods Canada sold to Japan last year. No amount is specified in the protocol for 1960, but in 1959 Japan purchased 15,000 tons of Soviet wheat on an experimental basis.

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JIB BRIEF NO: 26

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4. Japanese exports as listed are to include chemical and textile equipment, tankers, mining equipment, steel products and food manufacturing equipment, as well as cargo vessels, rolling stock, rayon yarn and staple provided for under the former agreement.
5. Despite balanced trade provisions in previous agreements Japan has experienced a growing deficit in its trade with the Soviet Union, the trade deficit of about \$4 million in 1958 increasing to \$18 million in the first eleven months of 1959. The deferred payment scheme approved by Japan, to be financed by the government sponsored Export-Import Bank, should stimulate exports and rectify the trade imbalance.
6. The agreement establishes trade targets for the three year period, but these are not binding on either country. Fulfillment of the targets will depend on contractual arrangements to be negotiated by Japanese industrial companies and trading firms, and on the success of the deferred payment scheme.
7. It is of interest that this trade agreement was concluded during a period of strained political relations between the two countries over the Soviet Union's reaction to the signing of the recently revised United States-Japan security treaty and Soviet endeavours to further curtail Japanese fishing operations in the Pacific.

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CANADIAN EYES ONLY

50028-B-40

Ottawa, April 7, 1960

X ref 50028-V-1-40
11460-40

Your File: CSC 2-1-31 (JIC)

Commander I. A. McPhee,
Secretary,
Joint Intelligence Committee,
Department of National Defence,
Room 4431, - A - Building,
O t t a w a

The Threat from Soviet Sabotage
and Subversion in Canada

The following are our comments on the draft paper "Threat from Soviet Sabotage and Subversion in Canada", forwarded with your letter of March 25.

We feel that some clarification of the significance of espionage in the context of the paper is needed and we have in mind particularly the conclusion in paragraph 3 that "the current threat from Soviet bloc subversion in Canada is substantial but is a serious threat only in so far as espionage is concerned". Subversion as we understand the term, i.e., the undermining and overthrow of government, as the paper points out is not a serious threat in Canada in peacetime. But we would be inclined to think that we would not be justified in qualifying the statement by reference to the increasing threat from espionage, which, as we understand the term, is commonly used to describe the gathering of intelligence

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concerning an enemy's intentions and capabilities by clandestine means.

We would suggest, therefore, if this paper is to include a review of the threat to Canada posed by Soviet bloc espionage, first that the Object of the paper in the first paragraph make this clear and in addition that in the body of the paper the two aspects of the threat, subversion and espionage be studied separately as far as possible. It would also seem desirable, as indicated in paragraph 29, in that case, to include in the part of the paper devoted to the threat of espionage an examination of such factors as the calibre and number of legal and illegal intelligence officers and the physical resources available to the Soviet bloc intelligence services.

Regarding sabotage we note that the cable-cutting episode of February 1959 is adduced as evidence of a Soviet intention to carry out sabotage in peacetime. It is our understanding that we were unable, in subsequent studies of this episode, to conclude that the cuttings were in fact deliberately carried out for intelligence or sabotage purposes. If this is accepted it would seem that paragraph 5 should be revised to indicate that there is no evidence of Soviet intentions to carry out sabotage in peacetime.

On the question of intentions in this field it would also be useful if some clarification could be made of the reference to the briefing of Colonel Abel, the KGB agent mentioned in paragraph 8. It is said that Colonel Abel was "charged" with having been briefed to conduct sabotage in wartime. We are not aware that either Hayhanen or Abel had been given a sabotage briefing and suggest that this paper should indicate at least that the charge had some substantiation in fact if it is to be used as evidence of Soviet sabotage intentions in wartime.

In paragraphs 40 and 49 there is some discussion of the information activities of the Soviet Embassy including

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public speeches by Embassy staff, dissemination of information, booklets and efforts by the Ambassador to develop a close relationship with prominent Canadian citizens. We should like it to be made quite clear in this paper that these activities cannot be considered instruments of subversion, as the heading under which they are discussed implies, but as normal diplomatic practice which is susceptible of exploitation for subversive purposes.

These are the main points of substance which have occurred to us on reading this paper. On questions of form, a clearer distinction, by the use perhaps of sub-headings, might be made between peacetime and wartime situations under each of the three main headings of Subversion, Sabotage and Espionage.

John Starnes

J. K. Starnes
Chairman
Joint Intelligence Committee



IN REPLY PLEASE QUOTE

No. CC 1544-1 (JIC)

Department of National Defence

JOINT INTELLIGENCE COMMITTEE

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6 Apr 60

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J.K. Starnes, Esq.,
Dept. of External Affairs.

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17 APR 1960

INTELLIGENCE ON SOVIET AND SATELLITE EMERGENCY PLANNING INCLUDING CIVIL DEFENSE

1. Reference is made to previous correspondence on this file dated 10 Nov 59 which forwarded a copy of SG 254 dated 27 Oct 59 on the above noted subject. *Copy 49 - JIC diff. NATO Doc 1*
2. Enclosed is a copy of ~~SGM-154-60~~ dated 17 Mar 60. The attention of members is invited to paragraph 2 and 3 of SGM-154-60. Members are requested to forward to the Secretary by 22 Apr 60 any contributions which they deem appropriate to the Standing Group request.

E.A. Blais
(E.A. Blais)
Major,
Assistant Secretary.

Enc.

EAB/2-5459/1c

cc: CCOS
JIS (3)
SO/JIR
SO/CI
Secretary, JPC (1)

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Classification: U/C
File: NSS 1480-146/37
Date: 4 April, 1960

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TI.4
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*Engr. to return to L.H. /
see para 3. of existing rule*

7 APR 1960

Attention:

Subject: Intelligence - Soviet Union

Reference:

Enclosure: (A) NNY 1480-146/37 dated 14 Mar 60 and enclosures.

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Forwarded for:

- (a) Retention
- (b) Information and Return
- (c) Onward transmission to
- (d) Necessary Action
- (e)

2. Comment

3. Additional Information Required

It is requested that DNI be informed whether or not further translations of this type are desired.

L.L. Atwood
(L.L. Atwood),
Captain, RCN,
DIRECTOR OF NAVAL INTELLIGENCE

IN REPLY PLEASE QUOTE

NO. CSC 2-1-31 (JIC)

Department of National Defence

JOINT INTELLIGENCE COMMITTEE

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25 Mar 60

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J.K. Starnes, Esq.,
Dept. of External Affairs.

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THE THREAT FROM SOVIET SABOTAGE AND SUBVERSION IN CANADA

Enclosure: CANADIAN JIC 362(60) dated 25 Mar 60

It is requested that members forward their comments (in triplicate) on the enclosed document to reach the Secretary by 4 Apr 60.

29 MAR 1960

Copy 2 P.E.U.

Enc.

EAB/2-5459/1c

cc: JIS (3)
SO/JIR
SO/CI

(I.A. McPhee)
Commander, RCN,
Secretary.

R A F T

S E C R E T
CANADIAN EYES ONLY

COPY NO. 1

JIC 362(60)
25 March 1960

THE THREAT FROM SOVIET SABOTAGE AND SUBVERSION
IN CANADA

OBJECT

1. The purpose of this paper is to assess the threats in Canada from Soviet bloc sabotage and subversion in peace and war.

CONCLUSIONS

2. The current threat from Soviet bloc sabotage in Canada is negligible and would presumably remain so up to any outbreak of global war. The threat would increase during the initial nuclear exchange but only after would it reach serious proportions and then only if the Soviet leaders decided to use "illegal" agents for sabotage purposes or made a concerted effort to infiltrate saboteurs.
3. The current threat from Soviet bloc subversion in Canada is substantial but is a serious threat only insofar as espionage is concerned. There are indications that the Communist Party of Canada (CP of C) is declining as a mass-action Party and is becoming more elite. As a result, it is coming more directly under Soviet executive control, thereby increasing its usefulness to the Soviet bloc Intelligence Services for espionage support purposes and to the Communist Party of the Soviet Union (CPSU) for propaganda purposes. In wartime, neither subversion nor espionage would be expected to be of great consequence during the initial nuclear attack but they, along with sabotage, could subsequently become increasingly important to the Soviet Bloc as a means of hindering Canadian recovery and further prosecution of the war.

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SOVIET BLOC SABOTAGE DIRECTED AGAINST CANADA

4. The following estimate of the threat to Canada from Soviet bloc sabotage does not include the sabotage that would be carried out in wartime by the agent-sabotage teams of any Soviet bloc front intelligence regiments on Canadian soil. Neither does it include the threat to Canadian-serviced trans-Atlantic cables posed by Soviet bloc trawlers and submarines nor the threat to Canadian radio communications networks posed by Soviet bloc jammers operating outside of Canada.

5. It is to be noted that, except for the agent-sabotage teams referred to above and, possibly, the cutting of certain trans-Atlantic cables by the Russian trawler, the Novorossisk, in February 1959, there is no reliable information available concerning peacetime and wartime intentions of Soviet bloc organizations responsible for sabotage. The appreciation of the sabotage threat which follows is therefore largely in terms of capabilities.

Capabilities

Human and Physical Resources

6. The Soviet Bloc has a peacetime capability and, to a lesser degree, a wartime capability to conduct sabotage in Canada through one or more of the following categories of persons:

- (a) known and anonymous Canadian Communists and Communist sympathizers (reference paragraph 30);
- (b) Canadians recruited by the Soviet bloc Intelligence Services;
- (c) Soviet bloc nationals stationed in Canada in an official capacity (reference paragraph 31); and
- (d) Soviet bloc nationals who have, or will have, entered Canada illegally.

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7. There has to date been no evidence that Canadian Communists, Communist sympathizers or other Soviet bloc agents have received sabotage training or are considering the formation of sabotage groups. There is no evidence, either, that Soviet bloc nationals officially stationed in Canada have received sabotage training although it is possible that some of the intelligence officers among them have been trained by such organizations as the "Section For Terrorism and Diversion" of the KGB or the "Special Missions Section" of the GRU.

8. It is likely that Soviet bloc "illegal" intelligence officers who might attempt to infiltrate Canada after the outbreak of global war would have had sabotage training. Moreover, in view of the sabotage training undertaken by personnel of Soviet front intelligence units and in view, also, of the charge laid against Rudolf Ivanovich Abel, a KGB "Illegal" Resident, by a United States federal grand jury in 1957 that the "defendant and certain of his co-conspirators would, in the event of war between the United States and the Union of Soviet Socialist Republics ...engage [inter alia] in acts of sabotage against the United States," it would be prudent to assume that sabotage training would have been taken by an "illegal" intelligence officers active in Canada in peacetime.

9. The physical means of conventional sabotage such as fire, explosive or abrasives could be procured from local sources. For unconventional sabotage the USSR is presently capable of producing nuclear weapons which could be smuggled into Canada as complete assemblies or as component parts. These could range from weapons of five kilotons or less, weighing a few hundred pounds and small enough to fit into the luggage compartment of a car, to the highest-yield device the USSR is capable of producing. The size and weight of a megaton or multi-megaton device would, however, limit its use to a fixed installation such as the hold

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of a merchant vessel, a truck trailer, or diplomatic premises. The USSR could also produce BW agents suitable for attack against animals and crops. They could be introduced into Canada clandestinely or, in some cases, produced near the sites of their planned employment.

Clandestine Entry into Canada

10. The clandestine entry into Canada of certain Soviet bloc human and physical means of sabotage - those, that is, involving use of "illegal" agents and unconventional weapons - would in wartime be effected by submarine and by military aircraft. In peacetime "illegal" agents could gain entry as landed immigrants or as fully-documented Canadian "citizens" or by being smuggled in from submarines or from civil aircraft or ships. The peacetime entry of unconventional weapons could be effected under cover of diplomatic immunity, through "in transit" commercial shipments or, more covertly still, by smugglers (including "illegal" agents), as bombs to be detonated in the holds of merchant ships or as mines to be laid in key harbours.

11. The opening of the St. Lawrence Seaway to shipping of all nations and the intermittent landings of Soviet civil aircraft in Canada has increased the threat from clandestine entry. The conclusion of any agreement to permit Soviet bloc civil aircraft to land in Canada on a regular basis would further increase the threat.

Access to Targets

12. Soviet bloc human resources in Canada have extensive access to many potential sabotage targets not on the vital points list and limited access to certain targets which are on the list. Several known and suspected Communists have inner access to power, transport and communications facilities but none is known to hold an important position nor to have had technical training which could be considered a definite sabotage asset.

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Of the few Communists known to be employed in industries holding classified contracts, none is known to have a job within classified areas. No insight is available into the access to vital points by anonymous Communists and Soviet bloc agents and "illegal" intelligence officers. However, it is unlikely that "illegal" intelligence officers, fully documented though they may be, would seek access to any targets which would involve extensive security screening.

13. In wartime access to sabotage targets would be impeded by nuclear devastation, by restrictions on the movement of the general public, by increased security measures taken at vital points, and by counter-measures taken against known Communists, known Soviet bloc agents, and Soviet bloc nationals known to be in Canada.

Targets

14. Targets of any sabotage directed against Canada by the Soviet bloc in peacetime would presumably be those which, at minimum risk of attribution to, and reprisals against, the Soviet bloc, would seriously damage the Canadian economy. The sabotage of livestock and crops by clandestine biological warfare would, for example, if the disease concerned reached epidemic proportions, greatly reduce Canadian agricultural output and, thus, not only damage the Canadian export market in the commodities attacked or threatened but also create a serious food shortage in Canada.

15. The main targets of any sabotage directed against Canada during initial Soviet bloc nuclear air attacks would likely be those military and communications installations (e.g. nuclear strike forces and facilities, air defence forces and facilities, military command centres and headquarters telecommunications networks) which are outside the main air-attack target areas but which would have a direct bearing on the outcome of the initial nuclear exchange.

16. The main targets of any Soviet directed sabotage carried out following the initial nuclear exchange would be facilities critical to recovery.

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These would include the highest priority vital points in the following categories:

- (a) Sources of electric power.
- (b) Pipelines - natural gas and petroleum.
- (c) Transportation systems, including facilities of the St. Lawrence Seaway.
- (d) Communications networks, including communications terminals, land lines, microwave towers and coaxial cable feeders.
- (e) Military installations, including headquarters, control centres, depots, etc.

17. If directed sabotage resources were greater than those needed to attack the high-priority targets listed above, they would be employed against other categories of vital points which had become essential to recovery or to Canada's war effort because of losses of alternative sources of supply. This might apply even to some products or services not on the vital points list, depending upon the circumstances.

18. A wide range of targets of opportunity, mainly those not on the vital points list, would be open to undirected acts of sabotage.

Likelihood and Timing of Acts of Sabotage

19. Regardless of Soviet intentions to initiate global war, it is extremely unlikely that sabotage directed by the Soviet bloc would be carried out against Canada prior to the outbreak of such a war. This would apply to a state of calm between East and West, to a crisis short of war even of a local nature, and to local war involving US or UK forces near the border of the Sino Soviet bloc or involving localized conflict between Soviet forces and those of a NATO power. If the Soviet leaders did intend to initiate global war, they would not wish, through sabotage, to jeopardize the advantage of surprise attack even in times of crisis or local war when the element of surprise would be much less than for an attack launched in a period of relative calm. If the Soviet leaders did

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not intend to initiate global war, they would not wish, particularly in a time of crisis or of local war, to run the risk that the West, through miscalculation of Soviet intentions, might react to sabotage directed from Moscow with a pre-emptive nuclear attack. Moreover, even if the Soviet leaders were to appreciate that sabotage directed against Canada, a secondary North American target, would not set off a global war, it is likely that they would also appreciate that such sabotage would worsen rather than aid the Soviet cause.

20. It is likely, for example, that the Soviet leaders would consider with great care the sinister interpretation which would be placed on suspected Soviet-directed clandestine biological warfare against Canadian animals or crops. Included among the consequences considered would be the rupture of diplomatic relations between Canada and the USSR and the employment of the United Nations as a forum both to condemn Soviet activities and to consolidate the non-Communist world against the Soviet Bloc. Soviet "legal" (espionage) residencies in Canada would be lost with any such rupture of diplomatic relations and it is possible that demands would be made to have the CP of C proscribed.

21. Since Soviet leaders are most unlikely to divulge to Soviet bloc nationals in Canada or to Canadian Communists the date and time of the initial attack in a nuclear war, it is unlikely that Soviet-directed sabotage in Canada would be carried out during the initial nuclear exchange. The majority of the members of the Communist Party of Canada and of Soviet bloc official establishments in Canada reside in cities almost certain to be targets of any Soviet nuclear air attack. They would, therefore, be primarily concerned with self-preservation. Moreover, since the initial Soviet nuclear air attack would likely occur during the silent hours, possibly on a weekend or holiday, and last only a few hours, it is unlikely that even those Communist Party members and Soviet "illegal" agents outside the devastated areas would have time, regardless of normal target access, to conduct sabotage during this initial phase.

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22. Should Soviet weapons which could attack Canada directly have been used up, destroyed or neutralized in the initial nuclear exchange, sabotage would be one means available to the USSR for impeding Canadian recovery and further prosecution of the war. Since Soviet writings and statements suggest that the USSR would not expect that long range attack with nuclear weapons could by itself win a war against a strong opponent such as the United States (an appreciation with which we would agree), it is probable that Soviet-directed sabotage against key targets would be attempted in Canada after the initial nuclear exchange. It is also probable that undirected sabotage against a wide range of targets of opportunity would be carried out.

Scale and Nature of Sabotage

23. From a study of the Soviet bloc sabotage capabilities and intentions listed above, it may be concluded that only after the initial nuclear exchange would any significant Soviet bloc sabotage be directed against Canada. However, the scale and nature of the sabotage must remain indeterminate owing to unknown factors which include:

- (a) the extent of the nuclear devastation suffered by both the Soviet Bloc and Canada and the wills of the respective combatants to continue the war;
- (b) the efficacy of Canadian emergency planning measures - incarceration of Soviet nationals and of known Communists, rapid institution of adequate physical security measures for vital points which survived the attack or which have become vital in the changed circumstances, etc;
- (c) the ability of Soviet agents in Canada to establish communications with the Soviet Union and to transmit reports both of vital damage caused by the nuclear attack and of the extent of Canadian recovery - morale, military posture, efficacy of emergency planning measures, etc.

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24. Most of the sabotage committed, or induced, by Communists and Communist sympathizers would probably be spontaneous in nature, involve the use of conventional weapons, be directed against targets of opportunity and be mainly of nuisance value. Its scale would depend on the number of Communists alive and at liberty and the degree to which appalling living conditions, together with Communist and other defeatist propaganda, might influence even non-Communists to conduct sabotage in an attempt to stop the war.

25. The latter category of persons might also conduct spontaneous acts of sabotage with conventional weapons from within vital points but the main threat here would seem to be from the anonymous Communist or Soviet bloc agent who could, alone or under guidance from Soviet "illegal" intelligence officers, attempt to carry out sabotage using conventional or unconventional weapons. However, the number of anonymous Communists with ready access to vital points would not, in view of Communism's general lack of appeal to Canadians, be large and what few there were would presumably be decreased by destruction of vital points in main nuclear air attack areas. Added to this would be the probability that much of the threat from the anonymous Communist or the Soviet bloc agent would result from directed sabotage and be contingent upon establishing contact with Soviet "illegal" agents - a difficult, hazardous task. Again, even were such contact to be established, there is the possibility that the anonymous Communist or the Soviet bloc agent would be used for purposes other than sabotage - for espionage or for use in any attempted Communist seizure of power.

26. Any sabotage carried out in wartime by Soviet bloc nationals, who up to the outbreak of war had been stationed in Canada on official business, would presumably be on a small scale, be carried out against key points and involve the use of conventional weapons. Most of the Soviet bloc nationals legally in Canada would be subject to nuclear air attack and/or protective custody but a small number of the intelligence officers among them might be in a position to escape both the air attack and the

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incarceration and to make their respective ways to safe houses. Sabotage carried out by these escapees could be significant if carried out under the direction of "illegal" agents having access to target data and to weapons.

27. Sabotage carried out in wartime by Soviet bloc "illegal" intelligence officers who were in Canada at the outbreak of war would not be carried out on such a scale as to jeopardize the maintenance of contact with the Soviet Union and the direction in Canada of espionage and other subversive activities. However, integrated "illegal", using conventional or BW weapons, might attempt, with or without the assistance of known and anonymous Communists, erstwhile "legal" intelligence officers, or infiltrated saboteurs, to sabotage vital points not vulnerable to, or otherwise not suited for, nuclear air attack.

28. Sabotage involving the use of unconventional weapons may be carried out in wartime against key targets in coastal areas by Soviet bloc saboteurs landed by submarine.

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SOVIET-BLOC SUBVERSION IN CANADA

29. The following estimate of the threat to Canada from Soviet bloc subversion includes, of necessity, an appreciation of the very considerable threat posed by Soviet bloc espionage. However, no attempt is here made to discuss actual cases, including such factors as the calibre of "legal" intelligence officers, number and calibre of "illegal" intelligence officers, physical resources available to the intelligence services or specific espionage targets.

Capabilities

Human Resources

30. The main human resources of Soviet bloc subversion in Canada are represented by the CP of C which has 3,500 to 4,000 known members. There are, in addition, twenty-four Communist-controlled, mass-language organizations with an estimated total strength of 20,000 (one third of whom belong to the Association of United Ukrainian Canadians), five Communist-controlled labour unions with a combined membership of 68,500 (the largest of which is the International Union of Mine, Mill and Smelter Workers), and four Communist front organizations whose influence is not considered extensive - the Canadian Peace Congress (CPC), the Canadian Soviet Friendship Society (CSFS), the Congress of Canadian Women and the League for Democratic Rights. While only a small proportion of the members of these Communist-controlled organizations are known or suspected to be members of the CP of C, these persons usually hold the more important executive posts.

31. Soviet bloc nationals (and wives) stationed in Canada on official business also constitute a subversive threat. Of the 113 Soviet, Polish and Czechoslovak officials in Canada, there are 32 known, 22 suspected, intelligence officers. One of these, presumably the representative of the CPSU Foreign Section, is responsible for CPSU - CP of C liaison. Two others appear to be responsible for liaison with the CP of C on cultural and propaganda matters.

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32. In wartime the human resources available in Canada for Soviet bloc subversion would be drastically reduced. Many of the Communists and most, if not all, of the Soviet bloc official representatives in Canada would have been incapacitated either by the nuclear air attack or by internal security measures. Some known and suspected Communists would doubtless succeed in forming part of the underground apparatus for which plans are thought already to have been made. Whatever anonymous Communists and Soviet nationals "illegally" in Canada survive initial nuclear exchange would also be available for subversion of one sort or another.

33. The CP of C, having rid itself of deviationists during the three years of internal strife which followed the Twentieth CPSU Congress, is now composed largely of hard-core Communists dedicated to the principles and practices of Communism as laid down by the CPSU. Guidance, including political indoctrination, is undoubtedly received at the various Soviet bloc Party Congresses attended by CP of C leaders and at the "rest and health cure" centres visited by CP of C delegations. In addition, the facilities of Soviet bloc Marxist-Leninist schools are open to Canadian Communists; twelve young CP of C members, for example, began a one-year course at one such school in 1959.

34. However, even though the CP of C is composed largely of experienced and dedicated Communists headed by able, energetic leaders, it does presumably contain an element of jaded, frustrated people who, having spent their lives promoting Communism, can still see no hope of establishing it in Canada during their lifetime. Moreover, despite the efforts of the Party and its youth affiliate, the Socialist Youth League of Canada (SYLC), to increase the appeal of Communism to Canadian youth, there is no indication of a decrease in the very high average age (40 to 45 years) among Party members.

Physical Resources

35. Soviet bloc physical resources for subversion in Canada in wartime would be limited to the output from printing presses and related supplies cached in peacetime for emergency use. Some radio equipment would presumably

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also be available. However, there is no evidence that plans for caching printing and radio equipment have been formulated.

36. The Soviet bloc has considerable press and other propaganda resources in Canada. There are currently forty-four Canadian Communist publications ranging in size and distribution from mimeographed sheets put out by local Party industrial clubs to CP of C publications, one of which, the Canadian Tribune, has a nation-wide circulation of 3,500. In addition, each ethnic group and front organization publishes at least one newspaper or periodical.

37. Most of these Party publications, however, even the Canadian Tribune, are beset by financial difficulties. During 1959, for example, efforts to raise money for the continued publication of Il Lavoratore, the Italian-language newspaper first published in Toronto in December 1958, were not successful and the Party was forced to replace it, at least temporarily, by a small Italian-language bulletin. On the other hand, two pro-Communist Chinese newspapers commenced publication during 1959; one, The Chinese Tribune, is published in English by a Montreal CP of C club, the other, Weekend News, is published in Chinese by the Chinese Canadian Welfare Association (Communist) of Toronto.

38. An additional propaganda resource, and a channel for disseminating CPSU guidance to Communist Parties, is World Marxist Review, an international Communist journal which has a CP of C member on the publishing staff in Prague and which has a Canadian edition printed in Toronto.

39. There are also several Communist-controlled book agencies in Canada (e.g. the Troyka Book Store in Toronto, the Davies Book Company in Montreal) which carry stocks of "progressive" literature and act as agents for certain publications published in the Soviet Bloc.

40. Finally, the Soviet leaders, through the Press Attache's Office, Soviet Embassy, Ottawa, are able to disseminate a considerable amount of printed Communist propaganda to the Canadian public through radio and T.V.

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stations, libraries, universities, newspaper editors, members of the Press Gallery, members of the CP of C and front organizations and other persons and organizations whose names have been obtained by various means. The propaganda includes the Soviet News Bulletin, the Soviet Illustrated News, a variety of information booklets and important speeches by Communist leaders on Soviet foreign policy. Total annual costs of this propaganda are estimated to be \$100,000.

Financial Resources

41. The Party's financial position, always allegedly poor and worsened by large losses of income from wealthy Jewish supporters alienated by evident anti-Semitism in the USSR, is sufficiently stable to pay its full-time workers, to finance travel of members in Canada and abroad and to pay out sizeable sums in election campaigns. Most of the Party's funds are believed to be derived from regular contributions made by members and sympathizers and from financial campaigns such as the drives conducted on behalf of the Communist press. Financial support is also derived from the operation of co-operatives, trading companies, bookstores and gift-parcel agencies. Large sums, for example, representing profits realized from the Canadian operational side of the Communist-controlled gift-parcel agency Ukrainian Book (Ukrainska Knyha) are believed to be channelled back into the Ukrainian Communist apparatus in Canada. In one province, at least, the CP of C has encouraged Party members having no close relatives to make their wills in favor of the Party.

42. Although there is no evidence that the CP of C itself receives money from Soviet bloc countries, some financial support for Party activity has recently been received from the Soviet Embassy, Ottawa - on one occasion through what amounted to a cash subsidy to a front-group publication, on another through goods supplied on credit to a Party commercial enterprise and to be paid for when the firm is in a viable condition. It is also known that the USSR has donated printing presses to Canadian Communist organizations (e.g. the Association of United Ukrainian Canadians, the Federation of Russian Canadians) and that it makes a practice of subsidizing travel made by prominent members of the CP of C and its front groups to the USSR.

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Targets

43. Soviet bloc targets for subversion in Canada are:

- (a) Any person who can be induced to carry out an espionage assignment on behalf of the Soviet bloc Intelligence Services. The preferred persons are those with access to classified material.
- (b) Any person who can be induced to become a member, overt or covert, of the CP of C and its affiliated groups. The more radical members of trade unions and of the CCF Party, university students and various ethnic groups, particularly the new immigrants among them, are principal targets.
- (c) Any person who can be induced, knowingly or unknowingly, to take part in, and give an aura of respectability to, activities conducted by "peace" groups, friendship societies and other such organizations, which, if not Communist-controlled, are at least furthering the Communist cause.
- (d) Any person in a key Canadian Government post who could use his position to foster policies favorable to the Soviet Bloc.

44. In wartime, prime targets of Soviet bloc subversion in Canada would presumably be persons who, disaffected by the extent of nuclear devastation and the seeming hopelessness of recovery, would wish to have Canada negotiate with the USSR for peace.

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Likelihood and Timing of Subversion

45. There is no doubt that Soviet bloc subversion (including espionage) is being carried out now in Canada and that it would continue to be carried out up to and after the outbreak of global war.

Scale and Nature of Subversion

Soviet Bloc Intelligence Service Current Activity

46. The Soviet bloc Intelligence Services, with or without the services of Canadian Communists, are continuing their attempts to subvert Canadian citizens for espionage purposes. Such attempts are on the increase despite the current detente and have become more dangerous because of increases in the size of legal residencies, emphasis on the formation of illegal residencies, continuing use of Canadian Communists in an espionage support role, exploitation of delegations and other travellers to and from Soviet-bloc countries, exploitation of the post-war flow of immigrants and use of improved technical methods of espionage.

47. The Soviet-bloc Intelligence Services, particularly the Russian Intelligence Service (RIS), have also intensified their efforts to obtain, by overt and covert means, all available unclassified information likely to be of intelligence interest. This would certainly include information of use to the Soviet Bloc in their current economic offensive. In the collection of the unclassified information, the Intelligence Services have been assisted by Party members, especially those operating book agencies.

48. A significant development in the strength of the RIS in 1959 has been a marked increase in GRU complement which has been achieved through the allocation of additional slots within the non-military sections of the Soviet Embassy establishment. This increase in GRU complement has produced a noticeable resurgence of intelligence activity such as: intensive social cultivation of Canadian, particularly junior government, employees; well-planned travel itineraries strictly adhered to and highlighted by concentration of effort on defence and industrial installations, communications and telecommunication

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facilities, prominent land-marks and beaches, and questioning of local residents on specific points of military interest; and a more aggressive approach in recruitment of agents accompanied by a tendency to lavish monetary inducements on them.

49. Since the arrival of the new Soviet Ambassador in January 1959, there has been a noticeable increase in social activities, which has been paralleled by strenuous efforts, by the Ambassador in particular, to develop excellent relations with prominent Canadian industrialists, businessmen, educators and members of the press. This has been accompanied by an increase in addresses given by Soviet Embassy officials to educational and cultural meetings and conventions. Although the Soviet officials are careful not to violate diplomatic propriety in their speeches and discussions, the Soviet way of life is, of course, presented in the best possible light. Copies of the Soviet News Bulletin have also been made available to student gatherings. The possibilities for RIS "talent-spotting" activities in this field are, of course, immense.

50. RIS officers continue to show considerable interest in Canadian educational institutions and in the social pursuit of students and faculty members, especially those in Slavic Studies departments. Film shows held on Soviet premises continue to be a favorite way of gathering together members of particular groups. Although Soviet membership in the Civil Service Recreational Association (RA) has been banned for some years, Soviet Embassy officials continue to maintain some of the contacts established in RA circles during previous membership.

51. RIS officials have remained in frequent contact with Canadian Communists and Communists organizations, and many Canadian Communist functionaries are known to have visited the Soviet Embassy during the period under review. Increased interest has been evinced in the Ukrainian - Canadian community, and it is quite obvious that Soviet Mission members are pursuing a relatively new policy of being more accommodating to Ukrainian Canadians.

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Liaison with the Ukrainian Canadians is now carried out by Soviet Mission members of Ukrainian extraction, a move which has been highly appreciated by the Ukrainian Canadians concerned. Two Ukrainian members of the Soviet Parliamentarians Delegation to Canada in 1959 visited the Ukrainian camp at Palermo, as did the Soviet Ambassador, and praised Ukrainian Canadian ethnic groups and the Association of United Ukrainian Canadians (Communist) for their activities in preserving their links with the Ukraine.

Communist Party Current Activity

52. The CP of C has been attempting to infiltrate the Federal Civil Service and the Armed Forces but is not known to have penetrated positions giving access to classified information. There are no Party members in the House of Commons nor in any of the provincial legislatures. There are a few Communists in municipal councils at various points across the country and there are strong indications that attempts have been made, some of them successful, to infiltrate various provincial public services. Communist penetration of the mass media of press, radio and television and of the teaching profession is believed to be slight.

53. The CP of C is attempting to organize a coalition of left-wing groups, mainly the CCF Party, trade unions and farm organizations. It is striving in particular to gain representation in the proposed new labor party which, if formed, would consist of the CCF and the CLC (Canadian Labor Congress). The CP of C has made some headway with certain members of the CCF but its influence is not at the CCF policy-making level and, in fact, the Communist press continues to denounce CCF and CLC leaders as right-wing obstructionists.

54. Certain unions affiliated with the CLC are known to be Communist infiltrated (especially coveted are the shop steward positions and positions close to, but not at, executive level) but not to the point of being dominated. The largest of the five Communist-dominated unions is making strenuous, but so far futile, efforts to gain re-entry to the CLC, one of whose conditions

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of entry is that none of the top executives be CP or C members. Communists are also attempting to infiltrate the GLC itself and Trades and Labor Councils affiliated with it.

55. In line with the decline over the past few years in Party membership and popular appeal is the drop in the number of closed and open clubs run by CPC. However, considerable attention is being paid to the formation of industrial clubs and efforts, not particularly successful, are still being made to attract new Canadians to secret immigrant clubs.

56. The CP of C, through the formation of campus clubs sponsored by the Socialist Youth League of Canada, is attempting to increase the present slight Party influence at the universities.

57. The popular appeal of Canadian Communist front groups such as the CPC or the CSFS is small. Strong but unsuccessful attempts were made over a year ago by Soviet authorities, including the Soviet Ambassador to Canada, to have the CSFS supplanted by a Canadian Soviet Friendship League having as a nucleus a group of reputable Canadian businessmen who visited the USSR in 1958. This was an obvious attempt to give respectability and status to an organization which, like the CPC, has become known to the general public as a Communist front.

58. From the foregoing, it is apparent that the CP of C and its front groups constitute a serious subversive threat to Canada only insofar as espionage is concerned.

Probable Wartime Activity

59. Soviet-bloc espionage in Canada would continue after the outbreak of hostilities but on a reduced scale owing to neutralization of legal residencies and disruption, through counter measures and nuclear devastation, of their networks and those run by the illegal residents. Networks run by the latter would attempt to ascertain the degree of success achieved by the Soviet nuclear air attacks and to furnish the Soviet leaders with data on

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Canadian capabilities and intentions to continue the war. Whatever successes were achieved by the illegal residents in this regard would in large measure depend on establishing radio communications with the Soviet Union and in preventing the internal security services from ferretting out the transmitters.

60. Although Communist underground facilities might become operative from the time of incarceration of leading Communists and the banning of Communist organizations and publications, that is, from the time the first warning of Soviet aggression is received, it is unlikely that underground Communists would, during the initial nuclear exchange, do more than spread rumors to exploit the confusion existing among the civilian population, especially that portion of it subject to attack and/or civil defence evacuation measures.

61. After the initial nuclear exchange, propaganda sheets, clandestinely produced, would likely appear and, through them, blame for the outbreak of the war would be placed on the West, particularly on the United States. Every effort would be made to undermine the confidence of the Canadian people in their government, policies, institutions and leaders. Moreover, particularly if Soviet air attacks were to continue and Canadian prospects for recovery to seem remote, Communists would do their utmost to reduce the efficacy of the armed forces by adversely affecting morale and the will to fight. Appeals to have Canada come to terms with the USSR would be made and every advantage taken of opportunities to influence the policy of any sector of Canadian government disposed to come to terms.

62. Despite Communist awareness that their only chance to come to power in Canada would come in wartime and despite a recent paper exercise relating to the seizure of power, it is not likely that Canadian Communists would, under foreseeable circumstances, be in a position to seize power.

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Ottawa, March 24, 1960

Seen by
John G. Diefenbaker

MEMORANDUM FOR THE PRIME MINISTER:

The Soviet Attitude Toward Disarmament

I believe you will be interested
— in reading the attached paper prepared by the
Joint Intelligence Committee and entitled "The
Soviet Attitude Toward Disarmament".

2. The study is divided into three
sections: the first one traces the evolution of
Soviet disarmament policy since the end of the
second world war; the second part examines the
various factors affecting the present Soviet
attitude toward disarmament questions; and the
third section considers the position taken by the
Soviet Government on specific disarmament proposals.

3. The conclusions of the estimate are
found on the front page of the document. As you
will note from paragraph 2 (a) it is the judgement
of the Joint Intelligence Committee that, as a

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result of its increased confidence, its formidable military power and also its concern over the danger of a nuclear conflict, the Soviet Government may be prepared to reach practical disarmament agreements. The same paragraph stresses, however, that the Soviet position will depend, in a large measure, on the effective control of armaments in Communist China. This latter point must be an important consideration for the Soviet Government and there is no doubt that the exclusion of China from the current disarmament negotiations must constitute as much of a problem for the Soviet Union as it does for the Western powers.



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CANADIAN
JIC 353/2(60)
24 February 1960

THE SOVIET ATTITUDE TOWARD DISARMAMENT

OBJECT

1. It is the purpose of this paper to examine the attitude of the Soviet Government toward disarmament.

CONCLUSIONS

2. We conclude that:
 - a. As a result of its increased confidence, its possession of a long-range nuclear deterrent force and its concern over the possibility of nuclear war the Soviet Government may be prepared to reach limited, practical disarmament agreements. However, its attitude will, to a large extent, be dependent on the effective control of Chinese armaments.
 - b. There appears to be some readiness on the part of the Soviet Government to accept some aspects of an international system for the verification of the execution of treaty obligations and to acknowledge the validity of western insistence on such arrangements.
 - c. As a result of its concern that a verification system would be used for espionage purposes, the Soviet Government will probably seek to tie arrangements under such a system to specific disarmament measures and to insist upon a minimum of discretion and movement for any inspectorate. It is also likely to emphasize the political importance of the existence of a control system in an effort to minimize technical difficulties.
 - d. The Soviet Government may be prepared to consider specific regional schemes in critical areas such as Central Europe, but is likely to resist plans, at least initially, which would involve Soviet territory.
 - e. The Soviet Government will undoubtedly seek to derive the maximum political advantage from its advocacy of a number of unrealistic goals, particularly the "general and complete disarmament" proposals contained in its September 1959 submission to the United Nations.

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BACKGROUND

3. Disarmament for the Soviet Government, as for the western powers, is an untried and speculative field in which little precise guidance is available from experience. While the effort¹ of the League of Nations in the period between the wars is useful in considering schemes for reducing conventional forces, modern weapons of mass destruction have introduced problems of a new kind and magnitude. Not only are the complex and changing factors which affect current Soviet attitudes therefore particularly difficult to assess but they are doubtless only partially understood within the Soviet Union itself where strong differences of opinion probably exist among members of the government.

4. The history of Soviet disarmament proposals since the Second World War can be roughly divided into four overlapping periods. From the end of the war until 1954 most Soviet actions seemed designed to wreck any prospect of agreement; from early 1955 until the disavowal of the original United Nations Disarmament Commission by the Soviet Government in 1957, a variety of apparently serious Soviet proposals were advanced for discussion in the Disarmament Sub-Committee; from that time until mid-1959 the search for a comprehensive solution was largely abandoned and the emphasis was placed on the limited problems of surprise attack and nuclear tests; finally, the creation of the Ten Nation Committee², Khrushchev's UN speech of September 18, 1959, and the Soviet announcement of a unilateral reduction of its forces appear to represent a new phase with which this paper is primarily concerned.

5. These changes in Soviet attitudes suggest the possibility of a further evolution of Soviet disarmament policy in the future. The first of the periods mentioned above clearly showed the depth of the Soviet Government's aversion to any form of international administration of its enterprises, but it is primarily of interest as a background against which to view subsequent changes in attitude. In 1952 Vyshinsky said that the proposal for a United Nations Disarmament Commission had made him "laugh all night"; in 1955 the Soviet delegate to the Disarmament Sub-Committee proposed an International Control Organ with "its own staff of inspectors having, within the bounds of the control functions they exercise, unimpeded access at all times to all objects of control". Irrespective of particular judgments about its sincerity and purpose, the latter statement represented a major change.

6. From 1955 to 1957 the Soviet Government accepted a number of western positions but basic differences on control, phasing and the relationship between disarmament and other political issues remained. The Soviet Union rejected the western package plan of 1957 and announced its lack of confidence in the Commission and the Sub-Committee. Nevertheless, Soviet disarmament policy could no longer be characterized as purely negative.

7. On the contrary, the negotiations on surprise attack and nuclear tests revealed a Soviet willingness to accept certain limited inspection measures and to conclude limited agreements. At the same time, the Soviet Government has retained its aversion to full-scale inspection.

FACTORS AFFECTING SOVIET ATTITUDES

8. As indicated in our paper on Soviet likely courses of action over the next five years,³ there have been important changes, both in the Soviet Union and in the world at large, which have at the same time opened new

* The impetus for the creation of this committee came from the 1959 Foreign Ministers' Meeting

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opportunities for and placed limitations on the Soviet Government. While the end of the Stalin dictatorship was in itself an important cause of change, we believe that other more fundamental factors are now operative.

9. The increased confidence of the Soviet Government based on its real achievements, the acquisition of a deterrent force capable of devastating North America and a growing appreciation of the nature and consequences of modern war are probably the most important elements in the present Soviet attitude. Although the chances of the Soviet Union obtaining an effective strike-first capability or an effective anti-ICBM defence are uncertain, the opportunities for the expansion of Soviet influence through political, economic and other non-military means are growing. The possession of an effective deterrent strengthens the Soviet bargaining position and increases Soviet freedom of action in disarmament negotiations. Since the Soviet Government almost certainly regards western military power and the possibility of global war as the main threat to its existence, and since the expansion of Soviet influence is severely limited by the confidence of the governments of small nations that they can rely on western support, the reduction of western military power must be a major Soviet goal.

10. Furthermore, the Soviet Government undoubtedly appreciates that the "balance of terror" will become more complicated and more precarious over the next few years. As the control of nuclear weapons is extended to France and eventually to Communist China and other powers the danger of miscalculation will increase and the ability of the Soviet Government to influence particular developments will be reduced. From the Soviet point of view, the long-term implications of the rearmament of West Germany are particularly dangerous. The Soviet Government will therefore be particularly anxious to limit the spread of nuclear weapons.

11. The impact of these considerations is probably offset to some extent by the advice of Soviet military authorities who have a greater confidence in the efficacy of their newly acquired long-range deterrent forces than they had in their earlier military establishment. Soviet military writers, discounting the non-military aspects of the problem, continue to emphasize that a nuclear war can be fought successfully and the fact that the Soviet Union has endured western nuclear superiority for over ten years probably detracts from any sense of urgency in removing the threat by means of concessions. Since the relative Soviet position is improving and popular demands for disarmament are growing in the west, there are doubtless strong arguments in favour of waiting for the western powers to meet Soviet terms.

12. The political attractiveness of negotiations is nevertheless substantial for both Khrushchev personally and the Soviet Government. Khrushchev's position within the Soviet Union would be strengthened by successful negotiations and Soviet prestige abroad is likely to be increased if the Soviet Government can create an image of itself as the leader in this field. The feeling of revulsion aroused by the prospective use of nuclear weapons and the "balance of terror" strategy varies greatly throughout the world, but it is universal in the sense that virtually every country has an "anti-nuclear" movement. There are substantial elements in Japan and throughout Asia who regard the nuclear weapons race as a supreme folly, and the reaction to French nuclear tests in the Sahara has revealed a deep antagonism in Africa. In the West the opposition is less intense, but it appears to be growing as the balance of nuclear power between the Soviet Union becomes more equal and as nuclear weapons become more widely deployed. The Soviet Government, which is able to control Soviet public opinion, probably regards these non-communist attitudes as a potent political force which may grow to major proportions as the implications and danger of nuclear war become more apparent.

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13. Soviet tactics may therefore have been devised primarily to exploit this new force in favour of Soviet negotiating positions. The Soviet Government has probably recognized that some measures of disarmament will have to be agreed upon and that the West is equally convinced of this necessity. In order that such measures should as far as possible meet Soviet requirements it has presumably sought by its recent tactics to seize and maintain the initiative and in this way to define the scope and control the outcome of the negotiations. Its advocacy of complete and general disarmament is probably designed to establish a propaganda advantage in spite of the inevitable stalemate on a comprehensive scheme. It probably appreciates that, as soon as the stalemate again becomes clear, there will be irresistible pressure on both sides to seek partial measures. At that time its propaganda advantage can be exploited to achieve a limited agreement which will best safeguard the Soviet position while at the same time reducing the threat of nuclear war.

14. In addition, the impact of disarmament discussions outside the organizational framework of the UN on the members of UN is doubtless an important Soviet consideration. In view of the Soviet proposals and tactics at the 14th Session of the General Assembly, there is every reason to expect that Soviet conduct in the Ten Power Committee may be geared to a considerable extent to prepare Soviet positions and tactics at the 15th General Assembly, which will probably review the course of disarmament negotiations during 1960. Even though the membership at large has been willing, and indeed anxious, to have the two power blocs negotiate directly on disarmament, UN members have not relinquished their own interest in disarmament nor the United Nations' responsibility for the whole subject, as laid down in the Charter.

15. Khrushchev attaches great importance to Soviet economic progress and, in particular, to the task of overtaking the United States in per capita production. His interest in these goals is related partly to the reinforcement of his regime at home and partly to the expansion of Soviet influence throughout the world. The growth of the Soviet economy depends increasingly on greater worker productivity which is in turn dependent partly on the existence of adequate incentives. Soviet influence abroad depends upon the image of the Soviet state as a wealthy and successful power and on the availability of funds for economic aid to the underdeveloped countries. A reduction in Soviet military expenditures would obviously contribute to these ends.

16. This review of the factors which may affect Soviet disarmament policy suggests that there are important military, political and economic considerations underlying the current Soviet interest in arms reductions. The Soviet attitude has changed from one of complete intransigence in the immediate post-war period to one in which the primary emphasis, at least publicly, is placed on rapid and complete disarmament. At the same time, the growing Soviet arsenal of strategic weapons is likely to detract from any sense of urgency which might encourage Soviet concessions to the western position. In any event, it seems quite clear that the Soviet position is sufficiently strong to eliminate the possibility of the western powers achieving an agreement which would substantially worsen the relative military strength of the Soviet Union.

THE SOVIET ATTITUDE TO PARTICULAR DISARMAMENT PROPOSALS

17. The following paragraphs review the attitude of the Soviet Government toward particular categories of disarmament proposals.

Nuclear Tests

18. In spite of its relatively limited test programme, including some explosions in the megaton range, the Soviet Government is probably convinced

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that the relative technical advantages of a new test race would be uncertain and marginal. On the other hand, it appears to be keenly aware of the political significance of the nuclear test issue and appreciates that it is associating itself with widespread convictions of great force when it attempts to assume the lead in the banning of nuclear explosions. This attitude of the Soviet Government, combined with its fear of the consequences of the acquisition of nuclear weapons by other states, particularly Communist China, and its estimate of the importance of refined tactical weapons in the western arsenal have led to an apparent willingness to sign a test ban agreement, provided that the arrangements for mobile inspection teams could not, in its estimate, seriously threaten Soviet security. Since western "know-how" will not be increased by French nuclear tests, it will probably not take advantage of them to resume testing itself. In any event Soviet interest lies in the fact of the discontinuance of tests and not in an agreement which would involve foreign inspectors, no matter how few, on Soviet territory.

Inspection Zones and Related Proposals

19. Although the Soviet aversion to inspection is still strong, it is clear that it has been substantially modified over the past five years and that the Soviet Government is now prepared to contemplate certain limited inspection measures.

20. When the US President's "open-skies" proposal was first made in 1955 the initial Soviet reaction was unfavourable. Soviet propaganda portrayed it as an attempt to evade actual disarmament measures and to violate Soviet security. This attitude was later changed and the Soviet Government has itself proposed a number of limited inspection zones (see maps). These have included suggestions for inspection in areas of western Europe, North America and the Soviet Union, but have avoided the Soviet heartland. The Soviet Government has also proposed ground-inspection teams for limited inspection areas and has outlined in very general terms a plan for an over-all control organization. These Soviet proposals, together with recent public and private statements by Soviet officials, indicate that there may be some flexibility in the Soviet position on inspection.

21. While the future attitude of the Soviet Government is likely to be cautious, it may gradually shift to a greater acceptance of the western position. It is, in any event, clear that the Soviet Union would be prepared initially to accept limited schemes provided these were preceded by agreement on actual disarmament measures. Their willingness to extend the area of inspection would doubtless depend on the success, from their point of view, of such experiments.

22. The Soviet attitude toward the Rapacki plan and to other proposals for disengagement in Europe suggests that the Soviet Government sees substantial advantages in such arrangements. In particular it probably appreciates that such schemes would result in the relative weakening of US and NATO forces in western Europe and in the partial neutralization of West Germany.

23. Soviet troops are at present stationed in East Germany, Poland and Hungary. Those in Hungary serve no strategic function and could be withdrawn as soon as the internal security forces in Hungary were considered adequate to maintain order and to prevent another uprising. It seems likely that the Soviet Government would like to withdraw its 50,000 troops from Hungary but Kadar's statements suggest that the Hungarian Government still does not feel strong enough to stand alone. The troops in East Germany and Poland have both a strategic and an internal security role. A principal reason for the Soviet troops in East Germany in the past was probably to act as a counter-deterrent during a time when the United States had a monopoly of the atomic bomb and of the means of delivery. Now that the

.... /6

Soviet Union has its own long-range deterrent, the main purpose is probably to maintain the Soviet bargaining position. Since the internal security function in East Germany does not require the present Soviet establishment, and since Soviet striking power could be maintained by the introduction of new weapons, the Soviet Government may make reductions for political, economic or propaganda reasons, even in the absence of any agreement.

24. In spite of its present commitments in East Germany, therefore, the Soviet Government would probably be prepared to withdraw its forces if this were to result in the disarmament of West Germany and the withdrawal of US forces. Although inspection would again be regarded as undesirable, the Soviet Government would doubtless make some concessions in the belief that substantial advantages would accrue to it. Soviet protests over SAC flights notwithstanding the interest of the Soviet Government in measures to prevent surprise attack has so far been limited.

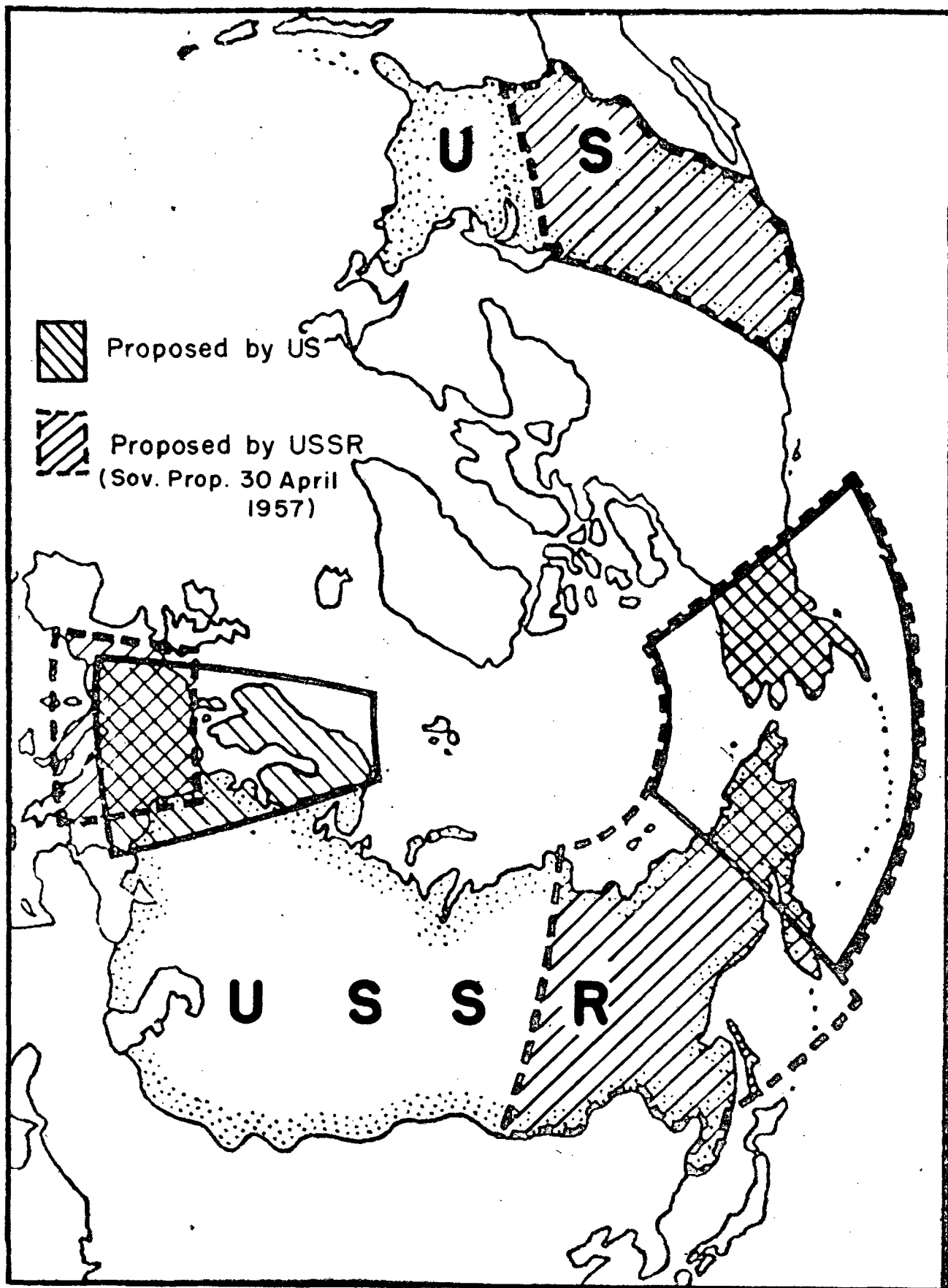
Conventional Armaments

25. Khrushchev's recent announcements of various reductions in conventional forces and Soviet proposals on conventional arms since 1955 have suggested a willingness to contemplate considerable reductions in this field. The Soviet Government probably appreciates that it can afford to be forthcoming in this respect, since such reductions are both strategically reasonable and economically desirable from its point of view.

Weapons of Mass Destruction

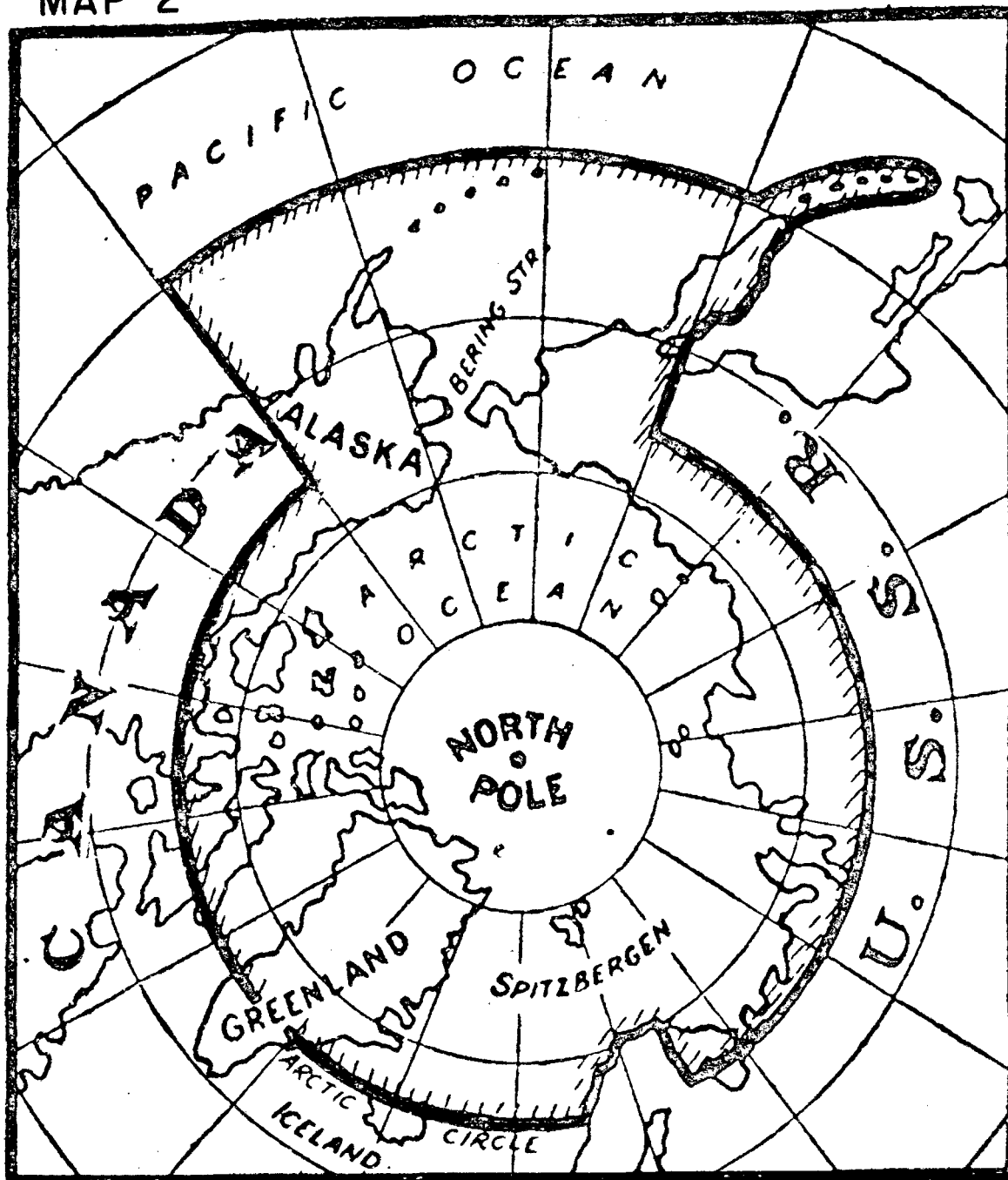
26. It is in the field of nuclear weapons that Soviet proposals have so far been least acceptable. In the early stages of disarmament negotiations when the relative position of the Soviet Union in terms of its nuclear stockpile was weak, the Soviet Government refused to contemplate any cut-off in production unrelated to broader agreements on the use of nuclear weapons and the reduction of stockpiles, presumably because this would have left the western powers with a substantial nuclear advantage. It may well be that its position in this regard is now more flexible as a result of its success in creating a substantial stockpile. It is almost certainly true, however, that it would not be prepared to accept a gradual reduction of nuclear weapons stockpiles and carrier forces which would at any point leave it without a nuclear deterrent while the west retained one. Moreover, like that of the western powers, its willingness to proceed with disarmament in both the nuclear and the conventional fields would be severely limited, if there were no provision for effective control over Chinese Communist armaments.

MAP I



Map shows areas covered by (1) US proposal for aerial inspection zone in Europe limited in the west by longitude 5 degrees E., in the east by longitude 30 degrees E., and in the south by latitude 45 degrees N.; in the Far East within a sector from longitude 140 degrees W. to longitude 160 degrees E., limited in the south by latitude 45 degrees N. (2) Soviet proposal for aerial inspection zone in Europe limited in the west by longitude 0 (Greenwich), in the east by longitude 25 degrees E., in the north by latitude 54 degrees N., and in the south by latitude 39 degrees 38"N.; in the Far East including the territory of the Soviet Union east of longitude 108 degrees E., and the territory of the United States west of longitude 90 degrees W..

MAP 2



Western Plan (Arctic) 2 August 1957

Map shows area covered by Western proposal for aerial inspection of:

all the territory north of the Arctic Circle of the Soviet Union, Canada, the United States (Alaska), Denmark (Greenland), and Norway;

all territory of Canada, the U.S.A. and the Soviet Union west of longitude 140 degrees W., east of longitude 160 degrees E., and north of latitude 50 degrees N.;

all the remainder of Alaska;

all the remainder of the Kamchatkan peninsula;

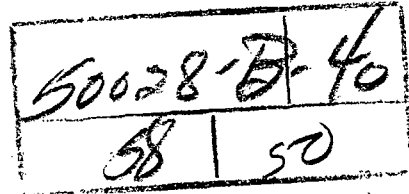
and all of the Aleutian and Kurile islands.

DEPARTMENT OF



TRADE AND COMMERCE
CANADA

FOREIGN TRADE SERVICE



PLEASE QUOTE FILE 20-247-11

OTTAWA, March 14, 1960.

22 MAR 1960
NATO SECRET

Mr. Hare
Mr. Green
✓ file
MP
Under-Secretary of State
for External Affairs,
Department of External Affairs,
O T T A W A.

ATTENTION: Mr. J. Dupuis,
D.L. (2) Division

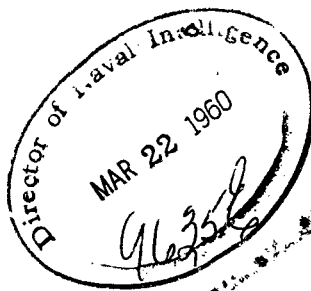
Dear Sir:

As requested, I am returning the Studies on Steel Tubing in the Soviet Bloc Economy which was of great interest to the Commodities Branch. We would be most interested in receiving copies of similar studies covering the engineering industries generally, and it would be appreciated if you would give us an opportunity of examining any of the reports you may receive in future dealing with capital goods production in the U.S.S.R.

Yours faithfully,

E. C. Thorne,
Assistant Director,
Commodities Branch.

ECT:GM



NNY 1480-146/37

Fridtjof Nansens plass 5,
Oslo, Norway.

14 March, 1960

INTELLIGENCE - SOVIET UNION

- Enclosure: (A) Office translation of an item published in the Norwegian Who is Who ("Hvem er hvem"): MOHN, Albert Henrik;
- (B) VERDENS GANG newspaper clipping and office translation: "Secret Colonial Warfare";
- (C) VERDENS GANG newspaper clipping and office translation: "Confidence and the Soviet Union";
- (D) VERDENS GANG newspaper clipping and office translation: "The Tactics of Soviet Imperialism";
- (E) VERDENS GANG newspaper clipping and office translation: "A Light is Lit in Kiev".

Enclosures (A), (B), (C), (D), and (E) are forwarded for information.

2. The journalist Albert Henrik Mohn travelled extensively in the USSR during 1959 and enclosures (B), (C), (D) and (E) are samples of the many articles that he is writing on his experiences. Approximately eight additional articles have already appeared. Mohn is a prominent journalist and his articles on the USSR are widely discussed in Norway. There is a series on USSR cities such as Lenin-grad and Stalingrad.

3. Translation of such articles adds considerably to the workload of the one translator and, before any further Mohn articles are translated, confirmation is requested that the material is of sufficient interest to warrant the work involved.

ORIGINAL SIGNED BY
H. BRUCE CARNALL

(H. Bruce Carnall)
Acting Captain, RCN
Naval, Military and Air Attache

Director of Naval Intelligence,
Naval Headquarters,
Department of National Defence,
Ottawa 4, Ontario,
Canada

Translation of item published in "Hvem er hvem" (the Norwegian Who is who):

MOHN, Albert Henrik - Author and journalist. Address: Nesttun pr. Bergen. born 25th Nov. 1918 in Fana. Son of Ships' Broker Sigurd M., born 1885 and wife Margrethe, neé Osttinger born 1893. Married in 1943 to Margarita Stella Comber (born 1918), daughter of Civil Engineer Harold Castleman Comber (dead 1927) and wife Dorothy Marie.

Commercial education. Travelled as correspondent for the Norwegian Broadcasting to Germany, Eastern Europe, Palestine, East Asia, and accompanied the United Nations army in Korea as the only Norwegian war correspondent during the autumn and winter of 1950/51. Awarded Gyldendal Publishing Company's jubilee scholarship 1959. During the war M. served as Lieutenant for Psychological Warfare, journalist for Norsk Tidend (the official Norwegian newspaper published in London during the war) and also worked for the B.B.C.

Published collection of poems: "I drømmen om Norge" (Dreams about Norway) 1946, and "Nordmann bak jernteppet" (Norwegian behind the Iron Curtain) 1948 as well as "Araberne og Palestina" (The Arabs and Palestine) and "Frontlinjer mellom øst og vest" (Frontlines between East and West) 1949, "China i Smelte-diglen" (China in the Melting Pot) 1950, "Rød taifun over Korea" (Red Typhoon over Korea) 1951, "Drempunkter i Midt-Østen" (Focal Points in the Middle East) 1952, "Lau Mau Måne og ekvatorsol" (Lau Mau Moon and Equator Sun) 1953, "Trikolor og månesigd" (Tricolor and Moon Sickle) 1954, "Kongo kaller" (Congo calling) 1955, "Sør-afrikansk vulkan" (South African Volcano) 1956, "Nassers nære orient" (Nasser's Near East) 1957, "Gjennom Pakistan og India" (Through Pakistan and India) 1958, and finally the short story collections: "Sommerfugler over Ingen-mannsland" (Butterflies over No Man's Land) 1953 and "De siste støvlene" (The last boots) 1958.

§§§§

Translation of article by Albert Henrik Mohn, published in "Verdens Gang" (Indep.) Oslo on 30th January 1960: "Secret Colonial Warfare".

On the right hand side we saw a brightly coloured red building. It shows up so much among the facades of Kiev, the capital of the Ukraine, that people returning from the kindergarten the authorities show foreigners, or people who are on their way to the cultural palace, invariably stop to look at it.

This brightly coloured red building is the central part of the university, and the colour has nothing to do with "the motherland of socialism". In the times of the czars students demonstrated against the Moscow subjugation and the tendency towards Russian nationalism, with the result that the straw men representing the Russian rulers ordered the Rector of the university to have the building painted red in order that it should demonstrate the shame which the students did not have sense enough to feel.

- Has the urge for liberty which this represented disappeared? Does Soviet Russia give the Ukrainian people the right to maintain her national characteristics?

The questions were put to the Communist guide.

- Of course it does. The constitution of the Soviet Union is the most democratic one the world has ever seen. You should not waste valuable time by asking such questions. It is too obvious. There are several important factories here to look at, and we must not forget the big social exhibition, the party man answered.

About the size of cabbages.

At the social exhibition just outside Kiev we saw some of the largest carrots and cabbages in the world. It was obvious that they far exceeded the average size.

- These are surely not the smallest exhibits, I ventured to say.

- Exhibitions of this kind in the Soviet Union always give an exact picture of the average production, the guide said in a mildly reproachful manner.

On the way back to Kiev we passed a cabbage field. The cabbages there were of about the same size as in the "bourgeois-capitalist" Norway, neither more nor less, and about half the size of those displayed at the exhibition.

This is not an unimportant detail, especially when confronted with Soviet-Russian figures, which are often reminiscent of the cabbages we saw at the exhibition.

- I would very much like to meet some older and younger Ukrainians, ordinary people, I said. They represent the best form of social exhibition, I added, but the party man manouevred the conversation into different channels, and talked about chicken prepared in the Kiev manner, and about the local vodka - "gorilka", which he thought every visitor ought to taste.

Meeting with Ukrainians.

Through the aid of other people I succeeded in getting in touch with half a dozen Ukrainians of various ages and professions, people who were not pushed forward in front of the visitor by the authorities, or interviewed by means of an official interpreter.

- What do you know about the Ukraine? asked a worker in his fifties.

- I have got the impression that the social conditions were very poor before the revolution, I said. Take for instance the poet Taras Sjevsjenko.

p.t.o.

Translation of article by Albert Henrik Mohn, cntd., published by
"Verdens Gang" Oslo on 30th January 1960: "Secret Colonial Warfare".

He was, as you know, a slave, and a group of artists had to buy him free for 3000 rubles and they also arranged his education.

- Sjjevsjenko was born in 1814, the worker replied. Conditions were poor in the Ukraine at that time and later on, and therefore many people were in favour of a change. My father was one of them. But before I go on I would like to know what you have learned about the collectivization here in the Ukraine, he continued.

As a result of the seizure on the part of the authorities of land as well as farming tools, the independent farmers refused to deliver grain and meat, and consequently many people starved to death, I replied.

- I will tell you our story. Then you can judge for yourself whether your version is right or wrong, the worker said and went on: - We lived in a little village south west of Kiev. We owned a plot of land there, but not enough for my father to be termed a landowner or a "kulak". He greeted the revolution, but he and many with him were against the state confiscating the land. They were hoping that the new masters would share out the land between those who tilled it.

And some of the revolutionaries here in the Ukraine agreed with the people, with the result that the commissariat for agriculture in the Kiev area was placed under the head administration in Moscow, and the persecution of the Ukrainian people, not the farmers only, was started in earnest. Have you heard anything about it?

- It has been used so much during the cold war that I do not know what is malignant propaganda against the Soviet Union and what is fact, I replied.

They confiscated the grain - 5 million people died of hunger.

You can easily check what I will now tell you: - It is true that the farmers' reaction to compulsory collectivization was to retain part of their meat and grain, but this was not the actual cause of the famine. In 1931 Soviet Russian soldiers marched in and confiscated on behalf of the authorities the greater part of the grain harvest. The draught of the following year made the situation even more precarious, resulting as it did in the terrible famine in the spring of 1933. But no relief was forthcoming from Moscow.

People died of hunger. They ate each other. Malaria and tuberculosis ravaged among the survivors. And I ask you to take note of one thing. Grain was not only confiscated from kulaks who refused to join a collective farm. It was confiscated from the collective farms too. They even confiscated seed-grain and sent it to Russia.

Organized hunger?

The Russians used organized hunger as a means of political warfare in an attempt to break the spirit of the Ukrainian people, a spirit about to rise up in opposition to the terror methods of the rulers.

It was not a fight against a well-to-do minority but against a desperate majority. This proves one thing more than anything else. The death rate was greater among the collective farmers.

My mother died, and my father ~~was~~ together with eleven men from the village and lots of men from the surrounding area were stowed together in a railway truck. My father was not even allowed to put his shoes on when they fetched him, despite the fact that outside there was winter and snow. They were all sent to the barren district of Kotlas, and of the eleven men from our village only two have since returned. One of them told me that my father lost his life during a blasting accident in a stone quarry.

We reckon that 5 million men died of hunger or were liquidated in other ways.

Translation of article by Albert Henrik Mohn, contd. - published by
"Verdens Gang" Oslo on 30th January 1960: "Secret Colonial Warfare".

Terrifying impudence.

It therefore appears to us to be a terrifying impudence when the Russian delegate to the United Nations, or when the Ukrainian straw man for the Russians get up from their chairs and talk about subjugation in Africa, about colonialism and the right to freedom of all nations. The fight against the Ukraine has been and still is a secret kind of colonial warfare, and it is tragic that so many writers in the west join in concealing the fact because they believe that the core of the matter is to be found in the resistance of the privileged class against a reasonable process of equalization, the worker concluded.

Several other Ukrainians told the same story, and a teacher talked about the suppression of cultural activities: - The fight against the Ukrainian people is very marked when seen in conjunction with the development of the language, because Moscow has all the time imposed Russian words and thus tried to destroy it.

In 1946 the first secretary of the Ukrainian Communist Party received orders from Moscow to the effect that he should beat down on all cases of what Stalin used to call "bourgeois nationalism". And the secretary really went out of his way to carry out this order.

This willing ~~tool~~ tool of Stalin was a Russian. A Russian as first secretary in the Ukrainian Communist Party. Do you think this harmonizes with that section in the constitution which says that a republic should be independent and choose her own representatives?

This Russians who with the help of a wave of informers, directed a new severe blow against the Ukrainian people, was none other than the man who many people in the west looked upon as a pleasing successor to Stalin and his terror, namely Nikita Krushchev.

All the works of history published by the Science Academy of the Ukraine between 1941 and 1945 were attacked and accused of being under the influence of Professor Hrusjevski and the "bourgeois nationalists".

A fight for culture.

The editors of three leading literary magazines, namely "The Fatherland", "Dnjepr" and "Soviet Lvov" were accused of having published nationalist inspired novels and articles as well as the war poem "Love Ukraine", written at a time when thousands of Ukrainians joined the enemy camp, not because they were attracted by nazism but because they objected to the Soviet subjugation. This poem had received the Stalin prize on account of its strong appeal to stand firm against the attackers, and now it was branded as "bourgeois nationalism".

The fight against the Ukrainian language was now intensified, and the amount of Russian words mixed into the language threatened to become dangerous. In a report from Moscow it was stated: - Thanks to the Russian language the Ukrainian language will join in the Socialist development and satisfy the cultural requirements of the Ukrainian people.

It is so grotesque that one could laugh at it if it had not been for the fact that it was part of the scheme to paralyze an entire nation, the teacher stated.

His argument about the Russian influence and the cultural suppression of the Ukraine is supported by the following: - In 1956, which was a typical year after Krushchev had succeeded to power, only 6.8 per cent of all the publications which were printed were in the Ukrainian language, in spite of the fact that 20 per cent of the ~~pop~~ population were Ukrainians.

- Are they still deporting nationalist-minded Ukrainians, I asked the teacher.

- It is impossible for me to answer, he said, but one thing is certain: - Freedom-loving Ukrainians are still being beaten down. We are hoping that one day the United Nations will appoint a neutral and impartial commission, in order to establish the truth about how the Soviet Russians are strangling a nation. But I suppose this is a vain hope.

Translation of article by Albert Henrik Mohn entitled "Confidence and the Soviet Union", published by "Verdens Gang" (Ind.) 6th February 1960.

CONFIDENCE AND THE SOVIET UNION.

The chairman of the Town Soviet of Kiev, M. Alexei Davidov will receive you at 3 p.m. today, the interpreter said, and as I did not reply immediately he added: - You look so half-hearted about it. It is an honour to be received by M. Davidov because he is not only what corresponds to being the Lord Mayor of Oslo but also occupies an important position within the Party. He is a man who speaks with authority.

But about the same thing the interpreter in Minsk had told me prior to my interview with M. Ignatenko, one of the leading men in the Communist Party of this White Russian republic.

Ignatenko had started with a "lecture" about the peace-loving Soviet-Russian people who were enjoying the fact that they had succeeded in bringing about an easing of tension. He believed, however, that there were many war-mongers in the west who did not want peace.

"Stalin did a lot of good".

- Who are you referring to when you mention war-mongers, M. Ignatenko ?

- General Franco, Syngman Rhee, Chiang Kai-Shek, for instance.

- It can hardly be new to you that the majority of people in the west look upon the Franco dictatorship with a good deal of scepticism, that Syngman Rhee's allies have constantly had to put a brake on his activities by telling him that terror methods cannot be tolerated, and that we fully realise that Chiang Kai-Shek to a great extent only has himself to blame for the present state of affairs.

- Why do you support them then ?

- The threat of Stalinism during the post war years was so strong and the democracies so weak that it was virtually impossible to pick and choose between allies, and pick out nations and leaders with whom they could be in absolute agreement.

- Stalin did a lot of good, was the blunt reply.

- So long as the majority within the Communist Party do not deplore Stalin's military-political attacks, the terror within the nation and the undermining of legitimately elected governments outside the Soviet Union, there can be no fundamental confidence in a real easing of tension.

- I am not really surprised that you say this, in view of the impudent behaviour of the Norwegians in connexion with the planned visit of Prime Minister Krushchev, Ignatenko retorted.

- Has it never occurred to you M. Ignatenko that the U.S. press contained articles which opposed the idea of M. Krushchev stepping ashore on American soil. If Prime Minister Krushchev is so sensitive to criticism, why then did he not call off his visit to that country too ?

Ignatenko picked up a ruler lying on his desk, and bent it between his hands.

- Perhaps you can tell me why you Norwegians do not take proper care of Russian war graves ?

- But do you not read "Pravda" ? Have you not seen that the Soviet-Russian War Graves Commission expressed themselves in favourable terms about the way this matter was attended to ?

This is how our conversation ended, and none of us saw any reason for shaking hands as a parting gesture.

If M. Davidov had begun with the same kind of "lecture" the result would have been just as negative, but I soon realised I had no reason for any such anxiety.

Davidov received us at his office in the tastefully designed town hall. He is of medium height, solidly built and in the middle of his fifties. He started his career as a miner. Later he took an examination at a technical school, then worked as foreman in a number of mines, and finally

Translation of article by Albert Henrik Mohn, cntd. - "Confidence and the Soviet Union" published by "Verdens Gang" 6th February 1960.

ended up in the administration.

For 11 years he has had the main responsibility for the development of Kiev, and under his management Kiev has changed from a war-harassed town to a lively centre of the Ukrainian Republic.

6.5 per cent of the production in the Ukraine in 1959 originated from Kiev, and Davidov was of the opinion that Kiev's share would increase when the new chemical plants in the city had been fully developed.

The Ukraine takes second place within the Union as far as industrial and agricultural products are concerned, and the total output is about 20 times greater than before the revolution. But the living standard of the workers has not by any means developed along the same lines, and from Davidov's window for instance one can plainly see that many people have poor dwellings.

It is said that every Soviet citizen by the end of the current 7-year plan, that is in 1965, will be secured a proper apartment measuring 8 or 9 square metre per person. In M. Davidov's opinion the inhabitants of Kiev occupied 5.6 square metres at present, and he stressed his belief that as far as this question was concerned the plan would succeed.

At first sight it appears that the difference between 5.6 square metres and 8 square metres is comparatively small, but one gets a different impression when considering the matter from another angle, viz. the requirements of the republic. Because then the figures look enormous. The demand for dwellings in the Ukraine amounts to 100 million square metres, which means an investment totalling 45 milliard rubles.

Time will tell whether the republic will be able to manage this.

- How about hospitals in Kiev ?
- We have 4000 hospital beds more than before the war, and in this field we are able to satisfy the demand, M. Davidov replied.

A non-political leader.

He did not want to talk about politics, and thanks to caution in this field he has managed to survive all the purges so far. And the number of party members who were removed in consequence of these upheavals was far from insignificant. From 1936 to 1938 nine members of the Communist Party's Politbureau were either shot or else they disappeared. Twelve members of the government suffered the same fate, and so did 45 out of 57 members of the party's central committee.

Davidov did not with one word reveal what he thought about Stalin and Krushchev, and again he carefully guided the conversation into the less controversial channels of production statistics. He did not agree that the worker received too little remuneration for his efforts, and argued that the worker was able to and indeed ought to save.

At many places in Kiev one could see posters recommending participation in the voluntary savings campaign and the buying of government bonds at 4 per cent interest.

- I thought that "coupon clippers" only could be found in capitalist countries, I told my Ukrainian friend.
- We have had such government bonds for a long time, he replied.
- And do people buy them ?
- We are not so interested any more after what happened in 1957, but I take it you know all about it.
- No.
- Then the central committee in Moscow decided that bonds amounting to a total value of 400 milliard rubles were not to be redeemed by the

Translation of article by Albert Henrik Mohn, cntd. - "Confidence and the Soviet Union", published by "Verdens Gang" 6th February 1960.

appointed time limit, but given an extended period of 20 years before redemption could be made effective. Compulsory deductions were made in the pay cheques of many workers and the money invested in such bonds. According to widespread opinion we will never be able to recover this money, which means that many of them have never received the wages which the state had promised to give them, the Ukrainian said.

The Soviet Russian state was not interested in fulfilling her obligations, not because she was in economic straits, but because in the hands of the rightful owners it would increase the purchasing capacity and make the lack of consumer goods even more noticeable.

This, however, does not prevent the fact that a 'freezing' of this kind represents one of the worst cases of embezzlement involving the means of working people, which has taken place since the war.

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Translation of article by Albert Henrik Mohn published by "Verdens Gang" (indep.) 13th February 1960.

THE TACTICS OF SOVIET IMPERIALISM.

- Has the sovjetization of Latvia resulted in better conditions for the working classes, I asked an elderly worker in Riga.

- Can you recognize any form of prosperity in these surroundings, he replied pointing to a number of worn out wicker-work chairs, a double bed and a wash stand.

- A worker's home alone is not a good foundation for judging the welfare of an entire class, nor are the statistics of the authorities likely to represent a true picture of the situation, I ventured.

 tell you

- Well, I can only/how things are in my home. Then you can compare and make^{up} your mind whether I represent the average or not. In the beginning the communists made fine promises, but the authorities manipulated so much with wages and prices that it took some time before the man in the street realised where he was.

A calculation involving shirts.

They said for instance that in order to create better living conditions for workers the level of wages would be raised to that of the Leningrad worker, and during the first period of our existence as a Soviet republic wages rose by 150 per cent. But what good can that do when prices rise by 200 per cent ?

- How much do you earn today ?

- 750 rubles per month.

- And how much do you have to pay for an ordinary shirt ?

- 100 rubles.

- You will in other words be able to buy seven and a half shirts for a month's wages ?

- How many can a Norwegian worker buy ?

- About 25.

- Has there been any tendency to strike because of low wages where you work ?

- You must forgive me for shaking my head, but your question reveals a disheartening ignorance about the conditions of the workers here. We have heard that things have improved in Russia as far as free speech is concerned, but if anyone dares to criticize the communists he is at once branded as an enemy of the people, and this normally means a couple of years' imprisonment.

- Do you know anyone who has been deported of late ?

- No. The last mass deportation took place in 1949, and since then I have not heard of anybody who has been deported.

- Have any of your relations been taken ?

- Yes, a cousin of mine. The Soviet Russians took him as early as 1940. He was a teacher, and he had once told a class that the Soviet Union had broken her solemn oath to Latvia. Then one day in 1957 he returned, but nobody knew him because in spite of his 50 years he looked like an extremely old man.

Translation of article by Albert Henrik Mohn, cntd. - "The Tactics of Soviet Imperialism".

- What does he say ?

- Nothing. He starts weeping when asked at which camp he was stationed, and where all the others had been sent.

I have a son...

The conversation now turned to the rising generation brought up under the Soviet system, and the worker said: - I have a son who is 18 years of age and now attending a technical school. In the beginning I told him that Soviet Russian soldiers had no right to trample the streets outside. I had impressed this on his mind to such an extent that one day he said it in front of his teacher, who had just been telling the pupils all about the blessings of the Soviet system. The result was that he was expelled for a month and he lost a number of good friends. As for myself I now realised that in my efforts to turn him into a good patriot I showed him a difficult path to follow. By teaching him Christian principles and encouraging him to work for a free Latvia I pushed him more and more into the danger zone, and blocked his way to progress. I take it that you know about the commission which decides which pupils are to proceed from the secondary school stage to colleges and universities and that this body is made up of communists representing the various organizations among them the Komsomol. The political reliability of a pupil is more important than theoretical qualifications, and a patriot has very little chance to slip through the commission's nets.

Children are drifting away from their parents.

- I asked myself if I had any right to lead my child along this path. I have never found the complete answer, but now I do not talk so much about what my generation believes in.

He is drifting further and further away from us, and that is much worse than earning little for hard work, the worker concluded.

That the Soviet authorities are deliberately speculating in a conscious splitting of the generations became perfectly clear to me during a conversation I had with some collective farmers. Formerly they were independent, but the Soviet system had reduced them to poorly paid land workers. A fact they did not fail to pass on to their children.

But they cannot stay with their children more than a few hours every week, because during the long working day they are isolated from them, and in the evenings the parents are obliged to attend ideological lectures simultaneous with the frequent obligation on the part of the children to attend meetings where the parent generation is made the subject of constant ridicule, and contempt.

The district in which these farmers lived is typical of Latvia, and it gives a good impression of the forced collectivization of a nation with a structure approximately the same as that of Norway.

A year before the Soviet Russians occupied Latvia there were 274 thousand farms in the country, the size of which varied from 5 to 425 acres. Most of them covered a farming area of 50 to 90 acres, and they were usually run by one family. Hired labour in agriculture did not exceed 15 per cent of the total number of farmers in the country.

As in Norway the farmers' dwellings, barns etc. ~~xxx~~ were surrounded by the farming land of the independent farmer concerned. People did not live in villages as in southern Europe. Today most of them live in the old houses, which means that they have to walk 5 to 10 kilometres in order to reach the administration centre of the collective farming authority, where they are expected to pick up their respective instructions.

Translation of article by Albert Henrik Mohn, cntd. - "The Tactics of Soviet Imperialism."

It reminded me of South Africa.

Outside the administrative building of such a centre a group of farmers were gathered. None of them had proper working clothes on, and two men had made primitive clogs out of old tyres.

The head of the collective farm read out the instructions for the day. He was dressed in a good overcoat and black riding boots. Evidently he did not lack anything.

On a similar occasion I had seen something similar, namely at a prosperous farm in South Africa, just outside Johannesburg. At a respectable distance from the veranda of the powerful man were a crowd of zulus, skinny men in rags, listening to their chief reading the order of the day.

The manipulation on the part of the Soviet authorities of the farming land in Latvia has followed the same pattern as in the other Soviet occupied countries. First the partition of large properties in order to split the population of the rural areas, and secure support from the agricultural proletariat and the smallholders. Then a tightening-up aimed at preventing the new farms from becoming profit-earning, thus removing some of the opposition which still bars the way to an even more comprehensive collectivization.

Collectivization and slave camps.

The Latvian farmers which amounted to 66 per cent of the population, tried for as long as possible to resist collectivization, and the Soviet authorities levied higher and higher taxes on the free farmers in order to force them into surrender. This form of taxation is unprecedented in modern Europe, but a parallel may be found in certain feudal communities in Asia, where the Kremlin with much to do has succeeded in hoisting the banner of insurrection.

Some of the Latvians nevertheless managed to endure these conditions until 1949. Then the Soviet Russians imposed forced collectivization of all farms, and those who were still opposing it were sent to slave camps in Siberia.

In order to increase productivity collective farms were further developed in 1955, with the result that today one such farm comprises about 150 of what were formerly free farms covering in all 600 acres. Each collective farm keeps about 300 bulls and 200 pigs, but an increase in productivity is dependent on centralization of cattle in new sheds, on new grain elevators for the storing of the harvest, on proper garages for agricultural machinery etc. Only to a very small degree did we see such buildings.

In order to encourage collective farmers to settle in new villages and thus create a counterweight to the farming methods of former times the Soviet authorities announced in 1956 that young families residing in the towns would be granted cheap loans amounting to 12 000 rubles, 1500 for the purchase of a cow and 200 as a reward for their contingent participation in the building up of a new collective farming village. Very few supported the idea, however, as they had no confidence in it.

Coolies for the Soviet state.

It is typical of the decline in agriculture that the arable land - which in 1940 before the Soviet Russian occupation covered an area of 490 000 acres - has since dropped to 375 000 acres.

But something a collective farmer told me was even more typical. He said: - My father often told me about the importance of carrying on a tradition, and if a ditch happened to collapse, it did not take him long to dig a new one and pave it with cobble stones. He often worked 10 hours a day, simply because he was standing on his own soil. Now we merely serve as coolies for the Soviet state. Nevertheless, we still have to risk the consequences of a bad year, and the state still demands her share. But then of course we do not pitch a new stone paving when an old one collapses, because we do not know whether we will be here next year. We pray that our children may be spared having to toil in these fields.

Translation of article published in "Verdens Gang" (Indep.) 23rd January 1960 by Albert Henrik Mohn: "A light is lit in Kiev".

Kiev in the blue light of morning, with the Dnjepr river as a ribbon of silver between pale red sand banks. Children singing from open classroom windows. Part singing expressing/joy of living as pale blue and as silvery as the morning itself.

(!) A conductor on a bus finds time to help an old man to get on and to smile to a young girl, and everything taken into consideration there is little of the restless hubbub which turns the people of Moscow into slugs on the stop watch of a rationalization expert.

The Ukraine is not Russia.

- It is difficult to believe that one is in Russia, I said to a friend.

- That is exactly what you are not. You are in the Ukraine now, in the capital of the Ukraine, he said.

- Yes, but you understand what I mean ...

- It irritates us beyond words when foreigners call us Russians and put us in the same basket as them. We are Ukrainians. Our country is of the same size as France. We are number six on the list as far as population is concerned, and our state was an accomplished fact long before many other nations managed to establish ordered conditions, the Ukrainian said.

- Am I to understand this rebuke to mean that the national sentiment in the Ukraine is so strong that a free Ukraine is demanded not only from refugees in London and New York, but also from numerous people within her own borders?

- I didn't say that, the Ukrainian replied.

We had by this time reached the busy main street Kresjtsatik. This lively thoroughfare is lined with buildings six stories high, among them the attractive facade of the post office and the administration headquarters of the town soviet. It runs along the bottom of the valley formed by some of the hills on which the city of Kiev with her 1.2 million inhabitants is built. And in the same way as the more than 2000 kilometres long Dnjepr river is joined by a number of tributaries on its way from the Valdai hills to the Black Sea, the two kilometres long Kresjtsatik thoroughfare attracts vehicles and people from all the side streets.

Colourful types.

Look at that huge fellow over there. His shirt is in the Ukrainian pattern. His whiskers are nearly as long as his black riding boots. Is he a singer on his way to a rehearsal of an operetta? A model for a tourist pamphlet? Far from it, because on the other side of the street there are ~~just~~ types just as colourful as this one.

The women all wear yellow and red shawls and scarves, flying in the wind, and it is easy to understand why the Ukrainians are called the Italians of the Dnjepr.

In Moscow most shop windows have that sad and unimaginative appearance so typical of a store where everything is finished and where you find posters announcing clearance sales. But in Kiev nobody is afraid of being deprived of their Marxist childhood faith or their membership in the Party just because they use a few twigs of birch leaves among the dresses and coats of a window display.

- Did you escape the war with less scratches than those inflicted on the other areas of the west, and is that the reason why everything seems to be so much easier here?

- No, do not imagine that. The Ukraine belongs to one of the most war-ravaged areas. Over ~~7000~~ 700 towns and 28000 villages sustained extensive damage. Not less than 70 per cent of all industry was turned to ashes, and the total damage was estimated to be 285 milliard rubles, the Ukrainian replied.

Translation (continued) of article published in "Verdens Gang"
23rd January 1960 by Albert Henrik Mohn: "A light is lit in Kiev".

But from the end of the main street we could not see a single ruin, and the government building opposite looked as it had never been exposed to gun-fire. Nevertheless, when the Russian tanks again rolled into the city the building looked like a cracked shell surrounding an empty space.

With its 10 stories the building towers above the First of May Park opposite, overlooking modern concrete facades and golden onion-shaped domes of former centuries.

The Jerusalem of Russia.

It is obvious why they call Kiev the Jerusalem of Russia. This was the first Christian city in the area, and on the hill overlooking the majestic Dnjepr they have erected a large memorial commemorating St. Vladimir who introduced them to Christianity.

They have also built a cathedral in his honour, and on the Sunday we went to have a look at it. Several old men with long white beards were standing by the entrance, their eyes fixed on those who entered the church. Their clothes were in rags, and their faces somehow looked emaciated as they held out their hands begging for alms. But theoretically they could not have been begging, for in the Soviet Union everybody is supposed to be well fed and have good clothes, besides - begging is forbidden by law.

Ordinarily Soviet Russian policemen are very good at chasing away beggars from all the thoroughfares where tourists are to be found, because theoretically only feudal and bourgeois states can possibly have beggars in their midst. Had these poor men standing by the church door escaped the eagle eye of the police? Not very likely. Was this a new form of tolerance, perhaps? Hardly, because then the authorities would have allowed the beggars to take a stand outside the tourist hotels.

The beggars by the church door.

The beggars by the church door constitute an attempt on the part of the authorities to show that the church as an institution has been handed down from the bourgeois pattern of society, with gilded domes and ragged proletarians. And the propaganda leaders hope that those youths who may be tempted to enter the church will see the rags and the haggard faces and say to themselves: - This is what you will look like too, if you believe what the priest says.

We had previously visited other churches in the Soviet Union, among them the Kazan cathedral in Leningrad which has been turned into a so-called museum for Religious History.

In a section of this church, which was in semi-darkness, they had reconstructed and displayed some of the implements of torture which were used during the Spanish inquisition, and the whole effect is so realistic that the only thing lacking are the screams of the victims.

It was not difficult to observe how the pupils of a fourth form class reacted to this. The children standing there in semi-darkness under the towering dome looked even smaller. They huddled together like tiny frightened animals when the guide with a resounding voice which echoed from the dark corners, explained how the arms of victims were fastened to the torturing instrument and then broken in one place after another.

The over-all impression left in the children's minds was this: - This is what Christianity is like. It would be very surprising if these children were ever given any idea at all about what Christianity is really like, after having received such a shocking introduction to it.

The Rev. Mr. Forbeck and his confederates.

The Rev. Mr. Forbeck and his confederates returning from the Soviet Union claiming that there are no more obstacles in the way of Christianity, have not even bothered to make the most rudimentary investi-

Translation (continued) of article published in "Verdens Gang" on
23rd January 1960 by Albert Henrik Mohn: "A light is lit in Kiev".

gations behind the propaganda stage scenery.

As opposed to the Kazan cathedral the St. Vladimir cathedral is what they call an active church, and the morning we visited it we were received with choir singing. An old priest with a full-grown grey beard was saying mass below one of the altars, and the ~~many~~ kneeling crowd answering. Nearly all of them were old people and out of 200 I only saw one young person, a young girl together with an elderly man.

The sunbeams shone through the stained glass windows, reflecting yellow blue and purple hues on the bent heads of the crowd. The singing rose in volume, and as the priest went among them with an ancient-looking image of a saint, ageing hands were eager to hold it, to press it against the forehead or to kiss it.

Many of them had walked a long way in order to take part in the service, and they must have been very tired. To kneel is far from restful, but none of these old people complained because of tiredness or ill health. They knelt, helped each other up when ever necessary and supported each other up to the altar.

Only on one previous occasion had I encountered anything like this. In a small church with roof of corrugated iron, in the interior of Belgian Congo. There ~~only~~ practically everyone present were young people, the first Christians of the big forests. And the candles were lit with strong eager hands. Here, on the other hand, an old man had great difficulty in lighting his, in making it burn.

The young girl was standing near by. She had not knelt with the others. She looked around, her face in a smile, a kind of condescending smile like that of an adult watching children at play.

She did not assist the old man with his candle. In the end he did manage to make it burn, and he carried it up to the altar with trembling hands.

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UNCLASSIFIED

EXCERPT FROM MINUTES OF THE
742nd MEETING OF THE JOINT
INTELLIGENCE COMMITTEE HELD
ON MARCH 9, 1960

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X X. NATIONAL FILM BOARD

(UNCLASSIFIED)

19. The Chairman informed the Committee that the National Film Board has advised the Department of External Affairs that they are considering the preparation of a film on the USSR. It was noted that JIB would have an interest in that portion of the film which dealt with the Arctic regions.

20. JIB stated that his Bureau may be in a position to contribute to the text of this film.

21. The Committee noted these remarks.

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JIBS 213-2000-1
OUR FILE REF.



DEPARTMENT OF NATIONAL DEFENCE
DEFENCE RESEARCH BOARD

Ottawa, Ontario, 21 50
March 8, 1960.
x ref 50028-D-40.

Under-Secretary of State
for External Affairs,
Department of External Affairs,
East Block,
Ottawa, Ontario.

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ATTENTION: Mr. A.F. Hart,
Defence Liaison Division 2.

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11 MAR 1960

I refer to despatch 131 of February 17, 1960, from the Embassy in Bonn, in which there is a report of a discussion of a JIC paper on Economic Relations between East Germany and the Soviet Union and West Germany with the Eastern Department of the German Foreign Office. At para 5, it is stated that a study on this subject prepared by this Department will be forwarded shortly. May we have a copy of the original or the translation?

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

IN REPLY PLEASE QUOTE

NO. CSC 1752-1 (JIC)

Department of National Defence

JOINT INTELLIGENCE COMMITTEE

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MEMORANDUM FOR THE JIC:

HIGHLIGHTS OF THE KHRUSHCHEV VISIT - SPECIAL REPORT AND ANALYSIS

Enclosures: (1) "Special Report and Analysis: Areas of Sensitivity Displayed by Nikita Khrushchev during His Tour of the United States"

The attached enclosure is forwarded for information.

CIA report

[Signature]
(I.A. McPhee)
Commander, RCN,
Secretary.

Att.

IAM/2-5459/cp

cc: CCOS
CJS
CB NRC
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SO/JIR
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C O P Y

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

COUNTRY USSR/United States

SUBJECT Special Report and Analysis:
Areas of Sensitivity Displayed by
Nikita Khrushchev during His Tour
of the United States

DATE OF INFORMATION 15 - 27 September 1959

Introduction

In considering the points on which Khrushchev displayed special sensitivity during his trip, it is necessary to make a number of critical distinctions as to the nature of the sensitivity itself. At the most primitive level there is the phenomenon of purely personal and emotional reaction, whether of anger frustration, or defensive-aggressive belligerence. Another level comprises the area within which pride and self-respect as the unchallenged leader of a powerful and aspiring rival to the United States demand assertion of dignity and an appearance of moral indignation. A third level is occupied by fundamental matters of belief and ideological intransigence.

It is clear from Khrushchev's behavior that these three areas overlap. His natural, even visceral, reactions readily swing into calculated gestures designed to intimidate hecklers and to alarm his official escorts. In many cases where an initial outburst appears to have accomplished its purpose it has been followed by an apology in which irony and sincerity tend to be indistinguishable. On other occasions after initial displays of what seems to be sincere indignation, his attitude has changed to one of indifference. This is perhaps most apparent in the case of Hungary, which first led to a violent outburst but by the end of the trip was treated as a matter which time had already sufficiently dealt with. Conversely, on matters under current negotiation, such as Berlin and the German peace treaty, he readily demonstrates impatience, ostensibly and perhaps actually, because he feels that the Soviet position has been made abundantly clear, and the decisions are now a matter for the heads of government. Under these circumstances heckling by journalists or private citizens becomes impertinence, to be dealt with as such. Finally, in basic matters such as Sino-Soviet relations he does not appear sensitive at all, dismissing with contempt any insinuation that divergence of interest or aims may exist between the two senior partners of the "world socialist system."

In the discussion of particular areas of sensitivity which follows we will make some attempt to take account of these varying attitudes but for the most part a more detailed study over a prolonged period will be necessary in order to ascertain their true depth and intensity.

Personal Dignity

1. From his arrival in the United States Khrushchev, despite his often relaxed and even jaunty behavior, showed himself to be sensitive to any slights to his official dignity or personal amour propre.

Position as Head of State

- a. Khrushchev insisted that arrangements for his trip provide for his reception as actual head of state although Soviet protocol gives the titular honor to Voroshilov. The importance Khrushchev attached to this high rank was indicated in his speech upon returning to Moscow. "President Eisenhower must be given his due. He did everything that had to be done for a welcome at this level." While emphasizing his role as leader of the "vanguard", he was careful to repudiate the charge that he was a dictator.

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The Image of Himself as a Leader and as a Man

- b. Probably Khrushchev's second-thought appraisal of the Hollywood musical as "pornographic" derives from this concern about his dignity: The chief of the Soviet state and the head of International Communism must appear revolted by this vulgar display of "capitalist culture." Not only must he be treated in accordance with his rank but he must be regarded on the one hand as naturally benign and wise, on the other hand as tough minded, alert and resourceful. He boasted of comprehensive knowledge of the United States - so complete, he once remarked, that his tour brought no surprises. He took pains to make clear that this intelligence services had informed him well, and that he had read the American press more extensively than we had supposed.

Signs of Personal Hostility

- c. He regarded adverse comment upon his mission and expressions of disapproval (jeers, hostile crowds, spectators' signs) as affronts to his dignity. Absolving the President, he implied in his Moscow speech that unfriendly demonstrations were either inspired or condoned at lower official levels. At the same time he ridiculed the ponderous security precautions - "house arrest" - which even his own officials had approved. He was alert to the varying degrees of warmth or reserve displayed by welcoming crowds; he protested against the reported passage of a car along the parade route in Washington with signs advising the spectators to be polite but undemonstrative. (The U.S. Government has denied knowledge of this incident.)

Provocative Questions

- d. Beginning with the opening question at the Washington Press Club luncheon ("Where were you during the period of Stalin's crimes"), Khrushchev treated embarrassing queries as provocative and beneath the dignity of a person in his position. His anger on such occasions was probably genuine, for he replied in coarse language which his interpreter usually abbreviated or softened. He made it plain that one answer was enough, and that he was not willing to repeat what it deemed to be sufficient answers.

Foreign Affairs

2. In discussing foreign affairs Khrushchev was sensitive to any inference that the Soviet Union was less than a super-power, fully comparable to the United States. In replying to Senator Johnson's question about the Soviet refusal to cooperate with the UN committee on outer-space, he said: "An attempt was made to make us look like a poor relation. We desire parity. You must not do harm to our self-esteem." He dealt infrequently with the subject of U.S. bases ringing the Communist Bloc, a matter about which Soviet propaganda has shown acute sensitivity in the past. He referred to it during his discussion with the labor leaders in San Francisco and linked it with being outvoted in the United Nations as evidence of U.S. intentions to obtain "world domination".

Hungary and the Other Satellites

- a. Speaking with actual or feigned annoyance, Khrushchev brushed off public discussion of the status of the Eastern European nations. To Walter Reuther's assertion that the USSR exploits the workers of East Germany he retorted, "You are hopelessly sick with capitalist fever." When reminded of the flight of Germans, Hungarians, and Koreans from Communist rule, his reply was "Drink your beer. Perhaps that will help you to find the answer to your question." His usual answer on Hungary, when he did not curtly dismiss the subject, was a repetition of the Communist Propaganda line about imperialist intervention, counter-revolution, fascists and hooligans.

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Berlin

- b. Khrushchev strongly defended the Soviet position on Berlin, but rejected any accusation that he, the champion of peace, had delivered an ultimatum. He scornfully referred to these charges in his Moscow report: "It takes some nerve to distort the peace-loving position of the Soviet Union in this way."

The Seven-Year Plan as a Threat to the U.S.

- c. Khrushchev went to some pains in his Des Moines speech to reassure Americans that the Seven-Year Plan represented no threat to their well being. Blaming American newspapers for creating this scare, he declared: "We are challenging you to a competition in the production of meat, milk, butter, consumer goods, machines, steel, coal, oils, so that people should live better." The introduction of a note of "envy" was another clever example of seeming candor and disarming generosity of an eager rival. He mixed praise with judicious criticism, e.g. suggesting that Garst's impressive corn was still planted too close in hills.

Trade

- d. In advocating increased Soviet-U.S. trade on several occasions, Khrushchev seemed more concerned about obtaining recognition of the USSR as a leading industrial power whose products qualified for exchange in world commerce than about the economic value of the trade. The continuation... "of the policy of discrimination against the Soviet Union in trade simply represents obstinacy" he asserted in New York. The discriminatory aspects of U.S. controls were strongly emphasized. Moreover, in his final press conference he declared that the USSR was "no colony." "Therefore, if the USA thinks to sell us sausages and shoes - that, of course, is no merchandise. For such a buyer - go look somewhere else."

Domestic Affairs

3. Questions about conditions in the Soviet Union and the Kremlin's internal policies revealed several areas of sensitivity. Most were associated with the freedom of the Soviet people and their happiness. On the basic superiority of the "socialist system" and on the inevitable success of the "transition to Communism" he always appeared fully relaxed and confident.

Trade Unions

- a. Khrushchev's heated discussion with the union leaders in San Francisco was one of the few events of his tour not reported to the Moscow audience on his return. The questioning about the role of unions in the USSR and workers' rights ended in an angry exchange - "Why poke your nose into our business?" and - the supreme insult - "You are lackeys of capitalism."

The Jamming of Broadcasts and Censorship

- b. Questions concerning jamming were rejected with annoyance as pertaining to "internal affairs." Omitting the usual Communist answer that the Soviet citizens themselves dislike "provocative trash", Khrushchev stated that the "question of what our public should listen to should be decided by our government and people." Denying Soviet censorship of the dispatches of foreign correspondents, he said that any articles will be permitted if they are "conducive to peace."

Religion

- c. Khrushchev took the line that religious freedom exists in the Soviet Union. Young people often attend church out of a "feeling of curiosity" - a curiosity so widespread that "even if each one of them goes to church only once, they're so numerous that the doors of our churches would never close." Jewish persecution was dismissed by flat denials that it existed. His repeated references to God and to Christian religion, with occasional

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confusion of Biblical quotations and Russian proverbs, were probably calculated to amuse and to disarm by their pleasant irony.

"Slaves of Communism"

- d. From the time of the Congressional resolution designating a Captive Nations Week, Communist leaders have revealed strong sensitivity to this characterization of their regimes. Khrushchev reacted by the tactic of ridicule, referring occasionally to the "slaves of capitalism" and their high standard of living.

Soviet Agriculture

- e. While boasting about Soviet achievements in agriculture, Khrushchev was both frank and defensive on the point of relative labor productivity. Some U.S. economists, said Khrushchev, make a mistake when "they mechanically compare the statistics of the agricultural produce on your farms and on our collective farms per person employed." Competition eliminates weak farmers in the U.S., but the collective farms have to maintain all the people brought into these "voluntary associations."

Ideology and Party Activity

4. Khrushchev presented himself as a Communist in the orthodox mould. He held to the traditional Marxist concepts of capitalist society and explained developments in the Soviet Bloc in customary Communist terms.

"Burying Capitalism"

- a. At the start of his tour Khrushchev rather patiently explained that his remark about "burying capitalism" had been distorted and that he was referring to the historical process by which the capitalist order would be succeeded by a higher form of social productive relations, Communism - just as feudalism had succumbed. He denied any intention of a physical burial of capitalists. As the tour proceeded, Khrushchev expressed great irritation when this question was raised.

Foreign Communist Parties

- b. Rather surprisingly, Khrushchev seems to have been rarely questioned about the activities of foreign Communist parties. His answer was the now standard one that they are independent and subject to no Kremlin control. He chided Ambassador Lodge about the jailing of American Communists.

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JIG 354/2(60)
17 February 1960

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SOVIET LIKELY COURSES OF ACTION

OBJECT

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1. The purpose of this paper is to review the major factors which may affect Soviet courses of action over the next five years, to examine the various means of action at the disposal of the Soviet government and to suggest how these may be applied in various regions.

CONCLUSIONS

2. The factors affecting Soviet policy are becoming increasingly complex as a result of the problems posed by modern weapons, the emergence of Communist China as a major power, the evolution of Soviet society and developments in the non-communist world. These factors, which are considered in detail in paragraphs 5 to 17, limit the freedom of action of the Soviet government and, at the same time, offer it new opportunities for expansion.

3. The Soviet government has at its disposal a variety of instruments with which to extend its influence. These include: its military establishment, its diplomatic service, its propaganda machine, its clandestine agencies, and the economic and scientific achievements of the Soviet state. These instruments and the manner in which they are likely to be employed are discussed in paragraphs 18 to 33.

4. We conclude that, since the primary threat to the security of the Soviet state lies in the possibility of a global war the Soviet government will make a major effort over the next five years to settle important issues on Soviet terms, including Berlin, and some aspects of disarmament. (paras 35 and 36). At the same time, Soviet deterrent forces will be maintained and there will be continued but varied Soviet pressure on the western position in Europe against a background of the fear of open conflict and the hope that the situation will evolve favourably from the Soviet point of view. (paras 37 to 43). Elsewhere in the world the Soviet government will employ its assets, particularly its economic and technical achievements, to reduce western influence and to extend that of the Soviet Union. Soviet tactics will vary according to regions and local situations and cannot therefore be summarized briefly. They are discussed in some detail in paras 43 to 55.

FACTORS AFFECTING SOVIET COURSES OF ACTION

5. We consider that the Soviet government aspires to the maximum extension of its wealth, influence and power consonant with the realities of the world situation. Our problem is to assess what it will judge to be reasonable goals and what methods it will employ to achieve them. Such an assessment is complicated by the fact that, although the Soviet Union is more powerful than ever before in its history, there are very real limitations on the use of

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its power. Soviet aspirations and Soviet military and economic power are guiding considerations but not definitive factors in Soviet foreign policy. They must be weighed in conjunction with a variety of other considerations including the nature of modern war; the problems of extra-territorial political control; the problem of maintaining a communist regime in an evolving society; and the Soviet image of the non-communist states and of their intentions.

Nature of Future War

6. Current Soviet courses of action are undoubtedly limited by an appreciation of the effects of modern war. The Soviet government has been successful in creating a strong force of medium-range bombers, a small force of heavy bombers and missiles and a stock-pile of nuclear weapons. In the next five years it will build up an increasing capability in all ranges of guided missiles, including ICBM's. The ability of these forces to inflict casualties and damage on Europe and North America will be sufficient to deter the Western powers from initiating global war and, in addition, would enable the Soviet government in certain circumstances to attempt a preemptive attack.

7. It must therefore be clear to the Soviet government, from its knowledge of western capabilities and from its own nuclear tests, that a general war would result in the devastation of the Soviet Union on a scale vastly greater than that suffered during the Second World War. Although such a global war might be resorted to in the most desperate circumstances, it cannot be considered effective as an instrument of policy nor is the Soviet Union likely to carry any of its policies to the point of limited war with its attendant risks of major conflict.

8. At the same time, Soviet possession of an effective deterrent has opened up new possibilities. The extent to which the Soviet government may be prepared to take bold action under the umbrella of its deterrent is a matter for conjecture. On the other hand it is clear that, with an apparently keen appreciation of the political importance of the fear of nuclear war, it has sought to establish an image of the Soviet Union as the leader in the move toward a ban on nuclear weapons. Khrushchev's disarmament speech to the UN and the unilateral Soviet declaration that the Soviet Union would not be the first to resume nuclear testing contributed to this effort.

Problems of Extra-territorial Control

9. It has become apparent that the establishment of new communist regimes not effectively under Soviet control may injure Soviet interests by increasing the danger of war with the western powers, by alienating important non-communist countries or by strengthening unduly the influence of non-Soviet communist groupings. Most important in this connection has been the emergence of Communist China as an independent communist country, but the failure to reach a lasting agreement with Yugoslavia and the continuing difficulties with the European satellites have also been significant.

Soviet Domestic Problems

10. Concurrently with its problems in maintaining and expanding Soviet political control abroad, the Soviet government has faced an evolving situation at home. The diminishing political returns of Stalin's policies, the facts of economic life and particularly the rapid industrialization of the Soviet Union have brought about changes in the social and economic structure which have led the Soviet Government to rely increasingly on incentives. There has also been a "return to legality" and a general internal relaxation of tensions. If a situation arose involving greatly increased international tension and requiring a very much larger military programme than could be provided for under the present Seven-Year Plan and stricter internal security,

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it would be difficult to continue the present economic and social trends. While it would be theoretically possible to reverse these trends this would be extremely difficult without serious political upheavals and would certainly endanger the personal positions of current members of the Soviet government.

Soviet Image of the West

Dissem. 1 Paper to USSR.

11. The Soviet image of non-communist states and the effect of non-communist actions on Soviet policy are probably the most difficult to assess of all the relevant factors. Communist doctrine forms the intellectual basis of the Soviet view of the world and a guide to the political actions of the Soviet government, but the particular focus of its view and its interpretation of doctrinal precepts have varied greatly. The value of Communist literature in predicting the Soviet future is therefore limited. Communist precepts are interpreted and changed in such a way as to ensure the survival of the Soviet government. Two recent modifications are particularly important in the context of this paper. First, it has been stated that violent revolution is no longer an essential step in the creation of a communist state and secondly, the doctrine that war between the communist and capitalist states is inevitable has been abandoned. As a result of genuine achievements in selected fields of endeavour there exists in the Soviet government an apparently genuine confidence in the superiority of the communist system and in its ability to win a "peaceful competition". However, should Soviet military power be substantially increased by a scientific "breakthrough" which they have made and of which we are not aware, or should a policy of detente prove ineffective, the reversal of these recent modifications would not present a major ideological problem to the Soviet government, although some serious practical problems might be encountered.

12. The Soviet government is probably convinced that the United States will not deliberately initiate war against the Soviet Union within the next few years. At the same time, it must find it difficult to assess the long-term relationship between western military and political authorities and it may well be fearful that ultimately the danger of western preemptive action will become more serious. Even if it judges that the Soviet deterrent will be effective in the long term, it is probably concerned that the elimination of all communist regimes or at least the maximum erosion of Soviet power is the ultimate western aim. It is doubtless anxious, therefore, to reduce and, if possible, eliminate those problems and weapons which could be destructive of the Soviet system and to place the emphasis in its struggle with the west on fields where its technical achievements, its increasing economic power, its better discipline and its ability to exploit major political issues can be asserted with the minimum of risk.

13. The Soviet government is undoubtedly encouraged in this choice by its consciousness of the difficulties facing the western powers in coordinating their policies and in building the kind of societies and achieving the power to which they aspire. The competition between western trading blocs, the conflict of western national aspirations, labour difficulties and periodic economic depressions limiting western economic growth, and the "over-emphasis" on consumer goods and other problems, partially understood or exaggerated in the Soviet mind, doubtless provide some encouragement. Western alliances with a variety of decadent regimes, the apparently narrow view which the west takes of its interests and the lack of social discipline in western societies must also occasion some optimism. There nevertheless remains a substantial fear in Soviet governing circles of unrestricted contact with western ideas and wealth and, although the government is probably confident of its ability to enforce the necessary restrictions, any relaxation is likely to be closely related to the growing prestige of the Soviet system. The difficulty in determining the appropriate degree of relaxation will be complicated by the partial dependence of the Soviet government, like most totalitarian regimes, upon the existence of an external enemy.

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14. Apart from the foregoing considerations many developments throughout the world are to a large extent beyond the control of the Soviet government, or for that matter the control of any major power. Local forces can bring about situations which the Soviet government would wish to avoid but which oblige it to adopt some positive course of action. The Arab-Israeli conflict, the Laotian situation and the Hungarian revolution are examples of spontaneous developments of this kind which have demanded a variety of Soviet reactions.

The M.E. & S. situations are all examples of spontaneous developments which have demanded a variety of Soviet reactions.

15. The degree to which local governments are receptive to Soviet bloc advances varies throughout the world. Receptivity to advances in the cultural, economic and political fields is often reduced by local inertia so that, in spite of Soviet willingness to act, positive achievements are difficult. In other area, where a common objective such as the elimination of western influence exists, Soviet advances are welcomed.

16. In short, the Soviet government must assert its increasing wealth and power in the face of increasingly complex problems. Like the western powers, its first requirement is to avoid a war which would destroy its achievements; its second is to create an atmosphere in which it can freely employ its political and economic strength. Against this background, the decisions it makes and its specific short-term intentions depend to a large extent upon the personality of Khrushchev.

17. There appears to be little doubt that Khrushchev is a genuine and fervent believer in communism. While anxious to extend the influence of the Soviet Union, he probably regards such an extension as largely a by-product of Soviet progress in general. His ambition to outperform the United States in terms of per capita economic development in the shortest possible time probably outweighs any desire to add to the burdens of the Soviet empire, particularly if substantial risks are involved. Although his reaction to a serious setback is unpredictable, it is unlikely that he would deliberately lead the Soviet Union into nuclear war, except in the most desperate circumstances. It is on this assumption that the remainder of this paper is based.

INSTRUMENTS OF SOVIET POWER

18. The Soviet government has at its disposal substantially the same means of action as the western powers. These include military forces, a diplomatic service, a propaganda machine and a clandestine service, as well as the economic and scientific achievements of the state. However, the manner in which the Soviet government has chosen to use these instruments has in the past differed substantially from western practice. The following paragraphs contain a general review of how we expect it to employ its assets in the future. This review is not intended to imply that each asset is employed in isolation from the others. On the contrary, all means of action are closely interrelated as, for example, in Khrushchev's proposal on the diversion to underdeveloped countries of funds made available by disarmament. This proposal has strategic, economic, diplomatic and propaganda implications.

Military

19. For the reasons set out in paras 6 - 8 above, we do not believe that the Soviet Union will use its present military power in the deliberate initiation of a major war. Nor do we believe that it is capable of developing within the next five years, a defence establishment which could prevent the destruction of Soviet society in such a war.

20. Accordingly, the Soviet government will, in our judgment, seek to avoid the overt employment of its forces or those of the European satellites in local situations where there is an inherent danger of conflict with the west. It will also seek to restrain the Chinese Communist government.

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Nevertheless, circumstances could arise in which the Soviet government felt, as a result of western disinterest, indecision or weakness, that it could act with impunity. Alternatively, it might feel forced to act to defend what it considered to be vital interests in a situation where the western powers had either taken or were about to take forceful action. The danger of such situations occurring is greatest in Germany, the Middle East, Korea and the Taiwan Straits.

21. Within bloc territory restraints on the use of Soviet force, although present especially in East Germany, will be far less strong. The Soviet government, while preferring other means, will therefore be prepared to employ the amount of force necessary to maintain pro-Soviet regimes.

22. Limitations on the actual use of force do not in any sense preclude the "political" employment of the Soviet strategic striking force. It is apparent, from statements by Khrushchev and from Soviet propaganda, that the Soviet government is seeking to reinforce the widespread belief that its forces cannot be prevented from virtually destroying western countries in the event of war. In our judgment, it is hopeful that the fear so created can be used to erode public support in North America for a strong and resolute foreign policy, to encourage neutralism and criticism of the United States in Europe and to increase anxiety that the United States will not be prepared to defend its allies at the risk of self-annihilation.

Diplomatic

23. In the diplomatic field there are three approaches open to the Soviet government - conferences at the summit, public debate and traditional diplomacy. We expect that, as in the past, all three approaches will be carefully coordinated in an effort to further Soviet aims. It is apparent, however, that direct negotiation between political leaders is currently most attractive to Khrushchev. Summit conferences have obvious advantages from his point of view. Apart from offering increased possibilities of genuine progress, they enhance his personal position; they are easier to control since they involve no delegation of authority; they eliminate "obstructive" elements at lower levels; and they offer greater opportunities to make propaganda gains and to place the blame for failure on the west. Public diplomacy, particularly in the United Nations, offers the Soviet government the opportunity to project the desired image of itself, to marshal neutral forces behind particular Soviet positions and to develop situations which will embarrass the west. Khrushchev will also probably continue to speak freely to unofficial western visitors, as a supplementary means of publicizing Soviet "reasonableness" without any obligation to act. Traditional diplomacy is likely to be used primarily in a supporting role, in concluding agreements on marginal or highly technical problems and in supplementing the general line of Soviet foreign policy.

Propaganda

24. The propaganda apparatus of the Soviet government differs radically from the information services of western countries. Whereas western facilities are largely restricted to projecting a favourable image of the west and to the objective reporting of foreign news, Soviet propaganda is designed to achieve specific political results. For example propaganda recently beamed to Iran has been designed to discredit and embarrass the Shah's regime to the point where the Iranian government would be obliged to make political concessions in order to escape further attack. There are numerous other examples which lead us to expect this kind of action to continue.

25. Propaganda is used both strategically, in pursuance of broad objectives, and tactically, to achieve limited local results. It is therefore not necessarily consistent in detail, although anomalies are carefully confined to the particular languages and areas in which they are intended to be effective.

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26. It is also used defensively to reduce the effect of western statements and to modify the impact of embarrassing Soviet actions. This defensive aspect includes the jamming of western broadcasts, the control of travel and restrictions on foreign correspondents. We therefore regard the current "softness" of Soviet propaganda in support of the co-existence lines as consistent with past Soviet use of this instrument and not as evidence of a fundamental change in its role.

Clandestine

27. The Soviet government has clearly demonstrated its awareness of both the value and limitations of clandestine activities in support of its aims. There is substantial evidence that it is currently seeking to modify the activities of foreign communist parties, to encourage their alliance with other and more moderate left-wing groups and to achieve for them an aura of respectability. As with propaganda, therefore, we do not regard recent changes as fundamental. A decision to revert to older methods would depend on a number of factors, the most important being the productivity of the new policies. Illegal and covert organizations for espionage are maintained in most countries.

Economic

28. While the Soviet Union, like any great power, is seeking to extend its influence through the employment of its economic assets, its foreign economic policy cannot be correctly described exclusively in terms of "economic penetration" or as "a Soviet economic offensive". We believe that the Soviet government considers that, for the present, the extension of its foreign trade and aid programmes carries the possibility of long-term and general rather than specific political advantages. These long-term advantages may even be pursued while communist influence is contracting, an outstanding example being the United Arab Republic where Soviet aid has been accompanied by the virtual elimination of communist influence. With the notable exceptions of Finland and Yugoslavia, the Soviet government has to date carefully avoided the application of political pressures through its economic policies. At the same time the potential for future political pressures is being built up, in countries such as Afghanistan, through increasing dependence on imports from the Soviet Union, on Soviet markets and on transit rights.

29. Nevertheless, the Soviet government obviously attaches considerable importance to the extension of its trade and aid programmes. In doing so, it possesses a number of substantial advantages over the west which derive from its totalitarian political system. It can provide cheap, long-term credits; it can buy agricultural surpluses; and it can mobilize its best talent in support of its efforts. It also suffers from a number of disadvantages including the lack of receptivity to Soviet offers in some countries. However, it has rapidly expanded its economic relations with western countries, both industrialized as well as underdeveloped, since 1953 and appears intent that this trend shall continue. We believe that it will seek approximately to double the volume of its foreign trade with non-Bloc countries during the Seven-Year Plan period (1959-65) and will be successful in attaining this objective. This would involve an absolute rate of increase roughly comparable to that of the past five years. The percentage rate of growth of the Soviet Union's non-Bloc trade will probably drop substantially in comparison with the 1953-58 period, but will remain at least two to three times higher than that of world trade as a whole.

30. Any prognosis of the value and direction of Soviet economic and military aid to the underdeveloped areas over the next five years is subject to even greater uncertainties than a forecast of the volume of trade. New Soviet credits are currently being extended at a rate of \$500 million to \$1 billion annually.

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31. We consider that, in the current phase of Soviet policy, foreign economic activity coupled with a great effort in the domestic economy will be one of the principal means by which the Soviet government will seek to extend its influence and to project a favourable image of itself. Khrushchev's references to the possible diversion to under-developed areas of funds made available through disarmament and the Soviet decision to finance the second stage of the Aswan dam indicate the importance attached to this aspect of policy.

32. Although scientific achievements are not usually regarded as a direct instrument of government, we believe that the Soviet government is keenly aware of the political advantages accruing from the leadership of the scientific world. Apart from the propaganda advantages of outstanding scientific achievements, the establishment of Moscow as the centre of world science would obviously increase Soviet influence throughout the world. We therefore expect the Soviet government to make great efforts, particularly in the fields of space exploration and geophysics, but also in other applied and fundamental sciences.

COURSES OF ACTION

The Security of the Soviet State

26. Although Soviet propaganda on disarmament is likely to include a number of unrealistic goals, such as the withdrawal of American forces from Europe and general and complete disarmament in four years, the Soviet government may be prepared to reach at least limited practical agreements. The primary example is the question of nuclear tests. There appears to be some readiness to accept in other fields an international system for the verification of the execution of treaty obligations and to acknowledge the validity of Western insistence on such arrangements. However, the major Soviet concern continues

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So far however they have not been used as a
of actual destruction of ~~factories~~ but not of the levels
of ~~areas~~ retained. No indication that they are likely
to alter their position on this point.

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to be that such a system would be used for espionage purposes to the
prejudice of Soviet security. It may, therefore, be expected to seek to
tie the verification arrangements closely to specific disarmament measures
and to insist upon a minimum of discretion and freedom of movement for any
inspectorate. To this end it is likely to emphasize the political importance
of the existence of a control system in its arguments to minimize technical
difficulties. The Soviet government may also be prepared to consider specific
regional schemes for safeguards against surprise attack in critical areas
such as Central Europe which are under Soviet hegemony but is likely to
resist plans, at least initially, which would involve Soviet territory. At
the same time it will undoubtedly seek to derive the maximum political
advantage from the proposals for "general and complete disarmament" contained
in its submission to the UN of 19 September 1959.

The Soviet Zone of Control

38. The frontier of the Soviet zone of control is highly unstable and
the opportunities for further extension of Soviet influence, although
substantial, are vitiated by this fact. The three major problem areas on
the frontier of the Soviet bloc in Europe are Finland, Yugoslavia and Germany.
Through various forms of economic and political pressure the Soviet government
has succeeded in maintaining in Finland a government favourable to its
interests, although it may well be concerned about the prospects for the
future. Yugoslavia has perforce been excluded from the bloc but problems
created by the existence of this heretical national communist state on the
periphery of the Soviet area of control, although persistent and irritating,
are still tolerable. Germany, on the other hand, poses a threat to the
Soviet bloc frontier which is totally unacceptable from the Soviet point of
view.

39. The East German communist regime is, for a variety of domestic
reasons, extremely unstable. This situation is aggravated by the existence
of the West Berlin enclave as a standing advertisement of western achieve-
ments and a permanent invitation to defection. Furthermore, West Germany's economic
progress, the membership of the Federal Republic in NATO, its possession of
weapons with a nuclear capability and its three to one superiority in population
presents an active threat to East Germany. In these circumstances, it can
safely be assumed that the Soviet government hopes to eliminate the Berlin
enclave, to stabilise the East German regime and, in the long term, to
neutralize or control West Germany.

40. Since general war, or any policy carrying grave risks of war, is
unacceptable for the reasons noted above, the scope for Soviet action is
limited. On the basis of past Soviet performance, however, it is possible
to suggest a wide variety of less forceful actions which the Soviet government
might take over a period of years in an effort to improve its position.

41. The first and most important would be a continuing attempt to
extract concessions from the west through negotiation, preferably at the
summit. Apart from the probability of direct success, this course has the
added advantage of establishing an "a priori" Soviet case, of reducing the
danger of armed conflict and of providing the Soviet government with a variety
of propaganda opportunities. To this extent we believe that the Soviet
government's interest in negotiation is genuine and that it will seek, over
the next five years or so, a series of meetings at the summit level.

42. In the periods between negotiations it will probably take a number
of actions designed to erode the western position. These will vary in
severity, depending on the outcome of the negotiations, from (minor) interference
with access to Berlin to the threat of armed intervention. Diplomatically,
they may vary from (minor) moves to increase international acceptance of the
German Democratic Republic to the signing of a separate peace treaty. We
cannot predict with any precision the time-table for such specific actions
because they will depend largely on future western actions and the Soviet

assessment of them. These "erosion and negotiation" tactics are likely to retain their appeal, however, providing plans for the improvement of the East Germany economy proceed reasonably well and there remains some prospect for progress in negotiations or some hope that the political climate in West Germany might change in favour of direct negotiation. If negotiations break down without any progress or promise of it we would anticipate increasing pressure on Berlin through (minor) harassing actions, perhaps culminating in the signing of a separate peace treaty and the threat of military action. We do not consider it likely, however, that the Soviet government would deliberately carry out any military threat or that it would take any steps which would obviously or inevitably lead to a major armed clash. Nevertheless, some desperate action might be taken if, after fruitless negotiations, the stability of the East German regime deteriorated rapidly, while the west remained adamant or became more forceful. *The likelihood that Soviet doctrine might develop a concept of limited war later during the next five years introduces the possibility of a Soviet recourse to limited engagements but the circumstances of these cannot be forecast.*

43. In summary, we foresee Soviet intentions in Germany as being directed toward continuing but varied pressure on the western position against a background of the fear of open conflict and the hope that the situation will evolve favourably from the Soviet point of view. The length of the periods of detente will depend to such an extent on the results achieved that any precise forecast is necessarily unrealistic.

The Extension of Soviet Influence

44. With regard to broader objectives in Europe, the Soviet government probably doubts its ability further to weaken the military capabilities of NATO substantially over the next five years. Nevertheless, it is undoubtedly conscious of the possible effect of its military and diplomatic policies, as well as its propaganda and clandestine activities, on the cohesion of the western powers. In particular, it may hope that a policy of negotiation against a background of modulated threats will gradually weaken the resolve of the western powers or increase their willingness to make concessions and its propaganda will undoubtedly be directed to this end.

45. In the Middle East, the Soviet government ^{continues to} recognized at an early stage the importance of Arab nationalism and, in particular, the potential of the Nasser regime. It also appears to have appreciated clearly the opportunities offered by the existence of widespread poverty in conjunction with decadent regimes or outmoded social systems. As a result it doubtless considered that the western powers were likely to encounter increasing difficulties in maintaining direct control over their interests in the area. The broad lines of Soviet policy have therefore included the support of nationalist regimes, whether radical or reformist, the provision of substantial economic and military aid and the encouragement of Middle East governments in their efforts to reduce western influence. *It also*

46. The main Soviet problem in the area has probably been to decide whether it should openly support extreme left-wing movements or whether it should restrict itself to increasing its contact with existing regimes, to establishing its presence in the area and to advertising its respectability. Its relative abstinence from direct political action and intervention in the internal affairs of Middle Eastern countries, as well as its continuation of economic aid in the face of extreme anti-communist action, suggest that it prefers the latter course. Its position has been complicated, however, by the emergence of Qasim and a substantial communist party in Iraq and by the interplay of Soviet European and Middle East policies in Algeria. In contrast to Communist China, however, it has avoided whole-hearted commitment to the Iraqi communists and there are some indications that it would find the creation of a communist regime in Baghdad somewhat embarrassing. In any event, it has avoided taking sides in the dispute between Qasim and Nasser and in Algeria, it has sought to conciliate the French government without altogether abandoning its role as the supporter of national liberation movements.

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47 46. ~~In spite of these difficulties~~, the Soviet government probably considers the long-term trends in the Middle East to be in its favour. It doubtless foresees the gradual elimination of direct western control and the emergence of social and economic problems which will offer increasing opportunities for the extension of Soviet influence. We anticipate that it will employ primarily diplomatic and economic means to maintain and extend its present influence and that it will continue to refrain from direct political action. Its propaganda is likely to be directed for the most part to the projection of a desirable image of the Soviet Union and, in some instances, to the exacerbation of differences with the west. In the event of a crisis leading to western military intervention, the Soviet government would doubtless resort to military threats. We think it unlikely, however, that it would actually intervene because it would judge that such western action, if left to take its course, would damage rather than advance the western cause. Indeed, it is difficult at this point to envision circumstances in which the Soviet position in the area would be better served by large-scale military intervention than by limited military support, perhaps through volunteers, coupled with vigorous pro-Arab diplomatic action.

48 47. Iran will be an exception to the above pattern. The objective of Soviet policies there is to secure Iran's withdrawal from CENTO and we expect Soviet pressures, through all the means at the disposal of the Soviet government, except direct military action, to be applied to this end. In particular, every attempt will be made to exploit the domestic difficulties of the Shah's regime.

49 48. As in the Middle East, the Soviet government is undoubtedly conscious of the opportunities offered by African nationalism and by the social and economic problems of the African continent. ^{Outside the} ~~Available information~~ ^{indicates that up to the present, Soviet activities have been primarily} ~~confined to normal diplomatic and economic contacts.~~ Bloc countries have responded with alacrity to statements of specific economic needs by newly independent African nations and have moved quickly to increase their diplomatic representation in the area. Propaganda and limited covert activities may be directed toward the embarrassment of the west and the advancement of left-wing regimes but, on the whole, we believe that the Soviet government will attempt to maintain its respectability. ^{This should also}

^{apply in the Congo unless there should be a split with the formation of a leftist, extremist group which the Russians would consider expedient to support like these supported Lumumba}
50 49. In the Far East and South Asia, the primary problem of the Soviet government is to maintain its ~~relationship~~ ^{relationship} with Communist China without at the same time damaging its ~~prestige and influence~~ ^{prestige and influence} in other Asian nations. This is made difficult by the different approaches of the two countries to foreign affairs. Where the Soviet Union is cautious about the use of military force, Communist China asserts its intention to liberate Taiwan and skirmishes with India; where the Soviet Union seeks a detente with the western powers, Communist China is openly hostile; where Soviet propaganda is mild, that of Communist China is vituperative; where the Soviet Union offers aid "without strings" Communist China openly uses foreign economic assets for political purposes; and where the Soviet Union urges relatively moderate united front tactics on foreign communist parties, Communist China exhorts them to violent anti-colonial activism.

51 50. 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 has accepted the Indian decision on Kerala without serious demur and it has refrained from taking sides in the Sino-Indian border dispute. It has continued large scale economic aid and has been at pains to avoid hurting Indian sensibilities. It has been satisfied with neutral governments in Burma and other Southeast Asian countries, while Communist China has been anxious to move more quickly toward the establishment of communist regimes.

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and even
in the event of an open Soviet split, the possibility
Effect should remain as a result of the unlikelihood that the Russians
would come to the assistance of the Chinese in a serious
crisis over the Taiwan straits for instance.

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51. We consider that the Soviet government will continue to follow relatively moderate policies in the Far East and South Asia, while seeking to increase its stature, particularly in India and Indonesia, it will ^{and} avoiding the more offensive forms of political action. It will ^{should continue} also attempt to moderate extreme Chinese policies, although in a serious crisis, in the Taiwan Straits for example, it would probably, although not necessarily, come to the defence of China. In most local situations, such as Laos, it is likely to reject precipitate and violent courses of action although it will, through propaganda and diplomatic action, attempt to embarrass the west. *Indonesia*

52. Only in Japan, which is doubtless viewed in Moscow as the Asian counterpart of a rearm Germany, do we foresee the possibility of more extreme Soviet pressures. Through diplomatic and direct political action the Soviet government is likely to exploit anti-US and anti-militarist elements. It will also attempt to take advantage of the Japanese interest in expanded trade and the resentment of US control of former Japanese territories. Its propaganda will support these actions and will include threats concerning the consequences of foreign bases on Japanese soil.

53. The political instability, economic backwardness and ^{chronic} growing anti-Americanism in Latin America offer special opportunities to the Soviet government. These opportunities are particularly attractive because of the strategic position of Latin America in relation to the United States. Although the main purpose of the Soviet government at present is to increase its diplomatic standing and economic stake in the area, we anticipate that it will engage in a wide variety of activities suited to particular local situations. Mikoyan's visits to Mexico and Cuba, the recent trade deals with the Argentine and Brazil and communist activities in various trade unions all testify to the complexity of Soviet tactics. We expect that this complexity of approach will persist and may well include extreme forms of covert political action in local situations.

54. Apart from general progress in scientific achievements, we regard the Arctic, Antarctic and space explorations as particularly important fields for the extension of Soviet influence and increasing Soviet prestige. As recent Soviet acceptance of the Antarctic agreement and the UN space charter indicate, these are fields in which the Soviet government can demonstrate its goodwill and at the same time compete easily with the western world. The magnitude of the Soviet efforts in Arctic, Antarctic and space exploration is a measure of the importance which the Soviet government attaches to these programmes. We expect this emphasis to continue.

55. Since the opportunities for direct communist action in North America are extremely limited, we believe that Soviet policies will be limited to encouraging the acceptance of the "peaceful competition" thesis through propaganda and increased cultural contact. The Soviet government will also probably continue its attempts to increase trade. The main impact of the Soviet attitude to North America will be felt elsewhere in the world where, as indicated above, Soviet efforts will be directed toward the reduction, either relative or absolute, of United States influence.

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DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

NUMBERED LETTER

TO: THE UNDER-SECRETARY OF STATE FOR
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: Canadian Embassy,
Bonn, Germany.

Reference: Our letter No. 919 of Dec. 10, 1959.

Subject: Economic Relations Between East
Germany and the Soviet Union and
West Germany.

Security: CONFIDENTIAL

No: 131

Date: February 17, 1960.

Enclosures:

Air or Surface Mail: Air bag

Post File No:

Ottawa File No.

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You will recall that the Joint Intelligence Committee made several copies of its study of this subject dated September 9, 1959 available to the German Foreign Office at our request. We handed two copies of the paper to Dr. Eggers of the Eastern Department with the request for comments some time ago.

2. When Dr. Eggers, who devotes most of his time to studies of the economy of the Soviet bloc, recently discussed the paper with us, he made a number of very complimentary observations on the thoroughness and accuracy with which it had been prepared. Its analysis and conclusions on the economic relations between the three countries were those of the Foreign Office. The fact that the paper had been superseded by two important developments - the announcement of a new seven-year plan by the DDR in October, and the conclusion of a record-breaking DDR-Soviet trade agreement in November - did not necessitate any alteration in its conclusions. In the view of the Foreign Office, these developments had only confirmed once again the Soviet determination to integrate the DDR economy as fully as possible into that of the Soviet bloc as a whole.

3. Dr. Eggers paid particular tribute to the treatment of two factors in the study, the importance of which, he claimed, were not sufficiently appreciated in Germany itself. One was the clear recognition of the vital role that uranium exports from the DDR to the Soviet Union played in the DDR economy. (The estimates of DDR uranium production in the paper corresponded with the best guesses available here). Many German students of the DDR economy failed to appreciate its importance to the DDR. Dr. Eggers also praised the sophisticated analysis which had been brought to bear on the significant differences between statistics produced by the Soviet Union and the DDR on their trade relations. Although the DDR figures were gradually becoming more credible, they still presented serious difficulties to the uninitiated who were inclined to take them at face value. On the other hand, Soviet trade statistics were now for the most part reliable.

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4. Apart from disagreeing with some of the statistics in the paper, which in any event were always changing, Dr. Eggers had only two minor reservations. According to his information, the reference in paragraph 26 to the piping of Soviet crude oil from the Baku field to East Germany was incorrect. Baku had previously been the largest Soviet oil field, but it had recently been replaced by the new field in the Kuibyshev-Ufa-Molotov (Parm) area between the Volga and the Urals. This was the field from which the crude oil destined for the DDR would be piped when the necessary pipeline was completed. In paragraph 29 the view was advanced that in 1959 and in subsequent years China would probably replace the DDR as USSR's largest trading partner. While Dr. Eggers agreed that this was an inevitable development for the future, the conclusion of the DDR-Soviet trade agreement last November would probably enable the DDR to maintain its position as the Soviet's largest trading partner for at least a few more years.

5. Dr. Eggers has also given us a copy of his own recent paper on the economic integration of the Eastern bloc with emphasis on the special position of the DDR. We are having this paper translated, and will send it to you in the near future after discussing its contents with Dr. Eggers.



The Embassy.

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Air
Intelligence
Brief

Classification S E C R E T

Brief No. 2-60

Copy No. 29

Date 16 Feb 60

Prepared by DAI

To: Canadian Intelligence Community

Date of Information 11 Feb 60

Source AA Moscow

Evaluation of material B-2

Subject Civil Version - Camp

Item

A civil version of the Camp military transport aircraft was observed on the airfield at Moscow/Vnukovo on 11 Feb. It appears that the aircraft's external configuration is similar to that of Camp except for the possibility of a smaller tail unit and the absence of the tail turret.

Comment

The Soviets displayed a model of the civil version of Camp at the Brussels World Fair in 1958. This sighting is the first concrete evidence of the existence of such an aircraft.

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116 FEB 1960. Starnes, Esq.,
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STUDIES ON SOVIET BLOC WAR POTENTIAL - STEEL TUBING IN THE SOVIET BLOC ECONOMY

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To the Heads of Posts Abroad

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Annual Review for the Soviet Union, 1959.

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SOVIET UNION

Annual Review

1959

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S O V I E T U N I O N

ANNUAL REVIEW

1959

I Foreign Relations

(A) East-West Relations

(1) General

1. The most striking development during 1959 was the improvement in the international position between the end of 1958 and the end of 1959. This improvement can readily be seen by contrasting the words used in the Soviet note of November 27th, 1958 about Berlin with passages in some of Mr. Khrushchov's recent speeches. Then Mr. Khrushchov was saying "If this proposal (i.e. turning West Berlin into a free city) is not acceptable ... there remains no subject for talks between the former occupying powers on the Berlin question ... if the specified period (i.e. six months) is not used for achieving the appropriate agreement, then the Soviet Union will execute the measures indicated by means of an agreement with the DDR". Whether or not these words amounted to an ultimatum in the strict sense, is perhaps not important. They were, however, aggressive and truculent and not likely to lead to successful negotiations. Now Mr. Khrushchov uses much softer words. For example in his speech to the Supreme Soviet on October 31st he said that "sensible co-existence means the recognition that different systems exist and that international issues are settled through negotiation. This calls for mutual concessions: states must meet each other half way".

2. The improvement began early in the year when Mr. Khrushchov denied that the November 27th note was an ultimatum. It continued with the visits of Soviet leaders to the West and Western leaders to the Soviet Union, the most important being the Macmillan visit to the Soviet Union in February and the Khrushchov visit to the United States in September. Towards the close of the year there was the positive attitude of the Russians at the conference on Antarctica which made an agreement possible. From the high point in the relations between East and West reached during Mr. Khrushchov's visit to America, there has been a slight fall. Relations between the Soviet Union and West Germany have deteriorated. The Western decision to debate Hungary in the United Nations angered Mr. Khrushchov even though the debate appears to have been conducted with restraint on both sides. The American decision at the end of the year to free itself from any obligation to continue the suspension of nuclear tests had a bad reception in Moscow. Nevertheless, at the end of the year, the relations between East and West were better than at any time during 1956, 1957 or 1958.

3. Not only the relaxation of tension over Berlin contributed to the improvement, but the absence of explosive issues in other parts of the world. During the previous year there were the landings of U.S. troops in Lebanon and of U.K. troops in Jordan. There were

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also open hostilities between communist China and Formosa. No issues of a comparable nature arose in 1959 to disturb the relations between East and West, though for a time Laos threatened to develop into a major crisis.

4. What does it mean? By way of warning it should be emphasized that nothing has happened during the past year to indicate any substantial change in any main Soviet position. At the Foreign Ministers' Conference, agreement on matters of substance could not be reached and in the talks between President Eisenhower and Mr. Khrushchov no change in a basic Soviet position has come to light. Though at Camp David Mr. Khrushchov expressly withdrew the time limit on Berlin, he did so, it is to be remembered, only on condition that discussions on Berlin not drag on indefinitely.

5. In spite of the lack of progress in settling issues between East and West, important and encouraging developments seem to have emerged. Mr. Khrushchov, it now seems, miscalculated the strength of the Western reaction to his Berlin proposals. There is some reason to hope that he now realizes that the use of force by the Soviet Union or East Germany to expel the West from West Berlin would risk a general war - a risk Mr. Khrushchov wishes to avoid (but see paragraph 6). Another development is that though no agreement on matters of substance regarding Berlin was reached, there seems to have emerged on both sides a fuller realization of the need for serious negotiations. Important procedural decisions were taken. For disarmament there is the Ten Power Committee to meet in Geneva on March 15, 1960. For Berlin and other East-West issues there is now agreement on a series of summit conferences, the first to begin in Paris on May 16, 1960. This is later than at one time expected, but this is not necessarily to be deplored. A summit conference of a week or ten days cannot be expected to settle important issues such as Berlin or the German question, but unless it is a complete failure, a procedure for subsequent negotiations will surely be laid down. Whether there are to be further summit meetings, or Foreign Ministers' meetings, or meetings of their deputies, or meetings of Ambassadors, does not matter as long as there are negotiations.

6. Mr. Khrushchov has stressed time and again that peaceful co-existence is the main aim of Soviet policy. On a number of occasions he has said that for him to achieve an equal place in history with Lenin and Stalin, he must substantially raise the standard of living of the Soviet people. His hopes can only be realized if peace is preserved. Since he believes that the strength of the socialist camp is increasing faster than that of the West, it follows that in his view communist aggression is not necessary. Soviet economic successes and communist propaganda and subversion can be relied upon to spread communist power. Quite apart from desiring peace for its own sake Mr. Khrushchov probably knows that under present conditions of the thermo-nuclear age, the Soviet Union is not in a position to deliver a knock-out blow to the West. If the West is left with the power of effective retaliation after the first blow, then there would be mutual destruction. Though Mr. Khrushchov's desire for peace is genuine, it is not by any means a case of peace at any price. He would probably risk a world-wide war to preserve socialist gains, whether from attack from without or, what is more likely, from within. Mr. Khrushchov has no excuses about Soviet action in Hungary in 1956, in fact he boasts about it, and if a similar situation arose in Hungary or in any other socialist state, he would not hesitate to use Soviet troops to the extent necessary to uphold the regime. Again if negotiations over Berlin drag on indefinitely Mr. Khrushchov may carry out his threat to sign a separate peace treaty with East Germany. Though he is not likely to use force to expel Western troops from West Berlin, Mr. Khrushchov would probably use the amount of force necessary to uphold the authority of the East German regime over communications to West Berlin -- even at the risk of a general war. For the present at any rate,

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Mr. Khrushchov would consider himself bound to live up to his obligations under the Soviet alliance with China even if that means war with the United States over Formosa. In his speech in Peking on September 30 Mr. Khrushchov expressly excluded "just, liberating wars" from the obligation to settle controversial issues by negotiations.

(2) Visits

7. The year was remarkable for the number of visits made by top Soviet and Western leaders. The round of visits began with that of Mr. Mikoyan to the United States in January. Then came the more important visit of Mr. Macmillan to the Soviet Union at the end of February. This visit as much as any other single event marked the real beginning of the thaw and set the stage for subsequent favourable developments. In June and July Mr. Kozlov and Mr. Nixon exchanged visits to open their respective exhibitions. Then came the most important of all visits - Mr. Khrushchov's visit to the United States in September. Arrangements were also concluded during 1959 for President Gronchi to visit the Soviet Union in January 1960, for Mr. Khrushchov to visit Paris in March 1960, and more important, for President Eisenhower to visit the Soviet Union in June 1960. The visits which have taken place and the arrangements for the prospective visits have greatly contributed to the present relaxed atmosphere. There is always the danger that when the visits have been concluded and the summit meeting held, East-West relations will go back to where they were at the beginning of 1959. This is more likely to be the case if leaders do not come to grips with the main problems. When Western leaders met in Paris in December there seemed to be a tendency to skirt rather than solve controversial issues. This may have been the case also at Camp David. Mr. Khrushchov has repeatedly expressed his determination to conclude a separate peace treaty with East Germany if negotiations over Berlin fail. He last did this in his talk with the U.S. and French Ambassadors on New Year's Eve. When he removed the time limit over Berlin at Camp David, he did so under the condition that negotiations should not be indefinitely prolonged.

(3) Summit

8. At the end of the year the leisurely climb to the summit was still in progress. President de Gaulle has had his way. The summit meeting will not take place till May 16, 1960. President de Gaulle, however, would not have been able to get his way against the wishes of the United Kingdom and United States governments if Mr. Khrushchov had not been amenable. Mr. Khrushchov still maintains publicly that he wants an early summit meeting, but he readily fell in with General de Gaulle's invitation to visit France in March 1960 and, in fact, chose a later date than the French themselves had suggested. Since Mr. Khrushchov succeeded in arranging an exchange of visits with President Eisenhower, his interest in a summit meeting seems to have waned. At one time there appeared to be difficulties about an agenda for the summit meeting and the participation of the two Germanies. As the year ended it was not clear whether these difficulties had been resolved or merely postponed. With a series of summit meetings in prospect President de Gaulle seems to be getting his way about securing a greater voice in international affairs. Certainly in Moscow Mr. Khrushchov now thinks it worthwhile only to deal with the Ambassadors of the U.S.A., U.K., France and Germany. He now ... 4 ignores other Western Ambassadors.

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(4) Berlin and German Question -
Foreign Ministers' Conference

9. During the year some progress was made on the Berlin question. Mr. Khrushchov early in the year withdrew his ultimatum, or at least denied he had ever delivered one. He also made an important admission on March 19, 1959 that the Western Powers "have lawful rights for their stay in Berlin".

10. The Foreign Ministers' two sessions, May 11 - June 20th and July 13th - August 5th, failed to reach specific agreement. However, the conference should not be considered a failure. The participants succeeded in narrowing the differences between them affecting Berlin, but more important still, they were able to create a favourable atmosphere for later developments and perhaps made it possible for President Eisenhower to invite Mr. Khrushchov to visit the U.S.A.

11. The first session of the Foreign Ministers' Conference was mainly concerned with frank statements of the views and arguments of each side. It may have helped to convince the Soviet leaders that Western views on Berlin were firmly held. At the resumed session the two sides seemed for a time close to reaching an interim agreement on Berlin. They were not far apart on the level of forces in Berlin, on their armaments and on provisions designed to reduce tension caused by hostile propaganda and subversive activities. Their conflicting views on the duration of an interim agreement - the West five years and the Russians eighteen months - seemed capable of compromise. It was, however, the position with regard to Western legal rights in Berlin at the end of an interim agreement which proved to be the stumbling block. The West, naturally enough, insisted that their legal position at the end of any interim agreement must be the same as at the beginning. Gromyko went so far as to say that the Soviet Union would not take unilateral action during the period of an agreement or during negotiations which must follow it. But no amount of prodding would induce him to say that when negotiations began on the expiry of an interim agreement each side would be in the same legal position as before the interim agreement was entered into.

(5) Disarmament

12. One of the main indirect results of the Foreign Ministers' Conference was the agreement of the participants to set up a Ten Nation Disarmament Committee. This Committee is to meet on March 15, 1960. These negotiations will be the first detailed discussions on general disarmament outside regular sessions of the United Nations since the old Five Power Disarmament Sub-committee adjourned in August 1957. The Russians gained a victory in the composition of the Committee in that they have achieved parity. There will be five Communist members and five Western members including Canada. On the Soviet side the main development in disarmament was the plan outlined by Mr. Khrushchov at the United Nations in September. He then called for complete disarmament by all states in three stages over a period of four years. This plan included the disbandment of all armed forces, the destruction of all armaments, the prohibition and destruction of

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atomic weapons and a wide range of similar measures designed to do away with all armed forces and armament stocks under "an international control body comprised of all states". Mr. Khrushchov asserted that the Soviet Union had "a realistic appreciation" of the situation and "if at present" the Western Powers were not willing to agree to total disarmament, the Soviet Government would be prepared to agree to partial disarmament measures.

13. The Soviet proposals together with proposals advanced by Mr. Selwyn Lloyd at the United Nations, and any other disarmament proposals, will be considered by the Ten Power Committee. The Soviet proposals for total disarmament are not likely to be realized in the near future. Nevertheless, with both sides anxious to reduce the risk of war and the burden of armaments, the prospects are favourable for reaching an understanding on at least some of the measures for partial disarmament suggested by Mr. Khrushchov, or some variation of them. Any negotiations, if they are to be successful, are likely to be a lengthy process involving patience and no little skill.

(6) East-West Cultural Relations

14. With Canada far in the rear, several Western nations have had extensive exchanges with the Soviet Union. The most elaborate were the Soviet Exhibition in New York and the American Exhibition in Moscow. But in addition to these there have been visits of U.S. hockey teams, basketball teams, opera stars, a symphony orchestra and the Ed Sullivan Show. The United Kingdom had a successful book exhibition. Cultural agreements have been concluded during the year with a number of Western countries, including the United States and the United Kingdom, foreshadowing even larger exchanges in the future.

(B) U.S.S.R. Relations with the Communist States (i.e. Satellite States plus Yugoslavia and China)

(1) The Satellites

15. Relations with the satellite states have proceeded smoothly during the year. Various satellite leaders came to Moscow for indoctrination and instructions, and in return Mr. Khrushchov made highly publicized visits to Albania, East Germany, Poland and Hungary, as well as a secret visit to Rumania announced only after his return. As far as can be seen from Moscow, the unity of the Bloc has been maintained, perhaps strengthened. Whatever hostility to their rulers may exist in any satellite state and however discontented their people may be, the régime itself, as long as it has Soviet support, does not seem to be in danger. The satellites which have given the most trouble to Soviet rulers in the past, Hungary, Poland and East Germany seem quiescent. The Hungarians appear subdued. Kadar has successfully survived three gruelling years as top communist leader and continues to have Mr. Khrushchov's strong support. The Poles, who at one time seemed to have gained considerable freedom for internal affairs in exchange for submission to the U.S.S.R. on foreign policy, seem now to be in the process of becoming more like a typical satellite. The East German leaders got a new lease of life because of the important role they gained at the Foreign Ministers' Conference. Though their leaders have failed to win the willing support of the people, there is evidence of improving economic conditions which may take the edge

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off discontent. There is thus nothing to suggest that the East German leaders, supported by Soviet forces on their territory, are not able to cope with such difficulties as may arise.

(2) Yugoslavia

16. Yugoslavia is not, of course, a satellite, but as a communist state its relations with the Soviet Union are of interest. Relations between the two countries appear to have improved considerably since the quarrel with President Tito in the spring of 1958, but they have now levelled off with no significant improvement or deterioration in recent months. It appears that Mr. Khrushchov is willing, for the time being, to distinguish between relations on the party level and relations on the government level. On the party level, the Soviet Union must oppose Yugoslav revisionism. On the government level Soviet leaders maintain correct, if somewhat distant relations. It would, however, be rash to predict how long this situation will last in view of the vicissitudes in relations between the two states since 1948.

(3) China

17. It would be interesting to know the exact state of relations between the Soviet Union and China during the year. Unfortunately there is little reliable evidence. Though the Soviet leadership continues to maintain that the unbreakable friendship between the two states is as strong as ever, many observers believe that the happy position which is paraded on the surface may hide difficulties. There is some evidence to support the view that relations have deteriorated between the two countries. To mention only a few factors there are (a) the striking fact that in the Chinese-Indian frontier dispute the Soviet Union has maintained a strict neutral position (see paragraph 23 of this report); (b) Soviet neutrality in the less serious Chinese-Indonesian dispute, coupled with Mr. Khrushchov's projected official visit to Indonesia in February 1960; (c) Mr. Khrushchov's cool reception when he visited Peking in September after his American visit and the lack of any communique at the end of his talks with Chinese leaders. As additional straws (or broken reeds) in the wind, the following may be noted. Those who read between the lines of Pravda noted with glee how the adjectives describing Mr. Khrushchov's talks on three successive days with Mao-Tse-Tung dwindled to nothing. Pravda reported these talks as follows: (October 1) a cordial and friendly talk (both adjectives are customarily used to describe talks between communist leaders); (October 2) a cordial talk (one adjective only - unusual); and (October 3) a meeting took place (no adjectives at all - this is unheard of). This seemed to indicate Chinese dissatisfaction with Mr. Khrushchov's American visit and peace offensive. Mr. Khrushchov who is capable of taking a long range view of developments, is very likely uneasy about the growth of Chinese power and population. When someone said to him in Moscow that with the rapid growth of the Chinese population an outlet could be found only in Siberia or Australia, Mr. Khrushchov quickly replied "I hope it will be Australia". (Page Mr. Menzies.) Western and neutral ambassadors have noted that the Chinese Ambassador

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does not appear to be on cordial personal terms with Mr. Khrushchov or other Soviet leaders. At public functions he pays his respects to the leaders and then fades into the background.

18. In spite of any differences which may exist between the two countries, most observers agree that both have so much to gain from their close alliance that for the present they will be able to overcome their difficulties and disagreements without a serious breach.

(C) Relations with Under-Developed or
Neutralist Countries Outside the Socialist Bloc

19. Although the international scene has been quieter this year than last, there has been no decrease in Soviet activity with respect to countries outside the bloc, particularly undeveloped and uncommitted countries. On the economic side, loans and credits have been granted to a number of countries, including the following:

Egypt	(December 27, 1958)	- 400 million roubles in connection with construction of the Aswan High Dam.
Iraq	(March 17, 1959)	- 550 million roubles.
Ethiopia	(July, 1959)	- 400 million roubles.
Guinea	(August, 1959)	- 140 million roubles.
India	(September, 1959)	- 1500 million roubles.

(1) The U.A.R.

20. The Middle East has been comparatively quiet during the year. Relations with the U.A.R., though much less close than during the previous two years, seem to have become stabilized on a lower note of friendship. President Nasser no longer uniformly abuses the imperialists and extols the Soviet Union. He has spoken sharply about Mr. Khrushchov's interference in internal Arab affairs. Mr. Khrushchov did not, however, retaliate. Economic aid on a substantial scale continues. Hence, whatever may be the differences between them, it appears that in his present position of dependence on the Soviet Union for economic aid, President Nasser will continue to adopt a reasonably friendly attitude towards the U.S.S.R. Mr. Khrushchov, for his part, is not likely to do anything which will push President Nasser into the arms of the Western Powers.

(2) Iraq

21. Relations with Iraq continue very friendly. They descended from the heights reached after the July 1958 revolution because of some degree of disenchantment over Kassem's ambiguous attitude to local communists. Towards the end of the year they no doubt improved with Kassem's more favourable attitude to communists since leaving the hospital. A loan of 550 million roubles was granted to Iraq in March.

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A very flattering message was sent to Kassem in November. Nevertheless, the U.S.S.R. is no doubt watching the situation carefully because of Kassem's tortuous course over the past eighteen months.

(3) Iran

22. Relations with Iran continue uneasy. Iran incurred the wrath of the Soviet Union because of its defence agreement with the U.S.A. The Soviet Union does not insist that Iran withdraw from CIENTO, but cannot stomach possible U.S. bases in Iran. With the return of the Soviet Ambassador to Iran several months ago it seemed for a time that a path to better relations was opening up. These hopes have not been realized and as the year ended relations were on the down grade, though still better than at the height of the crisis. Radio propaganda continues, but personal abuse of the Shah has ended.

(4) India

23. Relations with India continue to be excellent. During the course of the year India was able to make a favourable agreement with the Soviet Union about the use of the 1,500 million rouble credit granted earlier. More important still has been the Soviet attitude on the Chinese-Indian border dispute. For the first time that anyone can remember, the Soviet Union has scrupulously avoided taking sides in a dispute involving a major ally and communist state. The fact that the Soviet leaders have seen fit to take this attitude indicates the importance they attach to their relations with India and the high value they give to Indian influence among uncommitted Asian countries. The recent announcement of the visit of Mr. Voroshilov, accompanied by two important Soviet leaders, namely Mr. Kozlov and Madame Furtseva, is a further indication of the Soviet desire for friendship with India. The invitation was, it is understood, renewed after a hint from Mr. Voroshilov that he would like to make the visit which illness forced him to cancel early in 1959. Soviet leaders may have wished to counteract the effect of the Eisenhower visit on the Indian government and people. On the other hand, the Indian people, and even more important, the Chinese leaders, will probably see the visit as a demonstration of Soviet-Indian friendship at a time when negotiations with China may be in a critical state. As 1960 began it seemed likely that Mr. Khrushchov would accept Mr. Nehru's invitation to visit New Delhi on his way to Indonesia. This would be another friendly gesture.

II Canadian - Soviet Relations

(A) General

24. On such major questions as disarmament, Germany, Berlin and foreign bases, Canada's relations with the U.S.S.R. are of necessity intimately linked with those of our partners in NATO. It should be noted, however, that on some of these questions our views differ to some extent from those of certain of our Western friends. In particular, our expressed desire not to reject out-of-hand proposals put forward by the other side (the Rapacki plan, nuclear tests, disarmament,

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Berlin, etc.) and to be flexible in our consideration of them has distinguished us from some of our allies. This difference in emphasis is probably recognized to some extent by the Soviet Union, although their appraisal of our views has not resulted in any changes in our relations at an official level, nor in significant concessions with respect to concrete issues between us. Nonetheless, it has no doubt been responsible, at least in part, for their reasonably friendly attitude toward us and for the noticeable lack of vituperative attacks on the policies and motives of our Government, similar to those on other countries, large and small. A minor point is worth mentioning. The manner in which our approach to Mr. Khrushchov about a visit to Canada was made clearly left him with the impression that our invitation was reluctantly extended.

(B) Trade

25. Negotiations for the extension of the 1956 trade agreement between the Soviet Union and Canada were carried on in 1959, but agreement was not reached. The major Soviet objections to continuing the agreement in its previous form appear to be, first, that its terms were, in their view, "one sided" (that is, that they were obliged to buy goods at a fixed value from us, while we had no corresponding obligation to buy from them), and, second, that in point of fact Canada had not bought nearly as much from the U.S.S.R. as they had from us. The Soviet side has therefore argued that they can accept an obligation to buy \$25,000,000 worth of goods from us (one-half of which would be wheat - the equivalent of 200,000 tons - in the latest draft formulations which have been discussed) only if we buy goods to at least half that value from them. According to their proposal, if our purchases should amount to less than this figure (\$12,500,000) they would prorate their purchases from us accordingly, i.e., in a ratio of two to one. The contention of the Canadian side has been that, while we are willing to continue extending Most Favoured Nation treatment under a trade agreement, we cannot agree to quantitative guarantees. Accordingly, the most recent Canadian proposal (submitted November 4, 1959) included no commitment on Canada's part to purchases in a ratio of one to two, although it did spell out several measures which we would be prepared to take to foster Soviet sales in Canada. This proposal was answered in an aide mémoire handed us by the Soviet Minister of Foreign Trade on December 1, which in effect rejected the Canadian position as one-sided and not indicative of an interest in the "wide development of bilateral mutually advantageous trade with the Soviet Union". It also made plain that, if negotiations were to be resumed, they would have to be renewed on the basis of the latest Soviet proposals (September 9, 1959). Since December 1 no further move has been made by either the Canadian or Soviet sides, and at the time of writing it is understood that the Canadian position and other questions relating to trade with the Soviet Union are being re-examined in Ottawa.

(C) Exchanges

26. During the year a number of Soviet delegations and other groups have visited Canada for a variety of purposes, and a considerable number of private visitors and groups from Canada have been in the Soviet Union. A total of three hundred and seventy-five Canadian visitors registered at the Embassy. No doubt many more Canadians visited the Soviet Union during the year because some come to Moscow

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and do not register and others go to other parts of the Soviet Union without ever coming to Moscow or informing the Embassy of their presence. The largest delegation was one from the Canadian pulp and paper industry which spent three weeks in the Soviet Union. The only official delegation was one of Canadian scientists, headed by President Steacie of the National Research Council, whose visit resulted in an exchange of letters between the National Research Council and the Soviet Academy of Science providing for the exchange of research workers and lecturers in the field of science. No general agreement on exchanges has been concluded, although Soviet officials have on several occasions professed their strong desire to do so (and intimated wrongly that it was our fault that none had so far been reached). It appears they wish to conclude an agreement in general terms with us, whereas we would prefer an agreement which would list specific exchanges within a specified period of time along the lines of their agreement with the U.S.A.

27. Twenty-two Soviet groups visited Canada during the year 1959 as compared with twenty groups in 1958. There was, however a marked increase in the number of persons - three hundred and fifty in 1959 as compared with two hundred and fifty in 1958. (This number does not include Soviet Embassy personnel, diplomatic couriers and the like.) One hundred and forty-seven members of the Bolshoi Ballet were the largest single group. A more important group of seventy-four persons, headed by Mr. Mikoyan, visited Halifax in transit to Mexico. Other Soviet groups were for the most part of a technical or scientific nature. Soviet delegations attended a variety of conferences including a botanical conference, an aviation show, a hydro conference, a pediatrics conference and a meteorological conference. Other groups included a parliamentary delegation, a fishing delegation, a flour delegation and a delegation to the Pugwash Conference. In addition to the numbers given above, one hundred and thirty-three visas were granted in 1959 to the State Symphony Orchestra which is to visit Canada in 1960.

(D) Consular Relations

(1) Immigration

28. Although the number of immigration cases on our files has now risen to some 2,125, very few of these persons (about fifteen a year) have, in the past, received exit visas permitting them to go to Canada. On a number of occasions written representations have been made to the Foreign Ministry with respect to individual cases, but, generally, without much success. The Foreign Ministry has also been made aware in more general terms that it is difficult for the Canadian people to understand Soviet unwillingness to permit such persons to be united with their families in Canada. It is worth noting, however, that during the latter part of the year, from October to the end of December, the number of exit visas received has risen appreciably (27 in the last quarter of the year) without any special effort being made on our part. Although we hesitate to affirm that this fact reflects a more liberal policy on the part of the Soviet authorities towards immigration to Canada, it is worth reporting that some other friendly embassies in Moscow have noted the same phenomenon regarding immigration to their respective countries as well.

(2) Repatriation

29. Over forty family groups, totalling about ninety persons, have made application to the Embassy over the past three years for repatriation to Canada. They came to the Soviet Union with the intention of living here, some as a result of the return-to-the-homeland

movement and others perhaps because of a longing to return to their homeland. Now having seen what conditions are like in the Soviet Union, they wish to return to Canada. All are either Canadian citizens or long-time residents of Canada. The Soviet authorities (with good reason in some cases) claim that all are Soviet citizens. No one has been allowed to return to Canada despite numerous representations to the Foreign Ministry. (The Embassy has, under instructions, so far made formal representations to the Foreign Ministry on behalf of about ten family groups totalling some twenty-five persons.)

30. Though it has been frequently pointed out to the Soviet authorities that these cases, which are a constant source of friction, should be settled on humanitarian grounds irrespective of citizenship, the Soviet authorities invariably reply that the persons concerned are Soviet citizens and must be treated as such. Unless Soviet policy changes there is little prospect that further representations by the Embassy in Moscow or to the Soviet Embassy in Ottawa will result in the granting of exit visas to these persons. It would, however, be useful to impress upon the Soviet Embassy in Ottawa the serious view we take of these matters. Though we believe that there is little which can now be done for those who are in the Soviet Union, further cases might be prevented from arising if publicity were given in Canada to the fact that many of those who have come to the Soviet Union to live have found conditions intolerable and wished to return to Canada. Soviet authorities have consistently refused to permit them to do so.

31. The Soviet authorities for their part claim that they have two repatriation cases, namely the two Soviet seamen who deserted their ship in St. John's, Newfoundland in June 1959. Despite Canadian denials they maintain that these men are "forcibly held" by Canadian authorities and prevented from returning to the Soviet Union.

III Internal Questions

(A) General

32. There is no doubt that one of the most interesting, and in the long run important, problems concerning internal developments over the past year is the homely question whether the populace at large can be said to be any better off materially or in terms of day-to-day freedoms than they were a year ago. To begin with material comforts, it does seem, for example, that clothing has improved both in style and quality to a noticeable degree; housing is certainly better so far as the number of flats available is concerned, although the quality of building continues to leave a great deal to be desired; the quality and availability of foodstuffs have also improved somewhat, although continuing complaints on both counts suggest that there is a long way to go, especially in solving very important problems of distribution (the quality of prepared food is still very low except in - some observers would say even in - a very few restaurants in major cities). In brief, the Soviet authorities can probably be justly proud of having achieved a certain improvement in the standard of living of the people, but if they are at all frank with themselves they must recognize that the country is still a very long way indeed from "catching up and surpassing" even backward Western countries, not to mention the avowed goal of overtaking the United States.

33. It is of equal importance in answering the question whether life in the Soviet Union is in any sense "better" than it was a year ago, to ask whether the Soviet citizen can be said to have gained in the field of personal liberty. Although we perhaps cannot be said to have returned to the palmy days of the immediate post-war period or the months when the "Geneva spirit" was at its height, there is little question that there has been a steady advance in recent months (reaching a climax, for the time being at least, with the new "spirit of Camp David") toward a society which is less afraid of contact with foreigners and more willing to be outspoken when in their presence. It is questionable, however, to what extent these developments are indicative of increasing freedom, since the question of fraternization with foreigners is one which applies to such a very small percentage of the population. Diplomats and other foreigners are probably inclined to give it more significance than it is worth, since it is one of their very few points of contact with the Soviet Union outside of official pronouncements and conversations with officials. Much more important, and regrettably still very much limited, are the day-to-day liberties of the vast majority who do not see foreigners. To begin with, their freedom of movement is still very much confined where all are concerned, and in the case of that large percentage of the population employed on collective farms virtually non-existent, since such persons are not allowed to move at all without permission. On the question of direct police control, it has been stated more than once that the power of the "organs of state security" is being diminished, and it does in fact appear that a greater degree of freedom has been achieved. Nonetheless, the establishment of the new "people's militia" (druzhiniki), and other long-standing or newly-established controls of a social nature suggest that the reins are still held very tightly where the average citizen is concerned. The widely publicized educational reforms which are to take effect over a period of years will presumably result in a further curtailment of intellectual freedom since they will mean that the largest percentage of young people will be forced out to work, perhaps never to return to institutions of higher learning, before they have had a chance to reach a level of sophistication which might be dangerous to the state. There has been some evidence of a freer flow of information during the year, and suggestions from time to time that further relaxation may follow, particularly in literature and the arts, but the public pillorying of Boris Pasternak late in 1958 remains as an unpleasant reminder that this sort of "freedom" cannot be carried too far.

34. No discussion of the internal situation would be complete without some mention of the great influx of ideas from abroad which has taken place during the year. Beginning with the Polish section of the satellite art exhibition at the beginning of the year - and culminating in the Polish, Czechoslovak, and in particular the United States Exhibitions - many Soviet citizens must have found themselves amid a welter of strange ideas, the like of which they had seldom seen before. In terms of technical achievement and ability to put on a show, both the Poles and Czechs must have surprised the Russians and made them wonder to what extent they were the leaders of the Bloc, at least in consumer goods and the decorative arts. Whether the United States Exhibition was a "success" is a question which could be debated at great length, but in any event it is indisputable that the presence of an American outpost in the centre of Moscow over a six-week period must have made a considerable impression on Muscovites and others who had an opportunity to see it. It was plain to anyone who visited the Exhibition that the Russians there had at least been stirred up, and were arguing among themselves and with the American guides over the merits of the exhibits and of their opposing social systems. This possibility in itself would have been considered fanciful even a very short time ago.

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35. All the above factors suggest that, whatever the current rate of progress, the country has advanced to an extent which would make it difficult for the leadership to pull back. Nor is it likely that Mr. Khrushchov wishes to do so, at least for the present. He has hinted more than once that he sees himself as making his name by delivering some of the rewards for which Soviet citizens have laboured for so long. It may therefore be expected that he will continue his attempts, albeit very slowly, to increase their well-being. Whether he will succeed is another matter. There can be no question in the mind of anyone who has visited the Soviet provinces, or even Moscow, that he has an extraordinarily long way to go.

36. This cautionary note notwithstanding, mention should be made of the exuberance and confidence which are so clearly to be seen in the Soviet leaders and in the official press. Even with due discount made for the professional optimism, exaggerated boastfulness and hortatory tone of official Soviet pronouncements, the leadership appears genuinely proud of its achievements in the last year. Details of industrial and economic developments will be given later in this report, but mention should be made here of the scientific and technical developments which have understandably contributed greatly to Mr. Khrushchov's satisfaction with the year 1959. The most spectacular of these have been the Soviet achievements in outer space - three space rockets successfully launched: one put in orbit around the sun, the second landed on the moon, and the third circling the moon and photographing its hidden side. The Russians are also proud of having commissioned the world's first atomic ice-breaker, but the outer space successes probably did more than anything else to convince the world of the rapid pace of technical-scientific development in the Soviet Union. The impact of the successes is scarcely diminished by the knowledge that they have been achieved in part as a result of concentrated effort in a specific field, to the partial detriment of other fields of development. Indeed, this ability to concentrate effort is no doubt a source of satisfaction to Mr. Khrushchov and a contributing factor to his conviction that time is on the side of the socialist camp.

(B) Political Developments

(1) 21st Congress of the C.P.S.U.

37. Although it took place very early in the year, the 21st Congress of the C.P.S.U. was undoubtedly the major event of the period where internal developments are concerned. The main purpose of the Congress was to discuss and eventually to approve the seven-year plan (of which more below), but it was also the occasion of political developments of interest, particularly with respect to the "anti-party group". During the course of the meetings the alleged activities of the group were enlarged on in some detail, and its membership was increased to include Saburov and Pervukhin - or at least these two persons were closely associated with the others.

38. It emerged during the course of the Congress, when most major speakers condemned the group, that the main (officially admitted) grounds for their dismissal were "conservatism" and "dogmatism" in their opposition to "new and urgent tasks" which had been put forward by Khrushchov. In this context, they were accused of being "ossified bureaucrats", of having been guilty of "revisionism in reverse", and of having been "up to their necks in a bog of conservatism", in addition to other more particular crimes.

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39. During the Congress criticism on all sides appeared to be so strong that it was thought by some observers that more severe punishment was in store for the group. Public confessions by Pervukhin and Saburov (whose statement was never mentioned in the press here at the time, although it was eventually published in the stenographic report of the Congress) also lent further support to this opinion, but in the end the group seems to have been "let off" with a further public condemnation. Mikoyan's contention that they had been criticized solely in order to "prove once again" the harmful nature of their activities and the wisdom of the Central Committee and Khrushchov in putting them down is probably as adequate an explanation of the situation as we can expect in the circumstances. In any case, in more recent months criticism of the group has decreased markedly, and it now seems unlikely that further punishment will be inflicted on them unless some unforeseen and serious setback makes it necessary for Khrushchov to make use of them as scapegoats again.

(2) Changes in Personnel

40. Among the most significant political moves during the period has been the series of dismissals from the republic and regional party organizations which began late in 1958. Since that time shakeups among leading officials and dismissals from important posts have taken place in the Moscow and Novosibirsk regional party organizations and in republican party organizations in Turkmenistan, Uzbekistan, Kazakhstan, Kirgizstan and Latvia. There have also been dismissals from government posts in Georgia and Byelorussia. Though particular reasons for the dismissals obviously vary with the area concerned, they may be considered to fit into a general pattern which need not be interpreted entirely in political terms. Khrushchov has said on a number of occasions that purges both from party and managerial positions were needed not for political reasons but because management in many enterprises and sovnarkhozy was old-fashioned, slack, and guilty of "local tendencies", while party leaders were in many cases not doing enough to combat their shortcomings. It is evidently Khrushchov's view that the goals set down in the seven-year plan cannot be achieved in good time without increased efficiency and modernization on all fronts, and, accordingly, within the ranks of management and party workers charged with watching over their shortcomings. There are, however, some grounds for believing that an additional political reason for certain of the dismissals - particularly in Central Asia where a good part of the purge in republican party organizations has been concentrated - has been the desire on the part of the central leadership to combat nationalistic tendencies in these areas. It may be that this is to some extent tied in with the drive for efficiency, since a certain degree of "russification" is presumably necessary if a standardized and well-oiled machine is to be developed.

41. In addition to dismissals and reshufflings in local and republican party and government organizations, there have been a number of changes in central posts which are worthy of interest. Among others, we may cite the removal of General Serov from his post as head of the KGB (where he was replaced by A.I. Shelepin); the replacement of I.I. Kuzmin by A.N. Kosygin as Chairman of Gosplan; the transfer to other "responsible party work" of V.I. Semichastny, First Secretary of the Central Committee of the Komsomol; the replacement of M.D. Kovrigina as Minister of Health; the failure to reappoint A.S. Pavlenko, the former Minister of Electric Power Stations, when that Ministry was abolished; and the removal of Y.E. Maksarev from his post as Chairman of the State Scientific-Technical Committee and his replacement by K.D. Petukhov. While to some extent political reasons and the desire to increase efficiency may have been responsible for some of these changes, they should probably not be equated with the party and governmental dismissals

and demotions referred to above. In particular, there seems to be no reason to conclude that Serov was demoted, since he was not criticized publicly for his work and now is understood to have a responsible position in the Ministry of Defence.

(C) Economic Developments

(1) General

42. On the final day of the 21st Party Congress a resolution was adopted approving the "theses" and Khrushchov's report on the "Control Figures for the Development of the National Economy of the U.S.S.R. from 1959 to 1965". During the Congress all speakers had something to say about the plan, and in addition several dealt with a wide range of regional economic questions and special problems such as labour productivity.

43. Discussions of the seven-year plan at the Party Congress and in the "country-wide discussion" which preceded it resulted in very little by way of substantial changes in the figures as finally approved, although there were a few minor differences in absolute targets, for example the following:

	<u>Original Theses</u>	<u>Control Figures as Approved</u>
Coal (million tons)	596-609	600-612
Sugar beets (million tons)	70-78	76-84
Automatic and semi-automatic machine lines	250-271 sets	280-300 sets
Deliveries to the State of oil-bearing seeds	3.65 million tons	3.92 million tons

Despite these few changes it may safely be said that the plan had already been firmly laid down when it was originally published in 1958, and that it was not substantially changed either by the Congress or by "popular debate" on it.

44. The question whether the targets set down in the plan can be reached is of course of the greatest importance. On the basis of figures which have recently been made available, it is claimed that the industrial plan has been overfulfilled for 1959 (by 11.3% over 1958, as against the 7.7% increase called for in the plan). Despite the fact that there are some grounds for caution in assessing the significance of these figures - for example, the practice of overpricing new products, which tends to inflate the rouble value of the "gross industrial output" - there seems to be little doubt that the first year of the plan has been a success where industry is concerned.

45. So far as the longer term is concerned, goals which have been set for industrial development do not appear to be unrealistic or unattainable. In many areas of the economy they do not demand a faster rate of growth than has been attained in recent years and in those sectors in which they do (e.g., the chemical industry) provision has been made for increased investment. The plan is not intended to depend for its fulfillment on a substantially increased labour force (which will presumably

not be available) but on increases in the productivity of the existing labour force, which are to be achieved by increasing the individual worker's efficiency and by technological improvements, the chief of which is to be automation. Although there may be some reason to think that the leadership is overoptimistic about its ability to bring about extensive automation as rapidly and efficiently as it is hoped, given investment sufficient for technological advances and attention to new methods of planning, rationalizing and economizing, there is no real cause for doubt that the industrial targets can be met. That the investment factor has been taken into account is apparent from the fact that in industry it is to be twice as great as in the last seven years, with most of it being devoted to improvements in technology which will increase labour productivity.

46. The agricultural goals will be more difficult to realize. In the first place, they are most ambitious. As examples, the grain crop is to see rises of the order of 300%; meat production was to be doubled under the plan to something over 16 million tons and is now to be increased as a result of discussion at the December 1959 Plenum by a further 4-5 million tons in order to catch up to the USA in per capita output by the end of the seven-year plan. As is the case in industry, most of this increase is to be achieved by increased productivity without a significant increase in the rural labour force. But at the same time state aid to agriculture is to be reduced, with the collective farmers apparently making up the difference - plus whatever extra is necessary - from their profits. Furthermore, particularly where the planned grain increases are concerned, the targets are vulnerable in their dependence on good crop years. Grain procurements this year have fallen 626 million poods below last year's record of 3,471,000,000 poods, and are under the average for the last four years. The gross harvest of wheat has suffered in a comparable manner. The basic objection to the agricultural goals lies in the fact that a great increase is expected, but no radically new proposals have been put forward (even at the December Plenum) which will ensure its achievement. Hard work, certain technical developments (such as the change from extensive to intensive methods of farming to make existing land more productive), and good luck will all be required in liberal measure if hoped for results are to be achieved or even approximated.

(2) December Plenum: Agriculture

47. The Plenum of the Central Committee of the C.P.S.U. on agricultural questions, which was held from December 22 to 25, was concerned in large measure with the results of the 1959 harvest in various areas of the country (of which more below) and measures for increasing output to a level which would guarantee the fulfillment or overfulfillment of the seven-year plan targets. So far as the current agricultural situation is concerned, discussion at the Plenum suggested that the results of the first year of the seven-year plan had not been satisfactory. It is of course normal for a Party Plenum to be the occasion of a good deal of criticism and self-criticism, but the admissions made by a number of speakers and the comments on their shortcomings offered by Mr. Khrushchov at the latest Central Committee meeting suggest an added measure of dissatisfaction with this year's crop and methods employed for harvesting it. Certainly Mr. Khrushchov's attack on Mr. Belyaev (a member of the Central Committee and First Secretary of the Kazakh Party) for "organizational" and other failures in Kazakhstan indicated considerable concern about shortcomings in that area, as did similar though less scathing criticisms of other regions and regional leaders.

48. In their consideration of agricultural questions, various speakers, including Mr. Khrushchov, offered a number of suggestions for improving the agricultural situation, including the further sowing of new lands; the replacement of low-yield crops by high-yield ones; increased planting of maize (particularly for fodder); the downward revision of prices for certain agricultural products; the establishment of control commissions on state farms; increased attention to improving technology and technical training; and numerous other recommendations. As is often the case, many of the recommendations set down in the resolution adopted by the Plenum and suggestions offered by speakers were not given in sufficient detail, and as a result we shall have to await further information before their meaning will be entirely clear. In any case, although certain specific changes are no doubt in the offing, the theme adopted in many contexts at the Plenum was that existing conditions were sufficient to provide for an upsurge, and, accordingly, that increased effort along present lines, rather than radical innovations, was what was needed to increase agricultural output.

49. One of the most interesting questions arising out of the Plenum concerns its effects on the agricultural population. It would appear from references to downward revision of prices for certain products, revised payment rates for agricultural workers, the necessity of holding farmers' incomes to the level of the industrial worker, etc., that the agricultural workers' income will not continue to rise and may decline significantly. At the same time, the raising of targets (for example in meat production) will mean that they must work harder to ensure increased output; and references to improvements in organization, increased propaganda, the extension of control commissions to state farms, etc., suggest that their affairs will be even more vulnerable to the meddling of farm and party officials than is the case now. On the other hand, it should be noted that no specific steps were taken to reduce the individual peasant's private holdings, and it was suggested that help would be forthcoming from the state in attaining a large construction programme in the countryside.

(3) June Plenum: Organization, Control & Technology

50. Frequent mention has been made above of the role of technological development in the timely fulfillment of the goals set down in the seven-year plan. Almost the entire discussion at the June Plenum of the Central Committee of the Party was devoted to the important questions of improved organization, automation and other technical advances involved in "further broadening industrial production and construction, raising the quality of output, and lowering the cost of production and construction". All speakers at the Plenum, including Khrushchov himself, made it plain that technological advances would play a decisive role in achieving the increased productivity necessary for the fulfillment of the plan, but it was also recognized that the human element would remain an important factor. Evidently with this in mind, Khrushchov himself emphasized in his speech to the Plenum that men working in industry must be controlled and supervised, particularly as automation makes their responsibilities greater. In a similar vein, he observed that supervision and control of economic regions would become more important as their autonomy increased, since the only way to prevent excessive local self-interest would be through intensified Party control.

51. Both improved technology and increased worker efficiency will also be important in ensuring the success of the changes in wage-hour regulations which are in the process of being implemented. A decree published on September 20 set out new regulations "on time limits for completing the introduction of shorter hours and improving the wage system" of factory and office workers throughout the national economy. The changes are to be established in various trades and regions of the country on a staggered schedule extending from 1959 to 1962. It is evident from the language of the decision itself and from comments on it which have appeared in the press that there is no intention of letting the new regulations interfere with planned increases in productivity, which "must unquestionably be fulfilled", and that the main means for ensuring that it will are the two factors discussed above, technological advances and increased efficiency through reorganization and control.

52. The mention made above of increased Party control raises another question which has received considerable attention in the Soviet press in recent months. One of the important by-products of Khrushchov's criticism of management at the June Plenum was a decree establishing Party Control Commissions under primary Party organizations in all industrial and commercial enterprises in the U.S.S.R. The decree was later extended by the resolution of the December Plenum on agriculture to include "the primary party organizations of state farms".

53. The new commissions are to be distinguished from the older Commission of Soviet Control (formerly the Ministry of State Control) which is a Government not a Party agency, and has the responsibility of supervising the expenditure of Government funds and the fulfillment of Government decisions. It has controllers in important enterprises who have the right of access to records and the power to enforce decisions by means of fines and dismissals. However, although the distinction between the two organs is necessary in theory, it is difficult to support in practice, since the new control organs will apparently perform much the same functions as the Commission, although their powers will not be as great. What the relations between the two will be is difficult to predict. The new commissions will, the press informs us, provide "control from below" rather than "from above" as does the Commission of Soviet Control. According to the decree, they will not be allowed to "alter or issue any administrative orders, since this would be a breach of the principle of one-man management", but they will have the right to investigate all facets of the work of the enterprise and to recommend changes to the Party committee. Thus, whatever the extent of their theoretical powers, they will be an obvious additional thorn in the side of managers who are already harassed to no small extent by inspectors of one kind and another.

54. The importance attached both to improved technology and increased party control were exemplified in the closing months of the year in two Central Committee "letters" calling upon all Soviet citizens to use electrical power and non-ferrous metals as thriftily as possible. In the letter dealing with electric power (published November 26) it was made plain that although satisfactory progress was being made in increasing power production, further work was needed, especially in making certain that power was not wasted, if the goals of the seven-year plan were to be met. To this end, the letter concluded, it would be necessary to raise technical standards in order to combat waste; to set up "commissions ... of communists and active workers" to watch over the use of power; and to implement a comprehensive propaganda campaign designed to persuade all workers of the

importance of the rational consumption of power. The second Central Committee letter, published on December 22, made a number of similar points with respect to the consumption of non-ferrous metals which are in short supply, again recommending technological changes to promote savings in the use of these metals, commissions to "keep an eye on their economic consumption", and a programme of "educational work" to convince the worker of the importance of savings in this area.

(4) Seven-Year Plan: First Year Results

55. A number of developments during 1959 which are relevant to the realization of the regime's longer term goals have been discussed above, and it now remains to consider in somewhat greater detail progress achieved during the first year of the seven-year plan itself. As we have already mentioned above, the gross industrial output for the first eleven months of 1959 increased by 11.3% over the corresponding period for 1958, an increase which exceeds by 3.6% the rise called for under the plan. With the exception of automobiles (including buses and passenger cars), tractors, locomotives and other railway equipment (e.g., freight cars), and certain items of chemical equipment, figures released for the first three-quarters of 1959 (the latest available at the time of writing) suggest that the plan has been fulfilled or over-fulfilled in most important areas of industry and, in varying degrees, in all Republics of the Union. Both the size of the labour force and the level of labour productivity also increased with respect to 1958.

56. The construction of new housing has continued at a rapid rate, with over 80 million square metres having been built during 1959 (according to Mr. Khrushchov) "in cities and workers' communities", or the equivalent of "more than 2,200,000 modern flats". In addition it is claimed that "farmers and village intellectuals have built some 850,000 homes for themselves". From these and similar figures it may be inferred, as we have already suggested above, that the plan has got off to a successful start during the first year so far as results in industry and housing are concerned. In the consumer goods field, a considerable increase in general retail turnover has been claimed. The decree of October 16 on consumer goods and the degree of attention being paid the subject in the press suggests that fairly constant increases will probably be maintained during the current year. But heavy industry will continue, as hitherto, to receive priority in development.

57. As we have already indicated above the results for the first year of the plan in agriculture are much less satisfactory. A detailed breakdown of the agricultural output in all areas is not available, but such figures as have been given clearly suggest that the harvest has been unsatisfactory in most areas, with the exception of cotton. The grain harvest has been particularly disappointing in comparison with last year's record crop. The figures already given above for grain purchases during 1959 indicate a decrease of some 17% from 1958, and (on the basis of partial figures only) the gross grain harvest is estimated at approximately 115 million tons, exclusive of post harvest losses, compared to the 1958 crop of 141.5 million tons. According to information given by speakers at the Plenum, both the RSFSR and Kazakhstan failed to fulfill their delivery quotas for grain, although the crop was said to have been good in Kazakhstan (the failure to bring in a successful harvest being accounted for by the "organizational failures" for which Mr. Belyaev was attacked at the Plenum). According to the First Secretary of the Ukraine Party (N.V. Podgorny) sales to the state were 17 million poods above the plan for

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that Republic, but the figure of 450.3 million poods which he gave for deliveries is still some 150 million poods below last year. Nonetheless, the achievement in the Ukraine is one of the few bright spots in an otherwise unsatisfactory year, and was something of a surprise to some observers, in view of severe drought conditions in the area.

58. The cotton crop has been much more successful and the final figure of 4,669,000 tons announced at the December Plenum amounts to an all-time record. While the reports to date have on the whole continued to avoid providing figures for the country as a whole on corn, sugar beets, vegetables, fruits, all of which must to some extent have been adversely affected by the drought, in the case of processed sugar at least, a very high output has been claimed.

59. It was also made public at the Plenum that "the state purchase targets have been topped with regard to all livestock products". In particular, it was asserted that the Soviet Union would produce 62 million tons of milk during 1959, a figure which was claimed to be "over 5 million tons more than the gross milk output in the United States". The announcement that 845,000 tons of butter produced in the Soviet Union during 1959 meant that the country had surpassed the United States in per capita production (4 kilograms to 3.7) must have been a further cause for satisfaction on Mr. Khrushchov's part. On the other side, however, there is no doubt considerable force in the view that the poor harvest this year will be reflected in fodder shortages which will make more difficult an achievement the increases in livestock products which have been planned for the coming year.

(5) Conclusions

60. As a postscript to the brief review of industrial and agricultural achievements during 1959 which has been given above, it should be made clear that it would be mistaken to use results achieved this year as a basis for predictions about the fulfillment or non-fulfillment of the seven-year plan as a whole. In industry, increases in 1959 over 1958 have been higher than those which would need to be maintained in order to achieve plan targets, but the impression which they produce must be tempered by the realization that the plan is still only just underway and that if difficulties are to be encountered in meeting its goals, they are likely to be more apparent later in its course than at this time. So far as agriculture is concerned 1959 must be adjudged a poor beginning to the seven-year plan. Again, however, it is impossible to predict with any accuracy the likelihood of good harvests over the next six years, on which the success of the plan as a whole will rest, except insofar as one may observe that the targets are probably based on a general over-optimism about the possibility of good fortune with weather and similar factors throughout the period.

M o s c o w
January 7, 1960

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ANNEX

SOVIET UNION

CHRONOLOGY OF EVENTS, 1959

- January 2: The USSR sends up its first moon rocket which will become a satellite of the sun.
- January 3: The USSR and Indonesia sign an economic agreement.
- January 4: Creation of All-Union Ministry of Construction of Electric Power Stations.
- January 4-20: Visit of Mikoyan to the USA.
- January 7: Departure from Moscow of the King of Afghanistan, who arrived on December 31, 1958. During his visit a limited economic agreement was reached.
- January 10: In notes to Britain, France, and the USA, the USSR proposed a conference of 28 nations to draw up a German peace treaty.
- January 15-22: Population census (preliminary result announced on May 10 gives total Soviet population as 208 million).
- January 22-23: Mr. Khrushchov and President Kekkonen of Finland meet in Leningrad to normalize Finno-Soviet relations.
- January 27-February 5: XXIst (Extraordinary) Congress of the CPSU - "Congress of the Builders of Communism" - summoned to ratify the control figures of the 1959-65 seven-year plan.
- February 11: Pravda reports the signing on February 7 of a treaty between the USSR and China for economic and technical co-operation.
- February 12: Mr. Khrushchov visits Ryazan.
- February 16: In reply to the Soviet note of January 10, Britain, France, Federal Germany, and the USA proposed a four-Power conference of Foreign Ministers.
- February 24-26: IVth Plenum of the Social Committee of the Komsomol, held to discuss the practical execution of the resolutions of the XXIst Congress on the seven-year plan and the 1958 Law on the Reform of the Educational System.
- February 21-March 3: Mr. Harold Macmillan, British Prime Minister, visits the USSR. During his visit, Mr. Macmillan speaks on Soviet television.
- February 24: During Mr. Macmillan's visit, Mr. Khrushchov delivers a speech to his "electors" which surprises his guests by its vehemence.
- March 2: The Soviet Government is informed by the Iranian Government that the latter no longer considers valid articles 5 and 6 of the 1921 Soviet-Iranian Treaty.

In a note to the Western Powers, the USSR agreed

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to a Foreign Minister's Conference on Germany, but suggested that Poland and Czechoslovakia also participate in the meeting.

March 3:

The press announces the formation of (a) the State Committee of the Council of Ministers for Automation and Machine Building; (b) the State Scientific and Economic Council of the Council of Ministers.

March 7:

In Leipzig (DDR), Mr. Khrushchov denied that the date of May 27 is intended as a deadline for the USSR to turn over its occupation functions in Germany to the DDR Government.

March 8:

The Soviet Union settles a long-standing war claim with the American Company DuPont de Nemours and pays the latter \$1,500,000.

March 9:

During a visit to East Berlin, Mr. Khrushchov had a talk with Eric Ollenhauer, Chairman of the West German Social Democratic Party.

March 10:

Joint Party Government decree on the "participation of workers in the preservation of public order", approving the formation of volunteer peoples brigades (druzhenniki).

March 11:

The Soviet Union and the DDR pledged themselves to arrive at a German peace treaty as soon as possible.

March 15:

An unofficial Soviet delegation, directed by Mikhail Suslov, visits Britain for talks with Labour members of the House of Commons.

In its reply to the Iranian Government, the USSR says that it considers its non-aggressions treaty with Iran in full force, despite the Iranian denunciation of certain of its clauses. The USSR also accuses Iran of lending its territory to foreign powers hostile to the USSR.

The First Secretary of the Uzbekistan CP is demoted for "serious shortcomings and mistakes".

March 16:

At a reception in honour of an Iraqi delegation, Mr. Khrushchov said that President Nasser's anti-Communist policy was "doomed to failure".

The USSR and Iraq announced the signing of an agreement by which the USSR pledged long-term economic and technical assistance to Iraq.

March 17:

Australia and the USSR agree to resume diplomatic relations after a severance of five years.

March 19:

At a news conference, Mr. Khrushchov said he accepted in advance the proposal to hold a foreign ministers' conference on May 11 but insisted that talks should be confined to Berlin and Germany.

March 20:

A.N. Kosygin appointed Chairman of the Gosplan.

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- March 23-27: XIIIth All-Union Congress of Trade Unions approves slight changes in the Trade Union constitution and mobilizes workers for the campaign to over-fulfil the seven-year plan.
- March 25: On his way back from an Asian tour, Mr. Dag Hammarskjöld stopped over in Moscow for a two-day visit.
- March 26: In notes to the Soviet Government, the Western Powers suggested a Foreign Ministers' Conference for May 11.
- March 27: The Soviet press reports that Mr. Khrushchov declared to the All-German Workers' Conference at Leipzig, on March 7, that the "reunification of Germany would be unrealistic today".
- The Soviet Small Encyclopedia rehabilitates 10 victims of the 1930 purges.
- March 29: In a long TASS statement published on the eve of NATO's 10th Anniversary, the Soviet Government repeated its demand that the NATO countries sign a non-aggression pact with countries of the Warsaw Treaty.
- April 1: The Soviet Union formally accepts the Western Powers' proposal to hold a Foreign Ministers' Conference on May 11.
- April 13: The three-Power Conference on the discontinuance of nuclear weapons tests resumes talks at Geneva.
- April 14-16: 1st Session of the Supreme Soviet of the RSFSR discussed educational reorganization and appointed Ignatov Chairman of the Praesidium.
- April 16: The Soviet press announces that measures have been taken to ensure that "the salary of a scientists will depend more on his qualifications and on the result of his work".
- April 17-18: Constituent Conference of the Union of Sport Societies and Organizations of the USSR.
- April 23: The Soviet Union announced a meeting of the Foreign Ministers of the Warsaw Pact countries in Warsaw to draft plans for the Geneva Conference.
- In a note handed to the American Ambassador in Moscow, the Soviet Government charged that, by arming the Bundeswehr, the USA are "violating the terms framed by the Allies at the time of the surrender of Nazi Germany".
- May 11: Foreign Ministers' Conference opens in Geneva. Both East and West Germany are admitted as observers.
- May 11-16: Mr. Khrushchov tours Byelorussia, the Ukraine and Moldavia, and begins a campaign to increase productivity of labour in Soviet agriculture.

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- May 18-23: IIIrd Congress of the Union of Soviet writers. Mr. Khrushchov's allocution to the Congress implies a moderate relaxation in the official attitude towards literature.
- May 19: "Partinnaya Jizin" warns provincial communitis not to lose "Bolshevik modesty" and not to try to rule single-handed or to surround themselves with a chosen "clique".
- May 22: Mr. Khrushchov tells the German Ambassador in Moscow that if no agreement is reached at Geneva, he would sign a separate peace treaty with East Germany.
- During the Soviet Writers' Congress in Moscow, sharp complaints are raised against "rosy literature", made to please the public but which is artistically worthless.
- May 25: Mr. Khrushchov begins a twelve-day visit of Albania.
- May 26: Aleksei I. Adzhubei, son-in-law of Mr. Khrushchov, is named Editor-in-Chief of Izvestia. He was formerly with Komsomolskaya Pravda.
- During his Albanian visit, Mr. Khrushchov proposes to establish a "zone of peace" in the Balkans and the Mediterranean, but threatens to put up missile bases in Albania if the USA puts some in Greece and Italy.
- May 31: In a speech in Albania, Mr. Khrushchov warned the West that, if attacked, the USSR would hit back so hard that the West would never recover.
- June 4: Cutting short his visit to Albania, Mr. Khrushchov visits Budapest unexpectedly.
- June 5: In a message to the ILO, Mr. Khrushchov said that the ILO was not doing all it should to promote "better understanding among representatives of all countries, irrespective of their social and economic systems".
- June 9: Back in Moscow, Mr. Khrushchov meets with Otto Gotewohl and Walter Ulbricht of East Germany; all three report "complete unanimity of view" on the question of Germany and Berlin.
- June 20: The Geneva Foreign Ministers' Conference adjourns until July 13. Izvestia writes that a "good basis for agreement" between East and West has been laid at Geneva.
- June 24-29: Plenum of the Central Committee discusses the mechanization of industry and organizational questions arising from the decisions of the XXith Congress to accelerate technical progress.
- Frol R. Kozlov, First Deputy Premier of the USSR, flies to New York to open the Soviet Exhibition there.

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In a statement handed to press correspondents in Moscow, Mr. Gromyko stated that "one of the most important successes" of the Geneva conference was that the Western powers had been forced to recognize the "de facto" existence of East Germany.

June 29-July 13: Visit to the USSR of Hailé-Sélassié, Emperor of Ethiopia.

June 30: The Central Committee has given Soviet economic leaders strict orders to increase productivity, cut costs and widespread waste and to give workers better pay.

July 1: During his USA visit, Mr. Kozlov had a long meeting with President Eisenhower.

July 13: The Foreign Ministers' Conference resumes in Geneva.

July 14: Mr. Khrushchov arrives in Warsaw for a one-week visit of Poland.

July 16: In Sosnowiec, Poland, Mr. Khrushchov gave his "solemn pledge" that the Soviet Union would "never, never, never start a war". He added that the capitalists were now "wiser" and would not either.

July 17: In Stettin, Mr. Khrushchov charged that the West is plotting to make Scandinavia a decoy for Soviet atomic bombs in case of war.

July 20: In identical notes to the Swedish, Danish and Norwegian Embassies in Moscow, the Soviet Union called off a visit by Mr. Khrushchov to Scandinavia which was scheduled to start August 9. The visit was cancelled because of the "anti-Soviet feelings prevailing in these three countries".

July 21: In a speech to Polish farmers near Poznan, Mr. Khrushchov said that the USSR has found communes are the wrong way to start on the road to socialization.

July 23: Vice-President and Mrs. Nixon arrive in Moscow to open the American Exhibition, on July 24.

August 2: At the end of his trip in the USSR Mr. Nixon says that Mr. Khrushchov should visit the USA shortly. He then flies to Warsaw where he is enthusiastically received.

August 5: In a press conference at the Kremlin, Mr. Khrushchov discusses the Berlin and German problems and his forthcoming trip to the USA.

August 9: In a letter published by Izvestia, Nikolai Semyonov, Vice-President of the Soviet Academy of Sciences, urged the reorganization of scientific work. He proposed that the heads of institutes be given much broader powers over the financing of research and top priority on orders for new equipment.

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- August 10: Mr. Khrushchov declared that the Soviet Union would not be the first nation to resume tests of nuclear weapons.
- August 17: The Soviet Union accused Laos of violating her neutrality by permitting the USA to establish a military base there.
- August 24: Eduards K. Berklaivs, Deputy Premier of Latvia, has been ousted for having put Latvian interests above those of the Soviet Union.
- August 27: In a letter to Chancellor Adenauer delivered on August 19 and published today, Mr. Khrushchov insisted that Soviet-German relations have now reached a crucial stage.
- August 28: The Soviet Union announced that it would not resume nuclear tests if the West likewise refrained.
- September 1: "World Peace Day" attracts but little publicity in the Soviet press.
- September 4: Premier Cyrankiewicz, accompanied by Mr. Khrushchov, opens the Polish Industrial Exhibition.
- September 12: First sea-going trials of the ice-breaker, Lenin.

The USSR sends up its second moon rocket which will reach it on the 14th.
- September 14: Soviet cosmic rocket, launched on September 12, reaches the moon.
- September 15: Mr. Khrushchov and Mrs. Khrushchov leave for the USA.
- September 18: Speaking at the General Assembly of the United Nations in New York, Mr. Khrushchov presents the Soviet plan for complete and universal disarmament.
- September 20: Publication of joint decree of Party, Government and Trade Unions on the progressive introduction of a shorter working day and a new wage structure.

Publication of decree on the entry of qualified workers to higher educational establishments, supported by scholarships from their employer organizations.
- September 26: Mr. Khrushchov returns to Moscow and leaves for Peking the next day.
- October 4: The USSR launches an "interplanetary station" on the second anniversary of the launching of the first sputnik. It will go around the moon and photograph its unknown side.
- October 5-10: Mr. Khrushchov, returning from China, visits and makes major speeches in Vladivostock, Bratsk, Krasnoyarsk and Novosibirsk.

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- October 5-15: Visit to the USSR of Dr. Schaerf, President of Austria.
- October 15: Press announcement of Yudin's replacement as Ambassador to China by Chervonenko.
- October 19-25: Mr. Khrushchov spends a week's vacation in Rumania.
- October 20-22: VIth Plenum of the Komsomol Central Committee.
TASS publishes brief communiqué on the Langelle incident.
- October 23: Publication of draft law on increasing role of society in its struggle with infringements of the law.
- October 24: Publication of draft law on the functions of Comrades Courts and Juvenile Courts.
- October 27: First photograph published of the other side of the moon.
- October 27-31: IIIrd Session of the Supreme Soviet discusses and approves the 1960 industrial plans and budget, and laws on the budgetary rights of Union Republics and the procedure for recall of deputies by their constituents. Mr. Khrushchov addresses the Supreme Soviet on the international situation on October 31.
- November 4: The press claims the world air speed record for the Soviet Union (mean speed of 2,388 kilometres an hour).
- November 6: Academician Varga receives Order of Lenin on his 80th birthday.
- November 12-14: First All-Union Congress of the Union of Journalists.
- November 19-27: Visit to the USSR of Sekou Touré, President of Guinea.
- November 24-26: IIInd Session of the Supreme Soviet of the RSFSR. Ignatov is replaced as Chairman of the Praesidium to return to his work in the Central Committee. (See Note of April 14-16.)
- November 26-28: All-Union conference on electrical power construction discusses economies in the use of electrical power and in power station construction.
- November 29: Mr. Khrushchov and Mme. Khrushchov arrived in Budapest to attend the seventh congress of the Hungarian Communist Party.
- December 1: Speaking in Budapest, Mr. Khrushchov declared that an accord on an East-West summit meeting had practically been reached, that the USSR had enough rockets to destroy all its foes, and that disarmament should be solved along with the Berlin question.

The Soviet Union and Britain signed an agreement on the expansion of cultural exchanges which foreshadowed the end of Soviet jamming of the BBC.

- December 2: Speaking at Ganz, Mawag, Hungary, Mr. Khrushchov defended Soviet intervention in Hungary in 1956 but admitted that none of his colleagues at the time had opposed his decision to use Soviet military might to crush the revolt.
- December 11: The Soviet Union has decreed a new formula for bonuses; the largest rewards will henceforth go to enterprises and to workers who drive down production costs.
- The USSR and the USA asked the Political Committee of the General Assembly to approve their proposal for the establishment of a permanent United Nations committee to regulate the uses of outer space.
- December 14: It is reported that the members of the Communist bloc have signed an agreement for convertibility of their national currencies within the bloc.
- The Soviet Union offered in Geneva a "compromise package solution" for the negotiation of a treaty banning nuclear weapons tests.
- December 21: The leaders of the USA, Great Britain and France invited Mr. Khrushchov to meet them in Paris on April 27, 1960.
- December 23: Izvestia called "disastrous and unrealistic" the West's intention to maintain the status quo in Berlin at the coming summit.
- December 24: The USSR and the USA will resume negotiations in Washington on January 11, 1960 for a settlement of the Soviet lend-lease debt contracted during the Second World War.
- December 25: Mr. Khrushchov announced that he is ready to go to a summit meeting in Paris but proposed the date of May 4, 1960 instead of April 27.
- December 26: The Soviet Union has agreed to resume the exchange of scientists between the Russian and American expeditions in Antarctica.
- December 27: According to the Soviet press, Mr. Khrushchov would insist on talking about his total disarmament plan at the Paris summit meeting.
- December 29: The Western Powers formally proposed May 16, 1960 as the date of the Paris summit meeting.
- President Eisenhower announced today that the United States was reserving the right to resume the testing of nuclear weapons after January 1, 1960.

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JIB BRIEF NO: 12

COPY NO: 3 OF 16

8 February 1960.

INTELLIGENCE BRIEF

PREPARED FOR:

J.I.C.

BY:

J.I.B.

SUBJECT:

Khrushchov's Tour of South and Southeast Asia

SOURCE:

Press

DATELINE OF REPORT:

7 February 1960

1. Khrushchov is expected to leave Moscow this week to begin his goodwill tour of South and Southeast Asia. He will return to the USSR early in March. His itinerary includes visits to four countries, India, Burma, Indonesia and Afghanistan. Khrushchov will be accompanied by Foreign Minister Gromyko, chairman of the State Committee for Foreign Economic Relations Skachkov, Cultural Minister Mikhailov and G. Zhukov, in charge of overseas cultural relations.

2. Additional economic assistance will probably be offered to some or all of the countries visited. India has recently accepted a \$375 million credit from the USSR for use during its Third Five-Year Plan (1961-65), but the latter credit together with prospective Western aid may not be sufficient to cover all of India's projected aid requirements during this period. Burma has cancelled several of its Soviet-assisted public building projects. In spite of its stated preference for grant aid, however, Burma might prove receptive to a new Soviet credit if it were intended for projects which would directly add to the productive capacity of the country. Neither Indonesia nor Afghanistan have fully expended existing Soviet credits, but a substantial part has been obligated for specific projects. Indonesia, in particular, might prove receptive to an offer of additional credit.

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Mr. R. McGibbon	12 and 13
File	14 to 16

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IN REPLY PLEASE QUOTE

NO. CSC 6-2 (JIC)

Department of National Defence

JOINT INTELLIGENCE COMMITTEE

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MEMORANDUM FOR THE JIC:

27

TASS Announcement - Pacific Firings

12 FEB 1960

1. Enclosed for information is a copy of a note dated 8 Jan 60 from the Ministry of Foreign Affairs of the USSR to the Embassy of Canada, Moscow and attachment thereto covering the TASS announcement of Friday, 8 Jan 60.

Enc.

GPH/2-5459/lc

CC: CCOS

CB NRC

JIS (3)

SO/JIR

SO/CI

Chairman, EIWG

Chairman, CMIWG

I.A. McPhee
(I.A. McPhee)
Commander, RCN,
Secretary.

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C O P Y

MINISTRY OF FOREIGN AFFAIRS

No. 6/2E

The Ministry of Foreign Affairs of the USSR presents its compliments to the Embassy of Canada and has the honour to forward the TASS announcement of January 8, 1960.

The Ministry would be very much obliged to the Embassy if the latter would inform the Canadian Government of the contents of the announcement.

Moscow, January 8, 1960

TO THE CANADIAN EMBASSY

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C O P Y

Friday, Jan 8, 1960

TASS ANNOUNCEMENT

On the basis of advances made in the Soviet Union in exploring outer space by means of ballistic rockets, Soviet scientists and designers, in conformity with research plans, are working on the development of a more powerful rocket for launching heavy Earth satellites and space probes to planets of the solar system.

In order to develop such a rocket with a high flight accuracy, within the next few months of 1960 such rockets minus their last stage will be launched to the central part of the Pacific Ocean removed from the lanes of intensive shipping, and flying and fishing areas.

The penultimate stages of the rockets are expected to fall in the area delimited by the following coordinates:

<u>Latitude</u>	<u>Longitude</u>
9° 06 min. North	170° 47 min. West
10° 22 " "	168° 22 " "
6° 16 " "	166° 16 " "
5° 03 " "	168° 40 " "

Special ships of the Soviet fleet will be sent to the aforementioned area to carry out the necessary measurements.

The first rockets will be launched approximately between January 15 and February 15, 1960.

In order to ensure shipping and flying safety during the launching of rockets to the central Pacific, TASS had been authorized to announce that the Government of the Soviet Union is asking the governments of countries whose ships and aircraft may find themselves during that period near the area where the penultimate stages of the rockets are expected to fall to instruct through the appropriate authorities ship captains and head pilots not to enter the area of the aquatorium and the air space of the Pacific Ocean delimited by coordinate specified in the present announcement.

(All papers. In full)

001485

BEST AVAILABLE COPY DEPARTMENT OF EXTERNAL AFFAIRS

MEMORANDUM

TO: DEFENCE LIAISON (1) DIVISION *fel*

Security CONFIDENTIAL

Date February 1, 1960

FROM: DEFENCE LIAISON (2) DIVISION

File No.

50028-B-40

REFERENCE:

28

SUBJECT: RUSSIAN ACTIVITIES IN THE ARCTIC

This refers to a recent conversation between Mr. Tovell and Mr. Hart concerning the proposed creation of a Canadian Information Centre which would deal with Russian activities in the Arctic. The memorandum prepared by the Department of Northern Affairs on this subject for submission to the Advisory Committee on Northern Development (flagged on attached file) was considered by the Joint Intelligence Committee on January 20, 1960. The views of the JIC on this memorandum are contained in the attached letter, prepared for the signature of the Coordinator, Joint Staff, which states that the Department of National Defence would not derive "any substantial benefit from the proposal to have all available information in a central place".

2. For my part, I fail to understand the reasons behind the initiative taken by the Department of Northern Affairs in this matter. It should be clear to all Departments concerned that the Joint Intelligence Bureau possesses the characteristics of the proposed new centre. The nomenclature of the subjects with which the new body would deal appears to correspond almost exactly with the breakdown of JIB's responsibilities with regard to Russian activities in the Arctic, except, perhaps for

CIRCULATION

cc: European

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- 2 -

certain scientific aspects of those activities. There is available in the JIB library as well as in JIB files a wealth of information material on all phases of northern development in the Soviet Union. While much of this information is of highly sensitive nature and may only receive limited distribution, I am not sure that JIB's resources have been sufficiently exploited by government departments and agencies interested in northern development. It should also be realised that the Joint Intelligence Bureau, which has a staff of well-trained specialists, particularly in the fields of geography and economics, is quite capable of collating and analyzing the information which may be required by government departments on Soviet activities in the North.

A handwritten signature in dark ink, appearing to be 'D. L. S.', is written above the typed name.

Defence Liaison (2) Division

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SUBSTANCE OF A REPLY FROM CO-ORDINATOR JOINT STAFF TO
THE ADVISORY COMMITTEE ON NORTHERN DEVELOPMENT -
MEMORANDUM CONCERNING RUSSIAN ACTIVITIES IN THE ARCTIC

The Northern part of the Soviet Union is of great importance from the point of view of national security. As you know, the Defence Department collects and exploits all available unclassified information on that area. The results of this exploitation are made available to all the Departments represented on the Advisory Committee through the publication by JIB of extracts from the Soviet press. There is also very extensive classified information on this area from a variety of very sensitive sources.

The Department of National Defence would not derive any substantial benefit from the proposal to have all available information in a central place. Because we find it necessary to use classified and unclassified information in the closest possible way, it will be necessary for DND to continue to collect and to exploit for its purposes the same range of unclassified material as at present. We will of course continue to make available to all interested Departments the same type of information as is at present provided.

(January 22, 1960)

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EXCERPT FROM MINUTES OF THE 734TH
MEETING OF THE JOINT INTELLIGENCE COMMITTEE
Held on Wednesday January 27 1960 at 0930 hours

50028-B-40

X XIV. RUSSIAN ACTIVITIES IN THE ARCTIC

(RESTRICTED)

25. The Chairman referred to Item X of the Minutes of the 733rd meeting and advised the Committee that the Advisory Council on Northern Affairs would now meet in mid-February.

(OSC 2106-1 (JIC))

26. The Committee noted the Chairman's remarks.

EXCERPT FROM MINUTES OF THE 734TH MEETING OF THE JOINT INTELLIGENCE COMMITTEE
HELD ON WEDNESDAY JANUARY 27 1960 AT 0930 HOURS

CONFIDENTIAL

50028 B-40
58

IV. USSR - PREMIER KHRUSHCHEV'S SPEECH
OF 14 JAN 60

(CONFIDENTIAL)

4. The Committee considered a message from JICLO(W) WX 38 dated 26 Jan 60 and instructed the Secretary to ask JICLO(W) the source upon which US authorities base their consideration of Khrushchev's statement regarding a "fantastic" new weapon now under development. It would appear that the context in which this subject was being considered by US authorities is at variance with the context of the draft available to the JIC.

(CSC 7-17 (JIC))

ACTION: Secretary

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FILE

DEPARTMENT OF EXTERNAL AFFAIRS, CANADA

OUTGOING MESSAGE

Orig 50028 B-540

FM: EXTERNAL OTTAWA	DATE	FILE		SECURITY	
	JAN27 1 9 6 0	50028-B-40		CONF.D.	
TO: EMBASSY WASHINGTON	NUMBER		PRECEDENCE		COMCENTRE USE ONLY
	DS- 10		PRIORITY		
INFO:					

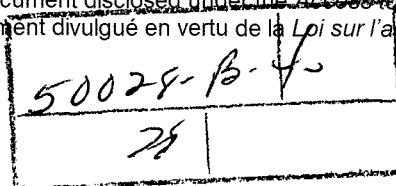
Ref.:
Subject: RELEASE OF OFFICIAL HYDROGRAPHIC CHARTS

ACCORDING TO REPORTS RECEIVED BY THE DEPARTMENT OF
NORTHERN AFFAIRS AND RESOURCES, THE USA GOVERNMENT HAS RECENTLY
REMOVED ALL RESTRICTIONS ON THE RELEASE TO THE PUBLIC OF OFFICIAL
HYDROGRAPHIC CHARTS. WE SHOULD BE GRATEFUL TO KNOW WHETHER THE
USA AUTHORITIES CONCERNED ARE IN A POSITION TO CONFIRM THESE
REPORTS AND, IF SO, TO GIVE US A LIST OF THE CATEGORIES OF
CHARTS WHICH ARE NOW IN THE PUBLIC DOMAIN.

LOCAL
DISTRIBUTION

ORIGINATOR	DIVISION	PHONE	APPROVED BY
SIG..... NAME..... J. DUPUIS/cb..	D.L. (2)	2-0552	SIG..... NAME..... A. F. HART

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SUBSTANCE OF A REPLY FROM CO-ORDINATOR JOINT STAFF TO
THE ADVISORY COMMITTEE ON NORTHERN DEVELOPMENT -
MEMORANDUM CONCERNING RUSSIAN ACTIVITIES IN THE ARCTIC

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File
The Department of National Defence would not derive any substantial benefit from the proposal to have all available information in a central place. Because we find it necessary to use classified and unclassified information in the closest possible way, it will be necessary for DND to continue to collect and to exploit for its purposes the same range of unclassified material as at present. We will of course continue to make available to all interested Departments the same type of information as is at present provided.

Mr. Dupuis

Mr. Brown telephoned me.
Above to me on Friday afternoon in order that we might
bring the Departmental representative (Mr. Towell) to the
A.C.N.D. meeting to-day. I spoke to Towell who
(January 22, 1960)
told me that the meeting had been postponed until
the middle of February. Mr. Towell said that he had
submitted wishes from Langhorne on this problem. I
think he should get a note from his Division asking
support for the JIC position as above. R. St. John

001492

R E S T R I C T E D

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EXCERPT FROM MINUTES OF THE
733rd MEETING OF THE JOINT
INTELLIGENCE COMMITTEE HELD
20 JANUARY, 1960

50028-B-40

X. RUSSIAN ACTIVITIES IN THE ARCTIC

(RESTRICTED)

22. The Committee gave further consideration to a memorandum from the Coordinator, Joint Staff requesting JIC comment on a memorandum dated 9 Dec 59 from the Department of Northern Affairs and National Resources regarding the establishment of a central source of information about Russian activities in the northern portion of the USSR.

(CSC 2106-1 (JIC) of 23 Dec 59, Item VII, 730th meeting)

23. JIB informed the Committee that he had given great thought to this matter and had discussed it with certain officials of the Department of Northern Affairs and that he was still not quite clear just what the Advisory Committee on Northern Development had in mind. The Joint Intelligence Bureau had done a great deal of work on this matter since 1952, both in Canada and with certain allied authorities.

24. Much of this information had been made available to other Canadian Departments.

25. There was a firm requirement for the Department of National Defence to continue to work independently in this matter and he proposed that the Department of Northern Affairs and National Resources should be informed that the Department of National Defence will continue to make known the results of work undertaken to various other Government Departments.

26. The Chairman expressed the view that the Department of Northern Affairs and National Resources should be informed clearly that the Department of National Defence had a great deal of classified information on the Soviet Arctic which must be retained within the Department.

27. After discussion, the Committee agreed that JIB should draft a suitable reply to the Coordinator, Joint Staff's memorandum of 17 Dec 59 which would convey the views of the Committee as brought out in the discussion.

ACTION: JIB
Secretary.

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For file on
500 28-B-40
JOINT INTELLIGENCE COMMITTEE

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

SECRET
US/UK/CANADIAN EYES ONLY

C O P Y

18 January, 1960 Ottawa, Ontario

MEMORANDUM FOR THE JIC:

SOVIET INTERDICTION OF ALLIED COMMUNICATIONS
PART III - DEPLOYMENT AND USE OF SOVIET
CAPABILITIES

Reference is made to the Minutes of the 796th meeting of JIC, Item V.

2. Attached are copies of draft comments on UK JIC (59)54 (Part III) on the above subject.
3. Members will recall that para. 13 of the UK paper was referred to the JTC for comment. The JTC's reply is also attached for information, and appropriate parts of the reply have been incorporated in the draft comments.
4. This matter will be discussed at the meeting of the Committee to be held on 25 January, 1961.

(SGD) (E.A. Blais)
Major,
Secretary.

Att.

EAB/2-5459/cp

cc: CJS
JIS (2)
SOJIR
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D R A F T

SECRET
US/UK/CANADIAN EYES ONLY

Canadian JIC Comments on UK JIC (59) 54 (Part III)
(Soviet Interdiction of Allied Telecommunications -
Deployment and Use of Soviet Capabilities)

(Para references to UK Paper).

Our main comments on this paper concern the treatment of the physical destruction of communications systems, including both the interdiction of submarine cables (para 6) and the sabotage of facilities on land (paras 7 and 16). While we agree that these are possible forms of attack on allied telecommunications, we think some reservations should be mentioned concerning the likelihood of such operations under many of the circumstances under which global war might break out.

Para 6, first 2 sentences - We question whether these operations would be comparatively easy under many circumstances. They would not be easy in winter under conditions of storm, ice and darkness. The problems of coordination, timing and control would not be easy under many circumstances. Consideration of Soviet interdiction of Allied communications is relevant mainly or only to the case where the Soviet Union carried out the initial nuclear strike. The object of interdiction would be to reduce the effectiveness of the Western alerting and launching of their nuclear forces. Timing and coordination are therefore of paramount importance, since premature attacks on communications systems would prejudice surprise, while delay in interrupting communications would greatly reduce the usefulness of the operations. The difficulties of such coordination and timing under different circumstances should be indicated. The necessary coordination would be possible and the time to deploy forces would be available in the case of a deliberate attack preceded by a period of detailed and careful planning, but we do not consider that these are the circumstances under which any future global war is likely to break out in the foreseeable future. In a hastily prepared attack, such as preemptive attack in a time of rising tension or the unplanned extension of a local dispute, it would be doubtful in many cases if there would be time to deploy the necessary surface or submarine forces or to arrange sabotage on allied territory, and to achieve the necessary coordination.

Para 6, last 2 sentences - We agree that these two sentences are correct statements, but they are not the essence of the question of the security of these operations. Operations such as these, in support of the initial Soviet nuclear strike, would only be undertaken if they carried with them very little risk of compromising surprise. These operations probably would not be undertaken on the basis of a possibility that the West would not be alerted in time; these operations are only likely if there were virtually no likelihood that the West would be alerted. The Soviet planners would be unlikely to conclude that the latter was the case.

Paras 7 and 16 - The same considerations of coordination, timing and security apply to sabotage as to interdiction of cables. For these reasons, and because we regard the Soviet capability for such sabotage at the outbreak of war as being very limited at present, we consider sabotage of communications in Canada in the initial hours of a nuclear attack unlikely.

There has to date been no evidence that Canadian Communists, Communist sympathizers, or Canadians recruited by the Soviet bloc intelligence services have received sabotage training or are considering the formation of sabotage groups. It is possible, of course, that Soviet bloc nationals have been, or will be, planted in Canada solely for sabotage in the event of war. However, it is very unlikely that Soviet directed sabotage would be carried out in Canada immediately before the initial nuclear exchange of a global war, since the Soviet leaders would not wish to compromise surprise and would be most unlikely to divulge to Soviet bloc nationals in Canada or to Canadian

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- 2 -

SECRET
US/UK/CANADIAN EYES ONLY

Communists the date and time of the initial nuclear attack. Extensive sabotage is also unlikely during the initial nuclear exchange as potential saboteurs would not be informed and therefore prepared beforehand. As the majority of the members of the Communist Party of Canada and of Soviet bloc officials in Canada live in cities which are likely to be targets of any Soviet nuclear air attack they would also be likely, during this phase, to be primarily concerned with self-preservation.

Para 9 - We note that the paper omits any mention of the possible disruption of long range VLF communications. With the advent of the Polaris-equipped submarines this form of radio communication, which is inherently difficult to jam, would constitute a most important interdiction target.

Para 14 - In-beam jamming by Soviet surface vessels or aircraft present the same difficulties of coordination, timing and security as the cutting of cables. This operation therefore considered unlikely under most circumstances.

Conclusions: Para 2 - For the reasons given above do not agree the form of Conclusions 2(c) and 2(g) and reference to cables in 2(a).

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Canadian JTC Comments on UK JIC (59) 54 (Part III)
(Soviet Interdiction of Allied Telecommunications -
Deployment and Use of Soviet Capabilities

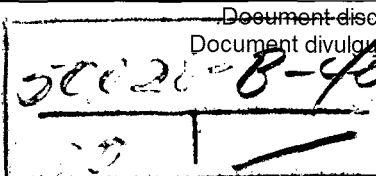
...The JTC agrees with the UK view that "intensive jamming of selected links of high strategic importance would seem to be the most likely Soviet course of action". This spot method of jamming will result in least disruption to Soviet operations because:

- (a) Knowledge of the frequencies which they will jam permits the Soviet to choose frequencies which will be relatively unaffected for their own operations.
- (b) Soviet circuits which might be adversely affected by their own jamming are located in areas (in West Russia) which are least dependent upon radio communications.

Reverting to para (a) above, it is suggested that it would be worthwhile to carry out a detailed numerical study of the frequencies involved. Such a study might suggest certain adjustments in our frequency plans, possibly to move certain of our frequencies closer to the Soviets' so as to make it more difficult for them to remain immune to their own jamming. At the same time, however, it should not be assumed that a Soviet jamming signal or ours will always be just that; ways and means are being devised to permit the use of one's own jamming signal for one's own communications.

Finally, it is noted that the UK paper omits any mention of the possible disruption of long range VLF communications. Perhaps the omission was intentional but, with the advent of the Polaris-equipped submarines, surely this form of radio communications which is inherently difficult to jam would constitute a most important interdiction target and should therefore be included in the study...

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Handwritten signature and initials

CONFIDENTIAL
JIB BRIEF NO: 4
COPY NO: 3 OF 16
15 January 1960

INTELLIGENCE BRIEF

PREPARED FOR: C.C.O.S.
BY: J.I.B.
SUBJECT: Agricultural Issues Revealed at Party Plenum
SOURCE: Press
DATELINE OF REPORT: 29 December 1959.

ITEM AND COMMENT:

1. The Central Committee of the Communist Party of the Soviet Union met in Moscow on 22-26 December 1959 to consider agricultural questions, the most important of which was the recent poor harvest.
2. No figure for total grain production has been revealed but it is estimated to have been 15 to 20 per cent below the record harvest of 141 million tons in 1958, or about 115 million tons. State procurement of grain in 1959 is said to have been 46.6 million tons, compared with 57.3 million tons in 1958.
3. Khrushchev, while admitting that weather had something to do with the poor harvest, publicly abused Belyayev, party leader in Kazakhstan, for incompetence in organizing the harvest. Whether Belyayev will be replaced in Kazakhstan and removed from the central party presidium is not known.
4. The Plenum instructed Gosplan to draw up a fertilizer production plan and to work out plans within a month for speeding up sowing and harvesting operations on farms. It charged the presidium of the party to study the form of administering collective farms.
5. These resolutions suggest that agriculture will be the subject of further meetings in the near future, since agricultural performance in the first year of the Seven Year Plan fell far below Soviet expectations.

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RCMP	11
Mr. McGibbon	12 and 13
File	14 - 16

RESTRICTED

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EXCERPT FROM MINUTES OF THE 732ND
MEETING OF THE JOINT INTELLIGENCE COMMITTEE
HELD ON WEDNESDAY JANUARY 13 1960 AT 0930 HOURS

50028-B-40
58

IX. RUSSIAN ACTIVITIES IN THE ARCTIC

(RESTRICTED)

35. The Committee deferred discussion of this item until the meeting of the Committee to be held on 20 Jan 60.

(CSC 2106-1 (JIC))

ACTION: Secretary

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Classification: CONFIDENTIAL

Date: 13 Jan 60

Number 138 (Revised)

INTELLIGENCE BRIEF

Prepared for

: CGS/CCOS

By

: DMI

Subject

: Reorganization of Soviet Security Apparatus

Source

: Soviet Press, ACSI and CIA

Evaluation

: A 2

Dateline of report

: 30 Nov 59

50028-B-40
90

ITEM

1. New State Security (KGB) chiefs have been appointed in six, possibly seven, republics of the USSR during the past three months according to the Soviet press. The changes occurred in KAZAKHSTAN, TURKMENISTAN, AZERBAIJAN, MOLDAVIA, LITHUANIA and possibly ESTONIA.

COMMENT

2. Although these changes may be part of a general reorganization of the state security apparatus by the new Chairman of the Committee of State Security (KGB), ALEKSANDR N SHELEPIN to place his own men in key posts, a more plausible explanation is that they are the result of the Soviet Government's anxiety over the persistence and increase of nationalist feeling over the past year.

3. According to statements by MOSCOW Radio "backward citizens of the USSR" are resisting the introduction of the Russian language, culture and customs. This fact, according to the same source, can only be explained by the existence of traces of nationalism, which are doing "considerable harm to the common cause". Difficulties of this kind are believed to exist in ESTONIA, where the leaders of the Central Committee of the local Communist Party recently criticized the shortcomings and errors which have been observed in the training and work of Party collective institutions, and where the KGB chief is rumoured to have been replaced.

4. Revolution of nationalism in MOLDAVIA were made at a plenary session of the Central Committee of the MOLDAVIAN Communist Party on September 22 and 23 and are believed, in large part, to be related to upheavals among the political personalities which have taken place in MOLDAVIA during the past year. This situation has had its parallel in LATVIA, where the Deputy Premier was dismissed last summer for "narrow nationalism", in KAZAKHSTAN, LITHUANIA, UZBEKISTAN, TURKMENISTAN and GEORGIA.

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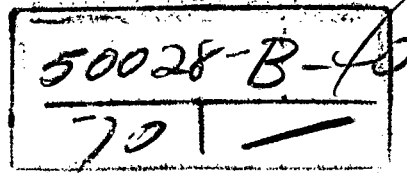
5. In KAZAKHSTAN, there have also been rumours of worker unrest and even strikes and civil disturbances near KARAGANDA during September which may have required intervention by the armed forces. These events are probably at least a partial cause of the replacement of the KAZAKH KGB chief on Oct 10 and the dismissal of the Minister of Internal Affairs.

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File (MI-8)

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UNCLASSIFIED

JIB BRIEF NO: 3

COPY NO: 3 OF 16

11 January 1960.

INTELLIGENCE BRIEF

PREPARED FOR: C.C.O.S.
BY: J.I.B.
SUBJECT: Start of Construction of Railway North from
Polunochmoyo
SOURCE: Press
DATELINE OF REPORT: 28 November 1959.

ITEM:

1. Construction has begun on the rail line from Polunochmoyo to Nary'-Kary on the Ob river where a transshipment base is to be built. The first section, about 30 kms long, to Pershino, on the river Lozva, has been completed and construction of a bridge at this point is well under way.

COMMENT:

2. This is the start of construction of the proposed link which is to connect the Sverdlovsk railway system east of the Urals with the Pechora line at Labytnangi.

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Mr. R. McGibbon	12 and 13
File	14 - 16

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DEPARTMENT OF EXTERNAL AFFAIRS

MEMORANDUM

Economic I/M.A.Crowe/smp

TO: D.L. (2) Division

Security RESTRICTED

Date January 8, 1960

FROM: Economic Division I

File No.		
50028-B-40		
58	✓	✓

REFERENCE:

SUBJECT: Convertibility of Soviet Bloc Currencies

--
Enclosed is a copy of an enquiry we have sent to some of our missions. Perhaps you might be able to take up the same enquiry through intelligence channels, particularly with the CIA.

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*2. Had not
to you
Jan. 12/60
yes - enquiries
to Govt + Blackwell
GSM
Jan 28.*

O.E. Stoner
Economic Division I

CIRCULATION

BEST AVAILABLE COPY DEPARTMENT OF EXTERNAL AFFAIRS, CANADA

NUMBERED LETTER

Economic I/M.A.Crowe/smp

To: ~~The Canadian Embassy, MOSCOW~~

Security: ~~RESTRICTED~~

No.: ~~ET~~

Date: ~~January 7, 1960~~

Enclosures:

Air or Surface Mail:

COURIER

Post File No.:

Ottawa File No.

From: THE UNDER-SECRETARY OF STATE FOR
EXTERNAL AFFAIRS, OTTAWA, CANADA.

Reference:

Subject: ~~Convertibility of Soviet Bloc~~
~~Currencies~~

References

The New York Times of December 15 carried a brief item based on a report in Rude Pravo to the effect that members of the Soviet bloc have signed an agreement for convertibility of national currencies within the bloc.

2. We should be glad for any further details and interpretation of this development you may be able to obtain.

(SIGNED) O. G. STONER
FOR THE

Under-Secretary of State
for External Affairs

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D.L.(2)

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to Posts

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DEPARTMENT OF EXTERNAL AFFAIRS, CANADA

(DUPLICATE)

NUMBERED LETTER

Economic I/M.A.Crowe/smp

To: The Canadian Legation, WARSAW

Security: RESTRICTED

No.: ET

From: THE UNDER-SECRETARY OF STATE FOR
EXTERNAL AFFAIRS, OTTAWA, CANADA.

Date: JANUARY 7, 1960

Enclosures:

Reference:

Air or Surface Mail: COURIER

Subject: Convertibility of Soviet Bloc
Currencies

Post File No.:

Ottawa File No.

References

The New York Times of December 15 carried a brief item based on a report in Rude Pravo to the effect that members of the Soviet bloc have signed an agreement for convertibility of national currencies within the bloc.

2. We should be glad for any further details and interpretation of this development you may be able to obtain.

(SIGNED) O. G. STONER
FOR THE

Under-Secretary of State
for External Affairs

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DEPARTMENT OF EXTERNAL AFFAIRS, CANADA

(DUPLICATE)

NUMBERED LETTER

Economic I/M.A.Crowe/smp

To: ~~The Canadian Legation, PRAGUE~~Security: ~~RESTRICTED~~No.: ~~ET~~From: THE UNDER-SECRETARY OF STATE FOR
EXTERNAL AFFAIRS, OTTAWA, CANADA.Date: ~~January 7, 1960~~

Enclosures:

Reference:

Air or Surface Mail: ~~COURIER~~Subject: ~~Convertibility of Soviet Bloc Currencies~~

Post File No.:

Ottawa File No.

References

The New York Times of December 15 carried a brief item based on a report in Rude Pravo to the effect that members of the Soviet bloc have signed an agreement for convertibility of national currencies within the bloc.

2. We should be glad for any further details and interpretation of this development you may be able to obtain.

(SIGNED) TONER
FOR THE

Under-Secretary of State
for External Affairs

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EXCERPT FROM MINUTES OF THE
731st MEETING OF THE JOINT INTELLIGENCE COMMITTEE
HELD ON WEDNESDAY JANUARY 6 AT 0930 HOURS

50028-B-40
58

X V. RUSSIAN ACTIVITIES IN THE ARCTIC

(RESTRICTED)

7. The Committee agreed to defer discussion of this item until the meeting of the Committee to be held on 13 Jan 60.

(CSC 2106-1 (JIC))

ACTION: Secretary

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Department of National Defence

JOINT INTELLIGENCE COMMITTEE

IN REPLY PLEASE QUOTE

NO. CC 1374-5 (JIC)

RESTRICTED

5 Jan 60

50028-B-40	
58	52

95

J.K. Starnes, Esq.,
Dept. of External Affairs.

DNI
DMI
DAI
DSI
JIB

Logistical Meeting at SHAPE Dealing with the Railway Net in the USSR

1. Reference is made to memorandum on the above file dated 11 Dec 59 on the above subject.
2. Enclosed for information is a copy of SHAPE document AG 0470/1 INTEL dated 24 Dec 59 on this subject.

Enc.

GPH/2-5459/1c

cc: CB NRC

(Signature)
(I.A. McPhee)
Commander, RCN,
Secretary.

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IN REPLY PLEASE QUOTE
NO. CC 1374-1 (JIC)

Department of National Defence

JOINT INTELLIGENCE COMMITTEE

SECRET

50028-B-40	
58	50

5 Jan 60

96

MEMORANDUM FOR THE JIC:

Studies on Soviet Bloc War Potential -
The Diesel Engine in the Economy of the
Soviet Bloc

6 JAN 1960

1. Enclosed for information is a copy of SHAPE document
AG 0100/1 INTEL dated 19 Dec 59 on this subject.

Enc.

GPH/2-5459/1c

cc: CB NRC (w/o attachment)
JIS (3) " "
SO/JIR " "
SO/CI " "

(I.A. McPhee)
Commander, RCN,
Secretary.

001509

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50028-B-40
58

**EXCERPT FROM MINUTES OF THE 730TH MEETING
OF THE JOINT INTELLIGENCE COMMITTEE
HELD ON TUESDAY 29 DECEMBER 1959 AT 0930 HOURS**

X VII. RUSSIAN ACTIVITIES IN THE ARCTIC

(RESTRICTED)

11. The Committee had before them a memorandum from the Coordinator, Joint Staff requesting JIC comment on a memorandum dated 9 Dec 59 from the Department of Northern Affairs and National Resources regarding the establishment of a central source of information about Russian activities in the northern portion of the USSR.

(CSC 2106-1 (JIC) of 23 Dec 59)

12. JIB proposed that consideration of this matter be deferred for one week to enable his Directorate to produce a paper in the form of a draft letter to the CJS for consideration by the Committee at the meeting to be held 6 Jan 60.

13. DSI expressed some doubt that the JIC could make a useful contribution in the context of the letter from the Department of Northern Affairs and National Resources.

14. After discussion, the Committee agreed to the proposals put forward by JIB.

ACTION: JIB
Secretary

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DEPARTMENT OF EXTERNAL AFFAIRS
INTELLIGENCE BRIEF

50028-B-40

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CONFIDENTIAL

To: CGS/CCOS No: 138/79/59
Source: Soviet Press, ACSI and CIA Date: December 28, 1959
Subject: Reorganization of Soviet Security Apparatus

ITEM

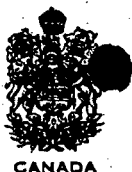
New State Security (KGB) chiefs have been appointed in six, possibly seven, republics of the USSR during the past three months according to the Soviet press. The changes occurred in KAZAKHSTAN, TURKMENISTAN, AZERBAIJAN, MOLDAVIA, BELORUSSIA, LITHUANIA, and possibly ESTONIA.

COMMENT

Although these changes may be part of a larger drive by the new Head of the Soviet Security Forces to place his own candidates in key posts, they seem to follow, and are believed to be a reflection of, the Soviet Government's real concern with increasing signs of national patriotism over the past year.

Most recently, revelations of nationalism in MOLDAVIA were made at a plenary session of the Central Committee of the Moldavian Communist Party of September 22 and 23 and are believed, in large part, to be related to upheavals among the political personalities which have taken place in Moldavia during the past year. This situation has had its parallel in recent months in Latvia, where the Deputy Premier was dismissed last summer for "narrow nationalism", in Kazakhstan, Lithuania, Uzbekistan, Turkmania, Azerbaijan and Georgia.

In Kazakhstan there have also been a number of recent reports of strikes or similar disorders near Karaganda at the end of September which may have required intervention by the armed forces. These events are probably also related at least in part to the replacement of the Kazakh KGB chief on October 10 and the dismissal of the Minister of Internal Affairs.



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28 DEC 1959

Department of National Defence

JOINT INTELLIGENCE COMMITTEE

IN REPLY PLEASE QUOTE

No. CSC 9-27 (JIC)

50028-B	40
58	50

24 Dec 59

MEMORANDUM FOR THE JIC:Information Provided by Mr. G.G. Serkau

1. Enclosed for information is a copy of a memorandum dated 18 Dec 59 from the Executive Assistant to the Minister of National Defence containing an extract from a letter which the Minister has received from one of his colleagues in the Cabinet.

Enc.

GPH/2-5459/1c

cc: CCOS

CB NRC

JIS (3)

SO/JIR

SO/CI

Secretary, JSWPC

for

I.A. McPhee
Commander, RCN,
Secretary.

C O P Y

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OFFICE OF THE MINISTER OF NATIONAL DEFENCE

December 18, 1959.

MEMORANDUM

TO: Secretary,
Joint Intelligence Committee

The following is an extract from a letter which the Minister has received from one of his Colleagues in the Cabinet:

"On Friday afternoon last a Mr. G.G. Serkau came in to see me. He is President of the Foreign Traders Company of Canada and his business address, or residence (I am not sure which), is 3625 Ridgewood Avenue, Montreal, P.Q. Mr. Serkau informed me that he was born in Saskatchewan and is, I presume, of Slavic origin. He states that he made seven trips to Russia, the first of them in 1932, and as a result made a considerable number of contacts in Russia.

"Mr. Serkau tells me that some time ago he received a telephone call from a Pole who was on a visit to the United States, telling him that one of his former acquaintances, a Russian named Ivanovf, had asked this Pole to tell Serkau that the Russians were experimenting with a herbicide, or some such agent, which would kill all crops. Serkau says that this information was communicated to the Department of Justice and two members of the R.C.M.P. subsequently visited him.

"Serkau states that a few days ago he received a telephone call from another Pole, named Adamski, whom he does not know, giving another message from Ivanovf to the effect that the Russians had perfected a catalytic-type herbicide in the form of a powder, which could be seeded into clouds, would have a very wide distribution and gradually settle down and destroy all vegetation.

"I am sending this information on to you for what it is worth, as I have no knowledge whatever of Serkau's background of reliability."

The above is passed to you for information and any further action considered appropriate.

Richard H.N. Roberts,
Executive Assistant.

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24 DEC 1959

Department of National Defence

JOINT INTELLIGENCE COMMITTEE

RESTRICTED

IN REPLY PLEASE QUOTE
NO. CSC 2106-1 (JIC)

23 Dec 59.

50028-B-40	
58	50

Aug. Farmer.
MEMORANDUM FOR THE JIC:

RUSSIAN ACTIVITIES IN THE ARCTIC

Enclosures: (1) letter under file CSC 2106-1 dated 17 Dec 59 and attachment thereto from the CCOS to the Chairman, JIC.

The attached enclosure is forwarded for consideration and will be discussed at the meeting of the Committee to be held on 29 Dec 59.

Att.

GPH/2-5459/cp

cc: CJS
CB NRC
JIS (3)
SO/JIR
SO/CI

I.A. McPhee
(I.A. McPhee)
Commander, RCN,
Secretary.

C O P Y

CSC 2106-1

BEST AVAILABLE COPY

RESTRICTED

DEPARTMENT OF NATIONAL DEFENCE

JOINT STAFF

17 Dec 59.

Chairman JIC

Russian Activities in the Arctic

1. The attached document ND 293 suggesting the collection, in a central place, of information about Russian activities in the northern portion of the USSR was given preliminary consideration at a meeting of the Advisory Committee on Northern Development held on 14 Dec 59. It was generally agreed at this meeting that the proposal should be given further study to determine whether its implementation would be feasible and whether this would serve a useful purpose.
2. It would be appreciated if the JIC would comment on the proposal by 21 Jan 60.

(Sgd) (R.C. Weston)
Air Commodore,
for Chairman, Chiefs of Staff.

C O P Y

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ND-293

BEST AVAILABLE COPY

MEMORANDUM FOR THE ADVISORY COMMITTEE ON NORTHERN DEVELOPMENT;

RUSSIAN ACTIVITIES IN THE ARCTIC

It has been suggested that it would be useful to various government departments to have in a central place information about Russian activities in the northern portion of the U.S.S.R. This would deal with transportation, communications, community planning, agricultural and industrial development, scientific research, and so on.

Admittedly much information is already collected by various government agencies and private research institutions. The Joint Intelligence Bureau publishes extracts from the Soviet press on a variety of subjects (not always dealing with the Soviet north), and an annual report "Economic Aspects of the Soviet North". Both these documents are extremely useful. The National Research Council and the Defence Research Board are two other agencies which assemble material on physical sciences and related fields. Other government departments most likely collect some Russian information in line with their respective interests.

The Arctic Institute of North America has made some attempts to build up information material in this line but has not been able to do so extensively because of a lack of personnel and finances. As far as is known no other private agency or university in Canada has specialized in this field. However, there are certain university scientists who have a considerable knowledge of the Soviet north. At some of the American universities such as Harvard, institutes of Russian studies have been set up and many Soviet publications have been collected.

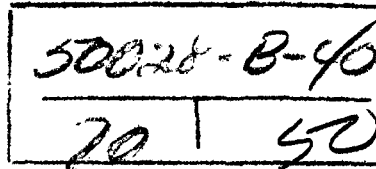
It is proposed that the existing data be brought together in a document prepared by the Secretariat and tabled annually at the Committee. Evidently such a document could not hope to go into details but would indicate the source and location of original reports. In addition the Northern Affairs Library, part of the Secretary's office, would be the repository for some of the reports themselves. The documents would be organized under a series of headings and would contain short abstracts of any available information along with a bibliography.

Obviously such an undertaking is a difficult and complex one to achieve, more so because the Soviets do not use the same system of reporting in scientific and trade journals. However, if the Committee agrees that this suggestion is a desirable one the Secretariat will ascertain what material is available and prepare a sample format. At the same time some indication could be given as to whether this annual review will be reasonably possible to accomplish and serve a useful purpose.

V.F. Valentine,
Acting Secretary.

Department of Northern Affairs
and National Resources,
December 9, 1959.

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RESTRICTED

Our File:
50028-B-40

Ottawa, December 22, 1959

Secretary, Joint Intelligence Committee,
Department of National Defence,
Room 4441, "A" Building,
O t t a w a .

Soviet Activities in the Arctic

-- I am attaching copy of a letter dated
December 17, 1959 from Air Commodore R.C. Weston,
Co-ordinator, Joint Staff, on the above-mentioned
subject.

I would be grateful if you would circulate
this letter to members of the JIC and place the
matter on the agenda of an early meeting.

A. F. HART

for J. K. Starnes
Chairman
Joint Intelligence Committee

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DEPARTMENT OF EXTERNAL AFFAIRS

MEMORANDUM

TO: DEFENCE LIAISON (1) DIVISION

Security CONFIDENTIAL

Date December 18/59

FROM: EUROPEAN DIVISION

File No.

50028-B-40

REFERENCE: Your memorandum of December 16.

28

SUBJECT: Russian Activities in the Arctic.

c.c. 9054-D-40 5

The sources of information available to this Division on Soviet Arctic development are the following:

- (a) The Soviet press (periodical and occasional books) and radio;
- (b) Canadian, U.S. and U.K. intelligence reports;
- (c) Reports from the Embassy based on travel and other sources available only in Moscow;
- (d) Travel reports not originating in the Embassy (e.g., those of Canadian officials from other Departments, and private persons.)

2. (a) and (b) above are more readily available to the intelligence community, which is presumably represented on the Advisory Committee, than to us. We would therefore not wish to contribute from those sources to the project mentioned in your memorandum. We could make information available from sources (c) and (d), but we should point out that the Embassy has access to very little direct information about the Soviet North, since travel there is practically impossible except to Murmansk and Arkhangelsk.

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21 DEC 1959

CIRCULATION

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- 2 -

This difficulty would apply almost equally to private travellers. However, if it is decided to go ahead with the project, we could ask the Embassy to watch for material on the North, and to travel to the North as much as possible.

3. We think that on the whole the project would benefit this Department, since we have very little information about the Soviet North. We would, therefore, recommend going ahead with it on the basis set forth in the Northern Affairs memorandum.

Henry J. Davis
European Division.

IN REPLY PLEASE QUOTE

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NO. C3C 2106-1

Department of National Defence

RESTRICTED

JOINT STAFF

ADDRESS REPLY TO
CHAIRMAN
CHIEFS OF STAFF,
OTTAWA.

17 Dec 59

50028-B-40	
58	50

Chairman JIC

ga

Russian Activities in the Arctic

1. The attached document ND 293 suggesting the collection, in a central place, of information about Russian activities in the northern portion of the USSR was given preliminary consideration at a meeting of the Advisory Committee on Northern Development held on 14 Dec 59. It was generally agreed at this meeting that the proposal should be given further study to determine whether its implementation would be feasible and whether this would serve a useful purpose.

2. It would be appreciated if the JIC would comment on the proposal by 21 Jan 60.

R. E. Weston
(R. E. Weston)
Air Commodore,

for Chairman, Chiefs of Staff

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ND-293

MEMORANDUM FOR THE ADVISORY COMMITTEE ON NORTHERN DEVELOPMENT;

RUSSIAN ACTIVITIES IN THE ARCTIC

It has been suggested that it would be useful to various government departments to have in a central place information about Russian activities in the northern portion of the U.S.S.R. This would deal with transportation, communications, community planning, agricultural and industrial development, scientific research, and so on.

Admittedly much information is already collected by various government agencies and private research institutions. The Joint Intelligence Bureau publishes extracts from the Soviet press on a variety of subjects (not always dealing with the Soviet north), and an annual report "Economic Aspects of the Soviet North". Both these documents are extremely useful. The National Research Council and the Defence Research Board are two other agencies which assemble material on physical sciences and related fields. Other government departments most likely collect some Russian information in line with their respective interests.

The Arctic Institute of North America has made some attempts to build up information material in this line but has not been able to do so extensively because of a lack of personnel and finances. As far as is known no other private agency or university in Canada has specialized in this field. However, there are certain university scientists who have a considerable knowledge of the Soviet north. At some of the American universities such as Harvard, institutes of Russian studies have been set up and many Soviet publications have been collected.

It is proposed that the existing data be brought together in a document prepared by the Secretariat and tabled annually at the Committee. Evidently such a document could not hope to go into details but would indicate the source and location of original reports. In addition the Northern Affairs Library, part of the Secretary's office, would be the repository for some of the reports themselves. The documents would be organized under a series of headings and would contain short abstracts of any available information along with a bibliography.

Obviously such an undertaking is a difficult and complex one to achieve, more so because the Soviets do not use the same system of reporting in scientific and trade journals. However, if the Committee agrees that this suggestion is a desirable one the Secretariat will ascertain what material is available and prepare a sample format. At the same time some indication could be given as to whether this annual review will be reasonably possible to accomplish and serve a useful purpose.

V.F. Valentine,
Acting Secretary.

Department of Northern Affairs
and National Resources,
December 9, 1959.

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IN REPLY PLEASE QUOTE

No. CC 1374-5 (JIC)



CANADA

Department of National Defence

JOINT INTELLIGENCE COMMITTEE

SECRET

50028-B	40
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11 Dec 59

MEMORANDUM FOR THE JIC:

Logistical Meeting at SHAPE Dealing with the Railway Net in the USSR

1. Reference is made to the decisions of the Committee at the 716th meeting (Item VIII) on the above subject.

2. Enclosed for information is a copy of SHAPE document AG 0470/1 INTEL dated 13 Nov 59 containing the results of this Conference.

3. It should be noted that only 2 sets of maps (Appendix "C") to the enclosed document have been received. One set of maps is forwarded herewith to each of DMI and JIB who are requested to make them available to other members as required.

Enc.

GPH/2-5459/1c

cc: CB NRC

for
(I.A. McPhoe)
Commander, RCN,
Secretary.

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IN REPLY PLEASE QUOTE

NO. CC 1544-1 (JIC)

Department of National Defence

JOINT INTELLIGENCE COMMITTEE

SECRET

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10 Nov 59

*This seems to confirm what
Kruschke said in the United
States but the presentation
gives a somewhat different
impression Nov 17*

18 NOV 1959

J.K. Starnes, Esq.,
Dept. of External Affairs.

DNI
DMI
DAI
DSI
RCMP
JIB

Soviet and Satellite Emergency and
Civil Defense Planning

Copy No 25/2

1. Enclosed for information is a copy of Standing Group documents SG 254 dated 27 Oct 59 on the above subject.

*filed with
NATO Docs.*

for
(I.A. McInee)
Commander, RCN,
Secretary.

Enc.

GPH/2-5459/1c

cc: CCOS
CB NRC
JIS (3)
SO/JIR
SO/CI
Secretary, JPC (7)

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CANADA

IN REPLY PLEASE QUOTE

NO. CC 1374-1 (JIC)

Department of National Defence

JOINT INTELLIGENCE COMMITTEE

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6 Nov 59

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MEMORANDUM FOR THE JIC:

10 NOV 1959

Studies on Soviet Bloc War Potential - Oil and Gas Problems in USSR

1. Enclosed for information is a copy of SHAPE document AG 3500/5 INTEL dated 23 Oct 59 on this subject.
2. It should be noted that only one copy of the maps referred to in the enclosed study has been received. These maps have been forwarded to the Director, Joint Intelligence Bureau, who is requested to make them available on request to members of the Committee.

Enc.

GPH/2-5459/1c

cc: CB NRC (w/o attachments)
JIS (3) " "
SO/JIR " "
SO/CI " "

(I.A. McPhee)
for Commander, RCN,
Secretary.

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DEPARTMENT OF EXTERNAL AFFAIRS

MEMORANDUM

TO: DL(2) Division

Security ... SECRET

Date November 3, 1959

FROM: European Division

File No.

50028-B-40

REFERENCE: Your memorandum of October 22, 1959

58

SUBJECT: Reduction in Soviet Militia and State Security Forces

The only indication of the magnitude of the reduction in the security forces of the Soviet Union which we can add to the intelligence set out in paragraphs 2 and 3 of your memorandum is that, according to a State Department official, Mr. Khrushchov stated to President Eisenhower that since Stalin's death the USSR's security forces had been reduced by 75%. That there has been a substantial reduction in these forces we find it impossible to doubt. To consider only one aspect of the security system, the virtual elimination of political labour camps in the period 1953-57, must have resulted in the release or reclassification of hundreds of thousands of persons from the police and security apparatus - including not only most of those required to administer the camps (and the economic institutions under their control) but also the personnel required throughout the security system to arrest and process the prisoners. Undoubtedly the contraction of security forces took place at a slower rate than the release of political prisoners so that it is possible substantial numbers were transferred out of the labour camp apparatus in 1958.

2. We would be inclined to doubt the accuracy of the estimate made in paragraph 5 of your memorandum. The JIB estimate refers strictly to the period from July 1958 to June 1959, whereas the figure of 450,000 you have used is identified in the previous paragraph of the memorandum as a United Kingdom JIC estimate of the reduction in the period between 1955-1958. In summary, our view is that we have no precise figures to indicate the magnitude of a reduction in security forces in the period under review but that the circumstantial evidence available is sufficient to convince us that a substantial reduction has been made.

4 NOV 1959

letter by
JIB
enclong
copy of this
memo and
oh memo
of Oct 22
flg
RAN
tar
6/11

Done 6/11/59
pt.

for Bruce Keith
European Division

CIRCULATION