Borgarskjalasafn I eykjavíkur

Communist Policy and Tactics 1965, 3. hluti

Bjarni Benediktsson – Stjórnmál – Trúnaðarskýrslur – Communist Policy & Tactics

Tekið af vef Borgarskjalasafnsins

bjarnibenediktsson.is

Einkaskjalasafn nr. 360 Stjórnmálamaðurinn Askja 2-39, Örk 3

©Borgarskjalasafn Reykjavíkur

PERSONAL AND CONFIDENTIAL



BY HAND

DLICY AND TACTICS

MBER, 1965

DENTIAL

JMMARY

WITH THE COMPLIMENTS

OF EMBASSY HER MAJESTY'S AMBASSADOR.

His Excellency Mr. Bjarni Benediktsson, Prime Minister. the Kashmir dispute carried the bleasure. Soviet motives were bute out of the Indian subnese influence in Pakistan. paid off. In working for a 'n interests coincided momentarily, their influence will have increased The Chinese used the crisis in unda themes. Their policy of sk will not have helped the pably lost the Chinese support

British Embassy, Reykjavik.

=

15 November, 1965.

and to sharp retorts to Chinese

attitudes on Vietnam (paragraph 6).

of the Afro-Asian Conference might ticipants (paragraph 7).

The Soviet draft non-proliferation treaty and the Rusk/ Gromyko talks showed that the Russians are still not ready for East/West relations to improve (paragraph 8).

Consultations took place between most East European leaders and their Soviet counterparts (paragraph 9).

The Rumanian visit marked a willingness on both sides to appear reconciled (paragraph 10).

Renewed Soviet preoccupation with Germany: Ulbricht's visit to Moscow (paragraph 11).

Soviet encouragement for "united front" ideas in Western Europe (paragraphs 12 and 13).

The Central Committee Plenum on economic reorganisation an uneasy compromise? Leadership changes (paragraphs 14-18). <u>Pravda</u> editorship changes hands (paragraph 19).

COMMUNIST POLICY AND TACTICS

SEPTEMBER, 1965

SUMMARY

Soviet impartiality in the Kashmir dispute carried the risk of inviting Indian displeasure. Soviet motives were to keep the Sino-Soviet dispute out of the Indian subcontinent and to counter Chinese influence in Pakistan. Soviet policy seems to have paid off. In working for a cease-fire Soviet and Western interests coincided momentarily, but the Russians hope that their influence will have increased at the expense of the West. The Chinese used the crisis in pursuit of favourite propaganda themes. Their policy of maximum noise and minimum risk will not have helped the Pakistani cause and has probably lost the Chinese support (paragraphs 1-4).

The Russians have shown that they can still be stung to criticism of the Chinese and to sharp retorts to Chinese attacks (paragraph 5).

No change in Communist attitudes on Vietnam (paragraph 6).

A further postponement of the Afro-Asian Conference might not be unwelcome to most participants (paragraph 7).

The Soviet draft non-proliferation treaty and the Rusk/ Gromyko talks showed that the Russians are still not ready for East/West relations to improve (paragraph 8).

Consultations took place between most East European leaders and their Soviet counterparts (paragraph 9).

The Rumanian visit marked a willingness on both sides to appear reconciled (paragraph 10).

Renewed Soviet preoccupation with Germany: Ulbricht's visit to Moscow (paragraph 11).

Soviet encouragement for "united front" ideas in Western Europe (paragraphs 12 and 13).

The Central Committee Plenum on economic reorganisation an uneasy compromise? Leadership changes (paragraphs 14-18). Pravda editorship changes hands (paragraph 19).

-

THE KASHMIR CRISIS

The reactions of the Soviet Union and China to events in the Indo-Pakistani conflict over Kashmir, which dominated the month of September, provide a revealing contrast in the aims and methods of the two great world Communist powers.

2. The Russians have traditionally supported the Indian point of view over Kashmir, but even before the outbreak of hostilities the Russians had been following a "good neighbour" policy towards the states south of their Asian borders. In the case of Pakistan, their attempt to establish better relations was no doubt stimulated by the desire to counter increased Chinese influence in that country. They probably calculated that it was worth risking some displeasure in New Delhi if they could prevent the Sino/Soviet quarrel being carried into the Indian sub-continent. They had already stated that they were impartial over the Rann of Kutch dispute. Emphasis on their impartiality and on the need for a peaceful settlement was repeated in their reaction to the outbreak of hostilities at the beginning of September. In Kosygin's two letters to the respective protagonists offering the Soviet Government's good offices in seeking a settlement and in Soviet press handling of the whole affair, it was stressed that it was more important to stop the fighting than to attempt to establish which side was to blame. Some press accounts, however, found the roots of the dispute in the two countries' colonial inheritance.

3. The Soviet posture of neutrality has not, in the event, affected relations with India which remain good. And Soviet support for the Security Council resolution on a cease-fire encouraged hopes that the United Nations might be successfully used for peace-keeping purposes on an issue where Western and Soviet interests obviously coincided. Kosygin's suggestion, made prior to the cease-fire agreement, that President Ayub and Prime Minister Shastri might meet in Tashkent successfully dramatised Soviet claims to be an Asian country at the same time as it highlighted the West's reluctance to burn its fingers again through attempting to mediate once more in the intractable dispute. That the Russians, however, are as aware of this risk as the West is suggested by their failure to press the offer. Chinese reactions also seem to have played to a certain extent into Russian hands. Of greater significance than the ritual Soviet accusations that only the "imperialist camp" was benefitting from the conflict, were thinly-veiled attacks in the Soviet press on the Chinese for fanning the flames, which culminated in a report in <u>Pravda</u> amounting to a clear condemnation of the Chinese "ultimatums" to India. There is some encouragement to be found in this practical demonstration that in their policies aimed at containing Chinese influence in Asia the Russians share Western interests in peace and stability in the area, and that they have been able to demonstrate this more obviously over Kashmir than in Vietnam. But the sphere for such coincidence of interests is small, and the Russians no doubt hope that not least of the results of the conflict will be an increase in their influence in the sub-continent at the expense of the West.

14.

The Chinese, on the other hand, have sought to use the 4. crisis to consolidate their influence in Pakistan, and to present it as proof of some of their favourite propaganda themes - the incorrigibility of Indian aggressive instincts, Soviet/United States collusion in seeking world domination at the expense of the peoples of Asia and in stifling a national liberation movement (Kashmir), and United States manipulation of the United Nations for its own purposes. It is doubtful, however, whether they have in fact much advanced their cause. In their efforts to thwart a settlement they found themselves increasingly isolated, and were obliged to retreat noisily but lamely from their threat to intervene on the Sino-Indian frontier when it became clear that the Pakistanis would agree to the United Nations-sponsored cease-fire. The Pakistanis were no doubt sincere in their gratitude to China for her support ("moral" support as President Ayub was quick to point out), but it is open to doubt whether their case gained much in the eyes of world opinion through the patent irresponsibility and opportunism of such support. In pursuing their policy of maximum noise and minimum risk the Chinese are clearly prepared to alienate potential Afro-Asian sympathisers who support the United Nations and "peaceful co-existence", but their chances of dominating the forthcoming Afro-Asian Conference - if indeed it does take place have probably been considerably lessened as a result.

SINO-SOVIET RELATIONS

5. The Chinese celebrated the 20th anniversary of the defeat of Japan with the publication of a major article by the Minister of National Defence, Lin Piao, on "People's War". This amounted to an exegesis of the Chinese theory of Marxist revolution, and extended Mao Tse-tung's idea of revolutionary base areas encircling cities to the gradual encirclement of the industrialised countries of North America and Western Europe by the under-developed areas of Asia, Africa and Latin America. The article contained a section entitled "The Khrushchev revisionists are betrayers of people's war" and rammed home the thesis that Soviet cowardice and defeatism play into the hands of the United States. This theme was inevitably elaborated in Chinese propaganda treatment of the Kashmir crisis, which criticised the Russians for deliberately putting "the aggressor and its victim on a par". While maintaining their reluctance to indulge in polemical attacks on the Chinese, the Soviet press managed to pillory the Chinese for complicating the settlement of the problem. It was noteworthy also that Brezhnev in his speech to the Soviet Party Plenum at the end of the month, while emphasising the paramount need for unity within the socialist camp, commented on Chinese rejection of Soviet attempts to restore unity between the two parties. Such measured criticism is likely to continue, but the Russians have shown that they can still be stung into a sharp response: the advice of Li Tsung-jen (the former high-ranking associate of Chiang Kai-Chek who returned to China from retirement in the United States in a blaze of publicity) that the C.P.S.U. should be "smashed" evoked a bitter and sarcastic retort in <u>Pravda</u>.

VIETNAM

6. The situation in Vietnam was largely overshadowed by the Kashmir crisis, and no change was to be seen in the attitudes of the Communist powers involved. The North Vietnamese Government released a long memorandum on 23 September expounding their views on negotiations, which contained no hint of any shift in their position and reiterated that no political settlement could be considered before the United States Government had accepted the 4-point programme put forward by the North Vietnamese in April. It also precluded in advance any involvement of the

/United Nations

CONFIDENTIAL Einkaskjalasafn Bjarna Benediktssonar © Borgarskjalasafn Reykjavíkur United Nations in settling the crisis. The references to Vietnam in the communique issued in Moscow at the end of visits are beginning to have a tired, routine air about them, and Brezhnev in his survey of the international scene before the Central Committee Plenum merely stated that the Russians would continue to supply the military, material and political assistance necessary to the North Vietnamese "to repel America's aggression".

THE AFRO-ASIAN CONFERENCE

A further postponement of the Afro-Asian Conference, due to 7. begin in Algiers on 5 November, would probably not be unwelcome to most of the prospective participants. The Russian decision to lobby for admission earlier this year represented a reversal of policy, prompted mainly by fear of Chinese domination of the conference. Whether their lobbying was successful enough to ensure a majority in favour of admitting them was never put to the test in June. Their position may have improved somewhat in the interval, thanks to the prominent and constructive part they played in the Indo-Pakistani conflict. The inclusion in the communique on Nasser's visit to the Soviet Union at the end of August of a statement by the United Arab Republic Government that Soviet participation would contribute to the successful fulfilment of the conference's tasks was also a considerable boost for their cause. On the other hand, <u>Pravda</u> has recently felt constrained to criticise the Boumedienne regime for "arrests and reprisals among patriots" which is hardly calculated to encourage a sympathetic attitude to Soviet participation on the part of the hosts. By itself, Chou en-Lai's reiteration in a written interview with the Editor-in-Chief of the Middle East News Agency that for the Chinese "it is a question of principle that the Soviet Union should not participate in the conference" was not conclusive evidence that the Chinese would boycott the conference if the Russians were in fact But Chen Yi's statement at his press conference on admitted. 29 September that it would be better to postpone the conference unless its main purpose was "to promote the struggle against United States imperialism" indicates a noticable waning of Chinese enthusiasm, which recent events in Indonesia may have further dampened.

EAST-WEST RELATIONS

8. The draft non-dissemination treaty tabled by the Russians at the United Nations seems designed primarily to exclude any possible form of NATO nuclear-sharing rather than to deal seriously with the question of nuclear proliferation, although Brezhnev was probably being no less than sincere when he stated during Ulbricht's visit that it was high time that this "acute" problem was dealt with properly. The propaganda nature of the current Soviet draft treaty was revealingly underlined by Brezhnev himself on a later occasion when in the context of the Soviet Union having raised the matter in the United Nations he said that the question had an "anti-imperialist edge". In the same speech Brezhnev categorised Soviet-United States relations as having a tendency towards freezing. It was significant, however, that Mr. Gromyko had two meetings with Mr. Rusk in New York, which apparently showed that, although no progress seemed possible on the major issues in dispute, the Russians at least were not seeking any further deterioration.

19.

CONSULTATIONS WITH EASTERN EUROPE

9. During the month of September the Soviet leaders had consultations with all their East European counterparts save the Bulgarians (who were, however, not left wholly in the cold, since in the course of the month they had official visits from Rumanian and Yugoslav delegations headed by Ceauşescu and Tito respectively). The pattern of consultations was not uniform: full-scale visits to Moscow were made by top-level delegations from Rumania, Czechoslovakia and East Germany; Brezhnev unexpectedly flew to Poland for two days' talks with Gomulka; and the Soviet leaders had talks with the Hungarian Prime Minister vacationing in the Soviet Union and with the Hungarian Party First Secretary on his way to and from an official visit to Mongolia. Although some of these consultations require no extraordinary explanation, the conjuncture of such talks in the space of a month when the Soviet leaders would normally be fully occupied with preparations for the Central Committee Plenum on Industry is surprising. Economic and defence matters as well as general question of foreign policy no doubt featured largely in these exchanges, and Brezhnev was at pains in his speech to the Plenum to claim success "in making the Soviet Union's relations with the fraternal socialist countries of Europe a serious force". It was noteworthy, however, that he claimed agreement on the need to do something about C.M.E.A. and the Warsaw Pact rather than agreement on what should be done. The feature common to all the talks was probably anxiety on the part of the Soviet leaders to avoid the accusation of failing to consult and inform her allies on important questions of internal and external policy. In particular, the Russians probably felt that advance warning should be given of the economic proposals to be made at the Plenum.

THE RUMANIAN VISIT TO MOSCOW

10. The visit of the Rumanian leaders headed by Ceauşescu was of particular significance. Although the tone of the speeches was markedly cool compared, for example, with those of the Czechoslovak and East German visits, the communique showed obvious signs of extensive Rumanian drafting and amounted in fact to Soviet acceptance of Rumanian demands for economic and political independence as set out in the Rumanian Party Declaration of April 1964. In return for this the Rumanians announced their intention of making efforts to extend and strengthen cooperation in the economic and cultural fields and agreed to establish a joint commission on economic cooperation which they had reportedly refused to do previously. It remains doubtful, however, whether the Russians are really reconciled to the Rumanian view of relations between socialist States, which they cannot want to see extended any further in Eastern Europe. At a time, however, when they are insistently stressing the need for unity in the Communist camp it clearly suits them that their notorious quarrel with the Rumanians should seem to have been patched up. For the Rumanians, the triumph of gaining public acceptance by the Russians for their views has enabled them to make their economic peace with the Russians. In this they have no doubt been aided by their realisation that autarky and closer economic association with the West have been developed about as far as they can be for the time being.

SOVIET/GERMAN RELATIONS

11. The Russians wish it to be known that their principal current preoccupation is the revival of German militarism. The main burden of Kosygin's interview with Lord Thomson in

/mid-September

mid-September and of other recent Soviet pronouncements has been that Germany rather than Vietnam or other conflicts in the under-developed world constitutes the principal long-term threat to peace. The timing of this shift in emphasis was probably related to the German elections and to a wish to reinforce their previous warnings that they will not brook any form of German participation in nuclear-sharing arrangements. In view of this, the communique on the visit to Moscow of the massive East German delegation led by Ulbricht may have fallen short of Ulbricht's own hopes and expectations. Throughout his vi Throughout his visit he was at pains to impress on his Soviet hearers that the economic and military superiority of the Federal Republic over East Germany is increasing. He would no doubt like to see a strengthening of the Warsaw Pact and more Soviet help in making East Germany more prosperous. But the condemnation of West Germany in the communique is no harsher than that in the communique following the 1964 State visit when the Soviet-D.D.R. Friendship Treaty was signed; there is no reference to a German Peace Treaty as such, no hint of any reorganisation of the Warsaw Pact, no excalation in the threatened Soviet response to the creation of a multilateral N.A.T.O. nuclear force and only a relatively modest tidying up of bilateral economic relations in the agreement to set up a joint Commission on economic and scientific technical cooperation (which exists already for all the other East European Allies of the Soviet Union). Furthermore, even though the Russians are reported to have shown no signs of willingness to make any change, let alone concessions, in their policy towards West Germany in the talks held with Herr Carstens in Moscow, the East Germans can have drawn no comfort from his presence there as the first senior West German official to have talks with the Soviet Government for over 6 years. No doubt the Russians are content to see the prestige and standing of East Germany grow and are prepared to make the necessary gestures of boosting Ulbricht and damning West Germany. Nevertheless the lack of any perceptible change in the substance of what they are prepared to say or do suggests that one of the reasons for this new emphasis on Germany may be the desire to reassure her East European allies that Soviet preoccupations in Asia do not mean that they are being abandoned.

UNITED FRONTS

12. The endorsement by the French Communist Party (P.C.F.) of the presidential candidature of M. Mitterand was in line with the policy of a number of West European Communist Parties to seek to play a greater role in the political life of their countries by forming a united front of the Left. The divergence between M. Mitterand's and Communist ideas on the Atlantic Alliance and Europe is some indication of the importance of the P.C.F. decision and evoked considerable opposition to it within the party. A number of articles that have appeared in <u>Pravda</u> in the course of the year indicate clearly that it is the policy of the C.F.S.U. to encourage such developments, at least in Western Europe. In such articles reference has been made to the decisions of the 7th Comintern Congress at which "popular front" tactics were launched 30 years ago. On the question of the Communist Party within any country making common cause with other parties of the Left for electoral or other purposes the Soviet line is that "each Communist Party must decide for itself the practical problems connected with the attitude to the Socialist movement in its country". It is clear, however, that what the Russians are mainly interested in now is not so much a reversion to the popular front movements of the 1930s, but rather the mobilisation of public opinion particularly in Western European countries against the policies of "Western imperialism".

/13.

13. The subject was debated inconclusively at the meeting of Western European Communist Parties in June, and will probably be on the agenda of the next of these meetings planned to take place early in 1966. Signor Nenni's open letter, exhorting the Italian socialists to continue their association with the Christian and Social Democratic parties rather than seeking to work in concert with the P.C.I. on the grounds that this is the only effective way of working for the reforms they want to see implemented, is, however, a bad augury for united front tactics.

SOVIET INTERNAL DEVELOPMENTS

(a) The Plenum on industry: economic reform and the leadership

14. At the recent meetings of the C.P.S.U. Central Committee and the Supreme Soviet the Soviet leaders finally began to grapple with the long-standing problem of economic reform. In his report at the Plenum, Kosygin admitted that the efficiency of the Soviet economy had declined in recent years and that the consumer goods industries had been badly neglected. His proposals for reform fall into two parts - a limited extension of the rights of enterprises and a reform of industrial administration.

15. The planning reforms affecting enterprises bear all the signs of an uneasy compromise. The introduction of what amounts to a charge on capital, and of profit as an important "success indicator" should provide incentives for enterprises to operate more rationally and efficiently. These and some other innovations go some way towards meeting the proposals of the liberal economists. On the other hand, the central planners are to retain a large degree of control over the activities of enterprises, whose capacity to respond to the new incentives is likely to be limited. Enterprises are to have much less independence than, for example, was granted to <u>Bolshevichka</u>, <u>Mayak</u> and other textile concerns in the recent, <u>apparently</u> successful experiment. It is significant that there was no direct mention at the Plenum of the crucial principle of planning on the basis of consumers' orders which Kosygin himself endorsed last December. Whilst the substance of the new proposals falls short of the desires of many Soviet economists, they do represent the first breach in some long-cherished principles of planning. The implementation of the new proposals, however, will to a large extent have to await the review of prices which, according to Kosygin, cannot be completed before 1967-68.

16. The administrative reforms involve the abolition of the territorial economic system of Councils of National Economy (<u>sovnarkhozy</u>) set up by Khrushchev in 1957, as well as the Republican Economic Councils, the U.S.S.R. Economic Council and the Supreme Council of National Economy (VSNKh) which were introduced subsequently. There will be a return to a functional system of industrial administration by central Ministries, each responsible for all the affairs of a particular industry. According to Kosygin, the new Ministries will operate differently from their predecessors of the pre-1957 period because of the greater independence which enterprises will

/enjoy.

enjoy. It is not clear, however, how they will be prevented from developing the empire-building tendencies which led originally to Khrushchev's drastic reform in 1957. The reforms in general may well be hampered by the shortage of economic cadres, to which Kosygin drew particular attention.

17. No major changes in the Party or government leadership resulted from the Plenum and Supreme Soviet session. A limited vote of confidence in Brezhnev and Kosygin is implied by the announcement that they will give the main reports at the XXIIIrd Party Congress, which is to be held at the end of March, 1966. Nevertheless, the compromise character of the new economic reform suggests that disagreements on major policy issues may remain. It would probably be unwise therefore to infer that Brezhnev's position as Party First Secretary is assured for longer than the immediate future; his election to the Presidium of the Supreme Soviet is a protocol measure, designed to give him standing on purely state occasions, and implies no accession of power.

18. Of the changes announced, the most important are the replacement of Titov (already rusticated to Kazakhstan) in the C.P.S.U. Central Committee Secretariat by an agricultural specialist, F.D. Kulakov; the promotion of Polyansky from Deputy to First Deputy Chairman of the U.S.S.R. Council of Ministers (where he will presumably continue to oversee agricultural matters for which he is anyway responsible in the Party Presidium); and the replacement of Lomako as Chairman of Gosplan and as a Deputy Chairman of the Council of Ministers, by N.V. Baibakov. Baibakov was Chairman of Gosplan from 1955 to 1957, but was subsequently in the political wilderness (although he regained Ministerial rank in 1963 on appointment as Chairman of the State Committee for the Oil Producing Industry); it is probably no accident that his return to this post, the importance of which is apparently to increase, coincides with the undoing of the industrial administration system introduced by Khrushchev in 1957.

(b) Change in Editorship of Pravda

19. Tass on 22 September announced that A.M. Rumyantsev had been replaced as Chief Editor of <u>Pravda</u> by M.V. Zimyanin, who had been a Deputy Minister of Foreign Affairs since April. The reason for this change is not obvious. <u>Tass</u> stated that Rumyantsev plans to engage in academic work and made no mention of a possible deterioration of his health (about which rumours had been current): he gave the official report at a conference on the 30th anniversary of the 7th Comintern Congress at the beginning of October. The timing of the announcement is of particular interest, however, since on 9 September <u>Pravda</u> published a lengthy article by Rumyantsev interpreting in relatively tolerant terms the Party line on literature and the arts and, in particular, castigating the newspapers <u>Izvestiya</u> and <u>Selskaya Zhizn</u> for "destructive" criticism of two leading writers of liberal tendency. An explicit attack by <u>Pravda</u> on <u>Izvestiya</u> (which has itself been without a Chief Editor since July) is a rare occurrence and might, on past precedent, reflect some high-level disagreement. Rumyantsev's article has however been widely reproduced by other Soviet media and it seems unlikely that his replacement as Editor is connected with its appearance or betokens a new anti-liberal trend in cultural policy.

/Zimyanin's

Zimyanin's appointment is at first sight puzzling, since he Was associated with journalism only briefly, at the outset of his career. But he has had valuable experience of both internal affairs (in important Komsomol, Party and government posts in Belorussia) and foreign affairs (as a M.F.A. official since 1953 and as Ambassador in North Vietnam and Czechoslovakia between 1956 and 1965); and, at 51, he is nine years younger than his predecessor.

(Corrigendum: in line 9 of paragraph 4 of Communist Policy and Tactics for August, 1965, for "foundation" please read "liberation")

SEPTEMBER	
11	Publication in Moscow of Soviet/Rumanian communiqué
	Soviet Ministry of Foreign Affairs protest on rocket training of West German troops at South Uist
13	Second TASS statement on Indo-Pakistan conflict (published 14.9)
	Kosygin received Japanese economic delegation
13 - 19	Rumanian Party/Government delegation in Bulgaria
14	Brezhnev speech at Soviet/Czech friend- ship meeting
14 - 24	State visit by General Ne Win of Burma to U.S.S.R.
15	Publication of Soviet/Czech communique
16	Chinese Note to Indian Embassy in Peking alleging Indian intrusions into Chinese territory and demanding removal of frontier installations
17 - 28	East German Party/Government delegation led by Ulbricht visited U.S.S.R.
17	Kosygin messages to Mr. Shastri and President Ayub Khan proposing meeting for peace talks on Soviet soil
	United Kingdom reply to Soviet protest of 11 September
18	People's Daily editorial "Who are backing the Indian aggressor?"
19	Chinese Note containing revised "ultimatum" handed to Indian Embassy
20 - 23	Polish Premier Cyrankiewicz visited Austria
20	Kosygin saw Hungarian Premier Kallai in Moscow
21 - 23	19th session of C.M.E.A. Executive Committee held in Moscow
22	TASS announced appointment of M.V. Zimyanin as Chied Editor of <u>Pravda</u> in place of A.M. Rumyantsev
	Indo-Pakistan cease-fire
	Herr Carstens had talks with Soviet Deputy Foreign Minister Kuznetsov in

/September 22

Moscow

CHRONOLOGY

SEPTEMBER	
1 - 4	President Nasser in Yugoslavia
1	Publication in Moscow of joint Soviet- United Arab Republic communiqué
	First Session of First People's Congress of Tibet Autonomous region
1 - 9	Soviet delegation led by G.I. Voronov visited Mongolia in connexion with 20th Anniversary of VJ Day
2	Text of Lin Piao article "Long live the victory of People's War! " issued by NCNA
3 - 11	Rumanian Party/Government delegation led by Ceausescu visited U.S.S.R.
4	Kosygin messages (published 12.9) to Mr. Shastri and President Ayub Khan calling for cessation of Indo-Pakistan hostilities and offering Soviet good offices in settlement of dispute
	Chén Yi condemned Indian action in Kashmir at Karachi press conference
4 - 16	Brazilian Government delegation visited U.S.S.R. to discuss expansion of Soviet- Brazilian economic links
6 - 15	Czechoslovak Party-Government delegation led by Novotny visited U.S.S.R.
7	TASS statement on Indo-Pakistan conflict (published 8.9)
	Chinese Government statement on Indo- Pakistan conflict
8	Kosygin received Lord Thomson
	Chou En-lai gave written answers to questions put by Editor-in-Chief Middle East News Agency
9 - 13	Polish Premier Cyrankiewicz visited France
9	Chou En-lai speech condemning Indian "attack" on Pakistan
	Article by Rumyantsev in <u>Pravda</u> critical of <u>Izvestiya</u>
10	Speech by Brezhnev at Soviet/Rumanian friendship meeting
11 - 12	Brezhnev-Gomulka talks in Poland

/September 11

CONFIDENTIAL Einkaskjalasafn Bjarna Benediktssonar © Borgarskjalasafn Reykjavíkur

SEPTEMBER

22 - 4 October	Prince Sihanouk visited China
23	Kosygin messages to Mr. Shastri and President Ayub Khan on cease-fire
23	Critical <u>Pravda</u> survey of events on Sino-Indian border
24	Speech by Gromyko at United Nations General Assembly
	Delegation of "Supreme Revolutionary Council" of Congo (Leopoldville) led by Soumialot received by Suslov and Ponomarev
25 - 26	Moscow stopover by Hungarian Party- Government delegation to Mongolia led by Kadar
27 - 29	Plenum of C.P.S.U. Central Committee on industrial reorganisation plans
27	Pravda editorial critical of arrest of Algerian Communists
29 - 5 October	Soviet Defence Minister, Marshal Malinovsky, visited Austria
29	Chen Yi's Press Conference in Peking
	Rusk/Gromyko talks in New York
30	"Coup" in Djakarta
	Message from Soviet leaders to Chinese leaders on 16th anniversary of foundation of C.P.R.

OCTOBER

1 - 2	Session of U.S.S.R. Supreme Soviet
	approved economic reforms

CONFIDENTIAL

Einkaskjalasafn Bjarna Benediktssonar © Borgarskjalasafn Reykjavíku

BY HAND

PERSONAL AND CONFIDENTIAL

(1681/65)



With the compliments of

HER BRITANNIC MAJESTY'S EMBASSY

His Excellency Mr. Bjarni Benediktsson, Prime Minister.

BRITISH EMBASSY REYKJAVIK

6 March, 1965.

PENTIAL

OLICY AND TACTICS

lary, 1965

UMMARY

en heavily involved in bloc t meeting provided the occasion Soviet leaders and their allies, Lon of what moves were contemplated plans for the M.L.F. (paragraphs

sism of the Soviet Union has still not clear which parties will bg, should it take place (para-

interest in Vietnam was indicated noi. Military aid will probably the Russians have attempted to pout their intentions there is no ested in genuine compromise. The

visit suits north vietnamese interests in being on good terms with both the Russians and the Chinese (paragraphs 7 - 12).

China has increased her commitments to Indonesia, and the Indonesian Communist Party has improved its position in Indonesia itself. The Chinese are using Indonesia's withdrawal from the United Nations to exert pressure for its reorganisation (paragraphs 13 - 15).

Chinese optimism about their economic future may not be justified. Mongolia's economic difficulties seem to have thrown up opposition to Tsedenbal's leadership (paragraphs 16 - 17).

A slight shift in Soviet policy on Cyprus (paragraphs 18 - 19).

Measures for rationalising the Soviet economy are being put into effect; there have been few personnel changes in regional party committees (paragraphs 20 - 21).

The dispute in the United Nations on the application of Article 19 remains a major problem in East-West relations, and there has been no sign of flexibility in the Soviet approach to it. The Russians have been heavily involved in the affairs of their own bloc. The Warsaw Pact meeting in Warsaw provided the occasion for a summit conference with her East European allies, at which the discussions no doubt extended far beyond the defence matters inconclusively dealt with in the communique. With only a /month

COMMUNIST POLICY AND TACTICS

January, 1965

SUMMARY

The Russians have been heavily involved in bloc affairs. The Warsaw Pact meeting provided the occasion for a summit meeting of Soviet leaders and their allies, but there was no indication of what moves were contemplated as a counter to N.A.T.O. plans for the M.L.F. (paragraphs 1 - 4).

Chinese press criticism of the Soviet Union has become sharper. It is still not clear which parties will attend the March 1 meeting, should it take place (paragraphs 5 and 6).

A revival of Soviet interest in Vietnam was indicated by Kosygin's visit to Hanoi. Military aid will probably be discussed. Although the Russians have attempted to reassure the Americans about their intentions there is no sign that they are interested in genuine compromise. The visit suits North Vietnamese interests in being on good terms with both the Russians and the Chinese (paragraphs 7 - 12).

China has increased her commitments to Indonesia, and the Indonesian Communist Party has improved its position in Indonesia itself. The Chinese are using Indonesia's withdrawal from the United Nations to exert pressure for its reorganisation (paragraphs 13 - 15).

Chinese optimism about their economic future may not be justified. Mongolia's economic difficulties seem to have thrown up opposition to Tsedenbal's leadership (paragraphs 16 - 17).

A slight shift in Soviet policy on Cyprus (paragraphs 18 - 19).

Measures for rationalising the Soviet economy are being put into effect; there have been few personnel changes in regional party committees (paragraphs 20 - 21).

The dispute in the United Nations on the application of Article 19 remains a major problem in East-West relations, and there has been no sign of flexibility in the Soviet approach to it. The Russians have been heavily involved in the affairs of their own bloc. The Warsaw Pact meeting in Warsaw provided the occasion for a summit conference with her East European allies, at which the discussions no doubt extended far beyond the defence matters inconclusively dealt with in the communique. With only a /month month to go before the March 1 meeting of the preparatory commission in Moscow, the Soviet leaders must be anxiously considering what is the least damaging outcome they can reasonably hope for. There has also been a striking reassertion of Soviet interest in Viet Nam.

THE WARSAW PACT MEETING

2. The meeting of the Political Consultative Committee of the Warsaw Pact took place in Warsaw on January 19-20. Like previous meetings of this type, it was attended by the Party and Government leaders of all member countries (except Albania, which was unrepresented) as well as Foreign and Defence Ministers. There were obvious reasons for holding the meeting at this time. On December 9 Kosygin mentioned the need for consultations on Western plans for the formation of the M.L.F.-A.N.F. The meeting also provided a convenient cover for the first major policy discussions among Soviet bloc leaders since the meeting in November in Moscow just after the fall of Khrushchev. In particular there was a need to reach some sort of agreement on tactics for the March 1 meeting in Moscow of the preparatory commission for an international conference of Communist parties.

3. Apart from the standard attacks on Western policies, with particular emphasis on the rôle of West Germany, the communique concerned itself mainly with a repetition of European security measures advanced by the Communist powers in the past. It gave no indication of what countermeasures might be taken if the M.L.F.-A.N.F. were formed. This is not surprising, since the Communist powers presumably see no need to reveal their hand before they know whether, and if so in what form, the M.L.F.-A.N.F. will come into existence; nor is it to be assumed that the hand will contain any trumps. There was an indication in the communique that the Warsaw Pact powers may pursue a Polish suggestion for a conference of European States on collective security in Europe. If they do so, they will probably seek to give their proposals on European security some new twist, for they must know that without one the suggestion can have no interest for the West, but there has so far been no evidence of what this twist might be.

4. Talks between the Soviet military leaders, Marshal Grechko and General Yakubovsky, and the East Germans immediately before the main meeting provoked speculation that some measures for the thinning-out of Soviet troops in Eastern Germany may have been discussed. The talks between the Soviet and Polish delegations, including Defence Ministers, in Northern Poland on January 21-22, and the unheralded visit of Brezhnev and Podgorny to Hungary, where Soviet troops are also stationed could point in the same direction, but we have no evidence that they do. There is no sign of preparations for thinning out and this speculation should be treated with reserve.

THE SINO-SOVIET DISPUTE

5. Despite conciliatory gestures by the Russians towards the Chinese, such as their endorsement of the Chinese proposal of last October for a world summit conference to ban nuclear weapons, the Chinese press has taken up a more belligerent tone by proxy, reporting articles and items /from from other sources critical both of Khrushchev and the new leaders and casting doubt on the legitimacy and prospects for success of the March 1 meeting. This could be a prelude to a resumption of direct Chinese polemics (a considered attack on the March 1 meeting seems due); it may equally have been aimed at provoking a Soviet rejoinder which would serve conveniently to highlight Sino-Soviet differences just before the March meeting, and to underline the dangerous consequences which might result from it.

6. Little more has emerged about likely attendance at the meeting itself. The Rumanians, Poles, Cubans and British still remain uncommitted. The British Communist Party has urged a further postponement of the meeting and there have been unconfirmed reports that such a postponement is in prospect. But the terms of the communiqué on a visit to Moscow by two senior members of the British Communist Party suggested that their talks with the Russians had ended in disagreement and there has been no indication from the Russian side that they have agreed to a further delay. A further postponement would be tantamount to abandoning the meeting altogether, and a severe blow to Soviet prestige. If the Russians do hold the meeting, they may not insist on the production of a document agreed only by the unrepresentative number of parties present, but may rather seek to represent the meeting as the first of a series of <u>ad hoc</u> discussions aimed at clarifying various subjects in dispute. They may also make a bid for support by throwing subsequent meetings open to other parties.

VIETNAM

7. There has been a striking reassertion of Soviet interest in Vietnam. An office of the South Vietnam Liberation Front is to be established in Moscow under the auspices of the Soviet Committee for Afro-Asian Solidarity. The Front is the political arm of the Vietcong armed units which are in rebellion against the South Vietnamese Government. It is under close control of the North Vietnam régime in Hanoi, and outside Vietnam is used to promote political sympathy for the Vietcong cause.

8. This was followed at the end of the month by an announcement that Mr. Kosygin, the Soviet Prime Minister, would shortly visit Hanoi. The composition of his delegation suggested that the visit would have two main concerns; future policy in view of the situation in Vietnam, including Soviet military assistance; and the relations between the two countries in the context of the Sino-Soviet dispute.

9. The Russians no doubt hope that the visit will discourage American attacks on North Vietnam. They do not want to risk direct military involvement with the United States, and it must remain their purpose to avoid a situation in which this risk could only be avoided by leaving a fellow Socialist country in the lurch. They may calculate that an injection of Soviet military aid (of a sort which the Chinese cannot provide) will give the North Vietnamese sufficient confidence to make haste slowly, allowing political disunity in Saigon to do their work for them. They may also recommend the North Vietnamese to show themselves ready for negotiations. Such a policy contains obvious risks - it is open to attacks by the Chinese on familiar lines, and, if it fails, the Russians would find

/it

CONFIDENTIAL

it difficult to extricate themselves without further dam ge to their relations with North Vietnam and to their reputation as defenders of the Socialist camp.

10. Another possible interpretation is that the Russians calculate that the Americans will not in fact initiate attacks against the North and that, therefore, they can with impunity take a forward policy of assisting the North Vietnamese. This would indicate that the Russians were taking a less cautious approach to situations which could involve direct confrontation with the United States. There is no indication of this in any other sphere.

11. Whatever may be the explanation of this Soviet initiative, there is no reason to believe that the Russians are in any real sense in favour of moderation or genuine compromise in North Vietnam; it must be assumed that they merely consider that the struggle can be won by means which do not involve danger to themselves. They are at the same time anxious, however, to avoid any impression that the visit is intended to be an action hostile to the United States. Simultaneously with the announcement of the visit, there appeared an authoritative article in <u>Pravda</u> welcoming President Johnson's reference in his State of the Union message to the need for high level contacts between the two countries.

12. The visit must also be seen in the context of Sino-Soviet relations. After years of fence-sitting, the Vietnamese had inclined to the Chinese side. The welcome which they have given to the Kosygin visit testifies to an appreciation of the need to keep on good terms with the Russians as well as the Chinese, which all Vietnamese interests - military, political and economic - seem to call for.

CHINA AND INDONESIA

13. Subandric's visit to Peking gave the Chinese an opportunity to declare their strong support for Indonesia's confrontation policy against Malaysia and to increase their influence over the Indonesian Government. The joint statement published at the end of the visit revealed that they discussed economic, commercial and military relations and communications; concluded agreements on economic and technical cooperation, and credits; and agreed to exchange economic and military delegations. Chou En-lai and Chen Yi promised to visit Djakarta in April. The statement also reiterated the Chinese assurance that they would not "sit idly by" if Indonesia became involved in a war with the United Kingdom. China has thus accepted increased commitments to Indonesia, but their extent is still not clear and China's ability to fulfil them will be restricted by her own very limited resources and distance from Indonesia. It seems likely that Indonesia's return commitments will include further support for China's policies at the forthcoming Afro-Asian conference in Algiers.

14. In Indonesia itself the Indonesian Communist Party (the P.K.I.) was quick to exploit the political uncertainty caused by reports of Sukarno's ill health. These reports led the more middle-of-the-road elements in Indonesia into an overt effort to improve their political position in preparation for the struggle for the succession which appears to be imminent. Their mistake was to show their hand prematurely and the P.K.I. exploited this mistake by persuading Sukarno to ban the "Body for the /Promotion

Einkaskjalasafn Bjarna Benediktssonar © Borgarskjalasafn Reykjavíkur

Promotion of Sukarnoism" and the Murba (Proletarian) Party, which the moderates had chosen as the instruments through which they hoped to advance their cause. The P.K.I.'s success in this political manoeuvring has further enhanced their chances of emerging as the dominant political influence in Indonesian life even if, in the event of Sukarno's death, they choose at first to exercise power through a "front" government. Since the P.K.I. is on the Chinese side in the Sino-Soviet dispute, these develop-ments must have been a matter for satisfaction in Peking. The success of P.K.I. policies and the increase of Chinese influence on the Indonesian Government resulting from the Subandrio visit show that events in Indonesia augur well for the Chinese at the expense of the Russians.

CHINA AND THE UNITED NATIONS

.

.

15. The Chinese have vociferously welcomed Indonesia's withdrawal from the United Nations and used the opportunity to launch an attack on the United Nations itself. This attack exceeds in vehemence and degree all their previous criticism of that body and inevitably raises the question of China's attitude to her own membership of the United Nations. There is no reason to think that China no longer wishes to take the Chinese seat in the United Nations. But the Chinese do now seem determined to exploit Indonesia's withdrawal to engender pressure for a reorganisation of the United Nations, and they claim that in this matter their interests and those of the Afro-Asian bloc coincide. China's threat to set up a rival "revolutionary" body seems at present mainly intended to dramatise this theme.

CHINA: INTERNAL SITUATION

16. The Chinese released little information about the proceedings of the recent session of the Chinese National People's Congress. The published summary of Chou En-lai's report suggests, however, that the Chinese Government is now confidently looking forward to the end of the period of "re-adjustment" which followed the mistakes of the "Great Leap Forward" and the other setbacks of the late 50's and early 60's. The report suggested that a "new upsurge" in production would come about, probably following the start of the third five-year plan, now postponed until 1966. 1965 will be a year of preparation for this, both in the economy and also in the ideological field through the "socialist education" campaign. The Chinese leaders' apparent confidence in the future does not seem to be justified by the results so far achieved. Agricultural production, which is now claimed to have reached the level of the "high-yielding" years of the past, would appear to be a cause for alarm rather than self-congratulation, since the Chinese population has probably increased by some 90,000,000 during that time. One of the first acts of the new National People's Congress Standing Committee has been to approve the extension of terms of service of N.C.O.s and men in the Chinese armed forces, by a year in the majority of cases and two years in some others. This is presumably intended to increase the technical efficiency of the armed forces as well as also increasing its size .

MONGOLIA

17. Three ringleaders of an opposition group who tried to force the resignation of Tsedenbal, the Mongolian Prime Minister, were expelled at a Central Party Committee meeting, which met on December 21 and 22. The strength of the group, which comes from the second echelon in the Party hierarchy, is unknown, but opposition to Tsedenbal's pro-Soviet leadership has been persistent for some time,

CONFIDENTIAL

and had already led to the expulsion of a Politburo member and a Party Secretary in 1962 and 1963. The conflict seems to have arisen from Mongolia's economic difficulties, partly brought about by the Sino-Soviet dispute. The opposition argue that there is no need for Mongolia to quarrel with China, and that Mongolia's economic development should be dictated by national interests rather than by C.M.E.A. policies. Such views are similar to those held by the Rumanians and reflect a wish to reduce Soviet control, build up resistance to Soviet pressure and gain concessions from both China and the Soviet Union. It is likely that Soviet concern at these developments in a hitherto impeccably reliable ally bordering on China is the cause of the despatch to Mongolia of a C.P.S.U. delegation, led by Shelepin.

SOVIET POLICY IN CYPRUS

18. In an interview published in the Soviet press on January 21, the Soviet Foreign Minister emphasised Soviet support for "Cypriot independence, sovereignty and territorial integrity". Apart from asserting a need for the removal of all foreign troops and military bases, Gromyko stated that the Cypriots must be allowed freely to decide their own future and to choose the internal structure of the Cypriot State. This, the Soviet Government believed, should be based on "respect for the legal rights of Cypriots of both nationalities"; and whether a unitary state or federation were chosen, a unified central government, administration, and defence and judicial systems would be required.

19. The statement was carefully balanced between support for federation and self-determination and appears to have been an unsuccessful attempt to please both sides without giving offence to either. But it did go rather further on federation than other Soviet statements, and, coming soon after Podgorny's visit to Turkey, marks another move in Soviet cultivation of Turkey and away from their earlier whole-hearted support for the Greek Cypriots. Soviet aims over Cyprus remain the prevention of Enosis and the removal of British bases. Their calculation seems to be that the prevention of Enosis offers the best hope both for the local Cypriot Communist Party and in general for ensuring that the Cyprus issue continues to cause trouble within N.A.T.O. It is noteworthy, however, that the Cypriot Communist Party's initial reaction to Gromyko's statement, while more sophisticated than that of other Greek Cypriots, reflected general Greek Cypriot alarm at a possible change in Soviet line.

SOVIET INTERNAL DEVELOPMENTS

20. Following the plans outlined by Kosygin last month for rationalising the Soviet economy, it was announced that a decision had been taken to extend the supply and demand system during the current year to nearly 400 light industrial enterprises, including all clothing and footwear enterprises in Moscow, Leningrad and the main cities of the Ukraine and the Baltic States, and various individual

/enterprises



enterprises in Central Asia and Transcaucasia. In future, they will base their production on orders from trading organisations instead of instructions from the central planners. The economic debate has continued in the pages of <u>Pravda</u>, where it has been suggested that profit should be used as the main success indicator for state and collective farms. Notes of caution, however, have also been sounded and Soviet authorities are still claiming that centralised economic planning, "one of the greatest achievements of the socialist system" must be improved, not weakened.

21. On the whole, organisationally, the Soviet leaders seem to want to make as few innovations as possible. The results of the December elections to the reunited regional committees reveal only a handful of casualties. It is probably considered at present more politic to try to commend new policies to the middle ranks of the party apparatus than to risk, by displacing former Khrushchev supporters, a possible consolidation of opposition.

CHRONOLOGY

December	30	Mass arrests of pro-Chinese Communists in India.
January	1	Chinese published Soviet reply (December 28) to Chou En-lai's message of October 17 on nuclear questions.
	3	France and Albania raised diplomatic missions to Embassies.
	4	Chinese delegation arrived in Moscow for trade talks.
	4	Session of the National People's Congress closed in Peking.
	4-13	Podgorny led Supreme Soviet delegation to Turkey
	7	Pravda published text of message congratulating Chinese leaders on their re-election.
	7-11	Peyrefitte, French Minister of Information, visited Moscow.
	8	Chinese published East German reply to Chou En-lai's message on nuclear questions.
1	0-12	Manescu, Rumanian Foreign Minister in Paris to sign cultural agreement.
	10	Chinese Government issued statement supporting Indonesia's withdrawal from United Nations.
1	1-13	Peter, Hungarian Foreign Minister, visited Paris,
1	1-14	Pakistani Foreign Minister, Bhutto, visited Moscow.
	11	Daily Worker reports British Communist Party resolution implying support for postponing March 1 preparatory meeting.
	11	Kosygin accepted invitation to visit London in the spring.
	12	Pravda printed a summary of Chou En-lai address to the National People's Congress,

/January 15

s

CONFIDENTIAL

Einkaskialasafn Biarna Benediktssonar © Borgarskialasafn Revkiavíkur

January 15	Chinese published Mongolian reply to Chou En-lai's letter on nuclear questions.
17	People's Daily protests at arrests of pro-Chinese Communists in India.
18	Soviet notes to France, Western Germany, United Kingdom and the United States protested against proposals for atomic mine-fields along Western Germany's eastern border.
19	<u>Pravda</u> published communiqué of a conference of Latin American Communist Parties at the end of 1964.
19-20	Meeting of Warsaw Pact Political Consultative Committee in Warsaw.
20	Tass publicised decree (dated August 29) exonerating Volga Germans from charges of wartime collaboration.
20	Anglo-Soviet negotiations on post- 1939 claims opened in London.
21	N.C.N.A. published <u>Akahata</u> and <u>Zeri i</u> <u>Popullit</u> attacks on revisionism and Khrushchev.
21	Tass issued text of Gromyko's interview with Izvestiya, United Nations, Congo and Cyprus.
21-22	Polish and Soviet leaders have bilateral talks in Northern Poland,
22	<u>Tass</u> reported letters from Gromyko to North Vietnamese and Chinese Foreign Minister, supporting North Vietnamese protests against commitment of South Korean troops in South Vietnam.
23	Moscow Radio announced that South Vietnamese National Liberation Front is to open permanent office in Moscow.
23-28	Subandrio, Indonesian Foreign Minister, visited China.
26	C.P.S.U. delegation led by Shelepin arrived in Ulan Bator for talks with M.P.R.P. leaders.
26-28	British Communist Party delegation visited Moscow and had talks with Brezhnev, Suslov and Ponomarev.
27	Announcement that Ulbricht had accepted an invitation to visit the United Arab Republic.

/January 28

-	0	B.I	E1	D	-	111	-		
-	0	N	F 1	ν		NT		A	L

.....

January 28	19th Session of C.M.E.A. in Prague.
29-31	Brezhnev and Podgorny visit Hungary.
30	Announcement in Moscow that Kosygin will lead a Soviet delegation to North Vietnam.
30	<u>People's Daily</u> publishes Akahata article of January 21 attacking March 1 meeting in Moscow and proposed international conference of all Communist Parties.
31	Economic agreements between East Germany and the United Arab Republic initialled in Cairo.

CONFIDENTIAL

Einkaskjalasafn Bjarna Benediktssonar © Borgarskjalasafn Reykjavíkur