



# Communist Policy and Tactics 1970, fyrri hluti

---

Bjarni Benediktsson – Stjórnámál – Trúnaðarskýrslur – Communist Policy & Tactics

## Tekið af vef Borgarskjalasafnsins

---

[bjarnibenediktsson.is](http://bjarnibenediktsson.is)

Einkaskjalasafn nr. 360  
Stjórnámálamaðurinn  
Askja 2-39, Örk 8

©Borgarskjalasafn Reykjavíkur

**CONFIDENTIAL**

COMMUNIST POLICY AND TACTICS

APRIL 1970

SUMMARY

The Lenin Centenary Celebrations in Moscow

The celebrations, held in Moscow on 21 and 22 April, was notable for the first public appearance of the entire Politburo since December 1969 and for the pre-eminence of Brezhnev amongst the leaders. Brezhnev's speech on 21 April was moderate in tone on internal affairs; he was critical of shortcomings in the economy and mentioned "new and major decisions" in the context of the forthcoming Five Year Plan. On foreign policy he said little that was new; he indicated that the doctrine of limited sovereignty still applied. He criticised the Chinese in relatively restrained terms. Attendance at the celebration was at a high level, and included North Vietnamese, North Korean and Japanese Communists, although there were notable absences. The Russians achieved a show of unity to mark the occasion only by permitting an airing of divergent views on Leninism. Despite the considerable publicity given to the anniversary throughout the world, the Russians do not seem to have gained significantly from it.

Hungary

Despite references by Hungarian leaders to the need for reform, the political situation remains static. Brezhnev spoke approvingly of Kadar's leadership at the 25th anniversary celebrations. The economy has performed moderately well under the reforms, although low labour productivity remains a problem. Foreign trade achieved satisfactory results in 1969.

Sino-Soviet Relations

There have been reliable reports that the Russians are seeking agrément for a new Ambassador to Peking. They may hope to be able to withdraw their chief negotiator in the talks with the Chinese, Kuznetsov, the First Deputy Foreign Minister, in order to continue at Ambassadorial level. Chinese propaganda violently attacked the Russians on the occasion of the Lenin centenary and Soviet propaganda has since responded with bitter attacks on Mao.

China's Relations with North Korea and Japan

There has been an improvement in relations between North Korea and China, as was shown by Chou-en-lai's visit to Pyongyang in April. Although this required a slight shift of North Korean policy in favour of China, the Koreans are maintaining their friendly relations with the Russians. Although the recent Memorandum Trade talks between the Chinese and the Japanese resulted in agreement, the Japanese side had to join in hostile condemnations of the Japanese leaders, contacts between the two countries will continue to be limited to unofficial exchanges.

/"Indo-Chinese .....

**CONFIDENTIAL**



**CONFIDENTIAL**

"Indo-Chinese Peoples' summit conference"

This took place in China on 24 and 25 April, reportedly on the initiative of Prince Sihanouk. The fact that the meeting did not set up an Indo-Chinese "liberation front", as had been expected, suggests that the North Vietnamese are concentrating on the war in South Vietnam, rather than on escalating hostilities in Laos or Cambodia. The Chinese warmly welcomed the conference but the Russians greeted it only cautiously. They may feel they have been left behind by events.

The First Chinese Satellite

The launching of a Chinese satellite on 24 April shows that China's missile programme was not significantly harmed by the Cultural Revolution, and was probably timed, only two days after the Lenin Centenary celebrations, to emphasise that China has a major place in the world Communist Movement. The launch is unlikely to affect the SAL talks in Vienna, since Western experts, and no doubt the Russians, had expected China to test an ICBM in 1970.

Albanian Foreign Policy

There have been recent signs that Albania is advancing from isolationism; the Albanians are extending their relations with the West and taking a softer line towards certain East European countries. Their motives are unclear, but they remain loyal to Peking and still appear to think that the main threat to their independence comes from the Soviet Union.



**CONFIDENTIAL**

THE LENIN CENTENARY  
CELEBRATIONS IN MOSCOW

The centenary of Lenin's birth was celebrated, after two years of preparation, in Moscow on 21 and 22 April. The main event was a two-day commemorative meeting of the Central Committee and the Supreme Soviets of the USSR and RSFSR. This brought together the entire Politburo in public for the first time since December, 1969, thus showing that all members are still in office. Events in the second half of April clearly confirmed that Brezhnev is pre-eminent within the Collective. He made two major speeches in Kharkov on 13 and 14 April another on 16 April in Ulyanovsk, and the keynote speech at the Lenin celebrations. These received very wide publicity. This pre-eminence was further underlined by the increased number of nominations which Brezhnev received this year as a candidate for the Supreme Soviet elections by comparison with his Politburo colleagues. The centenary is not likely, on the other hand, to have dispelled the underlying disagreements which seem to exist within the leadership.

2. Brezhnev's speech at the Commemorative Meeting was moderate in tone, given the occasion and the audience. On internal affairs, he laid particular stress on the economy, repeating his earlier calls for "intensification" (i.e. increased factor productivity) and for discipline. He referred to the Soviet economy as entering a new and important stage and to the Government's conclusion that "it is essential to work out an economic policy and methods of economic management ... which correspond to the present state of the country's development". This seemed in context to refer to the economic measures already taken. Brezhnev also mentioned forthcoming "new and major decisions" in the context of the Five Year Plan, due to be published this year: he may have been referring here to the decisions on resource allocation etc., which any new plan involves, rather than to any fundamental innovations. Brezhnev made an unusual criticism of the state of planning, blaming many economic difficulties on wrongly calculated plans. However publication of fairly good results for the first quarter's industrial production may have gone some way to counteract the impression of failure which Brezhnev's criticisms, particularly at Karkov might otherwise have left with the public.

3. On foreign affairs, Brezhnev broke no new ground. His line on the "socialist" countries was restrictive: he twice indicated that the doctrine of limited sovereignty still applied. He adopted a tough posture towards "imperialism" without going into details. His references to the Middle East and Vietnam were on standard lines. He made no mention of Soviet/US or Soviet/German relations or of European security. He had fairly harsh words for the Chinese leaders, but his remarks were restrained in comparison with the highly abusive treatment of the Soviet leadership in the leading article which the Chinese issued to mark the Centenary. Brezhnev traced the present situation in Sino/Soviet relations to the Chinese leadership's "break with the principle of Leninism". Without specifically mentioning the Peking talks in this speech, Brezhnev said that the Soviet Union would continue actively to seek the restoration of good relations between all socialist countries.

/4. Foreign

**CONFIDENTIAL**



**CONFIDENTIAL**

4. Foreign attendance at the Moscow celebrations was on a high level. Of the "bloc" countries only the Chinese and Albanians were not represented. Tito was represented by a member of the Yugoslav Politburo, and Castro by the Cuban President. The attendance of the North Vietnamese, North Korean and Japanese Communist Parties was some compensation to the Russians for the failure of these parties to attend the World Communist Conference last year, and underscored Chinese isolation on this occasion. Soviet propaganda has since made the most of this. But, as at the World Communist Conference, the Russians achieved a show of unity only by tolerating a further public airing of differing attitudes towards Leninism by Party leaders from other "socialist" countries. Gomulka and Ceausescu wrote special articles in Pravda from their own peculiar standpoints; and an article by Tito, portraying the Yugoslavs as politically and economically the true heirs of Lenin, said much which the CPSU will have found distasteful. The North Vietnamese First Party Secretary Le Duan, in his speech at the Meeting, paid tribute to Chinese as well as Soviet aid to Vietnam. Nor were Brezhnev's criticisms of the Chinese leadership taken up to any significant degree by other speakers at the Meeting. The more independent of the "pro-Moscow" Communist Parties, (e.g. the Italians, Yugoslavs and Australians) at their own celebrations each put their own individual construction on the theme of Leninism, sometimes with scarcely veiled anti-Soviet overtones.

5. As to the impact of the celebrations on the Soviet public, this from all accounts has been small, and may even have been negative from the Party's point of view. Irreverent jokes about Lenin have proliferated. Elsewhere in the world the Centenary has attracted a great deal of press interest. But the treatment in the West and the developing world has not been very favourable from Moscow's point of view. In general the Soviet leaders appear not to have achieved gains, either internally or internationally, commensurate with the great effort they made to exploit the Centenary.

**CONFIDENTIAL**



**CONFIDENTIAL**

HUNGARY

Some recent press comment has suggested that there has been a perceptible relaxation in internal Hungarian policy since the end of 1969. At that time the political situation was more or less static; there had been no perceptible tightening up in the course of the year, but equally no marked move toward further relaxation. The position has not altered in the past four months in this respect; the evidence adduced to prove the contrary is not convincing. Since the economic reform programme began to be implemented in early 1968 there has been a series of public statements by Hungarian leaders on the need for increased "democratism" in Party and State life. Recent speeches by Prime Minister Fock and others also include references to "the need for continuous development of democratism" (i.e. political reform), as well as to "socialist legality" in the security and judicial fields. But these statements have not been matched by any increase in political freedom, and were not made without important qualifications. Thus, when the Minister of the Interior wrote in the Party journal in January that it was necessary to convince people of the truth of Marxism by persuasion and not by police methods, he also said "it is the resolute stand-point of the Party and State leadership that we cannot tolerate opposition to the State order in whatsoever political colour it may appear".

2. Contrary to some press speculation, the new decree on passports does not represent an advance on previous procedure and does little beyond publish regulations which have long been in force; freedom to travel abroad, while far greater than ten years ago, is still subject to arbitrary restrictions. Furthermore, the amnesty announced on 25 March, which was clearly timed to coincide with the 25th anniversary of the liberation of Hungary does not extend to political offences and is nowhere near so humanitarian as Hungarian propaganda has claimed. In general, while the Hungarian citizen may be reassured that he will not be subject to illegal decisions by the authorities, the legal framework itself nevertheless remains very restrictive.

3. Kadar's leadership was warmly endorsed by Brezhnev at the anniversary celebrations at the beginning of April. This will strengthen Kadar's position against his own hard-liners, but it is also a reminder of his ultimate dependence on Soviet good-will. This dependence will continue to limit his freedom of action at the 10th Party Congress which is likely to take place in November.

4. The present régime in Hungary has for some time permitted somewhat greater freedom of expression than its Warsaw Pact neighbours and the economic reform programme, if taken to a logical conclusion, would seem ultimately to entail further relaxation. Political change in Hungary, however, is a slow process and there is no sign that it has accelerated in recent months.

5. As regards economic reform, on the occasion of the 25th anniversary Brezhnev and the Soviet leadership collectively endorsed the reform programme in general terms. Briefly, this programme has involved a certain decentralisation of authority to permit more scope for decisions and initiatives at managerial level, so as to take greater account of market forces. Overall control of the economy has been retained at the centre, as have statutory restrictions on managerial freedom, notably in investment, pricing

/and

**CONFIDENTIAL**



and profit retention.

**CONFIDENTIAL**

6. The reform has increased the role of trades unions at enterprise level. The unions now negotiate collective agreements affecting working conditions and can exercise rights against management to enforce such agreements. At the national level the unions have been associated with a number of popular major policy decisions. But too much political significance should not be attached to this. The unions still fulfil their basic role of maintaining labour discipline and mobilising the workers for increased production. But insofar as the unions emerge as a genuine counter-balance to the increased powers of the managers, they may have a long-term potential as a more independent political force.

7. Generally the economy has performed moderately well under the reforms. The rate of increase in industrial output has slowed down but this is partly because of the internal restructuring of industry needed to improve the efficiency and quality of production. Low labour productivity is also still causing considerable concern and changes in income policy were made at the beginning of 1970 to stimulate a more rational use of labour. Other problems persist, such as a need to increase the profitability of investments and to evolve a more realistic pricing system, but the Hungarians are probably justified in feeling that so far as the internal economy is concerned the transition to the new system is working fairly well.

8. In foreign trade, Hungary achieved an export surplus with both communist and non-communist countries in 1969, and the sharp rise in sales to the latter (32 per cent) was to some extent influenced by the decentralisation of decisions to enterprises and the greater flexibility resulting from the new system of incentives. Industrial exports, however, have failed to develop as well as agricultural exports. This problem will persist in the short-term, but the growth of industrial co-operation agreements should gradually raise the technological level of industry and this may in the long-term contribute to improvement in the export structure. Last year the number of such agreements reached 42 bringing the total to nearly 100 since 1963.

9. The policy of collaboration with Western firms will clearly continue. A recent article in the Hungarian press foresaw considerable expansion in this field. After stressing the importance to Hungary of a large-scale increase in the production of automotive components and spares to the high standards required by Western mass manufacturers, it went so far as to advocate the establishment of mixed companies of Hungarian enterprises and foreign firms. However, the problems of ownership and control would probably prove difficult obstacles and such ventures may not be attempted for some time to come.

**CONFIDENTIAL**



**CONFIDENTIAL**

SINO-SOVIET RELATIONS

Little progress appears to have been made in the Sino-Soviet border talks, which are now in their seventh month. There were reliable reports in early April that agrément had been requested for a new Soviet Ambassador to Peking, Vladimir Stepakov, former head of the CPSU Central Committee's propaganda department. But the Chinese do not appear to have granted it yet. The Russians may hope that the arrival of a new ambassador might make it possible for First Deputy Foreign Minister Kuznetsov to leave Peking, leaving the talks to continue at ambassadorial level. Nevertheless, the appointment of Deputy Foreign Minister Semenov to lead the Soviet delegation to the SAL talks suggested that Kuznetsov's absence from Peking for the Lenin Centenary celebrations was temporary and that Moscow does not yet feel able to withdraw him. There were also reports that the Soviet Union had made token withdrawals of troops from some sections of the border. But Soviet diplomats have denied this and have stressed that the Soviet Union would not consider acting unilaterally.

2. The Lenin Centenary provided the occasion for a violent propaganda blast from the Chinese who in the preceding weeks had ignored the forthcoming celebrations. The main attack took the form of a joint editorial devoted entirely to an abusive diatribe against the Soviet leaders. It accused them of restoring capitalism, attacked the doctrine of limited sovereignty and called Brezhnev "Khrushchev the second". On the same day, at a commemorative assembly in Moscow, Brezhnev, in far more measured language, accused the Chinese of departing from socialist internationalism and replacing it by nationalism and chauvinism. But Soviet propaganda has since made bitter personal attacks on Mao.

**CONFIDENTIAL**



**CONFIDENTIAL**

CHINA'S RELATIONS WITH NORTH KOREA AND JAPAN

The Chinese Premier, Chou En-lai, visited North Korea from 5 to 7 April, setting the seal on the improvement in Sino-North Korean relations which has been apparent since the visit of a high-ranking North Korean delegation to China's National Day celebrations last October. The North Korean Ambassador has returned to Peking and a new Chinese Ambassador has been appointed to Pyongyang. Mutual concern about Japan's economic importance and her growing role in Asia has played a major part in bringing the two sides together, particularly since the Sato-Nixon Communiqué of November, 1969. The rapprochement has required from the North Koreans a slight shift from a position of strict neutrality in the ideological dispute between China and the Soviet Union. In the Joint Communiqué issued at the end of Chou's visit the Koreans allowed themselves to be associated with general references to "modern revisionism", and with oblique criticism of the Soviet Union for developing relations with Japan. But this seems to have been the extent of the shift, and was, no doubt, the price to be paid for assurances of "mutual assistance and co-operation" in the future as well as for the success of the visit itself. The Koreans have continued at the same time to show that they are anxious to preserve friendly relations with the Soviet Union. On the same day as Chou En-lai arrived in Pyongyang, the North Korean Minister of Culture began a visit to Moscow, and the North Korean delegation to the Lenin Centenary celebrations in Moscow was led by Choe Yong-kon, number two in the North Korean hierarchy and leader of the Chinese delegation to Peking for China's National Day celebrations in October.

2. The visit of Chou En-lai to North Korea occurred while negotiations were taking place in Peking for the renewal of the Memorandum Trade Agreement with Japan. The prospects for the negotiations seemed slim in view of the bitter criticisms levelled by China against Japan since the Sato-Nixon talks, particularly on the references in the Communiqué to the Taiwan area and South Korea as being essential to Japan's security. Nevertheless, the Memorandum Trade negotiations, although protracted, ended in an agreement. The Communiqué issued on 19 April revealed no radically new formulations as compared with those in the 1969 Communiqué, but the Japanese side was obliged to join in more than usually hostile condemnations of the policy of the Japanese Government and Premier Sato in particular. Some new conditions for trade have been made according to reports of statements made by Chou En-lai to both the Memorandum Trade delegation and the delegation of Japanese "friendly firms" which was concurrently pursuing negotiations in Peking. Chou En-lai stressed four conditions which, if implemented strictly, will prevent trading with Japanese firms conducting the majority of their business with Taiwan and South Korea, with firms aiding "American aggression in Vietnam" and with firms which are American subsidiaries or which are under joint American and Japanese ownership. The inclusion of Vietnam and Korea in this list for the first time is a further expression of Chinese support to North Vietnam and North Korea. Subject to these restrictions, Chou made clear that, although there could be no co-operation with the present Japanese Government, he looked forward to increased unofficial exchanges.



**CONFIDENTIAL**

"INDO-CHINESE PEOPLES' SUMMIT CONFERENCE"

This meeting, reportedly held on the initiative of Prince Sihanouk, took place somewhere in the Laos/Vietnam/China border area on 24 and 25 April. As well as Sihanouk, Prince Souphanouvong of the Pathet Lao, Pham Van Dong, Prime Minister of North Vietnam, and Nguyen Huu Tho, "President" of the Provisional Revolutionary Government of South Vietnam, were all present.

2. None of the more dramatic developments that were predicted, such as the establishment of a rival government under Sihanouk in a "liberated" zone of Cambodia, took place at the meeting. The communiqué affirmed the participants' purported adherence to the 1954 and 1962 Geneva Agreements, and accused the U.S. in conventional Communist terms of "imperialism" in Indo-China. It stated that the first aim of the participants must be "to strengthen their solidarity". Further meetings of the four leaders or their representatives to discuss matters of common interest are envisaged.

3. The communiqué was more significant for what it did not say. Many observers had expected the establishment of a united Indo-Chinese "liberation front" to co-ordinate Communist military and political activity in the area. Such an announcement could conveniently have taken the form of an endorsement of the statement of Truong Chinh, Chairman of the Standing Committee of the North Vietnamese National Assembly, in his Lenin Centenary speech in Hanoi on 22 April, that "the peoples of the three Indo-Chinese countries ... had formed the Indo-Chinese Peoples' United Front", and of a similar recent reference in Moscow by Le Duan. In the event, however, the communiqué made no mention of such a front. With the North Vietnamese apparently firmly in control of the meeting, this tends to confirm the view that their objectives are still centred on the war in South Vietnam, rather than an immediate escalation of hostilities in either Laos or Cambodia. This interpretation is strengthened by the communiqué's definition of the participants "combat objectives" in Indo-China. These avoided total condemnation of either Prince Souvanna Phouma's government in Laos or Lon Nol's government in Cambodia, and left the North Vietnamese with the option of reaching compromise agreements with either or both. However, this did not preclude the later formation of an Indo-Chinese "Liberation Front". Although it has not been confirmed that the Chinese actually participated in the summit, it is clear that Chou En-Lai was on the spot. Peking issued a statement expressing "warmest congratulations" and "resolute support". Repeated references in the statement to the "three Indo-Chinese peoples" may however be a hint to the North Vietnamese not to entertain ambitions of eventual hegemony over the whole of Indo-China - a development which the Chinese would not wish to encourage.

4. The Chinese, however, have far more reason to be content with the summit meeting than the Russians, who seem to have had no part in the affair and have given it only a very cautious welcome. Moscow indeed has grounds for feeling left behind by events. A desire to play some role may be one reason behind the inconsistent Soviet attitude to the question of an international conference on Indo-China. Mr. Malik, the Soviet Permanent Representative at the UN, stated on 16 April that only a new Geneva conference could bring a solution to the Indo-China crises. But he retracted

/this

**CONFIDENTIAL**



**CONFIDENTIAL**

this the next day and, although his remark was clearly deliberate, it evidently does not herald any early change of Soviet policy. The Russians may have wanted to elicit a clear expression of Hanoi's attitude to a conference, but this is clearly as negative as ever.

**CONFIDENTIAL**



**CONFIDENTIAL**

THE FIRST CHINESE SATELLITE

China launched her first earth satellite on 24 April, thus becoming the fifth country to do so. The satellite, which weighs 381 pounds, is much heavier than the first French and Japanese ones, but the launch shows no advance over Western estimates of the progress of Chinese missile development. The announcement described the event as "a good beginning in the development of China's space technology", but it is not clear whether the Chinese will press on with a separate space programme or whether, as seems more probable, they will take advantage of advances in their military technology to mount periodic space ventures. The success of the launch indicates that the Chinese missile programme has not been significantly harmed by the Cultural Revolution, though the timetable has probably been set back. The launch was accorded Mao's personal approval, which will presumably guarantee that China's missile programme will continue without interference.

2. The launch took place only two days after the Lenin Centenary celebrations, and was perhaps timed to emphasise that, despite China's isolation, she still has a powerful claim for influence in the World Communist Movement. The launch will highlight China's growing technological prowess in the eyes of Asian countries; in India there has already been renewed Parliamentary pressure on the government to develop its own nuclear and missile programmes. The launch also occurred eight days after the resumption of the SAL talks in Vienna. But Western experts had earlier predicted that China would test launch an ICBM in 1970, so presumably both the American and the Russian negotiators had prepared their positions accordingly.

**CONFIDENTIAL**



CONFIDENTIAL

ALBANIAN FOREIGN POLICY

There have been several signs recently of an advance from isolationism on the part of the Albanian regime. A trade agreement was signed by the Chambers of Commerce of Athens and Tirana in January; trade with Italy has been increasing; diplomatic relations have been established with Austria and Denmark; and approaches have been made towards the establishment of diplomatic relations with Norway, Belgium and Switzerland. There are also indications of some softening of Albanian attitudes towards Yugoslavia, and even towards Poland and Hungary. On the other hand, friendly articles which appeared in the Soviet press in November 1969 on the occasion of the 25th Anniversary of the liberation of Albania met with a total rebuff.

2. How far these moves have been made at Chinese instigation is uncertain, though there is no evidence that they have met with disapproval in Peking and Albanian loyalty to the Chinese line on party and international issues is apparently undiminished. But the Albanian Government would clearly like to move away from total dependence on its alliance with China and to cultivate, however cautiously, better relations with a variety of European states. A reason advanced for this in the Yugoslav press is Albanian fear of Soviet pressure on them to rejoin the Warsaw Pact, which they left de facto in 1961 and formally in 1968, and re-establish facilities for the Soviet navy at Valona on the Adriatic seaboard. The Albanians may also be hedging their bets against the possibility, however remote, of a future Sino-Soviet agreement which might leave them with less assurance of Chinese support than they enjoy at present. Whatever their precise motives, the Albanians still seem to think that the main threat to their independence comes from the Soviet Union.

CONFIDENTIAL



CONFIDENTIAL

CHRONOLOGY

April 1970

- 30 March - 4 April Caglayangil, Turkish Foreign Minister, in Poland.
- 2 - 5 Brezhnev attends 25th Anniversary of Hungarian Liberation.
- 3 - 5 First meeting of Anglo-Soviet Consultative Committee.
- 7 - 8 Kozyrev, Soviet Deputy Foreign Minister, has political talks with British Ministers and officials.
- 5 - 7 Chou En-lai in North Korea.
- 7 - 9 Peter, Hungarian Foreign Minister, in Sweden.
- 7 - 11 Manescu, Rumanian Foreign Minister, in Czechoslovakia.
- 13 - 17 Non-aligned conference in Dar-es-Salaam.
- 13 - 17 President Sunay of Turkey in Rumania.
- 13 UK-USSR Air Services Agreement signed in London.
- 13 Tass announces Soviet naval manoeuvres.
- 16 SAL talks reopen in Vienna.
- 16 USSR-Venezuela diplomatic relations re-established.
- 17 - 18 Palme, Swedish Prime Minister, in Moscow.
- 18 East Germany recognised by Central African Federation.
- 21 Violent Chinese press attack on Soviet leaders.
- 21 - 24 Winzer, East German Foreign Minister, in Yugoslavia.
- 21 - 22 Lenin centenary celebrations.
- 22 - 24 Third round of West German-Polish talks.
- 24 - 25 "Indo-Chinese peoples' summit conference".
- 24 First Chinese earth satellite launched.
- 25 - 30 Marko, Czechoslovak Foreign Minister, in UAR.
- 26 - 28 Moro, Italian Foreign Minister, in Bulgaria.

/ 26-29 Peter, Hungarian .....

CONFIDENTIAL



**CONFIDENTIAL**

- 26 - 29 Peter, Hungarian Foreign Minister, in Netherlands.
- 26 - 30 Avramov, Bulgarian Minister of Foreign Trade  
in U.K.
- 27 Anglo-Bulgarian long-term Trade Agreement signed.
- 27 - 28 Warsaw Pact Military Council meets in Budapest.
- 28 Second Quadripartite Meeting on Berlin.

**CONFIDENTIAL**



**CONFIDENTIAL**

COMMUNIST POLICY AND TACTICS

FEBRUARY 1970

SUMMARY

Soviet policy in the Middle East

Kosygin's messages to the U.K., the U.S. and France were designed to indicate that the Russians still want a settlement by negotiation and still actively support the Arab cause; to appeal to the West to influence Israeli actions and to prepare the Soviet position in case of further Soviet arms supplies or of a breakdown in the international effort to promote a settlement. It is impossible to say what types and quantities of additional military supplies the Russians may decide to send the UAR. Soviet policy in the Middle East is influenced by a determination to give the Arabs material and diplomatic support so as to develop Soviet influence, and by recognition that only a political settlement could ensure that the parties to the dispute could not provoke a major East-West confrontation. The Russians' actions have suggested that, so long as a settlement seemed a realistic possibility, they would work to achieve one. Evidence at the time of Kosygin's messages suggested that the Russians were less sanguine about the prospects for a settlement than they had been. The messages signalled the limits beyond which the Russians were not prepared to go in accommodating American and Israeli demands. This implied that Moscow was prepared if necessary to tolerate a Middle East in which Arab/Israeli tensions remained unresolved but not that the Russians had abandoned the search for a negotiated settlement.

Soviet-Japanese relations

2. The meeting in February of the Soviet-Japanese Joint Economic Commission did not achieve a breakthrough regarding the joint development of Siberia. But agreement was reached on the joint construction of a new port near Nakhodka, which will facilitate bilateral trade. There is scant prospect of progress on the main Soviet-Japanese political problem, namely the dispute over the "northern territories". The Russians profess to see a trend towards militarism and expansionism in Japan. The Japanese regard Soviet ideas about Asian security with considerable scepticism.

Soviet attitude to Cyprus

3. The TASS statement of 18 February was part of a propaganda campaign against the Cyprus National Front; Soviet media have alleged that the U.S. and U.K. were trying to reinforce their position in the Mediterranean in connection with the Middle Eastern problem and their withdrawals from Libya. The Russians seem to be using the Cyprus situation to promote their own interests in the Mediterranean: they may even try to exacerbate it as a possible distraction, should their dilemma in the Middle East become more acute.

/Reported changes . . . . .



**CONFIDENTIAL**

Reported changes in the Warsaw Pact

4. Despite recent rumours, it seems that there are no joint forces, in the sense of forces under international command in time of peace, in the Warsaw Pact at present. The smaller members of the Pact have, however, been given an ostensibly greater advisory role in the top level organisation of the Pact. The Rumanians may be apprehensive that the Russians wish to take some new step involving alteration of the system whereby forces remain under national control in peacetime. The Russians would gain definite advantage from such a change but would have to proceed very carefully if there was to be any chance of Rumanian acquiescence.

Laos

5. In a swift campaign in the second half of February, communist forces recaptured areas which they were forced to evacuate last autumn. This was expected. Future communist intentions are unknown. A further advance could cause extreme alarm to the Laotian Government and to the Thais. It is Hanoi which will decide how far the communist troops should advance and thus whether there will be a serious crisis.

Chinese internal affairs

6. Articles in Red Flag in February suggested that the Chinese leadership would continue to take a cautious and pragmatic line in economic matters. It is reported that a number of people have been condemned to death or imprisoned for corrupt practices and political offences following mass trials in January. Those condemned are believed to have included members of extremist Red Guard factions. This may indicate the Government's intention to maintain a firm grip on political activity and to clamp down on factionalism.



**CONFIDENTIAL**

Soviet policy in the Middle East

At the beginning of February Kosygin sent similar messages on the Middle East to the Heads of Government of the United Kingdom, the United States and France. The messages stressed the following points. Israel had in effect renewed military operations against the Arab states, which so far had not retaliated. If the United States and the United Kingdom had reinforced their statements in favour of peace with "practical steps", this situation would not have arisen. Israel must be warned against "adventurism" and forced to heed "the voice of reason". If Israel kept bombing the territory of the UAR, the Soviet Union would be obliged to make sure that the Arab states disposed of "such means as would help them to give a proper rebuff to the arrogant aggressor". The Soviet Union believed that it was now necessary to make effective use of two-power and four-power consultation in order to secure the speedy withdrawal of Israeli troops from all occupied Arab territory and bring about the establishment of peace in the Middle East. Withdrawal was the key question for the establishment of peace.

2. There can be little doubt that the Russians find themselves in a serious dilemma. It is clear that they wish to avoid an East-West confrontation developing out of the Arab-Israel dispute. But they are unwilling to press Nasser to make the concessions necessary to generate progress towards a settlement. To do so, especially at a time when the Russians probably doubt more than ever Israeli and American sincerity, might weaken Nasser's position and thus endanger Soviet influence in the UAR and in the Arab world as a whole. In this light, and in so far as the various Soviet motives behind Kosygin's letters can be unravelled, they seem to have been as follows:

- (a) to indicate that there was no change in the fundamental Soviet policy of seeking a settlement based on the Security Council Resolution of November 1967 and avoiding East-West confrontation, but that the Soviet Government were not prepared to pay any price (or to press the Egyptians to pay any price) for achieving such a settlement;
- (b) to demonstrate to Nasser, after his still unannounced visit to the Soviet Union in late January, and to the world in general, that the Soviet Union was still actively committed to support the Arab cause;
- (c) to put the West on notice that there might be further Soviet military supplies to the Arab states and, by accusing Israel and the United States of responsibility for the present situation, to absolve the Soviet Union from blame for this;
- (d) to appeal to the West to influence Israeli actions and to pin the blame for any further escalation of the fighting (and possible Arab retaliation) on Israel and the United States;
- (e) to prepare the Soviet public position in the case of a breakdown in the international effort to promote a settlement.

/3. The messages

**CONFIDENTIAL**



CONFIDENTIAL

3. The messages had not been published in full by the Russians by the end of February. Their existence was not revealed by Soviet news media until 12 February, when the threat in the messages to supply more arms to the UAR was not included in the published summaries. This threat did appear in a TASS statement on 17 February about the Israeli bombing of the factory at Abu Zaabal, although it was not revealed even then that the same threat had appeared in Kosygin's messages. This press treatment may reflect a Soviet desire to give the impression that the messages were meant seriously rather than for propaganda. Another aspect of Soviet publicity on the Middle East in February was the stress laid upon allegations that the United States shared equally with Israel the responsibility for the dangerous situation. Like Kosygin's messages, this was probably designed to put the Russians in a position, should they later supply more arms to the Arabs, to blame the United States for the situation in which this had become necessary. The Russians no doubt also had in mind the imminence of President Nixon's decision on Israeli requests for more Phantom and Skyhawk aircraft and economic aid.

4. In his recent exchanges with the Russians Nasser may well have claimed that his regime could not survive for long while Israeli bombing raids in the vicinity of Cairo continued. The Russians may have been susceptible to this argument in view of the trouble they have taken to build up their influence in the UAR and the risk that this influence would be jeopardised by Nasser's fall. If the Russians do supply more arms to the UAR, they will want if possible to choose items which would not have too great an escalatory effect on the situation; which would not easily be put out of action by the Israelis, since this would be humiliating; and which would not tempt the Arabs to believe that they could profit from another round of full-scale hostilities. The Russians will also have to come to terms with the fact that the Arabs cannot operate efficiently even the equipment they have already. It is however impossible to say what types and quantities of additional equipment the Russians may decide (or have decided) to supply.

5. Another aspect of Soviet activity in February was the ten day visit to the Soviet Union of a delegation of the Fedayeen led by Yasir Arafat, the Chairman of the Palestine Liberation Organisation and leader of Al Fatah. The host was the Soviet Committee for Solidarity with Afro-Asian peoples, an ostensibly non-governmental body. The delegation received little publicity and there was no announcement that it had been received at a high level. It had previously been announced that Soviet organisations would send unspecified, perhaps non-military, supplies to the Fedayeen. No new information in this respect has so far emerged as a result of the visit. But, while the Russians are still approaching their dealings with the Fedayeen cautiously, there is little doubt that they are consciously adopting a more forthcoming attitude than in the past.

6. Soviet policy since the war of 1967 seems to have been governed by two main considerations. First, a determination to give the Arabs enough material and diplomatic support to preserve and develop the Soviet position as defender of the Arab cause. Secondly, a recognition that only a political settlement could ensure that the parties to the dispute, whose responsiveness to pressure from the super-powers is clearly limited, could not provoke a major East-West confrontation. Soviet actions have suggested that so

/long

CONFIDENTIAL



**CONFIDENTIAL**

long as a settlement seemed a realistic possibility, the Russians would work to achieve this, within the constraints imposed on them by their relations with the Arab countries. In particular, the Russians are likely to have been concerned not to set at risk unnecessarily more extreme Arab states, such as Syria and Iraq, where they have built up considerable influence, which, as much as that in the UAR, they must be unwilling to destroy; and also not to alienate the Palestinian organisations, in whom the Russians must see both the true revolutionary force in contemporary Arab politics and a potential base for Chinese penetration. But the degree to which the Russians have been prepared to exercise influence over the UAR to help bring about a settlement seems to have been determined by their assessment of how real were the chances of success in achieving a settlement against the background of Arab unwillingness to be seen to yield to Israeli military pressure and Arab (and Soviet) doubts about Israeli willingness to accept any settlement which would be tolerable to the Arabs.

7. Evidence at the time Kosygin sent his messages suggested that the Soviet leaders were less sanguine about the prospects for a settlement than they had been. The messages signalled clearly the limits beyond which the Soviet leaders were not prepared to go in accommodating American and Israeli demands. This implied that the Russians were also prepared if necessary to tolerate the alternative - a Middle East in which the tensions generated by the Arab-Israel dispute would remain unresolved. It did not imply that the Russians had abandoned the search for an acceptable settlement. The view held by some observers that they prefer a situation of "controlled tension" would seem to assume a degree of control which they do not enjoy.



**CONFIDENTIAL**

Soviet-Japanese relations

Economic

The fourth meeting of the (non-governmental) Soviet-Japanese Joint economic Commission took place in Moscow from 10 - 17 February. The Commission was set up in 1966 to discuss co-operation in developing the resources of Siberia and the Soviet Far East on the basis of proposals first made by the Russians in 1961. Although projects have been mooted for the joint development of such raw materials as timber, iron ore, copper, coal, oil and natural gas, only one contract (for the supply of Russian timber against Japanese forestry equipment and consumer goods) has so far been signed (July, 1968).

2. Little headway seems to have been made at this year's meeting of the Commission on the major question of exploiting oil and natural gas deposits in Sakhalin and Siberia. The Japanese have been more concerned with Sakhalin, in particular with the proposal to supply gas by underwater pipeline to Hokkaido; but it seems that the Russians have now lost interest in this project and are pressing for schemes which would open up the Siberian mainland. Here the Japanese have been inhibited by the very high capital costs involved, the lack of government credits, and fears of overdependence on Soviet raw materials; they have also encountered Soviet reluctance to provide concrete information on the size and location of deposits and refusal to allow on-the-spot surveys by Japanese firms.

3. The Commission did, however, produce one new agreement - on the modernisation and expansion of Soviet Pacific ports, including the joint construction of an entirely new port near Nakhodka, which the Japanese have been urging for some time in view of the mounting volume of trade between the two countries.

4. The Russians may have hoped to encourage progress in the various joint development projects by showing a more conciliatory attitude in general trade relations. At the annual inter-governmental trade talks in January, the target for bilateral trade for 1970 was fixed at £300 million (an increase of 12%), with the balance in Japan's favour for the first time. Local coast-to-coast trade, which is regulated by a separate protocol to the general trade agreement, will also continue to expand.

Political

5. On 21 November, 1969 Japan and the United States signed a Joint Communiqué which envisaged the transfer to Japan during 1972 of administrative rights on Okinawa. At the same time, the Japanese Foreign Minister described the "Northern territories" as the largest post-war foreign policy problem now remaining. The "Northern Territories" which the Japanese want the Soviet Union to return - from among the territories which the Russians occupied shortly after the Japanese surrender in 1945 - are in two groups: (a) the Habomai Islands and Shikotan, close to the Hokkaido coast; and (b) Kunashiri and Etorofu, at the southern end of the Kurile Chain. The Japanese Government renounced all claim to the Kurile Islands in the Peace Treaty of 1951 (to which the Soviet Union was not a party)

/but



**CONFIDENTIAL**

but in their view Kunashiri and Etorofu are not part of the Kurile Islands. The joint declaration under which Soviet-Japanese diplomatic relations were restored in 1956 envisaged the return of the Habomai Islands and Shikotan on the signature of a Soviet-Japanese Peace Treaty, but in 1960 a Soviet memorandum made the "withdrawal of foreign forces from Japan" a condition for the reversion of these islands. The Russians have not so far accepted that the new agreement on Okinawa substantially alters the fact of American military presence. As to Kunashiri and Etorofu, the Russians have consistently maintained that their status is immutable. It has become apparent that the Soviet reluctance to return any of the territory is currently based rather on fear that concessions there could encourage other territorial claims on the Soviet Union. The Russians have indicated to the Japanese that the Soviet Union could not make territorial concessions while its relations with China and Eastern Europe remained so unsettled. Some of this concern has also been revealed in Soviet propaganda.

6. The Russians for their part profess to see Japanese interest in these territories as part of a series of moves reflecting growing militarism and expansionism in Japan. An article in Pravda of 10 February linked Japanese claims to the Kuriles with those of West German "revanchists". The Soviet press claims that the United States/Japanese Agreements stem from the American policy of leaving the policing of the Far East to suitable régimes in the area, and that the Japanese are using this to further their own economic and political expansion. Some Soviet press articles have prophesied increasing competition between the United States and Japan for the domination of the Pacific. As regards the Russians' own ideas for an Asian security system, the Japanese are on record as regarding these with considerable scepticism.

**CONFIDENTIAL**



**CONFIDENTIAL**

Soviet attitude to Cyprus

Having already published a few news items on terrorist activities in Cyprus, the Soviet propaganda agencies in mid-January began a major campaign, based on reports from AKEL, the Cypriot communist party, against the Cyprus National Front organisation, which they alleged was led by Greek officers linked with American intelligence in an attempt to disrupt the inter-communal talks and internal stability. This terrorism the Russians claimed was in the interest of the NATO powers, and particularly of the U.S.A. and Britain, who were trying to reinforce their positions in the Mediterranean in connection with the Middle East problem and their withdrawals from Libya. This campaign coincided with a visit to Cyprus by a senior CPSU Central Committee executive, Panyushkin, at the invitation of AKEL, from 16 - 24 January. The propaganda increased in volume from the end of January and began to incorporate references to the value of Soviet aid in the liberation struggle, demands for demilitarisation and the proximity of Cyprus to the Middle East problem. It culminated in a statement by TASS on 18 February which was formally circulated to the UN Security Council. It declared Soviet support for the liquidation of military bases and for the independence of Cyprus but contained no specific threats.

2. The campaign was clearly manufactured jointly by the Soviet and Cypriot communists. The President of the Cyprus House of Representatives has said in private that AKEL may be genuinely nervous about the activities of the National Front. The Greek Government, like the Cyprus Government, has denied the main Soviet allegations, and the Greeks have expressed the view that the Russians are trying to exploit the fluid situation in the area. It is not clear how far the Russians believe their own allegations. They may genuinely be anxious about the activities of the National Front. It seems probable that they are using the situation to promote their own influence in the Mediterranean rather than to forestall the risk they profess to see of increased Western strategic interest in the island. It is possible that they may try to exacerbate the Cyprus problem as a useful distraction should their dilemma in the Middle East become still more acute.



**CONFIDENTIAL**

Reported changes in the Warsaw Pact

In an article on 24 January in "Red Star", the newspaper of the Soviet Ministry of Defence, General Shtemenko, the Chief of Staff of the Warsaw Pact forces, mentioned that the Warsaw Pact had "created mighty joint armed forces". In another part of the article, he said that the summit meeting of the Pact in March 1969 had approved a statute on the Committee of Defence Ministers and also "a new statute on the Joint Armed Forces" and the Joint Command and other important documents.

2. The first of these remarks led to speculation that a standing international force had been established within the Pact. But on 5 February, "Red Star" strongly attacked certain Western news agencies for speculating on the basis of Shtemenko's article. "Red Star" stated that the joint forces of the Pact had been set up when the Pact was established in 1955 and denied flatly the assumption of one news agency that some new kind of joint forces had been created at the March 1969 summit meeting of the Pact.

3. Remarks by Eastern European representatives have since confirmed that there are no joint forces, in the sense of forces under international command in time of peace, in the Warsaw Pact at present. It is clear that the expression "joint forces" is used to describe all the Pact's forces although they remain under national commands. The first new statute referred to by Shtemenko concerned the top level organisation of the Warsaw Pact, where, following the March 1969 summit, the smaller members have been given an ostensibly greater advisory role. The new statute on the Joint Command presumably implemented this at staff level. But Shtemenko's reference to a new statute on "Joint Armed Forces" (as well as Joint Commands) seems to go further and remains unexplained.

4. Some Eastern European sources have said that no proposal exists for the establishment of an international force in the Warsaw Pact. This is very likely true: for one thing, the practical problems involved are formidable. But some other Warsaw Pact officials have seemed less sanguine. The strong public statement by President Ceausescu at the beginning of February that orders to the Rumanian armed forces "can only be given in the Rumanian Socialist Republic" and "it is inconceivable in any way to cede even a part, however small, of the right to command" may be an indication that the Rumanian leaders are apprehensive that the Russians wish to take some new step involving alteration of the present system, whereby Warsaw Pact forces are under national command in peace time. A close study of Shtemenko's language suggests that he regards the planning of joint operations as a function of the joint command, while national commands plan political and military training. While there is thus no direct evidence that the Russians have made any proposals about further integration involving troops under Joint Command, it cannot be excluded that they will do so. In particular, they might want some pact forces to remain under joint operational command at all times, or to come under such command on the decision of the Soviet-dominated High Command of the Pact. Such a move would advance the Russians' desire, evident since the invasion of Czechoslovakia, to consolidate their hold on Eastern Europe. It might strengthen Moscow's ability to oblige the Rumanian leaders to agree to Pact manoeuvres on Rumanian soil. (There have recently been unconfirmed rumours that the

/Rumanians

**CONFIDENTIAL**



**CONFIDENTIAL**

Rumanians have given in on this point; Rumanian sources have denied them, though some have indicated that small scale participation of other Warsaw Pact nationals in command post or signals exercises in Rumania may be a possibility.) Such a move might also increase the scope for Soviet pressure on regimes in Eastern Europe which began to develop in a way unwelcome to Moscow. Should the Russians try to move in the direction of increased Pact control over national forces, they will have to proceed very carefully, if there is to be any chance at all of acquiescence from Rumania and indeed other Pact members.

**CONFIDENTIAL**



**CONFIDENTIAL**

Communist offensive in Laos

In a swift campaign during the second half of February, Communist forces recaptured from the Laotian Government areas in Xieng Khouang Province which they were forced to evacuate last autumn.

2. The areas principally affected are the Plain of Jars and the town of Muong Soui. Ever since the Communists were driven out of them, it has been a foregone conclusion that they would recapture them during the current dry season. Government troops appear to have made little attempt to halt the Communist advance so far.

3. At the end of February both sides were consolidating their positions. Future Communist intentions are unknown. Some Communist propaganda has indicated that they intend to "liberate" those areas which were under neutralist control at the time of the cease-fire in 1962. This would take them very much further forward than they are at present, to within 50 miles of the Laotian capital, Vientiane. Such an advance, if it succeeded (and there is little that the Laotian Army on its own could do to stop it) would cause extreme alarm both to the Laotian Government and to the Thais.

4. Prince Souvanna Phouma, the Prime Minister of Laos, has sent a message to the Co-Chairmen of the Geneva Conference (Britain and the Soviet Union) expressing alarm at the latest developments, and alleging that all the troops involved in them on the Communist side have been North Vietnamese. (The presence of North Vietnamese troops in Laos is in direct contravention of the 1962 Geneva Agreement.) The Soviet Co-Chairman is very unlikely to give any help to Souvanna, at least in public. On the other hand the Russians would not want a major South East Asian crisis, which might have unwelcome implications for U.S.-Soviet relations. The TASS statement of 28 February on Laos blamed the Americans for the present situation but gave little indication of the way the Russians would like things to develop. In any case it is Hanoi which will decide how far the communist troops should advance and thus whether events in Laos will develop into a serious crisis.



**CONFIDENTIAL**

Chinese Internal Affairs

Three important articles in the February issue of the Party journal Red Flag dealt with policy for agriculture and the economy generally. They suggest that the leadership will continue to take a cautious and pragmatic line on economic matters.

2. The article on agriculture stipulated that the communes in present conditions should abide by the "three level ownership" system - i.e. with the production teams as the basic accounting unit (the introduction of this system in 1961 was a final important step taken in the retreat from the large-scale collectivisation of the original communes). The article rejected any idea of hasty transition to more advanced forms of collectivisation. It did not discuss the question of private plots, but there was no suggestion of any change in the present policy of permitting them. The article suggested that agricultural production could be increased by the provision of extra machinery and fertiliser from small factories at county-level rather than large-scale plants.

3. These articles also denounced alleged tendencies towards capitalism, material incentives and "economism" in grain distribution. Since they were published there has been a concerted campaign by the provincial press and radio against individualistic and corrupt practices in the rural areas.

4. It is also reported that a number of people have been condemned to death or imprisonment for corrupt practices and political offences following mass trials in Peking and Shanghai in January. Those condemned in Peking are believed to have included members of extremist Red Guard factions. This may indicate the Government's intention to maintain a firm grip on political activity and in particular to clamp down on factionalism.

5. Within the last three months some progress has been made in the work of rebuilding the party organisation: the establishment of a few new county-level committees has been announced in certain provinces. However, press commentaries continue to emphasise the need for thorough ideological rectification with the participation of the masses, and for selectivity in recruiting only "the most advanced members of the proletariat" as new members of the party.

**CONFIDENTIAL**



**CONFIDENTIAL**

Chronology

- 31 January - 2 February Kosygin's letters to Western leaders on the Middle East
- February 1970
- 2 - 4 Winzer in Czechoslovakia
- 2 - 5 Grechko in Czechoslovakia
- 4 - 8 Congress of the French Communist Party
- 5 - 6 Polish-Federal German talks in Warsaw
- 6 - 8 Congress of Dutch Communist Party
- 10 - 13 Grechko in Poland
- 10 - 20 Fedayeen delegation in Soviet Union
- 10 Soviet Union agrees to Four-Power talks on Berlin
- 12 Stoph writes to Brandt
- 13 Kosygin receives Federal German negotiator, Egon Bahr
- 16 Kosygin receives participants in Japanese-Soviet Economic Commission
- 16 - 21 Hungarian Foreign Minister Peter in Bulgaria
- 17 - 19 Bulgarian General Secretary Zhivkov in Czechoslovakia
- 18 Brandt writes to Stoph
- 20 - 24 Indonesian Foreign Minister in Soviet Union
- 20 Gromyko receives Mali Foreign Minister
- 20 U.S.-Chinese meeting in Warsaw
- 23 - 26 Yugoslav Prime Minister in U.K.
- 23 - 25 Rumanian Minister of Foreign Trade in FRG
- 24 - 26 President Kekkonen in Soviet Union
- 24 - 27 Gromyko in East Germany
- 24 - 28 Hungarian Foreign Minister Peter in Belgium
- 24 - 25 Meeting of Warsaw Pact CPs and Mongolian CP at Party Secretary level in Sofia
- 28 - 4 March Soviet Deputy Foreign Minister Vinogradov in UAR

**CONFIDENTIAL**