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THE SITUATION IN EASTERN EUROPE AND THE SOVIET OCCUPIED ZONE OF GERMANY

Report by the Expert Working Group (1)

INTRODUCTION

The fall of Khrushchev has not changed the general outlines and the trends of the situation in Eastern Europe. It has struck a further blow at Soviet prestige and therefore probably constitutes yet another stage in the movement towards independence, which now appears to have become irreversible.

INITIAL REACTIONS TO THE FALL OF KHRUSHCHEV

2. Reactions in Eastern Europe to the dismissal were, in most cases, remarkable for their genuine spontaneity. Gomulka, Kadar and Novotny made little attempt to hide their astonishment and regret at Khrushchev's departure, or their disillusionment with the method of his removal. Subsequently, Poland and Hungary endorsed the change-over, albeit with some reserve, particularly pronounced in the case of Hungary. The Soviet Zone issued a communiqué expressing confidence in the new leadership, but noting that Khrushchev, "too", had merit. Bulgaria was alone in omitting all reference to Khrushchev's services. The Rumanians observed a magisterial silence.

INDICATIONS FOR THE FUTURE

- 3. The diversification noted in previous reports, and evident in the varying reactions to Khrushchev's dismissal, appears likely to continue. Thus:
- Rumania has acted as if unaffected by the Soviet change of leadership, and remains guided by the remarkable declaration of the Rumanian Central Committee of this past April which proclaimed Rumanian determination to pursue their independent course.

⁽¹⁾ The Working Group completed this Report on 25th November, 1964.

- The meeting of Gomulka with Brezhnev and Kosygin in Poland immediately after Khrushchev's fall demonstrated the importance of Poland's position. However, neither this mark of esteem nor the nationalist tone of his initial reaction are likely to have enough effect to rehabilitate Gomulka after the loss of confidence caused by his applying the brakes to the liberal tendencies in the country and in the Party; this confidence would be still further weakened if he found it necessary to give an even harsher aspect to domestic policy in order to strengthen his authority within the Party.
- In Hungary, although Kadar, like Gomulka, was closely identified with Khrushchev, he seems solidly in control of the situation.
- Czechoslovakia's reaction to Khrushchev's ouster marked the first time that Czechoslovakia had officially adopted an attitude not fully in accord with the Moscow line. How far Czechoslovakia means to display its independent spirit is not yet clear, but it has also taken the lead in planning a decentralised economic management with profitability as a main guide. Novotny's re-election to a five-year term as President suggests that he has enhanced his influence since Khrushchev's fall.
- In <u>Bulgaria</u>, the new Soviet leadership has been given unconditional support by the Communist Party. Certain signs suggest that a struggle is going on in Bulgaria between opposing groups. However, it seems unlikely that changes in the top leadership would affect the loyalty of Bulgaria towards the USSR.
- Albania has exulted over the fall of its greatest enemy and demands a total change in the policy of the new Soviet leaders, especially towards Yugoslavia, as the price for any change in Soviet-Albanian relations.
- THE SOVIET OCCUPIED ZONE OF GERMANY is a special case. Ulbricht made much of the June treaty of friendship with the Soviet Union, although this was clearly a poor substitute for the peace treaty he had so long been promised. The position of the Soviet Zone régime, totally dependent politically and militarily on the USSR, was not changed by the fall of Khrushchev. Ulbricht may now have some reason to breathe more freely in view of any fears or suspicions there may have been that Khrushchev wished to make a deal with the Federal Republic of Germany at the expense of the Soviet Zone. Despite certain recent limited measures, the régime cannot afford to relax seriously its harsh internal controls; yet every relaxation in neighbouring Communist countries makes this position more anomalous.

- YUGOSLAVIA'S RELATIONS WITH OTHER COMMUNIST COUNTRIES. Yugoslavia continued to improve her relations with Eastern European countries, and signed an agreement establishing a special link with COMECON (the Council of Mutual Economic Assistance). At the same time, she has sought to maintain a balanced position between East and West and to enhance her prestige as a leader in the non-aligned group. Khrushchev created alarm in Belgrade, especially over the possibility that there might be an "unprincipled compromise" between Moscow and Peking. Khrushchev's departure, ending the special relationship Tito had with him, may tend to reduce the possibilities for Yugoslavia to play a rôle in the relations between the USSR and the Popular Democracies, at least for some time to come.
- 6. THE SINO-SOVIET DISPUTE. Apart from producing a relative lull in anti-Chinese propaganda, the departure of Khrushchev has brought about no change in the attitude of the countries of Eastern Europe towards Peking and the problems of the Communist camp. The same hesitations and differences of opinion continue to be in evidence regarding the question of a meeting of the Communist Parties.

CONCLUSIONS AND POLICY IMPLICATIONS

- 7. Eastern European leaders, warily eyeing events and pronouncements from Moscow, are likely for some time to come to proceed with great caution. Each régime will try to arrive at a workable understanding with the Soviet leaders. Today, confronted with Soviet leaders occupying a weaker position, those People's democracies which are so inclined feel capable of continuing to exploit the latitude which they had acquired. Nothing said openly so far by Moscow need give them pause in continuing their policies of improving relations with the West.
- 8. There thus seems no reason at the moment for any modification of the current policy(1) of NATO members. Opportunities continue to exist for developing economic relations and encouraging cultural and other exchanges. It remains important, however, to avoid any actions or declarations towards Eastern Europe in this field which could cause reactions, either in East European countries or in the USSR, the effects of which might run counter to the end in view.

(Signed) W.M. NEWTON Chairman

OTAN/NATO, Paris, XVIe.

(1) See C-M(62)143 "Policy Towards East European Satellites", dated 28th November, 1962.