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Introduction:

It may be well to begin this survey of Soviet policy in 1955 by a brief retrospective glance. During the last three years there has been an almost seasonal rhythm in the rise and fall of international tension. In the winter tension would be at its highest, but in the spring a thaw would set in and there would be hopes of peace in the summer; and these would recede in the autumn. The winter of 1953 began grimly with the arrest of the Jewish doctors and the intensification of the cold war by Stalin. By the summer Stalin was dead, the doctors had been released, the Malenkov Government made a number of overtures for peace, the Korean war came to an end and Sir Winston Churchill called for a meeting of Heads of Governments. Towards the end of the year, however, tension grew; and instead of the Heads of Governments, the Foreign Ministers of the four Great Powers met at Berlin and dispersed without achieving any results.

2. The year 1954 opened with Mr. Dulles walking bravely to the brink of war in Indo-China. In spite of him, peace came to Indo-China in the middle of that year through the Geneva Conference; but towards the end of the year, the West was again busy forging such tension-producing instruments as SEATO and an enlarged NATO, with a re-armed Germany in it. This had its repercussions in the Soviet Union where, in the winter of 1955, the Malenkov Government was overthrown, the Anglo-Soviet and Franco-Soviet Treaties of Friendship were denounced and the Warsaw Pact was made. By the middle of that year, largely as the result of a number of conciliatory steps, taken by the Soviet Union, tension declined almost to vanishing point at the Geneva Conference of the Heads of States. The Geneva spirit, however, did not last long; and towards the end of the year another conference of Foreign Ministers took place at Geneva and broke up in disagreement. Thus another winter has brought with it a sense of frustration, which has found lofty but unabashed expression in the Washington Declaration, just made by Mr. Eden and Mr. Eisenhower.

3. There has thus been a certain rhythm in the rise and fall of international tension during the last three years. Nevertheless, taking this period as a whole, there has been an improvement in the international situation. For this the credit goes largely to two factors, the hydrogen bomb and India. The hydrogen bomb, with its potentialities of apocalyptic destruction, has acted as a deterrent to war. At the same time India, with her policy of non-alignment, her rising stature in international affairs and her growing influence in the East as well as in the West, has acted as a moral and political buffer between the two blocs.

Mr. Malenkov's Resignation:

4. The first important event of 1955 in the Soviet Union was the replacement of Mr. Malenkov as Prime Minister by Mr. Bulganin. At first, the West regarded this as simply another instance of the law of the jungle - "Can I kill thee or canst thou kill me?" - which it regards as endemic in the Soviet Union. Subsequent events, however, have shown that his replacement was due to reasons which might almost be called impersonal. Always a Party official, Mr. Malenkov was, as he admitted, no great administrator. Moreover, his agricultural policy had proved a

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failure. How great a failure it was might be seen from the fact that, in spite of Mr. Khrushchev's spectacular campaign for the conquest of virgin lands, the target for foodgrains in 1955 fell considerably short of the 180 million tons, fixed by the Fifth Five-Year Plan; indeed, the target, now fixed for 1960 in the Sixth Five-Year Plan, is no greater. Whether Mr. Malenkov was solely to blame for this state of affairs is another question. In the Soviet Union agriculture has always failed to keep pace with industry. The peasant has confounded the planner.

Light Industry Vs. Heavy Industry:

5. There was also another reason for Mr. Malenkov's fall. In 1954 a serious difference of opinion arose regarding the role of heavy industry vis-a-vis light industry in socialist economy. Mr. Malenkov was a champion of consumer goods. He observed that during the last twentyfive years capital goods had increased 55 times but consumer goods only 12 times. He thought that the time had come for relaxing the development of heavy industry and concentrating on an increase in light industry. This, however, depended on the possibility of maintaining a long period of peace. That was why Mr. Malenkov took a number of steps to reduce international tension. Upto the middle of 1954 his policy had some success. But when, in the latter part of 1954, the E.D.C. was resurrected in another form, West Germany was admitted to NATO and the policy of encircling the Soviet Union with bases all over the world continued, other leaders of the Party felt that it was premature to slacken the development of heavy industry. Indeed, in the Sixth Five-Year Plan, just published, heavy industry continues to have priority over light industry; for the former, a 70 per cent increase is stipulated; for the latter, an increase of 60 per cent. It is clear that this difference of opinion between Mr. Malenkov and the other members of the Presidium was primarily responsible for his replacement.

Interview with Bulganin:

6. At first it looked as if the Bulganin Government would adopt a much tougher policy in international affairs than Mr. Malenkov. On the 8th April, I had an hour's interview with Mr. Bulganin. Our talk covered a wide range of subjects - the international situation, the meaning and possibility of a policy of neutrality, India's economic progress, Sir Winston Churchill's resignation and the Bandoeng Conference. Mr. Bulganin spoke gravely about the deterioration in the international situation since the Geneva Conference of 1954. He attributed this mainly to American machinations. Their continued support of Chiang Kai-shek had created a serious crisis in the Formosa area; they were trying to frustrate the Geneva settlement in Viet-Nam; they were meddling in the Middle East and setting the Arab countries against one another; and above all they were fostering the rearmament of Germany, which had caused two World Wars. Mr. Bulganin said that, in view of these developments, the Soviet Government had no alternative but to take counter-measures.

The Warsaw Conference:

7. These counter-measures were discussed in May at a conference in Warsaw, which was attended by the representatives of eight East European countries and an Observer from China. There the decision was taken by the Soviet Government and the representatives of the People's Democracies to conclude a Treaty of Friendship, Co-operation and Mutual Aid, and to set up a Joint East European Command. Though Western papers were disposed to belittle this step, there is little doubt that it opened new possibilities for enlarging the East European forces,

numbering over a million, and integrating them in the Soviet army. It also facilitated the building of bigger and better airports, closer to the Western front, and the organising and enlarging of strategic rail and road facilities. Above all, it provided a legal basis for keeping Soviet troops in Hungary and Rumania, even after the conclusion of the Austrian Treaty. Mr. Bulganin's speech at the Warsaw Conference showed that it was with reluctance that the Soviet Government decided to resume this policy of playing from a position of strength. The result, said Mr. Bulganin, would be an arms race which, as history had shown, always ended in war, and necessitated the frittering away of national resources, which ought to be used for lifting the standards of living. "Nevertheless," said Bulganin, "when military blocs are set up against us, when we are encircled and threatened with atomic war, we cannot remain idle."

Disarmament:

8. Simultaneously with the decision to set up a unified command in Eastern Europe, the Soviet Government announced its latest disarmament proposals. These were designed to allay Western fears of Soviet military preponderance and to meet Western demands. The Soviet Government now accepted the Western proposal to fix numerical levels, to which the armies of the Great Powers were to be reduced. In effect this meant the reduction of nearly two-thirds of the Soviet forces to parity with the U.S.A. Moreover, the Soviet Government no longer insisted on the destruction of the U.S. stockpile of nuclear weapons before accepting international inspection. Instead, they themselves put forward a method of inspection and control, particularly of nuclear weapons. In the nature of things it was hopeless to try and detect every use of atomic energy, as this could be done very secretly, if one wished. The great danger was that an aggressor State might launch a sudden nuclear attack on the enemy. Such an attack, however, could not be launched without elaborate preparations and extensive movements of armies and men. The Soviet Government therefore proposed that international inspection teams should be posted at vital strategic centres such as railway stations, airports and trunk roads. In proposing this scheme of inspection and in accepting the Western demand for a numerical ceiling for the armed forces the Soviet Government went far to meet the Western point of view.

Austrian Independence:

9. In pursuance of their policy of removing the causes of international tension, wherever possible, the Bulganin Government took the initiative in solving the problem of Austrian independence. Hitherto the Soviet Government had insisted on treating the Austrian question as a part of the German question; now they were prepared to deal with it separately. Hitherto they had refused to withdraw their troops from Austria until a treaty had been concluded with Germany; now they proposed that, without waiting for the conclusion of a Peace Treaty with Germany, all foreign troops might be withdrawn from Austria, provided Austria agreed to remain neutral. The Austrian Chancellor visited Moscow from the 12th to the 18th April and committed Austria not to give any bases to foreign powers or to join any alliances, directed against the Soviet Union. At first the West was inclined to look askance at this solution. They drew a distinction between a neutral State and a neutralised State. It was one thing for a State like India or Switzerland to follow a neutral policy of its own accord; it was another thing to compel a country to follow a neutral policy. Nevertheless, when the Austrian Government itself was prepared to remain neutral and to bind itself to that effect, the Western Powers could not press their objections and on the 14th May Austrian independence became an accomplished fact. Thus, what 228 meetings of the Deputies of the Foreign

Ministers of the four Great Powers failed to achieve, was accomplished in the course of a couple of meetings between the Prime Minister of the Soviet Union and the Chancellor of Austria.

Mission to Yugoslavia:

10. The Soviet Government was now prepared to accept even a Communist State, which broke away from Soviet hegemony, as a neutral in the search for peace. Yugoslavia, which had been expelled from the Cominform in 1948 and was consequently courted and aided by the Western Powers, now began being courted by the Soviet Government. A high-powered Soviet mission, consisting of Mr. Khrushchev, Mr. Bulganin, Mr. Mikoyan and others, proceeded to Belgrade on the 26th May, in order "to strengthen the bonds of age-old fraternal friendship between Russia and Yugoslavia." "We sincerely regret what happened," said Mr. Khrushchev on his arrival in Belgrade, "and we resolutely sweep away all the misunderstandings of this period." Mr. Khrushchev attributed the insults, then heaped on Yugoslav leaders, to the machinations of Beria, Abakumov and other enemies of the people - a convenient way of blaming the dead who tell no tales. At the conclusion of the visit of the Soviet delegation to Yugoslavia a joint declaration was issued, in which, among other things, both Governments agreed to abide by the principles of international conduct, formulated by Prime Minister Nehru and Premier Chou En-lai, and welcomed the results of the Bandung Conference as "an important contribution to the idea of international co-operation."

11. One phrase in the joint declaration is worth noting. The two Governments agreed to exchange information about their socialistic experiences. This implied an admission on the part of the Soviet Government that there could be more than one form of socialism. Stalin recognised only one form, namely that laid down by him. Anyone who swerved from it, whether to the right or to the left, was charged with deviationism and paid for it with his life. At present the Soviet Government recognises not merely the co-existence of capitalism and communism but, what is more difficult, of different kinds of socialism itself.

Mr. Khrushchev's Plain Speaking:

12. The Soviet Government's conciliatory attitude was mistaken in America as a sign of weakness; indeed, it began to be said that the Soviet Government was on the run. At the end of June Mr. Dulles told a number of Senators that the Soviet economic system was "on the point of collapse" and that that was the reason why the Soviet Government had been making gestures of peace. On the 4th July, at the celebration of the U.S. National Day at the American Embassy, Mr. Khrushchev let off a few home-truths on this subject. The Americans, said Mr. Khrushchev in his trenchant fashion, would love to see the Soviet people go short of bread. That day would never come. The Soviet leaders, he went on, had been exposing, and perhaps exaggerating, the deficiencies in Soviet agriculture and elsewhere in accordance with the Leninist injunction of criticism and self-criticism. But in reality, the Soviet Union was not weak; militarily and economically she was now stronger than ever before. It was therefore no use trying to talk to the Soviet Government from 'a position of strength'. "We want the Conference in Geneva to produce results," said Mr. Khrushchev, "but we are not going there like merchants or on bended knees." As for the persistent Western suspicion of Soviet motives, Mr. Khrushchev recalled the mother-in-law in an old Russian proverb, whose virtue was not above reproach and would not therefore concede that her daughter-in-law was wholly chaste.

The Prime Minister's Visit to the Soviet Union:

13. At about this time our Prime Minister visited the Soviet Union. The world knows what a triumphant reception he had in the Soviet Union, not merely at the hands of the Government but from the people, wherever he went. It is not generally known how greatly, though unobtrusively, he prepared the ground for the Geneva Conference. The Soviet Government had been sceptical as to the success of that Conference; indeed they were disposed to regard the British invitation to them to attend the Conference as an election stunt. The talks which our Prime Minister had with the Soviet leaders went far to dispel this scepticism. He drew the attention of the Soviet leaders to the fact that in the Western world there were many contrary currents, many of which were favourable to peace. The path of wisdom lay in attracting the saner elements, and not in alienating them, in the search for peace. The Prime Minister made an equally great impression on the British Government, with whom he had talks after the conclusion of his visit to Moscow. Indeed, a member of the British Delegation, which went to the Geneva Conference, acknowledged later that throughout that Conference the Delegation was guided by our Prime Minister's assessment of the situation in the Soviet Union.

The Geneva Conference:

14. The Geneva Conference was remarkable for an unusual display of good manners at the summit. The unwonted urbanity, shown by the Heads of Governments towards each other, resulted in an immediate reduction of international tension. It also contributed to the prompt despatch of business. The agenda, which was expected to rouse much controversy, was settled in thirty minutes, excluding the time taken for translation. One has only to compare it with the Palais Rose Conference of 1951, when the Foreign Ministers' Deputies disputed an agenda for sixteen weeks and failed to come to an agreement. At Geneva Mr. Eisenhower, in his opening speech, deplored the absence of freedom in 'satellite' States and then quietly dropped the subject. He knew that the lot of these States would automatically improve if the Conference succeeded in reducing international tension. Mr. Bulganin regretted the omission of Far Eastern items from the agenda, but did not press for their inclusion. He knew that the creation of a proper atmosphere would facilitate the solution of Far Eastern problems. And on the day after the Conference, the U.S. Government announced that the Ambassadors of the United States and China would soon meet in Geneva to discuss problems of mutual concern.

The German Problem:

15. The Geneva Conference did not solve any problems; it would have been a miracle if, during the six days for which it met, it had settled any. The German problem continued to be as intractable as ever. In Soviet eyes, the important question was not how, or how soon, Germany would be re-united, but which path a united Germany would take. That was why they insisted at the Geneva Conference that the problem of the unification of Germany should be treated as an integral part of the problem of the collective security of Europe. The sovereign remedy, advocated by the Soviet Government, was a collective security pact, in which all the States of Europe, irrespective of their social or economic structure, would take part. This, however, envisaged the dissolution of NATO and the dismantlement of foreign bases in European States. Since the West was not ready for so drastic a solution, the Soviet Government expressed its readiness to consider Sir Anthony Eden's proposal for a security pact between a limited number of States, namely between the four Great Powers and Germany. But which Germany? In the

Soviet view it was necessary to take account of the fact that two Germanys had come into existence and that it was impossible to fuse them by any mechanical means. They, therefore, urged that, to start with, both Eastern and Western Germany should take part in the security pact. Time alone could bring them together. And the Soviet Government know that time is on their side. Among the factors which they reckon as working in favour of a rapprochement between Germany and the Soviet Union are the German longing for unity which is impossible of attainment without Soviet co-operation; the desire for the rectification of German frontiers which the Soviet Government alone can effect; the need for Germany to live in peace with her neighbour, Russia, as India with China; the traditional distaste of the German General Staff to fight a war with Russia; the knowledge that in another war Germany will be the first to suffer and that her twelve Divisions will not save her from nuclear destruction; the growing anti-militarism among German Trade Unions; tempting vistas for trade with Eastern Europe; and the fact that Dr. Adenauer is 80 years old and not immortal.

Dr. Adenauer's Visit:

16. If Dr. Adenauer was not immortal, the Soviet Government also suspected that he was not as implacable as he had been made out. In June they extended an invitation to Dr. Adenauer to visit Moscow in order to discuss the establishment of diplomatic relations between the Soviet Union and West Germany. This visit took place in September and was, from the point of view of the Soviet Union, a distinct success. Contrary to what Western Powers had been led to expect, Dr. Adenauer agreed to the establishment of diplomatic relations between the two countries. In Moscow he realised that a policy of mere strength would be of no avail against the Soviet Union and that it would certainly not promote the unification of Germany. Hitherto he had seen Russia through American spectacles; in a conversation with our Ambassador in Bonn in June, he had expressed the view that if only the Western Powers held firmly together, the Soviet Union, suffering from serious internal weaknesses, would be forced to seek accommodation with them. His visit to Moscow seems to have cured him of this illusion. At the same time he realised that Soviet leaders - double-dyed Communists as they were, and therefore a menace to the "Christian Western civilisation" - were, for reasons of their own, genuinely desirous of peace. It is this realisation, together with the Soviet offer to return some 9000 German prisoners - rather less than 10% of Dr. Adenauer's estimate - which impelled him to march in tune with the Geneva spirit, to agree to the appointment of a West German Ambassador, side by side with an East German Ambassador, in Moscow, and thus implicitly to abandon his contention that his Government represented the whole of Germany, including the lost, but not forgotten, territories, now in Poland.

The German Frontier:

17. On his return to Bonn Dr. Adenauer faithfully justified the settlement which he had reached with the Soviet Government and which, contrary to the expectations of shocked Western diplomats, was endorsed with unusual ease by the Bundestag. At the same time, he tried to undo, in words, the implications of his deed. He reiterated that the frontiers of Germany were a subject for negotiation and that his Government represented the whole of Germany. This provoked a rejoinder from the Soviet Government that they regarded the frontiers of Germany as having been settled in Potsdam and that, in their view, Germany consisted of two entities, each exercising jurisdiction within its own sovereignty.

Mr. Grotewohl's Visit:

18. The Prime Minister of the other entity, East Germany, came to Moscow soon after Dr. Adenauer. The Soviet Government concluded an agreement with Mr. Grotewohl, restoring full sovereignty to the East German Government. The Soviet High Commission in Berlin was abolished; thereafter, frontier problems, trade and communications became matters for direct dealing between the two German Governments. What such contacts may lead to, time alone will show. The Soviet Government is too realistic to hope that these can result, in the foreseeable future, in an all-German Communist Government, or that Germany will soon be ripe for a Communist coup of the Czechoslovakian model. They may, however, be hoping that the irresistible impulse towards unity will goad West Germany to get out of the clutches of NATO and move forward towards a united Germany on the basis of some form of neutrality as between the two Blocs.

The Geneva Spirit:

19. Throughout the summer the Soviet Government tried to keep up the Geneva spirit. The most jubilant exhibition of the Geneva spirit was the party, held by Mr. Bulganin in his 'datcha', some 100 kilometers away from Moscow, on the 7th August. All Heads of Missions and their families were invited to spend "a day of rest and relaxation" with the Prime Minister and other members of the Presidium. A number of amusements were provided for them - bathing, shooting, fishing, singing and watching deer, feeding under the great trees, planted by Catherine the Great. Mr. Bulganin, in the course of the toast to his guests, expressed his pleasure at the fact that the end of the cold war had made such a gathering possible. He had read accounts in Western newspapers to the effect that such a party was unprecedented. So, he added, was the international situation in the last ten years.

Reduction of Armed Forces:

20. In August, the Soviet Government announced that they proposed to effect a reduction of 640,000 men in their armed forces by the 15th December, 1955. The declared object of the reduction was "to establish confidence among nations and to promote easing of international tension, of which recent developments, including the Geneva Conference, have given promise." This was true, but there is little doubt that the Soviet Government had been encouraged to make this reduction by a proper assessment of the military situation. In an atomic age too large a conventional army was not only useless but an encumbrance. Most Western commentators observed that even after reduction the Soviet armed forces would still be considerably larger than those of any other country. They assumed that the strength of the Soviet army was in the region of five million, not counting the armed forces of the "Satellite States" which came to about 1 1/4 million. PRAVDA commented that these figures, "snatched out of the air" had no relation to facts; they were trotted out to discount the importance of the Soviet step. PRAVDA, however, did not disclose the actual numerical strength of the Soviet army. All it would say was that the Soviet armed forces, including those on land, air and sea, were no larger than the forces of the U.S.A. before the Second World War.

Return of Porkalla to Finland:

21. Another step, taken by the Soviet Government in pursuance of the Geneva spirit, was the return of Porkalla to Finland. Situated to the west of Helsinki, this Soviet base, established to ensure the security of Leningrad, used to have the Finnish capital at its mercy and was due to be returned only

in 1997. Its return, 42 years before it was due, was meant not only as a reward for Finland, which had been steadfastly adhering to her policy of neutrality, but as an object lesson for Germany and the West.

The Geneva Spirit in the West:

22. "The Geneva spirit is not an invisible and intangible spirit," said Mr. Khrushchev, "but must take the form of concrete actions." He recalled the concrete actions which had been taken by the Soviet Union since the Geneva Conference, namely, the reduction of Soviet armed forces by 640,000 men, the establishment of diplomatic relations with West Germany, the restoration of full sovereignty to East Germany and the return of Porkkala to Finland. He also recalled the measures, which had been taken by the Soviet Government before the Geneva Conference in order to pave the way for it, namely, their revised disarmament proposals, their visit to and agreement with, Yugoslavia, the initiation of negotiations to end the state of war with Japan and the conclusion of the Austrian treaty. "When," asked Mr. Khrushchev, "are the Western Powers going to take some actions corresponding to ours?" Not only was no corresponding action forthcoming, but in some quarters the hope was scarcely concealed that the next Geneva Conference would undo the mischief of the last, that the Geneva spirit, so carelessly conjured up by the Heads of Governments in Geneva in mid-summer, would be exorcised by their more practised Foreign Ministers in Geneva in the autumn. PRAVDA took note of the remark of the new U.S. Air Secretary, Mr. Quorles, that the motto of the U.S.A. was "Peace through effective containment" - or, as Mr. Reston put it in the NEW YORK TIMES, "Peace through mutual terror." "The alpha and omega of Mr. Quorles' policy," said PRAVDA, "was to maintain atomic weapons."

Stalemate on Disarmament:

23. PRAVDA also commented on Mr. Stassen's statement at the United Nations Disarmament Commission that until a 100% effective method of detecting stocks of nuclear weapons was produced, the U.S. Government would prefer to place all existing disarmament proposals in cold storage. Distressed by this attitude on the part of the U.S. Government Mr. Bulganin addressed a letter to Mr. Eisenhower on the 19th September, drawing his attention to the lack of progress in the U.N. Disarmament Commission. He expressed the Soviet Government's readiness to consider the President's proposal for the exchange of military information between the U.S.A. and the U.S.S.R. and for mutual aerial reconnaissance, but added, firstly, that the proposed submission of information should apply to all types of armaments, nuclear as well as conventional, and, secondly, that aerial reconnaissance should apply not only to the armed forces and military installations in the U.S.A. and the U.S.S.R., but to their troops and installations situated beyond their own territories. It was impossible, said Mr. Bulganin, to ignore the fact that American armed forces and military installations were located in Great Britain, West Germany, France, Italy, Spain, North Africa, Greece, Turkey, Japan, Taiwan, the Philippines and in a number of countries of the Near and Middle East. As a first step, at any rate, the Soviet Government preferred the system of inspection which they themselves had proposed, namely, the establishment of control posts at railway junctions, airports and trunk roads. These could be a definite guarantee against a sneak attack. While a system of inspection and control was important, said Mr. Bulganin, it would have little significance unless there was a reduction of armed forces and armaments and a ban on atomic weapons; and on these crucial matters the U.S. Government had not defined its attitude. Mr. Eisenhower sent a polite but

evasive reply, saying that he still preferred his own proposal but would be glad to examine the Soviet Government's, together with his advisers.

The Foreign Ministers' Conference:

24. In these circumstances, the failure of the Geneva Conference of Foreign Ministers in November, 1955, could not have come as a surprise to the Soviet Government. On the German question they could not have expected any progress; in their own view the division of Germany had come to stay and time alone could cure it. On disarmament and East-West contacts, however, they must have expected some response from the West. They had met the West more than half way in their revised proposals on disarmament. As for East-West contacts, they were not prepared to throw all the doors open and let in all kinds of influences, baneful as well as benevolent, from the West. But since Stalin's days they had certainly let in some fresh air, and they would have let in more, had the West proved a little less unrelenting in its hostility. Of this there is no prospect as long as Mr. Dulles is in power.

The Soviet Leaders' Visit to India:

25. It was in this setting that the Soviet leaders paid their visit to India. Their visit can truly be called historic. History has only one parallel to the tumultuous enthusiasm with which they were greeted by the people, and that was the warmth, evoked by our Prime Minister's own visit to the Soviet Union. There is little doubt that the results of their visit have been beneficial and will prove to be more and more fruitful as time passes. These benefits cannot be reckoned in terms of rupees or of the gains which are likely to accrue in the form of increased trade and technical assistance from the Soviet Union. The essence of their visit was, to use the title of the Soviet film depicting it, "Drushba Velikih Narodov" (Meeting between Great Peoples). Millions of Indians saw the Soviet leaders and realized that they were not the ogres the West had painted them to be. Nor were they such fanatics as the Communists themselves had occasionally made out. Though non-Communist, the Government of India received their full backing; unsolicited, they gave their support to India's stand on such matters as Goa and Kashmir. They did not say one word which might have given encouragement to any subversive elements in India. Again and again they described our Prime Minister as an outstanding statesman of our time; and Mr. Khrushchev described independent India as "a mighty stream which is breaking all barriers and going ahead." To them the visit to India must have been, in many ways, an eye-opener. India was the first non-Communist country which drew them out of their shell; and it must have made them think to see a country, making such progress without owning allegiance to Marxism. On the whole this visit must have confirmed them in their faith not merely in the necessity but the possibility and the virtue of co-existence.

Attacks on Colonialism:

26. An incidental and, one hopes, temporary result of the Soviet leaders' visit to India has been a deterioration in Anglo-Soviet relations. For this England would throw the blame entirely on Mr. Khrushchev. Mr. Khrushchev's presence certainly gave a dramatic quality to the visit of the Soviet delegation. His rugged personality, robust common sense, good humour and plain speaking made him the people's favourite as well as the pressman's joy. He held forth on all kinds of subjects - heavy industry, the advantages of electricity over steam, the excessive use of steel, the percentage of dry cows, the proper method of harvesting

and so forth. He also lashed out against colonialism. This caused considerable furore in England; and British exasperation expressed itself in the Washington Declaration, recently issued by Mr. Eden and Mr. Eisenhower, which is just an anti-Communist bleat, and little else. In its piety, petulance and pomposity this declaration is so un-English. For once the vaunted equanimity of the staid Englishman deserted him.

The Middle East:

27. British annoyance could not have been due solely to Mr. Khrushchev's utterances. Until yesterday, Britannia ruled the waves of the Indian Ocean; now a new frigate, manned by pirates was entering this region! This was the more galling, because this intruder was also making his appearance in the Middle East. Throughout the year Great Britain made persistent attempts to immunize the Middle East against Soviet encroachments by means of the Baghdad Pact. In February 1955, Iraq entered into a pact with Turkey, which had already entered into a pact with Pakistan. Attempts were made, with little success, to inveigle other Arab countries also into this net. Iran succumbed in November and drew from the Soviet Government a strong note of protest in which Iran's attention was drawn to the fact that her adhesion to the Baghdad Pact was contrary to her treaty obligations and good-neighbourly relations with the Soviet Union. Egypt stood firm, resisting all Western blandishments. Not only that, she accepted a Czechoslovakian offer to supply arms on a commercial basis. Other Communist countries followed with offers of technical assistance. The Soviet Union promised help even in building the Aswan Dam. All this was treated as a deliberate attempt on the part of the Soviet Union to increase tension in the Middle East. The fact is that it was a reply to the Baghdad Pact. No longer can the U.K. and the U.S.A. control the fortunes of the Middle East by supplying, or withholding, arms, capital goods and technical assistance. There is now another determined suitor for the favour of the Middle East. No longer are there two Great Powers in this area, but three; and unless this fact is frankly recognized there is no possibility of any settlement in this region.

The Soviet Budget:

28. These developments have resulted in an increase of tension and a reversion to the language of the cold war on both sides. The Soviet Union, however, is careful to keep it within bounds. PRAVDA, it is true, has lashed out against the Washington Declaration, but the correspondence between Mr. Bulganin and Mr. Eisenhower continues to be conducted on a gentlemanly keel. In any case, the cold war has lost much of its significance, because it cannot possibly lead to a hot war, and therefore it becomes mere bluff. The Soviet view that recent developments have not jeopardized peace is shown by the fact that in their budget for 1956 they have reduced defence expenditure by 10,000 million roubles. In my last report I pointed out that the proportion between Soviet expenditure on defence and on socio-cultural measures for the last thirty years is an adequate index to the Soviet view of the gravity of international tension. This year the expenditure on defence has been reduced by 10 milliard roubles and the expenditure on socio-cultural measures has been increased by 15 milliard roubles. The proportion of socio-cultural expenditure to defence expenditure comes to 1.6 : 1, as compared with 1.3 to 1 last year. The percentage of expenditure, to be incurred on socio-cultural measures as compared with defence in 1956, is higher than in any year since the cold war began in 1948. This means that in the Soviet view there has been a definite reduction of international tension despite the failure of the Foreign Ministers' Conference in Geneva.

The Sixth Five-Year Plan:

29. The Sixth Five-Year Plan, which has just been published, is also an indication of this attitude. Increases, varying from 50% to 90% are provided in all basic industries in the next Five-Year Plan. Coal is to be increased by 52%; crude oil, by 91%; pig iron, by 59%; crude steel, by 51%; and electricity, by 88%. The Soviet Union has already established itself as the second strongest industrial power in the world. At the end of the next Five-Year Plan, Soviet output in industry will exceed the combined output of the U.K., France and West Germany. Thus, in 1960, the Soviet Union will produce 593 million tons of coal, against Western Europe's 414; 135 million tons of crude oil, against Western Europe's 4; 68.3 million tons of crude steel, against Western Europe's 54; and 320 billion kilowatts of electricity, against Western Europe's 200. A nation which can frame such a plan and be certain of carrying it out must be sure of itself; sure, not only of its own future but of the continuance of peace.

Competitive Co-existence:

30. The Plan is also an indication of the greater responsibilities, now assumed by the Soviet Government. Mr. Malenkov concentrated his attention on an increase in consumer goods and an improvement of standards of living within the Soviet Union. The Bulganin Government has taken a more global view of its responsibilities. When Mr. Bulganin and Mr. Khrushchev paid a visit to China in the autumn of 1954, they realised, more than Mr. Malenkov had done, how urgent it was to set China on her feet. That is one reason why heavy industry continues to receive priority over light industry. Now there is a further consideration. The Soviet Government have entered South East Asia and the Middle East as a world power and is determined to compete with the West for the goodwill of under-developed countries. The present Communist leaders seem to recognise that the devious methods of spreading Communism in Stalin's days did not always win the goodwill of the people of Asia, but rather alienated it, and that a better method would be to compete with Western nations in assisting the industrial development of under-developed countries by helping them in their national reconstruction and by supplying them with technical assistance and capital goods. Thus the Soviet Union has entered a period of competitive co-existence which, if the Asian countries play their cards properly, can be of benefit to them.

East-West Contacts:

31. The Soviet Union is no longer the forbidding, mysterious, inaccessible land that it used to be in Stalin's time. In an article called "Foreign Guests in the U.S.S.R.", the Agitators Notebook, a Soviet journal, observed that during the last 2½ years, 2,300 foreign delegations visited the U.S.S.R. In 1954 alone 10,000 foreigners from different countries came to the Soviet Union and 7,000 Soviet delegations visited foreign countries. In 1955, Parliamentary delegations came from the U.K., India, Sweden, Finland, Belgium, France, Syria, Yugoslavia and Japan. British visitors have been specially prominent. Amongst them were agriculturists, churchmen, doctors, mayors, miners, sportsmen, professors and housing experts; and the newly constituted British Council Committee is negotiating for the exchange of lawyers, engineers, scientists, broadcasters, actors, musicians and ballet dancers. In October, 6 British Naval ships came to Leningrad on a goodwill visit and 6 Russian Naval ships went to Portsmouth at the same time. A great welcome was given to the sailors on both sides. A number of Americans, too, came to the Soviet Union, including some senators. Senator Malone, notorious for

his anti-Communist utterances, remarked that he saw "no evidence that the people of the Soviet Union were going to rise against their rulers" and that "the propaganda, disseminated by the Voice of America and other Agencies, designed to increase dissatisfaction and promote resistance, was pointless and wasteful." Senator Sparkman said that "there were fewer evidences of a Communist State in the Soviet Union than one might think"; and Senator Purtell admitted that he "did not expect to find the people so enthusiastic about the Government and what it had done."

Tourism:

32. Most visits to the Soviet Union have so far been of an organized nature. Now tourism, too, is to be encouraged. Intourist has come to an arrangement with travel organizations in certain countries, under which 15 different itineraries, varying from 5 days to 23 and costing from 600 Roubles for a five-day tour to 2730 Roubles for 23 days, have been arranged. The shortest trip would cover Moscow and Leningrad; the longest, Kiev, Odessa, Yalta, Sochi, Tbilisi and Kharkov, in addition to Leningrad and Moscow. It is proposed to circumvent the difficulty over the artificial rate of exchange of the Rouble by the offer of such concessions as a free trip by train for the first 1000 kilometers and a 50% discount for journeys beyond one thousand miles by air or train. Thus the net cost of travel in the U.S.S.R. is expected to be much the same as in any other country in Europe. It is noteworthy that there are to be five classes in the train, namely, De luxe, Superior, First, Second and Third. In 1927, when our Prime Minister came to the Soviet Union, he noted with approval that there was only one class in Soviet trains. Now there are more classes in Soviet trains than even in Indian trains. This shows how far the Soviet Union has travelled from the egalitarian tendencies of the early Revolutionary period.

Indo-Soviet Relations:

33. Throughout the year there was a flow of visitors from India to the Soviet Union. Among the Indian delegations which came to the Soviet Union in a single month, September, were an Oil Delegation, headed by our Minister for Natural Resources; a Steel Mission, headed by Shri Khera; a Delegation of Scientists headed by Dr. Bhabha; an Air India Delegation which concluded an agreement with Aeroflot; a Delegation of Indian Educationists, in company with the representatives of UNESCO; a group of statisticians; a Textile Trade Union Delegation; a Kisan Sabha Delegation; a Handicrafts Exhibition; and a Football Team. The mere mention of these delegations shows the range and variety of the relations which are growing up between India and the Soviet Union. The Soviet Government, on its part, has done everything possible to make the people here India-minded. At the end of May, the unveiling of the statue of Afanasi Nikitin, the Russian who went to India in the middle of the 15th century before India was discovered by Vasco de Gama, and stayed there for three years, was made the occasion of a mass demonstration of the friendship of the people of the Soviet Union for India. The Ministry of Culture and the Academy of Arts organized an elaborate exhibition of Indian art and culture. It contained many rare and precious objects, dating from the pre-Christian to the post-Gandhian era. A special effort was made to show the impact of India on Russia from the time of Afanasi Nikitin to Rabindranath Tagore. The paintings of great Russian artists, such as Veraschagin, who visited India in the 19th and 20th centuries were displayed. References were made by Soviet leaders again and again to India's contribution to the cause of peace. In one of his earliest speeches as Prime Minister, at the Warsaw Conference in May last, Mr. Bulganin expressed his appreciation of the resolute refusal of "such States as India, Burma and Indonesia, which respect

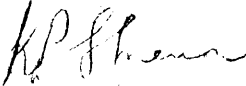
freedom and independence" to join NATO, India's assistance over the Formosa dispute and her role at the Bandoeng Conference "in the interests of peace, freedom and independence." A Russian translation of our Prime Minister's book, "The Discovery of India," was published in June last; and a Russian translation of his "Autobiography" was published in November. All these culminated in scenes of unprecedented enthusiasm when our Prime Minister visited the Soviet Union and the Soviet leaders visited India.

34. The remarkable friendliness, shown to India during the last year, has been the subject of much speculation in the West. The 'Observer' has just published an article to the effect that Russia is courting India as a counterpoise to China, the growing strength of which is said to be causing concern in the Soviet Union. Once the British Ambassador here, observing that greater deference was being shown to India than to China, said: No wonder, because China already belongs to Russia, but India has to be wooed. The Soviet Union, however, does not suffer from any illusion that India will ever 'belong' to her. The Soviet Government is fully reconciled to, and, indeed, appreciative of India's policy of non-alignment. The ardent Communist may still believe in the ultimate establishment of world Communism. So does the ardent Christian in the advent of the Kingdom of God on earth. Above the Christian and the Communist, however, threatening to blot them both out, stands the hydrogen bomb.

The cycles of heaven in twenty centuries
Bring us farther from God and nearer to the dust.

India may take comfort in the thought that during the last three years she has done as much as any other country to stem this tide to destruction.

Moscow,
15th February, 1956.


(K.P.S. Menon)
Ambassador of India.