

INFORMATION REPORT INFORMATION REPORT

CENTRAL INTELLIGENCE AGENCY

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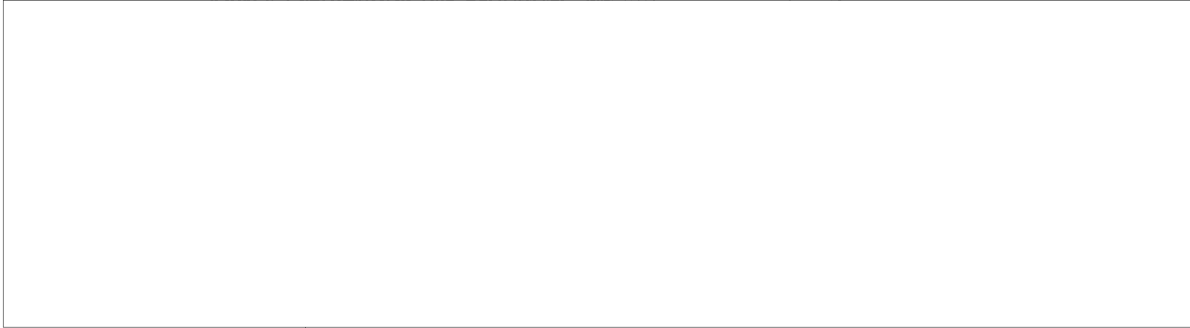
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- Recent changes in the leadership of the Soviet Union signify the end of collective management and the beginning of real dictatorship by the party. N.S. Khrushchev is completely responsible for the demotion of G.M. Malenkov. Whether the former publicly claims personal leadership or not, he is the only real power in the Soviet Union. The Council of Ministers will become relatively unimportant. Bulganin's speeches will be full of attributions to the Central Committee. 25X1
- Malenkov had been unpopular in Party and Government circles. He was considered only an apparatchik. a story that immediately after the death of Stalin, Malenkov had agreed to conspire with Beriya to give the latter power; but that later, either from fear or dissatisfaction with the role allotted him by Beriya, Malenkov confided the plot to Khrushchev. The latter has never since fully trusted Malenkov. Since the death of Stalin, the Central Committee has blamed Malenkov for all failures and mismanagement. the reduction in the number of ministries after Stalin's death was badly handled, resulting in serious confusion, with no ministry knowing its proper responsibility. He claims the anti-bureaucracy campaign was mismanaged. In some cases up to half the personnel in a ministry was fired, but provisions for the transfer of those dismissed to productive work in the ministry's enterprises was not undertaken, resulting in swarms of unemployed disgruntled bureaucrats. Malenkov actually made errors in agriculture when conducting the agricultural program before the September plenum. The Central Committee, i.e., Khrushchev, had decided to increase the production of consumers' goods, but not at the expense of heavy industry. Malenkov went too far in administering the program, overemphasizing consumers' goods and underemphasizing heavy industry. For the first time in Soviet history, managers and engineers engaged in the production of consumers' goods were jailed for errors such 25X1

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as failure to fulfill norms; this punishment previously had been reserved exclusively for those engaged in heavy industry.

3. Khrushchev is extremely popular among Party and Government groups. The West has underrated his strength before Stalin's death. While Malenkov, on the Secretariat, concerned himself with working with Beriya and directing the agricultural program, Khrushchev concerned himself with policy questions. After the death of Zhdanov, Khrushchev was the strongest man below Stalin on the Central Committee. He got along well with all members of the apparatus. He was also popular among the peasants, since as Secretary of the Ukrainian Party Committee he made a practice of frequently visiting kolkhozy and consequently was closer to the people than other leaders were. He was also popular because of his struggle against the Jews. [redacted] post-war Kiev and Kharkov were so full of Jews that others could not find work. When L.M. Kaganovich was sent to the Ukraine, he did nothing. When Khrushchev was again in charge, he dismissed Jews. Since Great Russians are habitually anti-semitic, this increased Khrushchev's popularity. This popularity among the people is relative, that is, Khrushchev is preferred to other leaders. 25X1
4. Khrushchev used his party position skillfully. After the arrest of Beriya, he filled the MVD with Party men and did the same to the Ministry of Foreign Affairs.
5. Bulganin is an extremely limited person and will have no authority. At Khrushchev's instigation he will gradually make changes in the Council of Ministers. A.I. Mikoyan will probably be completely dropped since he was a partisan of Beriya. V.M. Molotov and K.Ya. Voroshilov have no ideas of their own and will do anyone's will. They will probably remain. Before the 9 February announcement, [redacted] G.K. Zhukov would be Minister of Defense, not so much because of any increased role of the army but because he is needed as the only genuinely popular leader in the Soviet Union. 25X1
6. [redacted] 25X1
- [redacted] Khrushchev simply did not trust Malenkov for any Party work. Malenkov's new ministry is small and easy to run. 25X1
7. [redacted] no change in Soviet foreign or domestic policy, since Khrushchev has controlled both for some time. Regarding Formosa, [redacted] this is Soviet, not Chinese, policy, although probably worked out with the Chinese when Khrushchev visited China. This policy is an experiment designed to test the position of the United States. [redacted] the Soviets are not willing to commit forces on the Korean scale. 25X1
8. Any belief that China and the Soviet Union may split is wishful thinking. This might have happened under Stalin, who wanted to keep the Chinese under his thumb. But the post-Stalin policy, attributed by source to Khrushchev, pictures China as an important buffer area to be maintained at all costs.
1. [redacted] Comment: On 9 February 1955, Malenkov was appointed Minister of Electric Power Stations and Deputy Chairman of the Council of Ministers. 25X1

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