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18 Feb 1949

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E A S T E R N E U R O P E

S O V I E T U N I O N

UN Activity Withdrawal of the USSR, the Ukraine, and Byelorussia from the UN World Health Organization (WHO), rather than indicating a Soviet intent to leave the UN, probably reflects a tightening of security measures and a genuine Soviet doubt regarding the benefits of continued participation. Although the USSR expressed dissatisfaction with the heavy expenses of membership and asserted that the organization's aims had been altered, the Soviet decision to withdraw was apparently prompted by: (1) fear that Soviet medical technicians and scientists attending WHO conferences may be contaminated and defect to the west; (2) desire to avoid further "deviations" by Soviet scientists within the USSR from the doctrine of Soviet supremacy in biological and medical science; and (3) reluctance to permit western WHO personnel to enter the Soviet Union. Although the other Satellite representatives have not yet indicated whether they will follow the Soviet lead, the Yugoslav president of WHO has demonstrated his readiness to work independently with the western representatives and will probably remain at his post.

China Policy Soviet desire to keep the Chinese Communists "in their place" is indicated by the arrest on a charge of espionage of Anna Louise Strong, an American journalist who is well-known for writings favorable to the USSR and the Chinese Communists. Although most of Miss Strong's recent writings on China have been shunned by the Soviet-Satellite press, her articles have been prominently featured in Yugoslavia, where there is some disposition to regard Chinese Communist Leader Mao Tse-tung as a potential dissident, similar to Tito. Miss Strong reportedly was refused an exit visa to travel to China via Vladivostok, but expressed to US officials her determination to proceed to Chinese Communist territory despite this Soviet

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SOVIET UNION

opposition. Her arrest as an "intelligence agent" and her deportation from the USSR seem calculated not only to discredit her in Communist circles generally but also to discourage Mao Tse-tung or Tito from welcoming her. Miss Strong's attitude toward the Chinese Communists has apparently negated some 25 years of propagandizing the Soviet cause. Soviet leaders also probably consider her too closely identified with the old Communist propaganda claim that the Chinese Communists are independent of Moscow. This line, in view of the vastly increased power and prestige of the Chinese Communist Party, has become potentially unrewarding for the Kremlin and will probably be abandoned soon.

HUNGARY

Financial Crisis The USSR may be forced to grant a foreign-exchange or gold loan to Hungary, as has been done recently for Czechoslovakia, in order to bolster the Hungarian financial position and to forestall serious retardation of Hungary's industrial production. Hungary's critical foreign exchange position has been caused chiefly by: (1) increased orientation of exports to the USSR; (2) deliveries on account of reparations to the USSR; and (3) use of hard currency reserves for western imports.

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SOVIET PLANS FOR AN EAST GERMAN STATE

Further Communist designs to integrate eastern Germany into the political and economic system of the Soviet bloc were apparent at the recent Socialist Unity Party (SED) Congress in Berlin. Speeches by Satellite delegates and Congress approval of the Oder-Neisse line as Germany's eastern boundary laid renewed stress on Communist efforts to reconcile the Satellite states to closer collaboration with the Soviet Zone and to eventual inclusion of the area in the Soviet orbit. Other action at the Congress indicates that the USSR is still attempting to insure Communist control of east Germany. By reviving advocacy of a "broad democratic front," the Communists are seeking the political support of formerly uncooperative elements. The establishment of an SED "Politburo" was designed to discipline the SED in order to make it a more effective instrument of Communist control.

The reversal of the SED stand for the incorporation of Berlin into the Soviet Zone indicates that the Communists believe the Berlin impasse will continue. In line with the Soviet theme of a "unified Germany," this tactical renunciation of Communist claims that Berlin is an integral part of the Soviet Zone may be designed to combat possible inclusion of the three western sectors of the city in a west German government. Moreover, by omitting Berlin from a future east German state, the USSR may feel that it can insure control over the new state by maintaining Soviet troops there to guard communication lines to a Soviet garrison in Berlin. Although the Congress again stressed the theme of German unity, Communist tactics at the Congress once more suggest that the USSR intends to create an east German state which will claim sovereignty over all Germany. The formation of such a state would probably be timed to counter the formation of a west German provisional government.

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