

discussed by the heads of government at Geneva. Concerted efforts were made by leaders of the Soviet bloc to increase economic productivity. The economies of the Soviet bloc countries continued to be closely integrated with that of the Soviet Union, though a greater amount of trade with Western countries was permitted. The Warsaw Pact set up an Eastern European security alliance which will serve as an eastern counterpart, for propaganda and bargaining purposes, to NATO. The Soviet-dominated states of Eastern Europe followed the lead of the Soviet Union in announcing reductions in their armed forces and in periods of service. They also undertook a co-ordinated campaign to induce their nationals and former nationals abroad to return to the homeland in response to amnesties. Government shuffles occurred in Hungary, where Mr. Matyas Rakosi replaced Mr. Imre Nagy as Prime Minister, and in Roumania, where Mr. Gheorghe Gheorghiu-Dej gave up his premiership to Mr. Chivar Stoica and took over the Party Secretariat. These changes were followed by no major purges or radical changes in policy. These countries have received in their capitals a number of parliamentary, economic, and cultural missions from the West, but do not as yet appear to be prepared to permit any really free exchange of people and ideas.

Three major official visits marked Canadian-Soviet relations in 1955. In July the Canadian Minister of Fisheries, Mr. James Sinclair, attended a meeting of the International Whaling Commission in Moscow. While there he held discussions with the Soviet Deputy First Chairman, Mr. A. I. Mikoyan, and the Minister of Fisheries, Mr. A. A. Ishkov. Mr. Sinclair also visited Leningrad and Soviet Pacific coast fisheries installations. Although an accident at Petropavlovsk delayed his schedule by about a month he was then able to continue his journey, returning to Canada by way of Peking and Hong Kong. In late August a Soviet agricultural delegation headed by Mr. V. V. Matskevich, now Minister of Agriculture, arrived to study Canadian agricultural methods. In October the Canadian Minister for External Affairs, Mr. Pearson, visited the Soviet Union at the invitation of its Government. There he had discussions with leading Soviet statesmen, including the Prime Minister, Marshal Bulganin, the Communist Party Secretary, Mr. N. S. Khrushchev, the Foreign Minister, Mr. V. M. Molotov, the Minister of Foreign Trade, Mr. I. G. Kabanov, and the acting Minister for Culture, Mr. S. V. Kaftanov. Besides discussing problems of major international significance, Mr. Pearson explored the possibilities for Soviet-Canadian trade, and for scientific, cultural, and other contacts between the two countries.

7. Southern Europe and the Middle East

At a conference of the Balkan Pact powers held in Ankara in February, Greece, Turkey, and Yugoslavia agreed to foster economic and cultural relations within the Balkan Alliance while continuing their co-operation in the military field. Subsequently misunderstandings arose between Greece and Turkey over the Cyprus question, and serious disturbances took place in Turkey in September. It is expected that these differences will be composed and that the co-operation of the Balkan Pact countries will continue.

Important visits to Yugoslavia during the year were those of the Turkish Prime Minister, Mr. Menderes, in May, and of Their Majesties