

6. Eastern Europe and the Soviet Union

In February Mr. G. M. Malenkov resigned as Chairman of the Council of Ministers of the Soviet Union and was replaced by Marshal N. Bulganin. The principle of "collective leadership" was continued; the former Prime Minister maintained his seat in the Party Praesidium and continued to sit in the Council of Ministers as Minister of Electric Power Stations and as Deputy Chairman. The position of Mr. Khrushchev as Party Secretary was not affected by the changes.

The present régime has been active in pursuing two main lines in internal policy. On the economic side it has made efforts to improve efficiency, to increase output, and to raise productivity. It has appointed as its leading administrators men of trained ability, and has endeavoured to reduce bureaucratic inefficiency by extending, under strict Party control, greater autonomy to local levels of administration. The government has increased investment in heavy industries rather than in those producing consumer goods. It has continued its attempts to increase agricultural production, and to open new areas for cultivation. Politically, the government has eased a number of its harsher restrictions. It has reduced the power of the secret police, has extended a slightly greater degree of scientific and intellectual freedom to the people, and has been less arbitrary in enforcing restrictions on foreign travellers and correspondents.

During most of 1955 the Soviet Union seemed to be at some pains to encourage more friendly relations with the West, and to normalize relations with the non-Soviet world. In April it signed, in return for Austrian neutrality, the long-negotiated Austrian Peace Treaty, withdrew its troops from Austria, and returned factories and oil fields. A delegation led by Marshal Bulganin and Mr. Khrushchev visited Belgrade, apologized for the schism with Yugoslavia in 1948, which was blamed by the Soviet leaders on Beria, and concluded an agreement for closer mutual cooperation and trade. On Soviet initiative, diplomatic relations have been established with the Federal Republic of Germany and the Soviet Union has agreed to repatriate nearly 10,000 German prisoners. A Soviet-Finnish Treaty of Friendship has been extended for twenty years, and the Soviet naval base at Porkkala has been returned to Finland. The Soviet Union has announced its intention of reducing its armed forces by 640,000, although no indication of the total number of men under arms has been made public. It has also announced some reductions in terms of conscript service.

There has been an unprecedented number of visitors, official and unofficial, to the Soviet Union. The official visitors include among others the Prime Minister of India, Mr. Nehru; Chancellor Adenauer of the Federal Republic of Germany; President Paasikivi of Finland and the Prime Minister, Mr. Kekkonen; the Prime Minister of Norway, Mr. Gerhardsen; the Prime Minister of Burma, U Nu; and two members of the Canadian Government, the Minister of Fisheries and the Secretary of State for External Affairs. The Soviet Union has sent a number of technical delegations abroad to learn Western techniques. Marshal Bulganin and Mr. Khrushchev have visited India, Burma, and Afghanistan in return for the visits paid the Soviet Union by the representatives of the first two countries.

The Soviet Government continued to exert close control over its Eastern European allies and rejected the proposal that their position be