

SECRET

2. FINLAND : FRONTIER PROVISIONS

(i) Russo-Finnish Frontier after the first Russian war, 1940.

By the settlement which followed the winter war of 1939-40 the Soviet Union annexed territory which it considered important to the defence of its western sea outlets. The acquisition of the Finnish sector of the Rybachi Peninsula which safeguards the approaches to Murmansk, and the widening of the corridor in the Salla region through which the Murmansk railway passes added further protection to the northern sea route. In addition, a thirty-year lease on the Hango Peninsula and the surrounding waters gave the Soviet Union a naval base capable of defending from aggression the entrance to the Gulf of Finland and at the same time an area strategically situated with reference to the Gulf of Bothnia. The greatest loss for the Finns, however, was in Karelia, which contained the main industrial region of Finland and also the Saima Canal which was vital to the transport of timber.

(ii) Russo-Finnish Frontier after the second Russian war, 1944.

As early as December 1941 M. Stalin expressed the desire, which was reiterated five months later by M. Molotov, for a restoration of the border with Finland as settled after the first Russo-Finnish war. It was noted by the United Kingdom that the Soviet Union's accession to the principles of the Atlantic Charter had been based upon these frontiers. Therefore, although it did not propose to reverse its previous decision not to recognize any territorial changes made during the war, the United Kingdom decided that when the appropriate moment came it would raise no objection to Soviet claims for restoration of the 1941 boundaries. It was realized that Finland was within the Soviet orbit and any comments on Soviet suggestions were confined to matters in which substantial United Kingdom interests were directly involved.

The territorial terms of the armistice provided by the Soviet Government and accepted by the Finns, re-established the 1941 frontier except for the oblast of Petsamo which was ceded to the Soviet Union. In addition, the Porkkala-Ud area was made available for a Soviet naval base on a fifty-year lease in exchange for renunciation of rights of lease on the Hango Peninsula. This arrangement was bitterly resented by the Finns because of the proximity of Porkkala-Ud to Helsinki and the stranglehold on central Finland which the Soviet Union thus acquired. However, the Soviet Government was adamant in its view that the war had proved the vital necessity of holding the entrance to the Gulf of Finland as security for Leningrad.

Finland still expresses hope for rectification in the peace treaty of the Karelian frontier. It is almost certain, however, that Finland will have to resign itself to the frontiers settled by the armistice terms, unless the Soviet Government shows itself willing to have the question reopened.