

4. Eastern Europe

No internal political developments took place in the Soviet Union during 1954 as important as the death of Stalin and the execution of Beria in 1953. During the year the Malenkov régime maintained an emphasis on the principle of collective leadership. Elections to the Supreme Soviet were held in March, and the vote was, as usual, almost unanimously in favour of the single slate of candidates which was put forward.

In the economic field, attention has been devoted to improving agricultural production. There were, however, serious droughts this year. The Government continues to show more concern for the needs of consumers than was the case under Stalin, but it has not reduced very greatly its allocation of investment for heavy industry for this purpose.

In the field of foreign affairs, the main Soviet effort has been directed towards the prevention of West German rearmament in Europe and towards the stabilization of the Indochinese situation in Asia. The Soviet Government has continued to make some moves to normalize its relations with other countries. Many of these moves have been purely formal. There has been a slight increase in East-West trade, although the Soviet Union gives no real indication of any intention to depart from its policy of self-sufficiency within the Communist bloc of nations. There have been more visits made this year to the Soviet Union by people from the non-Communist world than in recent years and more visits by Soviet groups to countries outside the Communist bloc.

At the same time, the Soviet Government has sent notes of protest to Pakistan, Turkey, Greece, and the Netherlands about their defence policies and has continued to direct a large part of its propaganda against the United States. Propaganda from the Soviet Union and its satellites continues in undiminished volume, the various "front" organizations are as active as ever, and Communist parties throughout the world have kept their policies strictly in line with those of the Soviet Government.

A series of agreements between the Soviet Union and Communist China was announced on October 11. These agreements involved Soviet withdrawal of armed forces from Port Arthur, termination of Soviet control in certain joint companies, and increased Soviet economic aid to China. The two countries have maintained a common front in world affairs. At about the same time the Soviet Government announced that it was terminating its control in some of the joint companies in Hungary, Bulgaria, and Roumania. Not all such companies were affected, and these countries are required to compensate the Soviet Union.

In general, developments in the Soviet-dominated states of Eastern Europe have followed the pattern established in the Soviet Union itself. There have been some concessions to consumers without any basic changes in agricultural or industrial policies. A few concessions were made to non-Communist nations on relatively minor matters during the year.

Canada appointed an ambassador to the Soviet Union in March, following the appointment of a Soviet ambassador to Canada the previous year. No change has been made in the nature of our diplomatic representation in Poland and Czechoslovakia, but the latter country decided late in the year to replace its chargé d'affaires in Ottawa by a minister.