

13. There are certain limiting factors on the full utilization of our diplomatic missions in Eastern Europe.

14. One is the restriction on freedom of movement and observation referred to above. This is increasing not diminishing.

15. Another is the immense burden of office and personal management and administration enforced on the staff of our missions by living conditions in those capitals. A large part of the day must be devoted to purchase of supplies, domestic arrangements, etc.

16. A third is the fact that sufficient direction up to date has not been given from Ottawa to assist the missions in making systematic studies of special subjects which could be used here for such purposes as:

- (a) defence and strategic appreciation;
- (b) intelligence work;
- (c) export control policy;
- (d) debating and other activities at the U.N.;
- (e) Canadian economic policy in conjunction with Trade and Commerce, etc.;
- (f) the continuous study of Russian Communism, its aims, potential, and present tactics.

17. It is also difficult to justify the maintenance of these missions to everyone's satisfaction because

- (a) their usefulness is somewhat intangible, and because it is actually undesirable to make too much in public of their function as observation points;
- (b) the Heads of Mission may at any time be involved in vilification or serious charges of misbehaviour, which would embarrass the Government;
- (c) the satellite missions here, working in a free country, have much greater facilities than ours for both licit and illicit activity.

18. We conclude therefore

- (a) that these missions are actually, and even more potentially, of importance in our foreign service. They are in the front line of the cold war and provide a type of observation for which there is no substitute;
- (b) their potential is not being exploited sufficiently to make the case for their retention easily defensible.

19. It is suggested that the following steps be taken, as occasion permits, to rectify this situation:

(i) A despatch embodying the argument outlined here — as revised in discussion — be sent to our two missions with the request that the *Chargés d'Affaires* not only comment on it, but state precisely what they can do to meet the deficiencies mentioned, and how far they are prevented by their circumstances from so acting.

(ii) Other Divisions and Departments should be consulted about the material to be obtained from these Missions and the use to be made of the Missions.