

# STATEMENTS AND SPEECHES

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
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No. 56/12 RECENT DEVELOPMENTS IN THE SOVIET UNION  
AFFECTING EAST-WEST RELATIONS

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Excerpts from a statement on April 12 to  
the Standing Committee of External Affairs  
by the Secretary of State for External  
Affairs

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Following reference to the Geneva Conference last  
summer, Mr. Pearson said:

"The logical conclusion, as I draw it, from these  
two conferences is that Soviet policy is now to be pursued  
at least for the time being by a variety of methods short of  
global war. From that possibly we can take comfort. ...  
But, I think this is the significant fact, Soviet objectives  
remain the same even though Soviet methods may have changed  
to what they probably consider, from their point of view, to  
be a more positive and fruitful approach. As I see it, the  
main objectives of Soviet policy remain so far as policy in  
the West is concerned - I am not talking about Asia - are  
the dissolution of the North Atlantic Treaty Organization  
and the withdrawal of the United States from Western Europe.  
The Soviet leaders have made it pretty clear that they will  
not tolerate the unification of Germany within NATO. For  
the time being at least, Soviet terms for the unification of  
Germany are, to use the words Mr. Molotov used whether by  
calculation or by accident at Geneva: 'The preservation of  
the social and economic structure of a Communist Eastern  
Germany within a unified Germany.'

"It may be, however, that the Soviet leaders are  
genuinely anxious to reach some agreement on disarmament in  
order to free labour and resources for non-military purposes.  
... That, so far as it goes, is an encouraging factor. But  
it also is true that the Soviet remains very suspicious of  
many of our Western ideas on disarmament.

"It is also, I think, true that in view of the relative stability which has now been reached in the positions on either side in the West ... the Soviet leaders are turning to the Middle East, and to South and Southeast Asia where they hope to extend their influence and diminish western influence and prestige. We know, of course, how they are trying to do this; by promoting discord in the area, (this is particularly shown in their Middle East policy) and by offers of assistance of one kind or another in Southeast Asia and Africa."

After referring to Mr. Khrushchev's speech at the recent party congress as being possibly "as important a blueprint as Hitler's Mein Kampf was for Nazi policy" Mr. Pearson drew from it a number of conclusions:

"First, the Soviet leaders are full of confidence. They believe in the correctness and the ultimate success of their policies and of the success of their new tactics;

"Secondly, the principle of which they call collective leadership...is now pretty firmly established, at least for the time being..... in that group, and they seem to get on very well together. Mr. Khrushchev would appear ... to be the dominant factor. He certainly at the moment, does not give any indication of trying to set himself up as the successor of Stalin; but I would not myself wager more than even money that ultimately out of all this may come another single Russian ruler. It is in the tradition of Russian history, and the tradition of Communist ideology, to have a single ruler. ...;

"Third, the former Russian dictator, Stalin, has been discredited for his policies and for his doctrine, and discredited by those very men who probably owe their survival today to slavish unquestioning obedience to him when he was alive. ... Not Stalin, but Lenin remains as the sole interpreter of Marxism. Yet, the present leaders of Soviet Russia are confident enough of themselves and of their power to be prepared to modify even some Leninistic precepts in the light of current conditions. ... I think that represents a good deal of confidence in their doctrinal as well as their political position;

"Fourth, the congress showed that there had been some mellowing of the regime, and the dictates of the regime in both internal and external policy. The internal discontent of the Communist intelligentsia, ... may be one of the reasons for this.

... Externally this mellowing springs from a realization that 'normal' relations with other states and a more civil approach are likely to contribute to, and succeed in, a period of détente. The removal of our fear would seem to be one of their main objectives now. ..."

Mr. Pearson continued:

"Then there is another conclusion ... that heavy industry will continue to get priority over consumer goods, to enable the Soviet Union to catch up with the West industrially. ... Peaceful co-existence between states of differing social systems will continue to be the theme of Soviet foreign policy: carrying this out, the Soviet Union will concentrate its attention on the neutral and uncommitted nations, particularly by economic means. At the same time ... they will try to enter into bi-lateral negotiations with Western democracies in an attempt to weaken their unity, to play one off against the other and especially to play all of us off against the United States.

"But in spite of this talk of peaceful co-existence ... there is every indication that the Soviet Union intends to maintain and even to strengthen its own military capabilities and alliances. ... The implications of thermonuclear warfare are now recognized by the Soviet leaders. And as a consequence the inevitability of war between the Communist and the non-Communist world is rejected because of the supposed deterrent effect of Soviet thermonuclear warfare capabilities and Soviet economic strength.

"In a sense they have turned against us our own doctrine of atomic deterrents. However, while they reject the inevitability of war, and insist on the desirability of co-existence between states of differing social systems, they are quite emphatic in stating that there can be no co-existence between ideologies. ...

"This is the final conclusion which I draw from the party congress: that a conscious effort is being and will be made to recognize and placate different forms of socialism. It is probably an effort on the part of the Soviet leaders to work up the idea in various countries of a popular front. They emphasize now that different forms of socialism can be recognized and that not all countries would achieve a Communist objective on the pattern of the Soviet Union. ..."

In concluding this portion of his statement, Mr. Pearson said:

"... I think it is fair to say that the new regime in Russia, and it is a new regime, has shown strength and ability in developing new policies suitable for the present circumstances. I think also that in their tactics, words, and policies, there are indications of a certain stability in the Soviet political system. ... Changes have taken place, and they may result in other changes which will be to our benefit and to the benefit of peace. I feel myself that the menace of the Soviet Union, while it has changed in character, remains strong. In some respects it is a more dangerous one than that provided by the nakedly aggressive policy of Stalin himself.

"Yet there are some ... encouraging features. I cannot help, for instance, but think of the effect of this exhumation of Stalin on opinion in Russia, how it must be unsettling and disturbing. ... And I think also that this process of dethronement is bound to have an effect on the Communist parties in other countries. ... However, I suppose they will toe the line. They are getting around to doing that now. ... I think also that the process of restoring to respectability some of Stalin's victims must have an unsettling effect and provoke some questioning even amongst the most disciplined minds. ... Yet the Soviet leaders do not seem to be too worried about these implications of their new tactics.

"These leaders seem convinced that in the long haul their system has a better chance of survival than ours; that the lack of discipline in the West will make it impossible for our people to stand up to a long period of competitive co-existence. They are pretty sure that time is on their side, especially that a time of relaxation of tension will cause the West to slacken its defence effort, will afford new opportunities for dividing the Western powers and will permit of greater Communist penetration of the free world.

"In brief, the Soviet's basic position on major issues remains unmodified but the manner of conducting its foreign relations has undergone a notable change, one which may persist for a considerable time, one which may be able to exploit to our own advantage and to strengthen the chances of peace, but one which also has considerable danger for us because it is based on tactics more flexible than the ones which Stalin so rigidly and tyrannically enforced."

#### NATO and Foreign Aid

On NATO and on foreign aid, Mr. Pearson said:

"... The North Atlantic Treaty Organization is, or should be, far more than a mere agency of defence policy. I think the feeling is growing that if this is not recognized and acted upon, NATO may not survive at all. Now as I said, the Soviet Union certainly realizes this and that is why they are working so hard to remove our fears. They assume that

fear is the only thing holding us together in NATO because that is what holds their coalitions together. NATO is, of course, of vital importance as an organization for collective defence. There is no doubt about that, I will even agree that that is its primary task - the deterrence of aggression, acting as an agency for collective defence. But at the present time it is also very important as an agency for organizing common policy in other fields, and I think its importance in that regard is growing. It is important as a means of organizing a common political and economic approach to world problems and for co-ordinating our views and policies as to how we should meet threats other than military. There are also its economic functions; how it could assist materially under-developed countries. NATO itself is not, I think, the proper administering agency for this; it is too limited in membership and in character. But the NATO Council is a good place in which to discuss these economic matters.

"... We shall have, I hope, at the forthcoming NATO Council meeting more opportunity than we have had in previous council meetings to discuss these non-military matters, especially the co-ordination of our foreign policies.

"There is another gap in policy which is hurting the West; that is the separation between economic and technical aid to materially under-developed countries and political objectives; or maybe I should put it this way: we are suffering from efforts to close that gap in the wrong way by associating aid with the acceptance on the part of the receiving countries of 'cold war' political and strategic objectives. ... The purpose of foreign aid is as important as the aid itself. Aid of this kind, economic assistance of any kind on an international scale, I admit, is bound to be a political act of some kind. The question is: what kind?

"... The Russians, of course, are moving into this field if not in a big way, from one point of view, then certainly in a dramatic way, in a 'headline' way. There is no doubt that in moving into this field of international economic assistance in Asia and Africa the Soviet Union is guided primarily by political considerations. They are making lavish offers of help, some of which they will not be able to carry out and which, probably, they have little intention of carrying out; but there are others, on the other hand, which they intend to carry out and which they may indeed carry out very effectively. It would be a mistake, I think, to minimize the effort which they are making. They are doing something else. They are associating these offers of aid with assurances of sympathy and with understanding of the passionate desire of these Asian and African peoples for national freedom, for betterment and greater human welfare. They are lining up with them - sometimes hypocritically on that front.

"They also associate their economic efforts with denunciations of colonialism. That is, of course, an easy way of becoming popular in that part of the world where they have been all too successful in obscuring their own record as the greatest colonial exploiters of modern times and the greatest suppressors of freedom in modern times. During the very period in which they were posing as the champions of Asian peoples struggling to be free they were keeping from freedom nations and peoples who have traditions of freedom going back for centuries. It would be a very good thing if we exposed this hypocrisy on their part at every opportunity given to us. ... Nevertheless, it is true that the Russians have been very successful in Asia in identifying themselves with this freedom movement and in causing people to forget their own record in Europe.

"... What should we in the West do to counteract all this, and what should be the principles upon which our international aid policy should be based?

"As I said a little while ago, I think we should pay a little more attention to the 'why' and 'how'. Why do we help these people, and how do we help them? ... It is essential to divorce our aid from political considerations and if we - as I am sure we do in connection with the Colombo Plan - go out of our way to respect the national and cultural sensitiveness of the people with whom we are co-operating in this field, and if we make sure that our aid is practical and well administered and if before we engage in any project we work out an agreement between the countries concerned, the giver and the receiver, as we do under the Colombo Plan, then we shall be working in the best and most practical way.

"Finally, I think we should bring the United Nations into these matters as much as possible - more than we have in the past because there is no better way of removing any suspicion that there is some ulterior purpose in granting aid than in having it administered by an international organization.

"... It would be useful if we could extend the technique of examination of and consultation over plans and projects which has worked so very well in the case of the Colombo Plan through the annual meeting of the Ministerial Committee. If we could extend that technique to the United Nations in respect of all international assistance projects so that each year a United Nations committee of some kind - one of the existing committees under the Economic and Social Council or a new committee - would act as a clearing house for all schemes of international assistance; if every country which was willing to participate in this activity and every country receiving assistance could meet and exchange views as to what was being done and why it was being done, I think this would represent a real advance. I do not mean by this that existing machinery, such as the Colombo Plan machinery which is working so well, should be scrapped, or that

the United Nations should administer all international economic assistance. I, myself, believe that that would be a mistake in present circumstances. But I do think that the United Nations could be used to an extent to which it is not being used at present to co-ordinate plans and to act as a clearing house, and I think also, that this would be a good way of finding out what is being done by all the countries - on both sides of the iron curtain if you like - which are engaged in this work, and that it would give us some indication of whether there are, or are not, any ulterior or undesirable political purposes behind the activities themselves."

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