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National Security Council, NSC 174, Draft 'United States Policy Toward The Soviet Satellites In Eastern Europe'

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Summary:

This report by the National Security Council discusses Soviet control over Eastern Europe, barriers to Soviet control of the satellites, and the power threat that consolidation poses to the United States. As a result, the NSC recommends that United States pursue a policy of resistance towards Soviet domination of its Eastern European satellites, and should impose pressure and propaganda to weaken Soviet influence.

Original Language:

English

Contents:

- English Transcription

Note by the Executive Secretary
to the
National Security Council
on
United States Policy toward the Soviet
Satellites in Eastern Europe

References:
A. NSC 58/2
B. NSC 158
C. NSC 162/2
D. NSC 143/2
E. NIE-87 and NIE-90

The enclosed draft statement of policy on the subject, prepared by the NSC Planning Board in the light of NSC 162/2, is transmitted herewith for consideration by the National Security Council at its meeting on Monday, December 21, 1953.

Also enclosed is an NSC staff study for Council information in this connection. The enclosed policy does not appear to involve any unusual expenditures over or beyond funds which have been appropriated for normal operating programs of the agencies involved. Accordingly, no financial appendix is enclosed.

The enclosed statement of policy is intended, if adopted, to supersede NSC 58/2 and NSC 158.

It is recommended that, if the Council adopts the enclosed statement of policy, it be submitted to the President with the recommendation that he approve it; direct its implementation by all appropriate executive departments and agencies of the U.S. Government; and designate the Operations Coordinating Board as the coordinating agency.

James S. Lay, Jr.
Executive Secretary

cc: The Secretary of the Treasury
The Director, Bureau of the Budget
The Chairman, Joint Chiefs of Staff
The Director of Central Intelligence

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United States Policy toward the Soviet
Satellites in Eastern Europe

[…]

DRAFT

Statement of Policy
Proposed by the
National Security Council
on
United States Policy toward the
Soviet Satellites in Eastern Europe
(Except as otherwise indicated, parenthetical
references are to paragraphs in the Staff Study)

General Considerations

1. Soviet Control over the Soviet satellites in Eastern Europe (Poland, Czechoslovakia, Hungary, Romania, Bulgaria, Albania and East Germany) has contributed importantly to the power disequilibrium in Europe and to the threat to the security of the United States. Despite economic dislocation and administrative difficulties, the Kremlin has made considerable progress in exploiting the industrial capacity of the satellites and expanding their military capabilities for use as a coordinated whole with those of the Soviet Union. (2-4, 37)

2. Barriers to the consolidation of the Soviet Union are:

a. The anticommunist attitude of the great majority of the population in each satellite. This anticommunism is intensified particularly by loss of personal freedom and a reduced standard of living, as well as by outraged religious and national feelings, but its undiminished survival over the long run is jeopardized by communist control over every aspect of the lives of the people, particularly the young.

b. The continued refusal of the West to accept the permanence of the imposed satellite regimes as compatible with the freedom and self-determination of nations. (5-6)

3. Despite the widespread popular opposition to communism in each of the satellites, known underground groups capable of armed resistance have survived only as scattered remnants in a few areas, and are now generally inactive. The recent uprisings in East Germany and the unrest in other European satellites evidence: (a) the failure of the Soviets fully to subjugate these peoples or to destroy their desire for freedom; (b) the dependence of these satellite governments on nearby Soviet armed forces; and (c) the relative unreliability of satellite armed forces (especially if popular resistance in the satellites should increase). These events necessarily have placed internal and psychological strains upon the Soviet leadership. Nevertheless, the ability of the USSR to exercise effective control over, and to exploit the resources of, the European satellites has not been appreciably reduced, and is not likely to be, so long as the USSR maintains adequate military forces in the area. (3)

4. The death of Stalin created for Soviet dominion over the satellites new problems which may lend themselves to exploitation. Although there is as yet no evidence that Soviet capability to dominate the satellites has been impaired since the death of Stalin, the possibility nevertheless exists that a greater concentration of effort may be required to maintain control and that the new Soviet leaders may have to moderate the pace and scope of their programs in the satellites. Such moderation is indicated by the new economic measures, recently announced by the satellite regimes. (7)

5. Although nationalist opposition to Soviet domination is a disruptive force within the Soviet orbit, and even within the communist movement itself, it does not appear likely that a non-Soviet regime on the Tito model will emerge in any of the satellites under existing circumstances. The combination of basic factors which made possible the successful Yugoslav defection from Moscow is lacking in any of the satellites. In addition the Kremlin has taken drastic measures since the Yugoslav defection to guard against further defections. (6, 8-17)

6. Tito's establishment of an independent communist regime, nevertheless, has brought valuable assets to the free world in the struggle against aggressive Soviet power. It provides a standing example of successful defiance of the Kremlin and is proof that there is a practical alternative for nationalist communist leaders to submission to Soviet control. There are further advantages flowing from Yugoslavia's political and military cooperation with the West, its association with Greece and Turkey in a Balkan entente, and its role as a vigorous propaganda weapon against Soviet Communism. (18-21)

7. East Germany poses special and more difficult problems of control for the USSR than do the other satellites. The fact that the main body of the German nation in the Federal Republic has

made continued advances in freedom and economic well-being, and the fact that West Berlin provides a means of contact with the free world, serve to keep alive the hope for an eventual escape from Soviet domination. By utilizing these special advantages the West can probably continue to exploit strong popular anti-communism, maintain East Germany as a focal point and example of disaffection for the rest of the Soviet satellites, make difficult full utilization of East Germany's economic resources, and keep alive Soviet doubts as to the reliability of the East German population in time of war. At the same time, U.S. policy toward East Germany must take into account the latter's relationship to the problem of German unification, the integration of the Federal Republic with Western Europe, and the importance of, and dangers inherent in, preserving our access to and position in Berlin. (24, 41, Annex B)

8. The detachment of any major European satellite from the Soviet bloc does not now appear feasible except by Soviet acquiescence or by war. Such a detachment would not decisively affect the Soviet military capability either in delivery of weapons of mass destruction or in conventional forces, but would be a considerable blow to Soviet prestige and would impair in some degree Soviet conventional military capabilities in Europe. (NSC 162/1, para. 5-b)

Policy Conclusions

9. It is in the national security interests of the United States to pursue a policy of determined resistance to dominant Soviet influence over the satellites in Eastern Europe and to seek the eventual elimination of that influence. Accordingly, feasible political, economic, propaganda and covert measures are required to create and exploit troublesome problems for the USSR, complicate control in the satellites, and retard the growth of the military and economic potential of the Soviet bloc. Decisions on such measures to impose pressures on the Soviet bloc should take into account the desirability of creating conditions which will induce the Soviet leadership to be more receptive to acceptable negotiated settlements. Accordingly, this policy should be carried out by flexible courses of action in the light of current estimates of the Soviet Government's reactions and of the situation in the satellite states concerned, after calculation of the advantages and disadvantages to the general position of the United States in relation to the USSR and to the free world. (37-42)

Basic Objectives

10. Long-range: The eventual fulfillment of the rights of the peoples in the Soviet satellites to enjoy governments of their own choosing, free of Soviet domination and participating as peaceful members in the free world community. (2, 37)

11. Current:

a. To disrupt the Soviet-satellite relationship, minimize satellite contributions to Soviet power, and deter aggressive world policies on the part of the USSR by diverting Soviet attention and energies to problems and difficulties within the Soviet bloc. (35, 39)

b. To undermine the Satellite regimes and promote conditions favorable to the eventual liberation of the satellite peoples. (35, 36, 38, 39)

c. To conserve and strengthen the assets within the satellites, and among their nationals outside, which may contribute to U. S. interests in peace or war, and to the ultimate freedom of the satellites. (29-32, 39)

d. To lay the groundwork, as feasible with reasonable risk, for resistance to the Soviets in the event of war. (29-30, 35)

Courses of Action

12. Use appropriate means short of military force to oppose, and to contribute to the eventual elimination of, Soviet domination over the satellites; including, when appropriate, concert with NATO or other friendly powers, resort to UN procedures, and, if possible, negotiation with the USSR. (23-32, 36)

13. Encourage and assist the satellite peoples in resistance to their Soviet-dominated regimes, maintaining their hopes of eventual freedom from Soviet domination, while avoiding:

a. Incitement to premature revolt.

b. Commitments on the nature and timing of any U. S. action to bring about liberation.

c. Incitement to action when the probable reprisals or other results would yield a net loss in terms of U. S. objectives. (26, 29, 30, 40)

14. Develop and encourage, as appropriate, increased use of passive resistance by the peoples of the satellites. (5, 40)

15. Be prepared to exploit any future disturbances similar to the East German riots of 1953 by planning courses of action which would best serve U.S. interests in such events. (29, 30)

16. Foster satellite nationalism as a force against Soviet imperialism, while avoiding commitments to national ambitions which would interfere with U.S. post-liberation objectives. (6, 16)

17. Cooperate with other forces--such as religious, cultural, social--which are natural allies in the struggle against Soviet imperialism. (5)

18. Stimulate and exploit conflicts within the communist ruling groups in each satellite, among such groups, and between them and the Kremlin. (16)

19. Foster disaffection in satellite armed forces and police, to diminish their reliability in suppressing domestic disturbances and their will to fight in the event of war. (3)

20. Encourage democratic, anti-communist elements in the satellites; but at the same time be prepared to exploit any Titoist tendencies, and to assist "national communist" movements under favorable conditions, making clear, as appropriate, that opportunities for survival exist outside the Soviet bloc. (8-16, 41)

21. Exploit the developing organizations of Western unity (NATO, OEEC, CSC, etc.) as a force of attraction for the satellites. (22)

22. Encourage defection of key satellite personnel and possible VFC recruits, but not mass defection; and assist in the resettlement and rehabilitation of refugees who do escape. (32)

23. Support or make use of refugees or exile organizations which can contribute to the attainment of U.S. objectives, but do not recognize governments-in-exile. (32)

24. Strengthen covert activities in support of the objectives in paras. 10 and 11 above. (29-32)

25. Maintain flexibility in U.S. economic policies toward the Soviet bloc, and toward individual satellites, in order to gain maximum advantage with the limited economic weapons at hand (both restrictions and incentives). (27, 28)

26. Continue U.S. diplomatic missions in Poland, Czechoslovakia, Hungary, and Rumania as long as may be in the U. S. interest, and keep under review the possibility of resuming diplomatic relations with Bulgaria. (25)

27. Exploit the existence, and encourage the development, of the Yugoslav-Greek-Turkish entente as a means of weakening Soviet power in the Balkan satellites and as an example of free association of independent Balkan nations serving as a potential alternative to Soviet rule. (22)

28. Keep the situation with respect to Albania under continuing surveillance with a view to the possibility of detachment of that country from the Soviet bloc at such time as its detachment might be judged to serve the over-all U. S. interest. (15, 31, Annex B)

29. Exploit, to the fullest extent compatible with the policies regarding Germany as a whole and Berlin, the special opportunities offered by West Berlin and the facilities of the Federal Republic to undermine Soviet power in East Germany. Place the Soviets in East Germany on the defensive by such measures as may be taken to keep alive the hope of German reunification. (24, 41)

30. Emphasize (a) the right of the peoples of Eastern Europe to independent governments of their own choosing and (b) the violation of international agreements by the Soviet and satellite Governments, whereby they have been deprived of that right, particularly the Yalta Declaration on Liberated Europe and the Treaties of Peace with Bulgaria, Hungary and Rumania. (2, 37)

NSC Staff Study
on
United States Policy toward the Soviet
Satellites in Eastern Europe

Problem

1. To determine what policies with respect to the Soviet satellites of Eastern Europe (Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, Albania, and East Germany) will best serve the national interests of the United States, and in particular will contribute to the resistance to and eventual elimination of dominant Soviet influence over those satellites. It is necessary to reexamine and revise, where necessary and desirable in the light of intervening developments, the conclusions of NSC 58/2.

Background

Importance of the Satellites

2. The satellites are of importance in the current balance of power in Europe because they augment the political, military and economic power of the Soviet Union and extend Soviet power into the heart of Europe. The permanent consolidation of Soviet control in this area would represent a serious threat to the security of the United States and Western Europe. It is likewise our traditional policy to recognize and support the right of such peoples to independence and to governments of their own choosing. The elimination of dominant Soviet influence over the satellites is therefore, in the fundamental interest of the United States.

Soviet Domination of the Satellites

3. Soviet domination of the satellites remains a basic fact; there is no evidence as yet to indicate that Soviet capability to dominate the satellites has been significantly affected by anything that has happened since the death of Stalin. However, Soviet suppression of the riots in East Germany suggests that the satellite regimes themselves may be unable, without Soviet armed forces available, to maintain the population in subjection to the will of the Kremlin.

4. The Kremlin has pushed forward with considerable success its plans to expand the industrial, and military capabilities of the satellites and to coordinate their Sovietized political system, military establishments and economies with those of the USSR in a working totality. Although the Kremlin

permits and encourages programs of cultural, economic and technica1 collaboration among the satellites, it appears determined to bind the satellites individually to the USSR rather than to unify them. Whether and when the Soviet leaders will take the formal step of incorporating any or all of the satellites into the USSR itself is unpredictable.

Opposition to Soviet Domination

5. The great majority of the population in each satellite continues to be opposed to the communist regime and resents the lack of personal freedom and hard living conditions for which the regime is responsible. The aggrieved religious feelings resulting from the communist attack on religion have also served to intensify this widespread anti-Communism. The anticommunist majorities are not in a position to carry on active resistance which would represent a serious challenge to Soviet power in any of these satellites with the possible exception of Albania, as is noted hereafter. Nevertheless, by passive resistance they can impede the process of Sovietization and afford a main element on which must be based eventual elimination of dominant Soviet influence. It is recognized at the same time that, if the process of exclusive communist indoctrination and education proceeds without interruption for an indeterminate period, it is uncertain how strong this anticommunist sentiment may remain.

6. In addition to anticommunism per se, nationalism is a significant factor of opposition to Soviet control in all the satellites. These peoples will not reconcile themselves in a few years to the loss of national independence, a disregard of national traditions and the enforced glorification of the USSR. The nationalist sentiment focuses on the memory of better times in the past, hopes for the future, and the resentment felt at the injuries and insults experienced under the present regime. In many respects it is the strongest leverage available for strengthening the morale of the satellite populations, sustaining their spirit of resistance to Soviet imperialism, and encouraging their defiance of servile communist regimes. Nationalism is, however, a double-edged weapon, raising a number of operational problems, as we have discovered in our propaganda work and dealings with the refugees. Besides arousing anti-Soviet feeling, nationalist sentiment also creates divisions among these peoples themselves, Magyars against Slavs and Rumanians, Slovaks against Czechs, Poles against Germans and Germans against the Slavs. A problem which will become increasingly serious as nationalist sentiment ferments is that of the Polish occupied areas of Germany east of the Oder-Neisse line.

7. The death of Stalin created for Soviet dominion over the Satellites new problems which may lend themselves to exploitation. Although there is as yet no evidence that Soviet capability to dominate the Satellites has been impaired since the death of Stalin, the possibility nevertheless exists that a greater concentration of effort may be required to maintain control and that the new Soviet leaders may have to moderate the pace and scope of their programs in the Satellites. Such moderation is indicated by the new economic measures recently announced by the Satellite regimes, which give priority to increasing the output of consumer goods in order to improve popular morale and to stimulate labor productivity. In promulgating the new policy, the Satellite regimes have admitted that an economic dislocation has developed, mainly because of an over-emphasis on the development of heavy industry and a neglect of agricultural development. The Satellite regimes now seek a modification of industrial and agricultural programs to bring about a more normal balance between industry and agriculture and to raise the level of popular morale. The Communists have rationalized that this corrective will provide a healthier foundation for future economic growth and for further sovietization of the Satellite countries.

Possibilities of “Titoism”

8. NSC 58/2 laid down a policy of fostering communist heresy among the satellites and encouraging the emergence of non-Stalinist regimes as temporary administrations even though communist in nature. However, as was noted in the third Progress Report on implementation of NSC 58/2, dated May 22, 1951, the Kremlin and its local agents have been successful in warding off any trend in the satellites comparable to that which led to the break between Moscow and

Yugoslavia. In fact, in none of the satellites have there developed the capabilities such as rendered Tito's defection successful.

9. Of all the European satellite leaders, only Tito achieved controlling power. He created an impressive military force, as well as a political organization, responsive to his own leadership which maintained itself inside Yugoslavia during the war and which, following withdrawal of the Nazi forces, possessed requisite power to impose its will upon the Yugoslav people without substantial assistance from the Red Army. All the other Communist regimes, with the exception of Hoxha's government in Albania, were placed in power by the Red Army itself or by threat of force which the Red Army represented. These regimes, therefore, were from the outset dependent on Soviet military power for their very existence and have remained so. In East Germany, Poland, Hungary and Romania, the physical presence of sizeable Soviet forces bears daily witness to Soviet domination of these satellites. In Poland the Minister of Defense is a Soviet marshal, and Soviet officers occupy the higher posts throughout the Polish armed forces. In all the satellites there are large Soviet military missions which are supervising the reorganization of the satellite armed forces, and Soviet commanders, advisers, and technicians are located in key command and staff positions in the military forces and in the defense ministries.

10. Thus, the ultimate basis of Soviet control in the satellites is Soviet military domination of these countries. The Soviet forces stationed within the satellites and in the Soviet Zone of Austria in April 1953 consisted of 538,000 personnel from the Soviet Army (including military missions), 24,000 security troops, and 2,400 Soviet-manned aircraft.

11. Of all the satellite leaders of Eastern Europe, only Tito could claim to exercise effective control over the state security apparatus. His security forces were built up on the basis of personal loyalty demonstrated in the heat of battle, and Tito knew that he could trust the overwhelming majority of the higher echelons of his command. None of the current satellite leaders can count on this kind of allegiance from the key personnel of their security establishments. Soviet liaison personnel maintain close supervision over the leading satellite officials, and it is doubtful whether far-reaching orders issued by those leaders to any of their respective security organs would be executed without confirmation from Soviet controlled sources. In contrast, it was Tito's steadfast denial to Soviet liaison officials of uncontrolled access to his security organization which contributed extensively to the friction climaxed by the break between Tito and the Kremlin.

12. Poland, Czechoslovakia, Hungary, and Rumania have a common land frontier with the USSR. Bulgaria has a common sea frontier. These states are accordingly more exposed to Soviet military intervention and hence more readily susceptible to Soviet pressure and control than was Yugoslavia which shares no common frontier with the USSR. Furthermore, with Yugoslavia's long sea coast facing the West, greater possibilities to obtain material support from the Western powers in the event of a break with Moscow were available to Tito than there would be to the other satellites, with the exception of Albania.

13. Since Tito's defection in 1948, the Soviets have taken stringent and thorough measures to guard against a similar development in other satellites. Leaders in whom any taint of Titoism was suspected have either been shorn of all power, imprisoned, or actually liquidated. If any leader through long tenure in office or for any other reason seemed to be gaining too much power, he has been ruthlessly eliminated. The customary security safeguards have been tightened and expanded. A series of friendship and mutual assistance pacts have been concluded among the various satellites (except Albania and East Germany) and with the USSR which in effect obligate the parties signatory to go to each others' aid in the event of action from without. The relationship of the USSR to the satellite regimes raises every probability that the Soviets would in effect intervene in the face of internal action threatening the overthrow of the Soviet-controlled regimes, except possibly in the case of Albania.

14. In the light of the foregoing considerations, the chances are negligible at the present time that any existing satellite communist regime would or could break away from Moscow under its own

power, or, with the possible exception of Albania, that any anti-Soviet faction could seize or hold power in a satellite and bring about its detachment from the Soviet bloc.

15. Albania is to some extent an exception in that, unlike the other satellites, it does enjoy geographical isolation from the rest of the Soviet bloc and access to the West by sea. Although the other factors which rendered Tito's defection successful are generally not present, Soviet control in Albania is challenged by the inherent potential of the internal anti-Communist majority whose resistance could be supported by the large Albanian population in the neighboring Kossovar [sic] region of Yugoslavia. The necessity of Western cooperation with Yugoslavia would of course be a complicating factor. Albanian refugees in the West might also be used although their disunity would seriously hamper any such action.

16. Nationalism may, nevertheless, continue to be a disruptive force within the Communist movement open to exploitation by the United States. Not all communists in the satellites are able or willing to serve Moscow's interest without any regard for that of their own nation; the very problems of governing their respective territories and of meeting the goals which have been set seem to require at least a minimum of cooperation from the people and may lead certain local communists to oppose as best they can those Kremlin demands and policies which put too great a strain upon their own position. In any of the satellite communist parties there are likely to be personal antagonisms and other differences which might be exploited from the outside.

17. Since the relation of Communist China to the USSR is believed to involve considerably less subordination than that of the European satellites, the diplomatic, trade and cultural connections between the satellites and Communist China represent a potentially troublesome factor in Soviet-satellite relations. While this factor is not easily susceptible to exploitation by the U. S., it should be closely watched for whatever opportunities it may offer.

Significance of Yugoslavia in Policy Toward the Satellites

18. Even though no other Satellite has followed or seems capable (with the possible exception of Albania) of following the path of Tito's Yugoslavia under existing conditions, the example of Yugoslavia continues to be a significant factor in the satellite picture. Tito's success in maintaining Yugoslavia's independence constitutes a standing insult to Soviet prestige and a challenge to Soviet infallibility. His political and ideological counteroffensive has been a disturbing factor within the satellite communist parties.
19. In terms of Yugoslavia's foreign relations, Tito is steadily moving toward closer integration with the defensive system being built up by the free world. An important step in this direction is the recent inauguration of contingent military planning talks first with the United States, United Kingdom and France and shortly thereafter with Greece and Turkey. In the political field, a Friendship Pact between Greece, Turkey, and Yugoslavia has recently been concluded.

20. These developments point toward ultimate integration of Yugoslav military capabilities with those of the NATO powers and the consequent marked enhancement of Yugoslav defensive strength against any aggression. Their significance in relation to the satellites lies in the extent to which it is demonstrated that a practical alternative to continued acquiescence in Soviet domination is being created.

21. The relationship which the United States has developed with Yugoslavia is of vital importance in this process of augmenting Yugoslavia's effectiveness in the struggle against Soviet domination. In addition, means of cooperation may be worked out with the Yugoslav Government on such matters as action in the United Nations, propaganda, the reception and treatment of refugees from the satellites and the exchange of intelligence. Moreover, the mere fact of substantial United States economic and military assistance to Yugoslavia must have its effect on both communists and non-communists in the satellite countries. The exposition before the world by Yugoslavia of its experience with Soviet domination as a member of the Soviet bloc also provides excellent refutation of Soviet propaganda.

Significance of Western European International Organizations

22. While there has been considerable discussion among the exiles of federation in Eastern Europe following liberation, no concrete plans toward this end have been advanced. Neither have the Western powers attempted to offer any specific proposals for unity of the satellite peoples or their association with Western Europe after they are freed. The growing international organization of the West reflected in NATO, the Coal and Steel Community and similar bodies nevertheless acts as a disruptive influence upon the satellite orbit by helping to keep alive the hopes of the captive peoples. Such organizations hold out to them (a) evidence of developing unity and strength of the West essential to their ultimate emancipation, and (b) as an inviting alternative to the compulsory dominion of the false internationalism to which they now belong, a glimpse of an integrated Europe of free constructive possibilities in which they may take part once they are liberated.

Means of Attacking Soviet Domination of the Satellites

23. The means available to the United States to assist resistance to, and the eventual breakdown of, the dominant Soviet influence in the satellites fall into the following general categories: (a) political and diplomatic; (b) propaganda; (c) economic; (d) covert; and (e) military. It must be recognized that, owing to the actual presence of Soviet power and the apparatus of Soviet control, all these means, with the exception of the military, are of limited effectiveness, except possibly in the case of Albania, whose peculiarly exposed position renders it susceptible to some measure of economic pressure and to a greater degree of covert activities.

Political and Diplomatic

24. The major political and diplomatic capability is to exert the pressure of the unalterable United States position as to the fundamental right of the satellite peoples to freedom, upon the existing Soviet-controlled regimes. The United States can also utilize its position of free world leadership to rally the support of the free world to this position and thus to strengthen and broaden the pressure on the USSR and on those regimes. The United States can also exploit the German desire for unity and a peace treaty in order to undermine the Soviet position in East Germany.

25. The United States still maintains diplomatic missions in Poland, Czechoslovakia, Hungary and Rumania. This is advantageous in that it (a) provides useful opportunities for reporting and intelligence acquisition, (b) shows American concern for the rights, welfare and eventual independence of the satellite peoples, (c) makes possible direct contact with the government concerned and facilitates dealing with such problems as the protection of American citizens and property, (d) provides a vantage point which could be useful in the event of future developments that cannot be predicted, such as a major defection, and (e) provides a means for evaluating and guiding our propaganda effort. The principal disadvantages are (a) the impression created in some quarters that diplomatic relations indicate the acceptance of the legitimacy of the communist regimes, (b) the pressures and harassments to which American representatives in the satellite states are subjected, to the detriment of United States prestige, (c) the brake which the existence of diplomatic relations may exercise on covert operations directed against satellite governments, and (d) the continued presence of satellite missions in the United States. The possibility of opening diplomatic relations with Bulgaria should be kept under review.

Propaganda

26. The progressive denial to the satellite peoples of access to truth and means of contact with the outside world has limited the possibilities in the propaganda field almost entirely to broadcasting, although balloons, air drops, etc., may be used occasionally with some effect to supplement this medium. The operation of adequate technical facilities for broadcasting to the satellites and the preparation of effective programs assume increasing importance in the effort to conserve and promote anti-communist sentiment against the possible inroads of the communist monopoly over

the various media of information. Utilization of our propaganda facilities is conditioned by the necessity of, on the one hand avoiding any commitments regarding when and how these peoples may be liberated and any incitement to premature revolt, and on the other hand seeking to maintain their faith in the eventual restoration of freedom.

Economic

27. Western controls of exports to the Soviet bloc and the Soviet drive for self-sufficiency have reduced trade with Eastern Europe to a relatively low level. The economic measures available are consequently of limited efficacy as implements to accomplish the general purposes of this paper. They might, however, have some harassment value or could serve as auxiliaries to a coordinated program based primarily on other measures. Existing trade controls have already made the economic problems of the satellites more difficult and to this extent contribute to realizing the specific purposes of United States policy toward the satellites.

28. Other economic measures, however, in so far as latitude is allowed by relevant legislation and over-all United States policies, should be considered on a case-by-case basis, bearing in mind the balance of advantage in each instance between the USSR and the free world. It is desirable to maintain flexibility in U.S. economic policies toward the Soviet bloc and toward individual satellites, in order that maximum advantage may be gained with the limited economic weapons at hand (both restrictions and incentives). It is also desirable to have in reserve sufficient economic weapons to bring pressure to bear against particular satellite regimes at particular times if doing so serves U.S. interests. The application of such controls on a general basis, aside from the question of whether they are worth while in terms of general aspects of United States relations with the USSR and our free world allies, would tend to facilitate the integration of the satellites with the USSR, and would make it impossible to maintain the desired flexibility. Only in the case of Albania is this perhaps not true, for general economic measures by the West could serve to emphasize Albania's political and economic isolation, while effective integration by the Soviets as a countermeasure would be under present conditions most difficult.

Covert

29. Covert operations can be directed to the satellites (a) to gain intelligence, (b) to build up organizational arrangements which will strengthen capabilities for resistance and constitute an asset in the event of war or other situation where action against the regimes may be feasible and desirable, and (c) to reinforce official United States propaganda, especially with the purpose of keeping up the morale of the anticommunists and sowing confusion among the communists. To be most effective, operations of this kind should be conducted so as to avoid encouraging divisive forces among the anticommunists at home or the exiles abroad.

30. It is recognized that the difficulties of conducting covert operations have steadily increased because of the mounting concern of the Kremlin for security throughout the Soviet bloc and the growing effectiveness of the bloc-wide security apparatus. In consequence of these considerations, as well as of physical difficulties, the mounting of any specific operations necessarily requires considerable time for adequate preparation. Furthermore, in view of recent experience it is of the utmost importance to proceed with extreme care in this field with a view to solid accomplishment for the long run rather than to seek quick results in building up resistance capabilities (for military utilization on the hypothesis of the early outbreak of war) at the greater risk of infiltration, detection and embarrassment of United States political action and propaganda. The latter course may well result in defeating the immediate aim of covert activity by disrupting any embryonic resistance organization already created; it may also deliver a most serious blow to the broad efforts of the United States in behalf of freedom for the people concerned.

31. Albania probably offers the best opportunity for the implementation of United States policy through effective use of covert activities. Any undertakings designed either to promote internal resistance or to introduce resistance forces from outside must take into consideration the impact of

any such development on the USSR and on other satellite nations. A careful and thorough estimate of Soviet capabilities and intentions in regard to retaliatory action is essential. Also, full attention must be given to the conflicting interests of Albania's immediate neighbors and of our western allies. The conflicting aims and aspirations of Yugoslavia, Greece and Italy in regard to Albania and Albania's territory could give rise to serious international complications if not fully balanced on the basis of full understanding with them and other interested western powers prior to any undertaking. Further, should any such covert operation require the collaboration of any of the directly interested nations (Yugoslavia, Greece and/or Italy), the western powers should take steps to ensure that their basic interest in reference to the ultimate independence of Albania be not jeopardized.

32. Among the means at hand to assist in the attainment of United States objectives are defectors and refugees from the satellites. It is questionable whether the mass flight of refugees from those areas (or an increase in the mass flight in the case of East Germany) would be desirable from the standpoint of United States interests, in view of the magnitude of the welfare and settlement problem it would create and the loss of strength to any actual or potential resistance movements within the satellite area. However, the defection of key personnel and potential recruits for a Volunteer Freedom Corps offers considerable benefits to the United States and should continue to be encouraged in accordance with existing policy. Defectors, exiled leaders and other refugees can contribute to United States objectives by virtue of (a) their knowledge of conditions, trends and personalities in their homelands, (b) such symbolic value as they may have to the peoples of their homelands, and (c) their military potential. Although recognition of exile organizations, under existing circumstances, as governments in exile would be inconsistent with the maintenance of diplomatic relations with the satellite regimes and would be undesirable for other reasons, notably because recognition would constitute a measure of commitment to groups whose value might be altered by eventual developments, such organizations which are united and broadly representative of the non-totalitarian elements in the satellite populations can be given general moral support and other appropriate encouragement in their activities on behalf of the freedom of their peoples. When they operate in the United States or with American funds the United States should seek by appropriate means to have them abide by its general over-all guidance.

Alternative Courses of Action

The Three Alternatives

33. One alternative is to take direct action for the liberation of the satellite peoples from the USSR by military force, either through direct military measures or through armed support of revolutionary movements. Such exercise of military force would in all probability start a global war, except possibly in Albania. In the case of the latter the probability of Soviet military counter action is somewhat less than in the other satellites and the risk commensurately diminished but nevertheless real and worthy of most careful consideration. This alternative could not be adopted by the United States unless it were willing to undertake a global war for this purpose, and to wage it in all probability without the wholehearted support of allied nations and of the United Nations.

34. The contrary alternative is to accept the fact of Soviet control of the satellites for an indeterminate period, possibly as a basis for reaching some kind of negotiated accommodation with the USSR, while United States efforts are devoted to areas beyond the present limits of Soviet control in order to block Soviet expansion. To follow such a course, besides being inconsistent with the fundamental principle of the right of the satellite peoples to freedom, would be to deny ourselves means of reducing the over-all Soviet power position vis-a-vis the United States and its allies. It may be reasonably assumed, moreover, that our acceptance of the legitimacy of the present satellite regimes, even if it should require Soviet assent to some limited agreement with the West, would be the course which the Kremlin would desire the United States to follow.

35. There is a large area between the extremes mentioned in the two preceding paragraphs in which policy and action can be developed with the purpose of limiting and impeding the Soviet grip

on the satellites. Policy within that field would be determined with a view to contributing toward the eventual elimination of dominant Soviet power over these peoples, but its usefulness need not depend on its effectiveness in achieving this purpose within any given period of time. The more immediate criteria for judging the desirability of any particular measures would be their effectiveness in slowing down Soviet exploitation of the human and material resources of the satellites, in maintaining popular resistance to and non-cooperation with Soviet policies, and in strengthening those forces and factors which would minimize Soviet assets and maximize Soviet liabilities in this area in case of war. Progress in this regard might bring the question of liberation of one or more satellites to a status of greater actuality and immediacy; any acceleration of or change in the United States policy could then be considered in the light of the situation existing at the time.

36. Adherence to this middle course, though it may preclude reaching any general accommodation with the Soviet Union in the foreseeable future, might contribute to the creation of conditions which will induce the Soviet leadership to be more receptive to negotiated settlements in line with U. S. objectives toward the satellites. Action of this type, when it has reference to areas of direct concern to certain western nations, can have far reaching consequences to our relation with our own allies. It is desirable that every effort be made to obtain British and French support for this general course of action. Any action regarding Albania, for example, which did not adequately take into account the legitimate interests of Italy, Greece, and Yugoslavia might well result in a net loss rather then gain to Western solidarity and hence to our fundamental interests. In addition to considerations of Soviet capability of reacting in Albania itself, the possibilities of Soviet retaliatory action elsewhere in the world must be taken into account.

U.S. Policy

37. Soviet domination of the satellite peoples violates the principle of freedom and self-determination of nations. It has also, by bringing Soviet power into the heart of Europe, created a fundamental disequilibrium on the continent and a continuing pressure on Western Europe. So long as it remains, the task of achieving security, stability and orderly progress in Europe must encounter grave difficulties. The United States should make clear by its words and deeds that it does not accept this situation as right or as permanent and that no accommodation with the Soviet Union to the contrary effect can be countenanced.

38. A deliberate policy of attempting to liberate the satellite peoples by military force, which would probably mean war with the USSR and most probably would be unacceptable to the American people and condemned by world opinion, cannot be given serious consideration. The United States should, however, direct its efforts toward fostering conditions which would make possible the liberation of the satellites at a favorable moment in the future and toward obstructing meanwhile the processes of Soviet imperialism in those areas. The possibility of early action in this regard in Albania should be kept under continuing review in cooperation with our major allies.

39. In general, full advantage should be taken of the means of diplomacy, propaganda, economic policy and covert operations to maintain the morale of anti-Soviet elements, to sow confusion and discredit the authority of the regimes, to disrupt Soviet-satellite relationships, and generally to maximize Soviet difficulties. Policies and action to be undertaken by the United States should be judged on the basis of their contribution to these purposes, limited of course by such other factors in the global policy situation as may be pertinent. For example, such questions as the maintenance of diplomatic relations with satellite states, or the nature of economic pressures to be applied to these states, should be decided strictly in terms of general advantages and disadvantages to the United States, not of legalistic considerations or of the degree of indignation felt as a result of the acts of satellite governments.

40. In its efforts to encourage anti-Soviet elements in the satellites and keep up their hopes, the United States should not encourage premature action on their part which will bring upon them reprisals involving further terror and suppression. Continuing and careful attention must be given to the fine line, which is not stationary, between exhortations to keep up morale and to maintain

passive resistance, and invitations to suicide. Planning for covert operations should be determined on the basis of feasibility, minimum risk, and maximum contribution to the fundamental interest of the United States.

41. The United States should vigilantly follow the developing situation in each satellite and be prepared to take advantage of any opportunity to further the emergence of regimes not subservient to the USSR, provided such regimes would have reasonable prospects of survival. Considerations of the relative vulnerability of the several satellites must enter into our calculations. In the case of East Germany, such action will be within the framework of unification under acceptable conditions. In the case of Albania it may prove possible to move more directly towards the removal and replacement of the present pro-Soviet regime. United States action in any individual case would have to be determined in the light of probable Soviet reactions in the immediate area involved, or elsewhere, risks of global war, the probable reaction of our allies, and other aspects of the situation prevailing at the time.

42. United States interests with respect to the satellites can be pursued most effectively by flexible and adaptable courses of action within the general policy of determined opposition to, and the purpose of the eventual elimination of, dominant Soviet influence over those peoples. Such action should be within the limits of our capabilities as conditioned by our general policies. Thus the existing power situation, the current policies of the Soviet Government, the effect of any action on the satellite peoples, and the attitudes of the American people and of other free peoples must be borne in mind.

Annex A

Estimated Satellite Ground Forces

April 1953

Country	Army	Security Troops	Trained and Partially Trained Reserves
E. Germany	100,000	25,000	11,000
Poland	330,000	65,000	1,535,000
Czechoslovakia	185,000	35,000	1,195,000
Albania	40,000	10,000	80,000
Hungary	185,000	35,000	450,000
Rumania	267,000	56,000	1,275,000
Bulgaria	210,000	40,000	500,000
TOTAL	1,317,000	266,000	5,046,000

Annex B

Brief Survey of the Situation in the European Satellites

Poland

Poland has a population of 25 million and is the largest of the satellites both in number of inhabitants and in amount of territory. Strategically and economically it is of high importance to the USSR. It occupies the main approach to Germany and Western Europe and has been occupied since the end of the war by Soviet military forces nominally serving as line communication troops, to the number of several divisions. This fact, together with the country's easy accessibility to Soviet troop movements, and the direct control of its own armed forces by Soviet officers, ensures Soviet military and political domination.

Economically, Poland is important to the Soviet bloc primarily as the chief coal-producing country of Eastern Europe, but also because of its merchant fleet and some of its other products such as railway cars. Polish industry, emphasized over agriculture in the current Six-Year Plan (1950-

1955), is less developed than those of Czechoslovakia and Eastern Germany, but is more important than the industry of the Balkan satellites. Polish agriculture since the war has not kept pace with the requirements of increased industrialization. This has been one factor in a tight supply and distribution problem, particularly in foodstuffs, which has led the Communist regime into extensive experimentation with market management, including a system of rationing and dual prices that had to be abolished as unworkable early in 1953. Farm collectivization, though currently being pushed more rapidly than ever before, is still in its early stage; only some 20 percent of the arable land is as yet embraced in "producer cooperatives" and state farms together.

The Soviet-imposed Communist regime lacks the foundation of a historically strong Communist Party, as the prewar Party prior to its dissolution in 1938 was numerically small, illegal and without major influence. The present organization (called the United Polish Workers' Party), though numbering 1.2 million members, is almost entirely a postwar creation based on Soviet support and on the opportunism of thousands of job-holders. It also includes several thousand former Socialists whose party was annexed under pressure in 1948, most of whom probably remain inwardly critical of Soviet policy and Communist leadership. The Party is thought to harbor a strong latent tendency toward what Moscow calls "nationalist deviation", though its principal symbol, Gomulka, was purged in 1948. In particular the distrust and antipathy toward Germany which is traditional in the nation at large is widely shared in the Party, despite the current Soviet line calling for German unification and for close relations between the Polish and Eastern German Communist regimes.

Poland's overwhelmingly Roman Catholic character (95 percent of the people are Roman Catholic), its strong sense of cultural and political community with the West, and its historic antagonism toward Russia combine to render political assimilation to the Soviet system difficult. The Soviet wartime annexation of the eastern two-fifths of Poland, the Katyn Forest massacres, and the Soviet refused to aid the Warsaw uprising of 1944 against the Germans have deepened the anti-Soviet disposition of the nation. Moreover, the successful large-scale wartime underground movement against the Germans established a precedent for resistance to alien rule. Nevertheless, the physical presence of strong Soviet military forces, combined with the efficiency of Communist police controls, at present holds organized underground resistance to a minimum. The skeleton organizations of a few formerly strong anti-Soviet underground movements are thought to exist still, and to maintain tenuous contact with Polish exile groups in the West, but they do not currently engage in any significant operations against the Communist regime.

A special feature of the Polish situation is the role of the territories annexed from Germany after the war, which amount to approximately one-fourth of the total area of present-day Poland. Most of the nation, regardless of political attitudes, supports the Polish claim to these territories. The Communist regime exploits this popular feeling by stressing the fact that only the Soviet bloc is willing to guarantee these territories to Poland. A major Communist propaganda theme, which has not been entirely without effect among many Polish elements, is the charge that any retreat of Soviet and Communist power from Poland under Western pressure would be bound to involve a new hegemony of Germany over Poland and the forced retrocession of the Oder-Neisse territories to Germany.

Czechoslovakia

Czechoslovakia, with a population of over 13 million, is the fourth largest European satellite (following Poland, Eastern Germany and Rumania). Its special importance to the USSR lies in its highly developed industry, particularly the size and diversity of its engineering industry and the many-sided skill of its industrial population.

Owing to Czechoslovak industrial capabilities, Moscow has laid particularly heavy economic tasks on Czechoslovakia. From a country of medium and light industry widely engaged in international trade it has been forced to change over into a producer of heavy and medium industrial equipment primarily for the USSR and the Soviet bloc. This change, involving Soviet demands for drastically increased output in heavy industry, has brought manpower and raw-materia1 shortages,

consumer-goods scarcities and consequent inflationary pressure. The result is a more severely strained economy than any other in the orbit.
Czechoslovakia presents Moscow with a complex problem of assimilation. Despite a pan-Slav and pro-Russian cultural tradition, the nation is socially less akin to the USSR than most of the other satellites. Like Eastern Germany it is more markedly middle-classed, urban and commercial in character than the other satellites, and psychologically more closely tied to Western and Central Europe. Its relatively long and successful practice of parliamentary democracy between the wars, coupled with a highly conscious cultivation of a late-won right of national self-determination, renders its accommodation to dictatorship and alien institutions psychologically difficult. Among the workers, the Communists have not been able to destroy entirely the strong democratic trade union traditions established in the interwar period. The difficulties of adjustment by the workers to the changed role of trade unions under Communist dictatorship, together with the strains caused by Soviet economic demands, result in dissatisfactions which the Communists are impelled to recognize.
Unlike the situation in most of the other Soviet bloc countries, the Czechoslovak Communist Party was legally recognized and relatively large in the prewar period and had experiences in techniques of winning popular support. It has continued to be a mass party with present membership of 1.7 million, the largest Communist party in the world in proportion to the population, and therefore remains heterogeneous in character harboring nationalist, trade unionist and pro-Western attitudes to a degree. Furthermore, the sudden accession to full control by a coup in February 1948 and tensions caused by Soviet demands led to difficulties in adjustments of the leadership to the new situation, and drastic widespread purges developed culminating apparently in the elimination of dissident factions and consolidation of the top leadership.

Ethnic problems which contributed in 1938-39 to the downfall of the democratic Republic, involving particularly the Sudeten German and Slovak questions, still play a disturbing role. Agitation in Germany for the return of the expelled Sudeten population and the possible reemergence of Germany as a united and dominant power are feared by the Czechs, including the non-communist majority. The Slovaks, who inhabit the eastern two-fifths of the country and comprise a fourth of the population, are of different historical and cultural background from the Czechs, though they are closely related ethnically. The Slovaks are much less highly industrialized, more strongly Catholic, and less anti-German than the Czechs. Slovak nationalist tendencies find expression in the desire for a clearly defined and established autonomy of the Slovak people in a free Czechoslovakia or, with a number of the Slovaks, for the formation of an entirely separate Slovak state. The Czechoslovak Communist Party has had to combat these nationalist tendencies in the party itself. On the other hand, the Slovak question tends to divide anti-Communist forces.

Few if any genuine underground resistance organizations exist in Czechoslovakia, and although there are no Soviet troops stationed there, Moscow's close control over the party police and armed forces assures an effective security system which makes acts of overt resistance rare.

Hungary

Hungary, with a population of 9.1 million, is one of the smaller satellites. However, its economic contribution to the USSR and its strategic situation on the Soviet lines of communication with Austria and on the approaches to Italy and the Balkans make it a key satellite from Moscow's viewpoint. Though it has only a narrow and mountainous common frontier with the USSR and hence is less accessible geographically to the latter than Poland or Rumania, it is securely under Soviet military domination owing to the presence of strong Soviet occupation forces within the country and in neighboring Austria and Rumania.

Economically Hungary is important to the USSR as a large producer of foodstuffs, a supplier of certain important raw materials (such as bauxite), and a well-developed manufacturing country specializing in fine machinery and electrical equipment. A very rapid development of engineering, backed by an unprecedented increase in output of such basic materials as coal and steel, was scheduled in the Five-Year Plan of 1950-54, which was revised drastically upward after the

outbreak of the Korean war. The speed and concentration of this buildup in the sphere of producer goods, to the neglect of consumer goods and agriculture, has created the same supply problems as in other industrial satellites. Once a big exporter of foodstuffs, Hungary (following two bad drought years in 1950 and 1952) is now experiencing food scarcities. A factor here has been the steady socialization of agriculture, which now ranks with that of Czechoslovakia in proportion of arable land (about 40 percent) in collectives and state farms.

Sovietization and Soviet control face peculiar difficulties in Hungary, owing to historical Russophobia and to the traditional cultural pattern, which is directly antithetical to the Slav-Byzantine cultural forms. This antipathy is reinforced by memories of an earlier Soviet-type regime in 1919, the only such case of repetition in the orbit. In religion the strong Roman Catholic and Calvinist traditions work as primary institutional forces tying the nation to the West and delaying psychological socialization, though the church leadership has largely bowed to state control.

The Hungarian Communist regime does not have a historically strong Communist party behind it to provide even minority support of any significance. The Hungarian Workers' (Communist) Party is largely a postwar creation out of heterogeneous elements and contains internal tensions of its own, including latent enmity between Moscow-trained and domestically produced leaders. A distinctive feature is the fact that the now dominant, Moscow-trained leadership is headed almost solidly by Jews, a fact of widely ramifying implications for party cohesiveness in a country with traditional anti-Semitic tendencies.

Rumania

Rumania, with a population of 16 million, is the third largest of the Soviet European satellites and is of strategic and economic importance to the USSR. Geographically it is the key to Soviet control of the Danube basin and Balkan peninsula. Its long common land and sea frontier with the USSR and topographic continuity with the Soviet Ukraine and Moldavia facilitate Soviet military access and domination, which is further ensured by the presence of strong Soviet occupation forces nominally serving as line of-communication troops for Soviet forces in Austria.

Modern Rumanian cultural and political life has been oriented very pronouncedly toward Western Europe. The national tradition inclines to Russophobia, intensified by hostility to the Soviet system. The Communist Party was never large nor strong. No Communist-dominated partisan forces developed during the war, and the Party played no significant role in the events of August 1944 by which on King Michael's initiative the country was re-aligned on the side of the Allies. The subsequent establishment of a Communist dictatorship was due exclusively to Soviet military occupation and the importation of Rumanian and Bessarabian exile Communists from the USSR. The latter were placed in controlling posts through direct Soviet dictation to King Michael by Soviet Foreign Minister Vishinskii [Vyshinskii] in March 1945. Unlike the other satellite regimes, the Rumanian Communist Party underwent no major purges or shifts during the first seven postwar years. The first significant purges, involving Foreign Minister and Politburo member Ana Pauker and two other top Communists, occurred only in 1952 and resulted in the concentration of party and state powers in the hands of the new Premier and Party secretary-general Gheorghe Gheorghiu-Dej. Though Gheorghiu-Dej has some personal following in the Party and among the workers, a large part of the 700,000 Party members are loosely attached, opportunistic postwar recruits to the movement.

Economically Rumania's chief contribution to the Soviet Bloc is its oil industry. Soviet control of this industry and of other enterprises is in part exercised through Soviet-Rumanian joint companies. Under the current Five-Year Plan (1951-55) a number of new manufacturing industries are also being developed, while the electric power base is being greatly expanded. While these developments apparently are proceeding with fewer complications than in Czechoslovakia and Hungary, the inevitable inflationary pressures of the Communist-type development program are much in evidence, resulting, for example, in the imposition of a discriminatory currency reform (January 1952) which does not appear to have provided a basic alleviation or permanent solution

for the problem. Rationing and the dual price system are still in effect. In agriculture, which is traditionally the larger sphere of the Rumanian economy, approximately 23 percent of the arable land has been socialized in either collective farms ("producer cooperatives") or state farms, and collectivization is gradually being pushed further.

Though both economic and political conditions cause general dissatisfaction, particularly among the peasantry, there is virtually no attempt to conduct organized resistance or evasion, except on the part of occasional scattered bands in mountain districts. Popular disaffection is expressed mainly through individual acts of evasion or economic sabotage, listening to Western radio broadcasts, and occasional individual flights abroad.

Bulgaria

Bulgaria, with a predominantly agricultural population of 7.3 million, is one of the smallest and economically least developed of the satellites. Owing however to its numerically strong and highly sovietized armed forces and to its forward geographical position at the southern end of the orbit, it has an important role for Moscow as a military and strategic outpost of the USSR. Soviet military access to Bulgaria is limited to the northern land frontier with Rumania and to the sea frontier on the east; on the other sides the country is exposed to anti-Soviet states allied with the West: Turkey and Greece on the south and Yugoslavia on the west. Nevertheless Soviet military domination, based on the proximity of strong Soviet forces in Rumania and the USSR and on direct control of the Bulgarian armed forces themselves by Soviet officers, appears secure.

This direct control through Soviet personnel, which extends also to the key branches of the government, is a more pronounced feature of the Bulgarian Communist regime than of most other satellites. It originated in the Soviet military occupation at the end of the war, and in the fact that the Soviet-installed regime consisted in large part of Soviet~trained Communists, many of them Soviet-Bulgarian dual citizens who had spent the war years in the USSR. The relatively greater direct control by the USSR in Bulgaria is also undoubtedly motivated by the relatively backward character of the country and by its strategic importance.
The Bulgarian Communist regime is based on a party with a well-marked tradition, whose leadership in the 1920's and 1930's was the strongest of any of the Balkan Communist parties. Since the war, however, the leadership has undergone more top-level alteration through death and purging than most other satellite regimes and has been reduced to mediocrity. At present it is composed of remanants both of the "Muscovite" (i.e. dominant Moscow-trained) element and of the "nativist"-element, which are subservient to Moscow without being either efficient or (in the Kremlin's view) completely dependable.

Economically Bulgaria remains essentially a backward agricultural country in the rudimentary stages of partial industrialization. The first phase of industrialization initially involved expansion of textile and food-processing industries and at present is concerned with construction of electric power facilities, certain basic processing industries (principally chemicals and building materials), and a few machinery assembly installations. It should also be noted that there are several uranium mines in the Balkan mountains northeast of Sofia. In agriculture collectivization has been pushed farther, and at an earlier date, than in any other satellite. Today over 50 percent of the arable land is comprised in the so-called socialist sector mainly in the producer cooperatives, as there are few state farms.
Bulgaria is linked closely to Russia culturally and historically, and has a Russophile tradition. Russia played a prime role in helping establish an independent Bulgarian state in the 19th century, free of Turkish rule. Nevertheless the effects of present Soviet control over Bulgaria have negated rather than enhanced this tradition owing to widespread resentment of the Soviet-imposed dictatorship and Soviet economic exploitation.

Albania

Albania is the smallest and most primitive of the satellites, and has a population of only 1.2 million

mainly peasants of whom a large proportion are mountaineers. It is also the only one of the Soviet European satellites which is geographically isolated from the rest of the Soviet bloc. As such, it presents a peculiar problem to the Soviets whose only uninterrupted access to Albania is by sea. Because of this, Soviet control is based not so much upon military domination as it is upon a strategic infiltration, by reliable Soviet personnel, of the entire Albanian political, economic, and military structure, coupled with skillful exploitation of traditional Albanian fears of the territorial aspirations of neighboring states.
Soviet control is, of course, exercised through the Communist puppet regime under the dual leadership of the Premier and party Chairman Enver Hoxha and Interior Minister Mehmet Sehu. There was never any significant Communist movement in Albania before the war, and the present regime stems from the successful efforts of a small group of determined Communists who won control of the Albanian underground movement during the war and seized power with aid from the Yugoslav communists as the Germans withdrew.

In its beginnings the Albanian communist regime was closely dependent upon Yugoslavia. After Tito's split with the Cominform in 1948 the regime went through a series of drastic purges of alleged pro-Titoist elements. At present it appears firmly wedded to the Cominform and fully capable of controlling any potential internal opposition.

The regime maintains its control through reliance on an elaborate security system, a number of concentration and forced labor camps and the other communist methods of police terror and intimidation. Its weakness lies in its failure to convert the majority of Albanians. Hostility to the regime is reported to be widespread, extending even into the ranks of the army and into elements of the security and police forces. The party itself, on the local level, is loosely organized and composed in many cases of those who have joined for opportunistic rather than ideological reasons. While not of a degree actually to endanger the regime's control, there is probably more passive and active opposition to the Communist regime in Albania than in most of the other European satellites.

Economic conditions in Albania have deteriorated markedly under the Communists. The situation is aggravated by the country's present isolation from its natural trade sources in the west and Soviet insistence on development of mining and industry at the expense of agriculture. At present the food supply is very insufficient and determined efforts to collectivize agriculture, which have resulted to date in socialization of approximately 6 per cent of the arable land, have not served to increase production. Malnutrition and lack of clothing, fuel and medical assistance have had serious repercussions on the morale of the people. In recognition of this situation the USSR and other satellites have been forced to extend substantial economic assistance to Albania. Without this assistance the Hoxha regime could not remain in power for any length of time.

Albania's geographic isolation makes it the most vulnerable of any of the satellites. Albanians, however, fear that Albania's liberation from the Soviet orbit might result not in an independent Albania, but in a partition of the country between some or all of the neighboring states of Yugoslavia, Greece, and Italy. All of these countries have traditional aspirations to Albania or Albanian territory which none has convincingly renounced. Further, these neighboring countries mistrust each other's intentions toward Albania. As a result of this situation the present regime has been able to represent itself to the Albanians, with considerable success, as the only true guarantor of Albanian territorial integrity.

Eastern Germany

The Soviet Zone of Occupation in Germany, which was nominally transformed into a satellite by Soviet creation of the puppet Communist regime of the "German Democratic Republic" in October 1949, is the latest of the orbit states formed on this model and is the second in size, with a population of 18.5 million. In addition to its high strategic importance to Moscow in the struggle for control of all of Germany, Eastern Germany makes an important economic contribution to Soviet power by virtue of its highly developed and specialized industries.

East German progress toward effective satellite status has been slowed by its peculiar character as part of a larger Germany under divided occupation, and by Soviet overall German policy, including Moscow's professed desire for restoration of a unified and independent Germany. The proximity of free German territory, a West German government, and strong Western military forces in conjunction with the unsettled and dynamic character of the struggle of the Western Powers and the USSR in Germany, has tended to encourage hopes of a change and resistance to Soviet controls among the East German population, despite the presence of a powerful Soviet army of occupation. In mid-1952 Soviet strategy shifted toward a more rapid and undisguised creation of a completely bolshevized state in Eastern Germany. There is no evidence that this goal has been abandoned though progress toward it has again been slowed since early June 1953.

The East German state apparatus is for all practical purposes managed through and by the Socialist Unity Party (SED), a Communist-dominated organization formed in 1946 through the Soviet-prompted fusion of Social Democrats with the Communists of the Soviet Zone. The Communists have attempted to convert the SED into a Soviet-type Communist party, but it still remains a rather heterogeneous and unwieldy organization, with 1.4 million members. It has been unable to obtain strong working-class support. A portion of the youth, owing to intensive indoctrination and a youth-slanted Communist program, apparently has come to furnish the largest single element of support for the regime outside of the SED itself.

Within the framework of SED control of political life, a number of non-Communist political parties are permitted to continue on a very limited basis, as part of the Soviet policy of maintaining a facade of political freedom in Eastern Germany. These include the Christian Democratic Union (155,000 members), the Liberal Democratic Party (100,000), the National Democratic Party (50,000), and the Democratic Peasant Party (30,000). All are subservient to and dependent on the SED. Aside from political parties the Protestant Church, embracing approximately three-fourths of the East German population, represents the only other major institution retaining some independence. As a competing center of spiritual allegiance, however, it too is currently under strong state pressure to conform to the program of the regime.
In the absence of mass support, the regime exerts control by the normal authoritarian methods. In mid-1952 its efforts to isolate the population physically from contact with the West increased sharply, particularly with regard to movement between East and West Germany. These efforts have been only partially successful. Movement continues on a significant scale across the frontier between East and West Berlin. This gap in the East German security belt is also a gap in psychological control since relatively easy access to West Berlin has facilitated refutation of Communist propaganda regarding Western conditions. Moreover, the presence of Western forces in Berlin is a major obstacle to the full consolidation of Communist control over East Germany. The principal East German vulnerabilities to Western political warfare are the continuing East German sense of remaining a part of the community of the West; the desire for a united Germany, the example and attractive power of West Germany; and the fact that the East German regime patently represents Soviet rather than German interests and is recasting East Germany in the Soviet and satellite mold.

In early June 1953 the East German Government announced a series of measures largely economic and social in nature modifying and in some cases apparently halting aspects of the Sovietization program. This change may have been motivated in part by the realization that the pace of industrialization and rearmament was too ambitious for East German resources and was, along with increasing political repression, creating dangerous popular resentment though the new program also conformed with current Soviet moves in the international sphere. Popular resentment was at any rate demonstrated by a wave of strikes and riots on June 16 and 17 which forced the employment of Soviet troops and the declaration of martial law. Despite some continuing reprisals against participants in the disturbances and other possible steps to counteract future riots, the regime seems for the present to be continuing certain measures of relaxation.