SC(58)46

Euter

170071958

ZP2/34.G

STEERING COMMITTEE

U.K. Policy towards the East European Satellites

I attach a copy of the draft of a paper on this subject which has been prepared by the Planning Section of P.U.S.D., and which takes account of preliminary comments by some of the Departments concerned.

I should be grateful if any further comments could reach me by 6.0.p.m. on Friday, October 24.

R.W.L. Wilding. (Secretary)

October 17, 1958.

Distribution:

Sir F. Hoyer Millar

Sir R. Stevens

Sir P. Dean

Sir P. Gore-Booth

Mr. F.R.H. Murray

Mr. O'Neill

Mr. D.A.H. Wright

Mr. Ross

Sir A. Rumbold

Mr. Parrott

Mr. McDermott

Mr. Haigh

Mr. J.D. Murray

Mr. Falla

Mr. Hooper

Mr. Hancock

Mr. Chadwick

Mr. Addis

Mr. Brimelow

Mr. Laskey

Mr. Hankey

Mr. Hopson

Mr. right

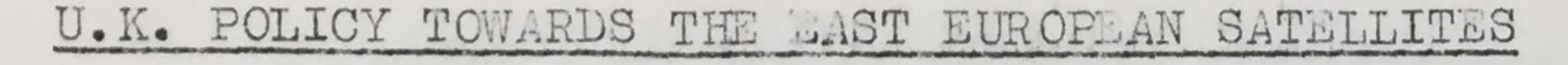
Mr. Slater

Mr. Joy

Mr. Barnes

Mr. Olver

Mr. Ramsbotham Mr. Wilding (2)



PRESENT POLICY

A joint paper, prepared by the State Department and our Embassy at Washington for the Bermuda Conference in March 1957 gave the following definition of the aims of Anglo-American policy towards the East European Satellites:

"Our long range objective is the complete liberation of the Satellite countries from Soviet domination and their establishment as independent democratic states. Our short-term aim is to foster an evolutionary development in this direction, to which end we must seek to maintain morale and foster non-acceptance of

- (a) Communist regimes imposed by Moscow
- (b) Soviet dictation, and.
- (c) the presence of Soviet troops.

Our policy excludes the use of armed force to secure these ends; and we do not encourage the use of force; sabotage, rioting or guerrilla operations by the populations.

"The establishment of a 'national Communist' regime in a Satellite country is to be welcomed as a first step in this evolutionary process, but our support for such a regime (e.g. the Gomulka Government in Poland) should be discreet".

2. The paper goes on to discuss methods. It recommends a cautious fostering of trade with Poland, relief for the Hungarian people (as opposed to bolstering for the Kadar Government), the use of information work and broadcasting to exploit the "disorientation" caused by the repudiation of Stalin and events in Poland and Hungary in 1956 (chiefly by the provision of news and the projection of the Western World) and increased cultural exchanges, especially with Poland (though not, except with Poland, by exchanging large cultural delegations). Relations with East Germany were put in a special category: our policy should be governed by our policy on German reunification.

THE PURPOSE OF THE PRESENT PAPER

3. The purpose of this paper is to review the approach summarised in the Bermuda paper in the light of developments since March 1957 and to consider the aims of Her Majesty's Government's policy towards the Satellites, the best means of seeking to attain them and the best way of using our resources to that end.

DEVELOPMENTS SINCE MARCH, 1957

4. There has been no radical change within the Satellites themselves during the last eighteen months. But Khrushchev's policies have developed and hardened in two ways.

/A

A. Khrushchev's attitude to the free world

5. In the first place he has developed a truculent and swashbuckling attitude to the world outside the Communist bloc. He has shown an overweening confidence in the strength of the Soviet Union and in her capacity to outstrip strength of the Soviet Union and in her capacity to outstrip strength of the pace of her technical and economic advance. The West in the pace of her technical and economic advance willingness to hit out at the West whenever he has been willingness to hit out at the West whenever he has been attacked and to take greater risks in probing and sapping the attacked and to take greater risks in probing and sapping the western position, e.g. in the Middle East. At the same time western position, e.g. in the Middle East. At the same time has felt able to remain thoroughly intransigent over questions in which his case is weak, e.g. German reunification. Altogether he gives the impression that he is sure of victory altogether he gives the impression that he is sure of victory in the cold war, and thinks himself able both to turn the heat on his opponents with impunity and to counter-attack fiercely and effectively if they respond.

B. Khrushchev's attitude towards the Satellites

- 6. The second development concerns his attitude to the Satellites. The fact that national feelings continue to flourish in Eastern Europe and manifest themselves in the dangerous form of "revisionism" has presented Khrushchev with a major anxiety, and his reaction to it has been a measure of its gravity. The general campaign against revisionism in the Satellites and two events in particular have shown how seriously Moscow regards it. Neither the execution of Nagy nor the current campaign against Yugoslavia can have been undertaken lightly. A principal aim of Soviet policy at present is directed at winning over by bribery, cajolery and subversion the "uncommitted" countries, and it is an important ingredient of this policy to conceal Soviet and expose Western imperialism, to make it appear that Russia is the champion of independence of small countries. It must have been clear to Moscow that the execution of Nagy would shock and frighten the smaller powers and that the withholding on political grounds of aid promised to Yugoslavia would expose the pretence of Soviet "aid without strings". That being so, these decisions can only have been taken because the dangers of nationalism and revisionism in E. Europe were so great that Moscow had to stamp on them effectively even at considerable cost to its other policies.
- 7. There are two main conclusions to be drawn from these developments. The first is that Eastern Europe is an acutely sensitive spot. We must be careful how hard and how often we touch it. Moreover, we must take into account four special connected factors:
 - (a) Khrushchev has shown the tendency mentioned in paragraph 5 above to hit back violently if attacked.
 - (b) It is impossible to be certain that if a crisis arose in Eastern Europe which seriously threatened Soviet control of the Satellites and East Germany, Khrushchev would calculate the risk that effective counteraction might lead to war with sobriety and caution.

- (c) Open failure of Khrushchev's East European policy might have grave effects on his own political positions. He might take extreme measures to keep Eastern Europe under control if failure to do so would involve his own downfall.
- (d) The Soviet Union's recent incursion into the Middle East, combined with their more thrusting policies of economic aid and subversion all over the world, have put them in a posit on to do more damage to the West than was formerly possible if they need to hit back in order to relieve pressure upon Eastern Europe.

In snort, Eastern Europe is a much more dangerous fishingground than it was ten or five years ago; both the chances of a flare-up and the possibility that its consequences would be uncontrollable are greater than they were.

8. The second conclusion, which must be set against the background of the first, is that Eastern Europe is the chink in the Soviet armour, and therefore the best potential target for the West. The cold war cannot be won as a purely defensive operation any more than any other struggle, and if the West is to survive, it must take advantage of what weaknesses it can find in the Communist camp. The problem for the West is therefore to find ways of probing and exploiting this weakness to our advantage which will not evoke a Soviet reaction in any part of the world so strong as to leave the overall balance of advantage with them or to endanger world peace.

THE AIMS OF U.K. POLICY

- 9. Our aims must be related to what is possible. It seems clear from the present Soviet attitude that we cannot in fact in the present situation secure the liberation of the Satellite countries by encouraging nationalist movements. We might succeed in stirring up revolts, but the Russians would certainly succeed in suppressing them unless the West was prepared to embark on a war of liberation. Moreover, in some areas there is a risk that a revolt would lead to a Russian reaction so violent that there would be a danger of war. The most obvious case of this would be risings in East Germany in which West Germans came to the aid of the insurgents, or by delayed action, if Russian troops left East Germany to quell a rising in Poland, and the East Germans seized the opportunity to rise too. cannot be absolutely ruled out in the case of the other Satellites also.
- 10. It seems therefore that a gloss must be put upon the formulation of our aims quoted in paragraph 1 above. If, in present circumstances, we were to encourage too rapid an evolutionary development towards liberation, what we shall get, if we are successful, is not liberation but bloody suppression. In some areas, particularly East Germany, we may also run the risk of war.
- 11. A different approach advocated by Mr. George Kennan is that, since it is intolerable that the Satellite peoples

should remain under Russian domination, and a détente cannot be brought about until they are freed, we should investigate the possibility of a disengagement agreement which would lead to their liberation. But in the present state of Russian policy, no agreement which led to this could be accepted by Moscow. Nor is it an essential interest of the U.K. to free the Satellites in the sense that it would be worthwhile to make the sacrifices of NATO's security, which Mr. Kennan's thesis would involve, in order to obtain it. We need not fear that the Eastern Europeans will give up all hope of ultimate freedom and become willing citizens of the Soviet Empire if we do not bargain for their liberation; the events of 1956 have shown that nationalism is still very much alive. We can therefore afford to wait to bargain until it is safe for us to do so.

- 12. It thus appears that the U.K.'s interest in the Satellites lies in the context of the cold war as a whole. They provide us with an opportunity for probing and exposing Soviet weakness. How far and in what way we use that opportunity is a question of the tactics to be used in one sector of a single, world-wide front.
- 13. The following paragraphs say comparatively little about the considerable differences between the several satellite countries. This follows from the general approach outlined above. For, granted that the U.K. interest is the same for all (viz to use them where we safely can to make difficulties for Russia) and that the Soviet reaction is also the same (to prevent the West from doing this), the only relevant differences are those which affect the methods which we should use. And in this respect, as is argued below, the extent to which we can select methods to suit different countries is small.

METHODS

- 14. Broadly, there are two things we should try to do:-
 - (a) In the Satellites themselves, to foster evolutionary developments and so help to weaken the Soviet position;
 - (b) In the rest of the world, to use these developments to show up the contradictions in the Soviet system, and, also to use all available evidence of Soviet brutality and oppression, to discredit the Soviet Union in the eyes of the waverers and neutrals.
- 15. The achievement of (a) above can theoretically be brought about in three ways:
 - (i) By encouraging the establishment of more or less independent Communist regimes of the Gomulka type, which are not totally subservient to Russia. Such regimes must be unwelcome to Moscow in that they: diminish the effectiveness of Soviet control; are subject to popular pressure to go still further in the direction of freedom:

provide a means whereby liberal ideas may reach the Russians themselves.

- (ii) By encouraging, e.g. with offers of economic aid, nationalist and divisive pressures upon existing satellite regimes which would make it difficult for those régimes to cooperate fully with or remain completely subservient to Russia.
- (iii) By the stimulation of unrest, leading to a situation in which the Russians have to rule the country in question by naked force, thus destroying the pretence of satellite cooperation, sowing doubts in Russian minds about the ultimate practicability of their policy and tying down wasteful numbers of Soviet troops.
- 16. The full achievement of (b), on the other hand, can theoretically be brought about only by causing the Russians to assume direct control and repress the Satellites by force i.e. method (iii) in paragraph 15 above. In short, the West stands to gain direct political advantage from the loosening of Soviet control, indirect propaganda advantage from its tightening.
- 17. It might therefore be thought that the West had in the broadest terms a choice between the two extremes of encouraging more Gomulkas (course (i) and (ii) above) and stimulating new Hungarian revolts (course (iii)), and that Western policy—makers can and must decide whether they should pursue a course which, if carried to its logical conclusion, would lead to one or the other, after weighing up their respective advantages. But in fact this is not so. There are two reasons for this:
 - (a) In the first place, it seems clear that Khrushchev will not permit the establishment of any further Gomulka-type regimes. Rather than allow them to be set up, he will resort to military occupation and even, if necessary, direct military rule.
 - Secondly, the West cannot control or predict the results of its own activity in the Satellites. Our chief possible weapons are offers of economic aid, cultural and information activity, political concessions (e.g. over the issue of frontiers with Germany) and political pressure (e.g. demanding the inclusion of Eastern Europe in the agenda for a "Summit" conference). But we cannot tell what the results of using them will be. For example, without any particular Western planning, the ferment of ideas and economic misery produced the Gomulka regime in Poland and a violent revolution in Hungary. The factors which produced these different developments were mostly internal, e.g. national temperament, local personalities etc. Even if the West had had a more positive policy at the time, it is hard to see now it could have influenced the course of events so as to produce a different result in either country. In other words, all the West can do is to use the weapons available to it. The results cannot be precisely controlled

or predicted; the only thing which seems clear is that they will make difficulties for the Soviet Government.

18. If this is true, the problem for the West is not so much how to probe the Satellite Empire, since we cannot predict the results of using different methods, as how hard and where. It is clear from paragraphs 7 - 8 above that any probing involves risks. We might stimulate an uncontrollable movement which, starting from a minor pin-prick in a relatively "safe" area, would spread into a major threat to important Soviet interests in e.g. East Germany. But this is not a good reason for doing nothing at all. Even if the West left Eastern Europe severely alone, the danger of risings would still exist. Nor can we afford to renounce a positive policy in that sector of the cold war front in which the Russians are most vulnerable. In particular, we cannot live for ever on the propaganda capital provided by the Hungarian revolution of 1956. In the eyes of the neutrals it has already lost most of its significance (although the execution of Nagy gave it a fillip). Propaganda, to be effective, cannot be merely reminiscent. It needs fresh material, in this case new Communist crimes and contradictions; it should be our task to provoke these. We must accordingly seek to determine those targets which we can attack in the reasonable expectation that the risks involved can be limited and that we stand to gain a proportionate success.

POSSIBLE TARGETS FOR THE WEST

- 19. There are two main factors which can make it dangerous to adopt a conspicuously active policy towards a Satellite:
 - (a) If Soviet control seems to Moscow for strategic or political reasons an interest so vital that all means, including world war, are justifiable to retain it. Eastern Germany, Poland and Roumania may come into this category.
 - (b) If there is a considerable danger that the West would become involved if popular risings took place. The most obvious case is Eastern Germany; whatever the attitude of the other Western countries, West Germans might go to the aid of their compatriots and world war could easily follow.

of the resources available to the West, and, in particular, to the U.K. This means that we should allot our resources to the different Satellites according to our prospects of success. Flexibility is needed, for we must be able to take advantage of opportunities as they arise (other things being equal, it would seem sensible to intensify our effort which the Russians show signs of divided counsels about the Satellites). Nor is the total amount likely to be large; it will obviously be limited by what the several régimes allow us to do. But in general it is possible to arrive at a rough (and changeable) order of priorities, since some

Satellites seem at present unlikely to make any serious trouble for the Soviet Union. These include Bulgaria (likely to remain permanently acquiescent) and Roumania (anti-Russian but supine).

21. This analysis suggests that good targets for the West are Hungary, Czechoslovakia and, subject to paragraph 19 above, Poland. The following paragraphs discuss the policy which the West might adopt towards Hungary; mutatis mutandis many of the considerations put forward apply to the other Satellites.

Hungary

- 22. Hungarian nationalism and hatred of the Soviet Union were demonstrated once for all in October 1956. Since then Hungary has been cowed and quiescent, but there is no reason to believe that this will last for very long; 1956 did not solve the Hungarian problem for Moscow. In a paper written earlier this year Her Majesty's Minister at Budapest suggested that Her Majesty's Government's policy should be to weaken the props of Soviet power in Hungary which enable the Soviet Union to control the country without having recourse to direct rule. In this way we could either compel the Russians to rely overtly on force (thus achieving the aim at paragraph 14(b) above), or compel them to grant damaging concessions. To this end Sir Leslie Fry suggested:
 - (a) Offers to export to Hungary surplus raw materials (oil, iron, lead, coal, cotton, timber, cereals), below the Russian price. If such offers were accepted, Hungarian economic dependence on the Soviet Union would be reduced and friction caused between them; if they had to be refused, grave embarrassment would be caused to the Russians and the Hungarian Government. Alternatively, if this were impossible, there might be an expansion of trade between the West and Hungary, if necessary with Western governmental support.
 - (b) Normalisation of relations with the Kadar regime.
 - (c) An increase of cultural and information activity and Anglo-Hungarian cultural and technical exchanges.

a) Economic initiative

23. Of these three, the economic initiative is the most positive. As an open attack on the Soviet domination of Hungary, there are things to be said both for and against it. On the credit side, it would, if accepted, be a major step towards liberation: if refused, a probable cause of grave friction either between Russia and Hungary or between the Hungarian people and the Kadar Government. On the debit side, its obvious political object could perhaps turn it into a boomerang. Soviet propaganda would of course represent it as an attempt to use capitalist wealth to seduce Socialist unity in the interests of the cold war. Such propaganda might have some effect in the Satellites themselves. India and the neutrals would probably react unfavourably, on the grounds that the offer would only stir up trouble and increase international tension. The Soviet reaction would also be sharp; it might take the form of retaliatory dumping of Soviet surpluses on free world markets, and it is not certain that in such an economic war the West would have

the advantage. In short, although in the case of Hungary we would not be touching a danger-point (paragraph 19 above) there are disadvantages in any attack which represents an open challenge to Soviet control. Moreover, represents an open challenge to Soviet control. Moreover, with the exception of the U.S., which has surpluses to dispose of, free world trading methods could hardly be dispose of, free world trading methods could hardly be adjusted to such a policy. It is not therefore one adjusted to such a policy. It is not therefore one to the U.K. could undertake; it would have to be left to the U.S., whose Administration could certainly find great difficulty in obtaining the agreement of Congress.

b) Political initiative

24. Normalisation of relations is a controversial subject. Against it, it has long been argued that friendly or even normal relations with Satellite Governments which are hated by their peoples would be a betrayal of the peoples themselves and might gravely damage their will to resist the imposition of Communism. No doubt this argument has some substance; admittedly it has special application to Hungary, in view of the circumstances in which the Kadar Government was set up, but it is doubtful whether it should be decisive either in the case of Hungary or of the other Satellites. The Satellite peoples have had to learn to live with their governments; they are unlikely to misunderstand our intentions if we do the same. appears that our missions in Satellite countries would, on the whole, support this view). The advantages of normal relations would be two-fold:

- (a) They would increase our opportunities for driving wedges between the Satellite Governments and Moscow;
- opportunities of establishing wide contacts with both Communist and non-Communist circles. Our tactics should be variable; Government circles may be the best target in one country, non-Governmental circles in another. Among the latter, some sections (e.g. students) may be more responsible than others. But, in general, if it becomes respectable for officials to consort with Western representatives, it will become far more difficult to prevent the rest of the population from doing likewise.

It seems therefore that there is a strong case for relaxing the policy of cold-shouldering the Hungarian and other Satellite Governments, and we should consider the possibility of strengthening the staffs of our diplomatic posts in the Satellite countries, with this end in view. Such a step would have the further advantage of not being an open attack on Soviet control. Nor would it mean that we should have to abandon our propaganda against Communism in Hungary or the other Satellites; it is perfectly possible to continue it with one hand while exploiting our opportunities for peaceful and even courteous penetration with the other. This is precisely the way in which the Russians operate, and we should take a leaf out of their book.

SECKET

c) Information and cultural initiative

25. The expansion of information activity and cultural and technical exchanges is the least controversial and most obviously desirable of these suggestions. Through it we may hope to spread the truth not only in the Satellites themselves, but also, through them, in the long-term to the Soviet Union. The only controversial point arises over the large "shop-window" delegations which the Satellite Governments insist upon exchanging in this context. Hitherto we have refused to concede the propaganda advantages which they can reap in this way. But, granted that the argument in paragraph 24 above is sound, there is a strong case for giving way on this point. For in the long run, it is we, not the Hungarian or other Satellite Governments who stand to gain from exchanges, provided that the large-scale delegations are balanced by more advantageous small-scale and individual exchanges, and that any increases are largely kept out of the hands of the "front" organizations; the more Hungarians come to this country and the more U.K. visitors go to Hungary, the more opportunities there will be for the virus of truth to find its way in. Certainly the U.K. visitors will include a proportion of fools or knaves who come away praising the Hungarian regime. But they will not be many, and we can afford them.

Poland

26. Our main effort in the field of exchanges and cultural work is directed towards Poland, and should continue to be so. In general however, Poland is a special case because the Gomulka Government is to some extent acceptable to the Polish people. It will moreover continue to be a special case in so far as it is in our interest to see the present regime preserved so long as it maintains its present degree of independence from Moscow. This means that whereas we should wish any increased activity in the other Satellites to increase the tension between Government and people and also between the Government and Moscow, this is not the aim of our policy in Poland. It is, rather, a question of balance. We should try to hamper the establishment of Communist influence over the minds of the Poles, give Polish youth an interest in and knowledge about the West, maintain Western influence in Polish (including Communist) thought and respond to Poland's own desire to end her isolation; but at the same time not create so much tension that the Government must either fall (thus inviting Soviet intervention) or have recourse to Stalinist repression. Any increases in political and information activity should be carefully considered and calculated to preserve this balance. Improved Polish relations with Western Germany would pay dividends and we should do what we can to promote this discreetly, encouraging as a beginning the establishment of diplomatic relations. Czechoslovakia

27. Here the prospects of progress are somewhat smaller. But Czechoslovakia's traditionally Western culture and feeling provide grounds for thinking that additional effort nere will be rewarding. The comparative prosperity of the country probably rules out any economic initiative, but the policy of wedge-driving, on which Her Majesty's Government have already embarked with their courteous reply on M. Rapacki's plan, should be continued and expanded (the

/argument

argument in paragraph 24 above in favour of "normal" relations applies particularly to Czechoslovakia), and we should also seek to expand our information and cultural activity. One of the obstacles in the way of better relations between Czechoslovakia and the West is the Czech attitude to Germany. It should be our aim over the long term to encourage closer Czechoslovak-West German relations.

Roumania and Bulgaria

28. The prospects of success here are poor (paragraph 20 above), and we should therefore give these countries lower priority in allotting our resources. But the arguments in favour of more normal relations and increased exchanges still apply and we should take advantage of any opportunities of promoting them.

Albania

29. Even if the U.K. had diplomatic relations with Albania, there is little evidence to suggest that the policy suggested above would bear any fruit there. Nevertheless Albania's geographical isolation makes her a special case. Indeed, since the Soviet Union has no means of sending direct military assistance overland to the Albanian Government, it is quite possible that, if the West were able to subvert the regime, Moscow would have to acquiesce in the loss of Albania to the Soviet bloc. Such a development would have little intrinsic importance. But it would have a tonic effect on the morale of the free world, which is beginning to suffer from the malaise of a purely defensive attitude, and on the other Satellites. The West has very few assets which could be used to subvert Albania, and the prospects of success. are poor. But it would be worthwhile to discuss the question again with the U.S. and French Governments, reconsider the possibility of re-establishing relations with Albania ourselves and also perhaps at a later stage, if their relations with the Soviet Union continue to deteriorate, concert action with the Yugoslavs (though this would be tricky to handle).

East Germany

30. East Germany is a special case, both because it is a danger-spot (paragraph 19 above) and because the Federal Republic must be left to make the running. Both considerations rule out any "normalisation" of relations (we cannot recognize the DDR) or substantial increase in our information effort. The latter at present chiefly consists of broadcasts on the German Service of the B.B.C.; the nature and scale of our efforts should remain unchanged.

Conclusion

31 .

(i) We cannot in any case take a significant economic initiative ourselves in any Satellite country, and there are dangers in this proposal. But it may be worth-while discussing it with the Americans

- (ii) We should relax and ultimately abandon our policy of cold-shouldering the Satellite régimes (except for East Germany).
- (iii) We should increase our information and cultural activity (re-establishing where necessary and if possible British Council offices) and encourage a whole-sale expansion of cultural and technical exchanges. It would be well worth while to increase the resources directed to this end, especially in the case of Hungary and Czechoslovakia. Special considerations apply to Poland. East Germany should again be excepted.
- (iv) This policy is one for the West as a whole, not only for the U.K. We should therefore discuss it with the Americans and with NATO countries.

THE OVERT ATTITUDE OF THE UNITED KINGDOM

A. The U.K. and the Soviet Union

- 32. The policy of normal relations with Satellite Governments suggested in paragraph 24 above in no way means that we should abandon our public attitude towards the Soviet Empire in Eastern Europe. It is a tyranny imposed on these countries from outside and we should continue, whenever necessary and desirable, to say so. It would be an enormous political gain for Khrushchev if the West were to appear to acquiesce in the status quo, and we must not make him this gift. Provided that we maintain our public position, the establishment of normal relations will not have this effect. In accordance with our interest and our traditional attitude towards recognition, we already have diplomatic relations with the Satellite Governments (except Albania) and to make a fuller use of these relations where we can involves no sacrifice of principle.
- 33. In particular, we should continue to make use of the Satellites as a powerful card in our diplomatic hand, e.g. in the context of agenda for "Summit Talks". It is probable that this has a heartening effect on the Satellite peoples and considerably embarrasses Khrushchev. We have every interest in maintaining this situation, and in making use of the opportunities it provides in the United Nations.

B. The U.K. and Neutral opinion

- 34. Paragraph 14(b) above gave, as an aim of Western and U.K. policy, the exploitation of Soviet brutality and oppression in the Satellites to discredit the Soviet Union in the eyes of the waverers and neutrals. Paragraph 18 further suggested that our propaganda cannot be merely reminiscent; it needs a continuous flow of fresh evidence of Communist crimes and contradictions.
- 35. The policy outlined in paragraphs 22-29 above would be designed to stimulate this flow by fostering discontent in the Satellites in such a way as not to endanger the security of the U.K. The methods advocated are indirect, gradual and unspectacular. But it is suggested that this approach is

/right,

right, not only from the political, but also from the propaganda point of view. The essential propaganda point is that Satellite unrest is spontaneous and not induced by the West to serve our own cold war purposes. We can rely upon the Satellites to make this point for us in any case; upon the Satellites to make this point for us in any case; unrest will continue. But we should be careful (as the unrest will continue. But we should be careful (as the unrest of some Western broadcasts to Hungary in vexed question of some Western broadcasts to Hungary in 1956 showed) to avoid giving the impression that we are pushing the Satellites into revolt.

36. By the same token, when evidence of Soviet repression comes to light, our best policy is to appear to let the facts speak for themselves. On the whole, open Western trumpeting of Soviet misdeeds blunts their edge for neutrals. Our main effort should therefore be directed towards:

- (a) unattributable propaganda;
- (b) making sure that the unvarnished facts are as widely known as possible through apparently impartial media.

SUMMARY OF CONCLUSIONS

37.

- (a) We should recognise that we cannot at present achieve the liberation of the Satellites (though Albania may be a special case), and that serious unrest will lead, not to the establishment of independent regimes, but to Soviet repression.
- (h) If such unrest is obviously stimulated by the West, it runs the risk of inviting Soviet retaliation in other parts of the world. There are, moreover, some places, e.g. East Germany and possibly Roumania and Poland, which represent such vital interests to the Soviet Union that overt Western influence could endanger world peace.
- Nevertheless we must not fail to make use of this weak spot in the Soviet armour. This is the main sector on the cold war front in which we can take the offensive, and we should accordingly allot a reasonable proportion of our resources to it. Our aim should be inconspicuously to stimulate discontent in those places and in those ways in which we can safely do so. Our objects should be:
 - (i) to weaken the Soviet position in the Satellites;
 - (ii) to make propaganda capital in the uncommitted world.
- (d) Our best targets are Hungary and Czechoslovakia.
 - (i) there are objections to any large-scale

/economic

econcmic initiative, and we cannot afford one.

- (ii) We should gradually establish more normal relations with the régimes in order to create greater opportunities for discreet trouble-making. We should consider the possibility of strengthening the staffs of our diplomatic posts in the countries concerned.
- (iii) We should increase our cultural and information activity and encourage cultural and technical exchanges and devote additional resources to this.
- (e) This policy should also be continued towards Poland in order to help maintain the present balance, and also adopted (as a lower priority and if opportunity arises) towards Roumania and Bulgaria.
- (f) We should discuss the problem of Albania afresh with the Americans and French and consider the possibility of re-establishing diplomatic relations.
- (g) We should maintain our public attitude towards the Soviet empire in Eastern Europe and continue to exploit this advantage in "Summit Talks" and at the United Nations.
- (h) The indirect approach suggested at (d) above is right, not only politically, but also from the propaganda point of view. We should also aim in our propaganda to let the facts speak for themselves.
- (i) The policy suggested above is one for the West as a whole, as well as for the U.K., and would be far more effective if adopted in common. It is suggested that Her Majesty's Government should therefore discuss it with the Americans and with NATO countries.