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**POLITICAL STABILITY IN THE
EUROPEAN SATELLITES**

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Submitted by the
DIRECTOR OF CENTRAL INTELLIGENCE

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HRP 93-3

POLITICAL STABILITY IN THE EUROPEAN SATELLITES

THE PROBLEM

To assess prospects for political stability within the European Satellites and in the over-all Satellite structure during the next few years.

CONCLUSIONS

1. A considerable degree of stability has been established in the Satellite area since 1956 and the Soviet leaders now appear determined to press for a faster pace of socialization in Eastern Europe. While we do not think a return to Stalinist oppression and exploitation is likely, Moscow almost certainly will seek over the next five years a steady though gradual growth in Satellite-wide conformity and adherence to the Soviet model. Increasing emphasis will be placed on efforts to coordinate Bloc economies, to complete the socialization of agriculture in all the Satellites except Poland, and, in general, to attain at least the outward forms required for their "transition to socialism" by 1965.
2. Though pressures on the Satellite peoples may increase as a result of these developments, and may sharpen general antipathy toward the regimes, widespread popular uprisings are unlikely. Factions within the various parties will almost certainly continue to exist—and perhaps occasionally become active—but such factions will, for the most part, probably remain hidden and kept under control by the dominant, Khrushchev-approved elements. Prospects for economic growth are good and there will probably be small but cumulatively significant improvements in living standards. For these reasons, most of the Satellite regimes will probably maintain a fair degree of political stability and achieve at least limited success in fulfilling their ambitious plans for a rapid speedup of socialization.
3. Such successes, however, will probably fall short of Communist hopes. The anti-Communist and nationalistic sentiments of the Satellite peoples, certain weaknesses within the Satellite parties and shortcomings in the Satellite economies will remain major problems which will, at a minimum, retard Communist progress throughout the area. There are, in addition, a number of possible outside factors, including events within the USSR itself (such as a succession struggle), frictions between the USSR and Communist China, or the divergencies of Gomulka's Poland, which could jeopardize the stability of the Bloc structure.

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4. The working relationship between Gomulka and Khrushchev now seems to be operating smoothly. Nevertheless, the moderate "Polish road to socialism" is inconsistent with Khrushchev's determination to accelerate Communist progress in the USSR and socialist progress in the Satellites. The Poles may lag farther and farther behind developments elsewhere in the Bloc and thereby become a more and more disturbing element; the Gomulka-Khrushchev *modus vivendi* may become increasingly strained as a result. We do not expect any dramatic developments in Soviet-Polish relations over the next year or so, in part because of some Polish willingness to respond to Soviet pressures, in part because of probable Soviet caution. Yet over the long run tensions could slowly build up, possibly to a point of crisis.

5. Despite a further strengthening of its position last year, the East German regime continues to suffer from popular antipathy, party factionalism, and international disrespect, and still depends on the presence of Soviet forces. These facts, together with the division of Germany as a whole, make East Germany the Satellite most likely to be directly affected by major changes in Soviet or Western policies. Its future is inextricably involved in the Soviet attitude toward all Germany and toward the Berlin situation. A resolution of the Berlin crisis along lines favorable to the USSR would strengthen the GDR regime. On the other hand, should the Soviets fail in their efforts respecting Berlin, the political weaknesses of East Germany would probably be perpetuated for the foreseeable future.

DISCUSSION

I. SOVIET POLICY TOWARD THE SATELLITES

6. The attitude of the USSR toward its Satellites in Eastern Europe is based upon a blend of power politics and Communist ideology. The Soviet Communists have the imperialist's normal reluctance to surrender territory, and they view the control of Eastern Europe as contributing to the security of the USSR. In addition, they are unable to admit that a country once under Communist control and on the road to "socialism" could revert to non-Communist status. This would seriously challenge their conviction that the tide of world history is inevitably on their side. The loss of East Germany to the West, for example, would not only reduce the Bloc's total assets and be dangerous in terms of disruptions in the other Satellites, but would also challenge the validity of the whole faith.

7. Since the death of Stalin, and particularly since the events of 1956 in Poland and Hungary, the Soviet leaders seem to have concluded that: (a) beneath the surface in all of the Satellites are powerful forces—such as nationalism—which are capable of jeopardizing Soviet hegemony; (b) ruthless colonial exploitation of the Satellites by the USSR ("great nation chauvinism" in Communist terms) is dangerous; but (c) any failure to give clear direction to policy in the Satellites—as was the case after the death of Stalin—is also dangerous.

8. During the year or so following the Hungarian revolution the Communists seemed to temporize in Eastern Europe while seeking to repair the damage to the Bloc stability caused by the events of 1956. Although efforts were made to halt the "thaw," there was no return to Stalinism. Emphasis was on assuaging

popular discontents, particularly in the economic field. This period was also one of some ideological confusion arising from the anomalous role of Yugoslavia, the deviationist program in Poland, and the brief episode of a relaxed course in Communist China. The failure of Soviet policy to take a clear direction may have in part been the result of a struggle within the Soviet leadership.

9. By the end of 1957, Khrushchev had clearly overcome the diverse tendencies in the Soviet leadership and established his own ascendancy. In November 1957, a conference of Communist parties held in Moscow issued a declaration which dealt firmly with some of the ideological confusions to which the events of 1956 had given rise. It reduced the variations which would be tolerated for separate national parties on the "road to socialism" and made clear that the experience of the USSR provided the model for the Satellites to follow. In late 1958 and early 1959, particularly at the XXI Party Congress, the Soviet leadership became more specific, calling for increasing Satellite adherence to Soviet leadership and a speedup in the Satellite advance to socialism.

10. The previous bases of Soviet policy toward the Satellites have not been abandoned. The Soviet desire for faster "socialization" does not necessarily conflict with Khrushchev's pragmatic approach which allows the Bloc countries to advance with due regard for local difficulties. Nevertheless, notice was served at the XXI Party Congress that Khrushchev's ideas are applicable throughout the Bloc. Further, through his call for a socialist speedup, his declaration that all socialist states will achieve communism more or less simultaneously, and his recent suggestion that boundaries between Bloc states are destined ultimately to disappear, the Soviet dictator has called for a reduction in Satellite divergencies and a common advance toward conformity. The final year of the ambitious Soviet Seven-Year Plan, 1965, now seems to be the target date for all the Satellites—except Poland—to attain at least the outward forms required for their "transition to socialism."

11. This distinct hardening of Soviet policy was probably the result of four broad considerations: (a) Moscow believed that a looser association involving more autonomy would at some juncture risk the loss of control over populations essentially hostile to the USSR and that stability could best be assured through "socialization"; (b) The Soviet leaders believed that there was both a need and an opportunity to expand the power and to revitalize the morale of the Soviet and Bloc Communist parties, in part through more militant and energetic programs; (c) These leaders also felt that there was a need to reinforce Moscow's damaged position as the political and ideological leader of the Communist movement in the face of revisionism, polycentrism, dogmatism, and, most important, the apparent pretensions of the Chinese Communist Party and Mao Tse-tung; (d) The Soviet leaders have become increasingly self-confident as a result of growing military and economic strength, scientific triumphs, and the conviction that the balance of world power is shifting in their favor. The Soviets thus probably felt it both desirable (perhaps even essential in terms of the Communist world) and feasible (in terms of relations with the West and with the Satellites themselves) to work toward a fuller realization of their programs in the European Satellites.

12. Though the Soviet approach to the Satellites has become more militant and more demanding since 1957, and particularly since mid-1958, there will remain a number of differences from the methods and intentions prevalent under Stalin. Politically, Khrushchev's plans almost certainly call for some emphasis on incentives and persuasion; the systematic use of terror will be avoided as far as possible. Khrushchev will also be willing when necessary to adjust his demands and goals to meet specific situations. He probably also intends to maintain a relatively flexible approach to the Satellite parties. The Stalinist attitude toward subordinate parties in Eastern Europe will probably not be revived. There almost certainly will be no attempt to reinstitute the system of Soviet advisers empowered to direct the course of Satellite affairs.

13. In the economic field, the USSR has not reverted to Stalin's policy of exploiting the Satellites. Indeed, the Soviets almost certainly foresee a period in which the USSR may occasionally have to extend some additional credits to the Satellites as well as providing them with a guaranteed market and an assured source of raw materials. During the past year or so, a major effort has been made to invigorate the Council for Economic Mutual Aid (CEMA), the instrument designed to improve Bloc economic coordination and Satellite economic specialization. Particular attention has been given the machinery, metallurgical and chemical industries. In addition, detailed plans have been worked out for the linking of electrical power systems, and advanced planning is underway for a pipeline to deliver Soviet crude oil to East European refineries. Though national self-interests and specific economic problems will continue to retard CEMA's progress, economic interdependence within the Bloc, especially among the Satellites, can be expected to increase. To the extent that CEMA increases efficiency and improves planning in the Satellites, it will not only increase the USSR's gains from intra-Bloc trade, and reduce the likelihood of emergency demands on the Soviet economy (such as those made in 1956 and 1957), but will also benefit the Satellites themselves.

14. Khrushchev, in March, referred to the eventual virtual disappearance of boundaries between Bloc states as a concomitant of the achievement of communism. But the achievement of communism is, at best, far off and we do not believe any significant measures will be taken over the next several years to cause borders to "wither away."

II. SITUATION AND PROSPECTS IN THE SATELLITES

The Speedup in "Building Socialism"

15. All the Satellite regimes except the Polish have made vigorous moves during the past year to accelerate socialization and economic growth. Bulgaria last fall declared the beginning of a "great leap forward." The Ulbricht regime in East Germany purged the

party of its moderate opposition and at the party congress in July 1958 announced the adoption of more rigorous policies. Czechoslovakia and Rumania boosted their economic goals and speeded up collectivization. Even the Hungarian leader, Kadar, while declaring his party's unwillingness to "run" while still learning to "walk" moved to the offensive by collectivizing peasants on a grand scale and heightening pressure for increased agricultural and industrial production.

16. The European Satellites have also been called upon to join the Soviets in the race to catch up with Western economies. Several of the Satellites have announced plans to reduce the lead of various Western countries in the per capita production or consumption of selected commodities. Most notably, East Germany has announced that it will catch up with West Germany in per capita consumption of certain goods (chiefly meat and textiles) by 1961 and in general consumption per capita by 1965. While East Germany will probably succeed in matching West German per capita consumption of a few consumer goods by the early 1960's, the gap in over-all consumption will probably not be appreciably reduced unless the Soviets are willing to provide extensive aid for this purpose.

17. Bulgaria's "leap forward" has included the formulation of astronomic economic goals, an administrative-economic organization borrowing features from both the Soviet *sovnarkhoz* and the Chinese commune, and, in general, an ideological militancy unequalled anywhere else in the Satellites. Though still predominantly influenced by the Soviet model, the Bulgarian leaders have been, to one degree or another, inspired by the Draconian methods and ambitious programs of the Chinese Communists which seemed to offer solutions for some particular Bulgarian problems, including unemployment. Habitually overzealous, they have also been affected by their desire to demonstrate their superiority over the other Satellites in building socialism. It is probable that, at least until the Soviet position toward the communes was clarified in November 1958, some Bulgarian leaders wished actively to follow Peiping's lead. But since

last December, the Bulgarian party has publicly alluded only to the Soviet model.

18. There remain major differences among the various Satellites. Bulgaria has virtually completed the socialization of agriculture and the amalgamation of collectives. Poland, on the other hand, has as yet to revive its collectivization program (though the first cautious steps in this direction have been announced). Elsewhere, the degree of socialization in agriculture ranges from over 80 percent in Albania and Czechoslovakia to about 50 percent in Hungary and the GDR. The latitude permitted private enterprise and private professional practice and the attention devoted to traditional manifestations of democracy (such as minority parties) also vary considerably.

19. The avowed determination to speed up "socialist" progress implies the eventual elimination of major differences between the Satellites, and probably foreshadows in all except Poland a series of economic and political developments which the USSR has already completed or has underway. Such forms of token independence as non-Communist political parties will probably be eliminated within the next several years. Private professional and business activities will probably be eliminated. Agricultural collectivization will probably be largely completed by 1965 in all the Satellites except Poland. During or following this process, collectives will probably be merged, as they already have been in Bulgaria, and, depending on developments in the USSR, some experimental *agroroddy* (agricultural cities) may be formed. A number of developments already underway in most of the Satellites, such as the "polytechnic" educational reform, will probably receive growing emphasis. The power of so-called public organs, such as the trade unions and the workers' militias—bodies more directly amenable to party orders than is the state apparatus—will probably be increased. Through such measures, the regimes will probably step-up essentially administrative pressures intended to achieve better work discipline and to maintain popular submissiveness. These and other measures are designed to expand and insure the effectiveness of party controls.

Military Developments

20. There was no significant speedup in military developments in the Satellites during 1958: Re-equipment of the Satellite armed forces continued; strengths remained relatively constant except that there was a substantial expansion of the small Satellite naval forces. There is no evidence that Satellite forces received either surface-to-air or ballistic missiles. Soviet divisions stationed in Rumania since World War II were withdrawn, and Soviet forces in East Germany and Hungary reduced—moves which had little if any military significance. There was no reduction of Soviet forces stationed in Poland.

21. Although the Soviets probably do not contemplate any significant expansion of the Satellite armed forces, they will continue efforts to improve their reliability and effectiveness. It is unlikely that Soviet planners would count on East European forces in general to make an important contribution to Soviet military operations, except perhaps in air defense and in maintaining security for lines of communication. The reliability of Satellite forces in any conflict would depend on a great number of circumstances—e.g., the degree of Soviet success and immediacy of Soviet control, the cause and nature of the war, or the nationality of the forces against which particular Satellite units were engaged. Geographically speaking, the Satellite area offers a site for medium range ballistic missiles, will continue to be useful to the Soviets as an advanced position for Soviet military forces, and will remain highly important to Soviet air defense.

Stability of the Satellite Regimes

22. The ability of the Satellite regimes to move ahead at a faster pace reflects growing stability within the parties and increasing confidence in the passivity of the people. Party factionalism, rampant in 1956, has been effectively brought under control. Active revisionists have been purged or forced to lie low. So-called dogmatists (Stalinists), many of whom still occupy positions of importance, have to some extent probably been appeased by the growing militancy and, in any event, have had little choice but to adapt themselves

to the situation. The people, despite continuing hostility and sporadic signs of resistance (worker protests in Czechoslovakia over changes in wage scales, an outbreak of peasant violence in Rumania), seem on the whole to be resigned to their fate, at least so long as outside events do not appear to offer them some feasible alternative. Soviet repression of the Hungarian revolution in 1956 demonstrated to the Satellite peoples the futility of large-scale rebellion without external assistance.

23. Thus we do not foresee any dramatic rise in popular resistance or party factionalism as the result of the socialist speedup. Where the Satellite regimes encounter stiff opposition in one form or another they are likely to take such resistance into account and to revise the timetable somewhat, while dealing harshly with individual offenders. Within the Satellite parties, opportunities for omnipresent anti-Soviet and nationalist sentiments to express themselves will probably not increase so long as Soviet policies are firm and explicit.

24. The general hostility of the Satellite peoples toward the USSR and the local regimes will, however, continue to place limits on Communist policies and could delay their implementation. Such hostility will almost certainly remain a potential threat to Communist control and must be taken into account by the various regimes. Peasant opposition to collectivization may temporarily reduce agricultural output but it probably will not prevent the final socialization of agriculture more or less on schedule. The paucity of real talent in many of the Satellite party cadres, and continued, if submerged, factionalism in these parties, will also place restraints on the execution of policy. And, in addition to such objective factors, the traditions and national characteristics of the various Satellites will tend to exercise at least a psychologically restraining influence on contemplated socialist—essentially antinationalist—goals. We believe that these factors could in certain circumstances represent a threat to these regimes, and will almost certainly constitute a drag on "socialist progress." We do not believe, however, that any major disruptions are likely over the next few years.

25. Neither do we believe that economic weaknesses are likely to jeopardize Satellite stability. Given Soviet backing, the economic outlook for these countries over the next few years is for a rapid growth of national income (4 to 6 percent annually), allocation of a greater proportion of GNP to investment, small but cumulatively significant improvements in living standards, and growing intra-Bloc trade and interdependence. By Western standards, the rate of industrial growth will probably be high, even if short of announced goals. Agricultural output will probably grow slowly. Some economic goals almost certainly will not be met (Bulgaria's great leap forward appears to be highly unrealistic) and major problems, including low worker morale, will almost certainly continue to plague the regimes. But most of the Satellite plans for economic growth can probably be fulfilled.

26. There are, however, a number of factors which are more likely to affect Satellite stability than any basic weaknesses or dramatic events within the orthodox Satellites themselves. The anomalous position of Poland within the Bloc may prove to be such a factor. Should the USSR continue to sanction Polish deviations, for example, it may become more difficult to impose conformity in other Satellites, particularly if the orthodox regimes encounter major obstacles. On the other hand, should Moscow decide to move against Polish heterodoxy, it would run the risk of provoking widespread disorders in Poland which, in turn, could stimulate similar reactions elsewhere, e.g., in East Germany. Yugoslavia's influence on internal Satellite developments and on Soviet policy has declined considerably since the disruption in the spring of 1958 of the Soviet-Yugoslav rapprochement. Nevertheless, Tito's program retains its appeal among some Satellite party elements, and Yugoslav influence may again become a threat to Satellite stability. Communist China is emerging as a rival Communist center and frictions will almost certainly accompany its further growth of strength and self-confidence. These frictions between Moscow and Peiping might also become a disturbing influence on Soviet plans for rapid and smooth

progress in Eastern Europe. Finally, developments within the USSR itself—a succession crisis following the death of Khrushchev, a failure of one key policy or another—may someday be responsible for conflicts within the Satellites or between the Satellites and the USSR.

27. Barring major changes in the nature of East-West relations, the trend of events in Eastern Europe over the next several years—whether favorable or unfavorable from the Western point of view—will probably be determined in the main by developments within the Bloc itself. Though Satellite nationalism is, and will probably remain, a disruptive force, its ability successfully to express itself—as it did in Poland in 1956—is likely to result only from fortuitous circumstances, such as strains within the USSR itself. Thus the Satellites will probably remain under Soviet hegemony so long as Soviet power does not decline or Soviet policies do not fundamentally change. It is true that the West's continuing refusal to accept Soviet domination of the area, its economic aid to Poland and Yugoslavia, and its interest in and sympathy for the Satellite peoples, probably does help to maintain a spirit of opposition. At a minimum, the Satellite populations know that, should their situations somehow be improved in the manner of Poland or Yugoslavia, they could probably expect Western support similar to that already given those countries.

The Special Case of Poland¹

28. Gomulka seems to have succeeded in stabilizing the situation in Poland. The Polish economy operated more smoothly during 1958 than it had for many years and prospects for continued improvement are good.² Gomul-

¹ See NIE 12.6-58, "The Outlook in Poland," 16 September 1958.

² US aid to Poland, consisting of three long-term credits in 1957, 1958, and 1959 totaling \$243 million (largely for grain and cotton), has been a factor—though a relatively small one—in Polish economic progress. This aid permitted a somewhat greater increase in personal consumption than would otherwise have been possible and provided the economy with reserve stocks which could be used in case of need.

ka's insistence on Polish party autonomy, his realistic attitude toward the peasants and the Church, and his emphasis on "socialist legality" and popular welfare, have made it possible for him to maintain at least the acquiescence of the people. While sporadic outbreaks are still possible, it is unlikely that either the party or the people will engage in opposition serious enough to disrupt his programs. Within Poland, Gomulka has worked out what appears to be an uneasy compromise between the requirements of Soviet foreign policy and doctrine and the interests of a stubborn Polish nationalism, which continues to retain an important element of Western tradition and culture.

29. The estimative question is whether, given their new program of socialist acceleration, the Soviet leaders can long tolerate such a compromise. It is true that the working relationship between Khrushchev and Gomulka now seems to be operating smoothly. Khrushchev, during his recent visit to Poland, explicitly and enthusiastically endorsed Gomulka and, in effect, sanctioned the moderate Polish road to socialism. Appreciating Gomulka's internal strength and the success of his program, Khrushchev in addition now seems to be convinced that Poland—though laggard—is advancing in the desired direction. Indeed, Gomulka may be viewed in Moscow as, on balance, more of an asset than a liability. But, assuming no radical changes in internal policies, the Poles may lag farther and farther behind developments elsewhere in the Bloc and may thereby become more and more of a disturbing element; the Khrushchev-Gomulka *modus vivendi* may become increasingly strained as a result. Poland continues to occupy a unique position in the Bloc. Despite Khrushchev's apparent satisfaction with Gomulka, the present arrangement still is primarily one of expediency and rests essentially on Moscow's belief that it now has little alternative to Gomulka other than forcible intervention.

30. We foresee continued, at least implicit, Soviet pressures against Polish nonconformity. We do not, however, expect any dramatic developments over the next year or so. The Polish regime will probably continue to re-

spond in some measure to Soviet pressures, and, since the Soviets will almost certainly wish to avoid a situation which would require their military intervention, such pressures will probably be exercised with caution. Nevertheless, over the long-run, tensions may increase, particularly if Polish individuality has an unsettling effect on the other Satellites. The situation could again slowly build into a crisis.

East Germany and the Berlin Negotiations

31. The GDR regime has apparently overcome many of the economic weaknesses and political shortcomings which have plagued it in the past. The effectiveness of its security forces has improved. The regime has at least temporarily been reinforced by the Soviet diplomatic offensive against the Allied position in West Berlin and strengthened economically by Soviet credits and by the elimination of occupation costs. Tangible accomplishments include the abolition of rationing, an improvement in the quality and quantity of consumer goods, the defeat of a strong party faction opposed to party leader Ulbricht, the reorganization of government and industry without major disruptions, and at least initial success in the struggle against the churches. Simultaneously, the regime was able to increase substantially the proportion of farmland in the socialist sector (now about one-half of the total) and to expand state influence in the private sector of the economy.

32. Nevertheless, despite the real accomplishments of the East German regime, popular discontent—expressed through occasional demonstrations, various forms of passive resistance, and the emigration—remains a serious problem. The regime still depends on the presence of Soviet forces. Efforts to combat internal instability have ranged from concession to repression and include the present plans to eliminate the great disparity between East and West German living standards. Though the total number involved in the emigration has declined, the flight of thousands of East Germans each year to the West goes on. Of late it has increasingly involved the loss of badly needed professional persons,

most notably physicians. Basic economic problems—e.g., a worsening manpower shortage—are not likely to be solved in the foreseeable future.

33. The ruling party (the Socialist Unity Party, i.e., Communist) has been riddled with factionalism and, even at high levels, still appears to suffer from differences in attitude toward economic policy and the party leadership. The party leader since 1945, Walter Ulbricht, remains in power almost entirely because of Soviet support and it is unlikely that the Soviets will remove him. If they should do so, however—perhaps in a move related to their policy vis-a-vis West Germany—the dismissal would probably be followed by serious internal party disputes or a major change in policy, or both. All in all, East Germany, the only country in the Bloc undergoing an annual decline in population, suffers from popular antipathy to the regime, party factionalism and opportunism, and general international disrespect. It also must endure proximity to a free and prosperous West Germany.

34. As for the future, the results of East-West negotiations concerning Berlin and Germany will have a profound effect on the course of events in the GDR. Results generally favorable to the Soviet side, such as some form of Western recognition of the GDR or major Allied concessions concerning West Berlin, would shore up the stability of the Communist regime and improve the morale of the party. While there would be no gain in the regime's popularity, the people as a whole would probably tend more toward apathy than resistance. Communist controls would almost certainly become more pervasive. Under circumstances such as these the USSR might believe that—insofar as the internal stability of the GDR is concerned—it could reduce its armed forces in East Germany.

35. On the other hand, should there be a resolution of the Berlin crisis generally considered to be favorable to the West, and should there be a continuation of the Allied presence in West Berlin and nonrecognition of the GDR, the current political weaknesses of the GDR would almost certainly be perpetuated. If the West appeared to have scored a victory,

the East German citizenry would be at least temporarily heartened and less prone to cooperate with the regime; simultaneously, party morale would deteriorate. We would not expect under these circumstances, however, any popular attempt to unseat the regime.

36. Unless there is a fairly dramatic victory for the USSR in the Berlin crisis, we do not foresee any major strengthening of the GDR regime during the next few years. The attraction of West Germany will probably not

diminish, though the ability of the local regime and the Soviets to apply counterweights might increase. In the very long run, a reasonable degree of stability may be achieved in the GDR, provided always that the economic program of the regime is relatively successful and that there is no major political disaster. Nevertheless, certain very grave problems, such as those posed by the division of Germany, would persist, and the presence of Soviet military forces would probably still be considered necessary.

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