



Soviet Union: Annual Report for 1962.

As he entered 1962 the most insistent problems facing Mr. Khrushchev were: vis-à-vis the West, the questions of Berlin and Germany, disarmament and the disparity between United States and Soviet nuclear strength; at home the unsatisfactory progress of Soviet agriculture, the shortage of investment resources and the process of de-Stalinization, and within the Communist bloc the continuing dispute with the Albanian and Chinese parties. When the year ended he had made no progress on Berlin or disarmament; he had introduced drastic organizational measures designed but by no means guaranteed to bring about the desired swift improvement in agricultural production; the budget for 1963 foreshadowed a workaday continuation of existing planning rather than any dramatic solution of the investment problem; it had been found necessary to apply new curbs to the greater post-Stalin freedom of expression in the arts; the Albanians were as blatantly critical of Soviet policies as ever, and the pretence that the Soviet and Chinese leaderships were not in serious disagreement had been virtually abandoned. On top of this record of unsuccess Mr. Khrushchev's Cuban adventure had ended in resounding failure with, presumably, consequent damage to his prestige among his adversaries, rivals and supporters alike. Nevertheless, he entered the new year with his confidence and his dominance of the Soviet scene apparently undiminished.

2. The climax of the year, and a milestone if not a turning point in the history of Communism, was the Caribbean crisis in October. The establishment of Soviet nuclear missile bases in

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