

March 31, 1959

Romania -

Regime issued two important agricultural decrees over weekend. First decree strongly increases direct party control over state farms by appointing "party organizer" in each unit; purpose is clearly to increase efficiency of state farms which,, by official admission, have generally operated at a loss. Second decree (evaluation and research news background paper being sent in clear) calls for confiscation of all private land which cannot be worked by family members and its incorporation into collective farms. Since definition of "kulak" is left vague, implementation of decree will devolve upon local government organs. If vigorously implemented, expectation is that "class struggle in countryside" will be greatly sharpened, which in turn would considerably disrupt production, especially since spring sowing is now in full swing. "Middle peasants" (defined as people who operate farms with family members and use hired labor only exceptionally) are specifically exempted from decree, thus providing scope for arbitrary decisions on local level. Overall purpose of decree is doubtless to speed up progress of "socialization" of agriculture, which in general has been unimpressive so far, despite inflated regime claims.

Jerusalem UPI report that Romania is expected to resume emigration of Jews to Israel is considered accurate by our Vienna office. We continue our policy of avoiding subject.

Reuter Teheran dispatch reports that Iran has protested to Romania about press and radio attacks on Iran. We have not noted any special emphasis on such attacks in Romanian propaganda.

Trade agreements signed with GDR and France.

Agerpress, for foreign consumption, reported observance of Easter by Roman Catholics in Romania. There is no evidence of this in other regime material.