

Situation Report -

March 9, 1959

Romania - Gheorghiu-Dej report 6 March to Bucharest meeting of party active on 21 party congress asserted that Romania would complete building of socialism by 1965. Speech also made ideological point that, under present stage of socialist building, class struggle continues and state therefore must suppress internal and external enemies. Dej also stressed Khrushchev formulation about all countries reaching communism more or less simultaneously. He reasserted the primacy of industrialization, development of heavy industry (stress on machine building, metal processing and chemical industries) and estimated that the original 1956-60 five year plan goals for 60-65 percent increase in industrial production will be fulfilled, thus stating clearly that these goals are still in effect.

Attaché of Israeli Bucharest legation attaché has been declared persona non grata for alleged espionage and smuggling activities. On basis available information this cannot be considered more than routine affair, possibly a gesture toward Arab states.

Agreement announced for France to build two sugar refineries in Romania.