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Tito-Ceausescu Meeting

Radio Bucharest announced on January 2 that Nicolae Ceausescu, Ion Gheorghe Maurer and Party Secretary Paul Niculescu-Mizil had left for a "short friendship visit" to Yugoslavia. The London Times reported the visit already on December 30, describing it as a new round of Rumanian-Yugoslav consultations before an important international Communist meeting, this time the consultative Communist conference scheduled for February in Budapest.

Coming as it does after the visit of Ceausescu to Moscow in mid-December, and the recent Warsaw conference of Foreign Ministers on the Middle East, the meeting with Tito will provide ample opportunities for reviewing not only the attitude to be taken toward the Budapest meeting, but also the stand of Communist countries on the Arab countries and the European security problem, including current FRG-Yugoslav talks for resumption of diplomatic relations.

The Tito-Ceausescu meeting was actually planned to take place shortly before the trip of Brezhnev to Cairo and the later visit of the Yugoslav President to the UAR and other countries of Africa and Asia. According to the semi-official Cairo newspaper Al-Ahram, however, Brezhnev's visit to the UAR, scheduled to begin on January 7, has suddenly been postponed because of an imminent Central Committee Plenum in Moscow.

It will also be recalled that Brezhnev is to visit Rumania this year, and unofficial reports have claimed that his visit will take place already in January, before the expiration of the Soviet-Rumanian twenty-year Treaty of Friendship and Mutual Aid.

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As far as the Budapest meeting is concerned, it may be noted that the Yugoslavs have not been invited (invitations were extended only to the 81 Parties which attended the 1960 Conference in Moscow). This might explain the public Yugoslav criticism of the Budapest conference. The Rumanians, on the other hand, have not yet publicly taken a clear-cut position on it. The Rumanian press has reported that the Italian Communists will attend, but in reporting on the recent Plenum in Prague, failed to mention that a resolution in support of the Budapest conference had been adopted. Similarly, when questioned on the subject of Rumanian attendance, at recent press conferences on the occasion of the 20th anniversary of the Republic, Rumanian ambassadors gave evasive answers.

It may be recalled that Rumania did not attend the last consultative meeting of 19 Parties (26 were invited) held on 1-5 March 1965 in Moscow. Both the Rumanian and Yugoslav Communist Parties boycotted the Karlovy Vary meeting of April 1967, which discussed the European security problem shortly after the establishment of diplomatic relations between the FRG and Rumania in January of that year. On that occasion, Tito and Ceausescu demonstratively met in Bucharest, just as they had met in December 1966 in Timisoara at a time when the chiefs of most ruling East European Parties were assembled at the Hungarian Congress in Budapest.

A number of Western papers had said that, as far as the international Communist conference project is concerned, the Soviets are again starting from the situation which prevailed in the fall of 1964 and at the consultative meeting of March 1965. However, conditions have changed since then, and the assurances now given by the Soviet press represent major concessions as regards the conference aims (no excommunications) and proceedings (question of participation, consensus and the degree of commitment, resolutions, etc.) Writing in the Party daily Nepszabadsag of December 24, Hungarian Party Secretary and Politburo member Zoltan Komocsin even went so far as to say that the decisions of the Budapest and subsequent international conference could not be binding. Although the Soviets have adopted a flexible, centrist line, they insist on the validity of the declarations of 1957 and 1960 (which condemned the LCY) (Pravda of November 28 and Komunist as reported by Tass of December 27). Noteworthy, finally, is the quotation of a Syrian CP statement by Radio Moscow (in Rumanian) to the effect that there is no reason or argument whatsoever which could lead any fraternal Party not to accept the invitation to the Budapest meeting.

The daily broadcasts of Radio Moscow in Rumanian in support of the consultative meeting reveal the anxiousness of the Soviets concerning Rumanian participation. It is possible that despite the Soviet-Rumanian talks in Moscow, which, to judge by the communique, do not seem to have convinced the Rumanians, Brezhnev will again try during his forthcoming visit to Rumania to obtain the adhesion of the Rumanians in exchange for further concessions concerning the uncommittal character of the Budapest meeting and the right of each Party to state its position.

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As for bilateral Rumanian-Yugoslav questions, it is not entirely to be excluded that the question of the twenty-year Treaty of Friendship and Mutual Aid between the two countries, signed on 19 December 1947 and denounced by Bucharest on 1 October 1949, might be broached again at a time when Rumania's existing treaties with other East European countries are coming up for renewal. Such a move would be in line with the Rumanian insistence on friendship with all "socialist" countries.

Resumption of Talks on Soviet-Rumanian Treaty?

According to UPI and other Western agencies of January 3, Soviet-Rumanian negotiations on renewal of the twenty-year Treaty of Friendship and Mutual Aid are scheduled to begin in Bucharest within a few days at Foreign Ministry level. They are expected to be concluded before February 4, the date of expiration of the old Treaty. UPI reported that the "prolongation" of the Treaty was agreed upon during the recent Soviet-Rumanian summit talks in Moscow. The agency also said that the Rumanians are negotiating similar new Treaties with other East European countries.

De Gaulle to Rumania in Spring

According to UPI of January 2, President De Gaulle confirmed that he would visit Rumania "before next summer." He made the statement to the press at the New Year's reception in the Elysee Palace the same day.

President De Gaulle, who visited Poland last year, also hinted he might make another trip in September, but he did not say where. It is known that he has standing invitations to visit Czechoslovakia, Bulgaria and Yugoslavia.

De Gaulle's visit to Poland was postponed from June to September because of the Middle East crisis, and in view of his heavy schedule, the visit to Rumania planned for last October was also postponed. Foreign Minister Couve de Murville visited Rumania in April 1966.

Trade Protocol with the Soviet Union

Radio Bucharest on December 30 reported the signing of the trade protocol between Rumania and the Soviet Union for 1968. Mutual trade is to rise to a value of 770 million rubles, i.e. an increase of 5.5 per cent over the planned figures for 1967 (730 million rubles). The Soviet Union will supply Rumania with transport and construction equipment, machine tools, trucks, coke, iron ore, rolled goods, cotton, TV sets, etc., and Rumania will export to the Soviet Union ships, machine tools, electrical equipment, pipes, chemical products, furniture, knitwear, etc.

Since it is envisaged that Rumania's total foreign trade will increase by eight per cent to 19.5 billion lei (nine per cent exports and seven per cent imports) in 1968 (Rumanian Situation Report, RFER, 27 December 1967) it follows that the share of the USSR in overall Rumanian trade would decrease to 26.3 per cent, as against 33.5 per cent in 1966 and an estimated 26.8 per cent in 1967.

(The above estimated figure for 1967 results from calculations based on First Deputy Foreign Trade Minister Bejan's statement (SR of December 29) that Rumania's trade will increase to 19.5 million lei in 1968. If this is eight per cent more than in 1967, it would mean that total trade amounted to 18,065 million lei in 1967. If Soviet-Rumanian trade totaled 4,841 million lei during 1967 -- based on the assumption that the 730 million ruble target for 1967 was achieved -- then the Soviet share was 26.8 per cent.)

The following table shows the decreasing share and rather slow increase in absolute value of Rumanian-Soviet trade during the 1958-1968 period:

	The USSR's share in Rumania's foreign trade	Value of Soviet-Rumanian trade (million lei)	Increase over pre-ceding year (per cent)	Total Trade	
				Value (million lei)	Increase (per cent)
1958	51.5	2,935	-	5,700	-
1959	47.3	2,908	- 0.9	6,146	+ 7.8
1960	40.1	3,284	+12.9	8,189	+33.2
1961	40.5	3,900	+18.7	9,643	+17.7
1962	40.6	4,283	+ 9.8	10,554	+11.5
1963	41.9	4,873	+13.8	11,622	+10.0
1964	42.2	5,489	+12.6	13,009	+11.9
1965	38.8	5,067	- 7.7	13,072	+ 0.5
1966	33.5	4,823	- 4.8	14,396	+10.0
1967	26.8	4,869	+ 1.0	18,065	+25.5
1968 (planned)	26.3	5,136	+ 5.5	19,500	+ 8.0(planned)

All figures are based on the Rumanian Statistical Yearbook.

It may be also of interest to note that the target for the 1961-1965 five-year period (2,925 million rubles) was over-fulfilled by 21.3 per cent (3,543 million rubles).

It is also worth noting that Rumania had a positive trade balance in her trade with the Soviet Union in the last two years, namely 193.7 million lei in 1965 and 94.2 million lei in 1966.

It should be recalled that Rumanian-Soviet trade is far smaller than the USSR's trade with her other Comecon partners and that the provisions for 1966-1970 Rumanian-Soviet trade envisage the smallest growth in terms of both percentage and value.

The table below presents the increase provided for trade between the Soviet Union and the other Comecon countries in the 1966-1970 period over 1961-1965 and the target (in value) envisaged for 1966-1970:

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Country	Increase 1966-1970 over 1961-1965	Target 1966-1970 (billion rubles) *
Bulgaria	70 per cent	7.0
Czechoslovakia	43 " "	10.0
Hungary	100 " "	5.7
East Germany	50 " "	13.0
Poland	50 " "	8.0
Rumania	30 " "	3.8

* According to the May 1967 issue of Foreign Trade, the house organ of the Soviet Ministry of Foreign Trade.

It is worth mentioning that in the case of Rumania the 30 per cent increase refers to the value of goods exchanges stipulated in the 1961-1965 long-term trade agreement (2,925 million rubles) and not to the results actually achieved (3,543 million rubles).

Foreign Trade tried to explain the low level of Rumanian-Soviet trade by stating that the USSR and Rumania, because of their natural and economic potential, are exporters of many analogous goods (oil products, timber, grain, etc.) and argued that this is reflected in the growth rates of trade as well.

Moreover it has to be borne in mind that the spectacular decrease of the USSR's share in Rumania's foreign trade is most probably due also to the readjustment of Comecon prices, which, of course, affects also the volume of goods exchanged between the USSR and her other Comecon partners.

There is no information available on the quantities of the various commodities involved in the 1968 trade agreement, but it is interesting to note that Romania Libera of December 23 reported that the Ministry of Home Trade has already contracted for the import of 9,400 passenger cars for 1968, out of which only 900 are Soviet-made cars.

Trade Protocol with China

According to Radio Bucharest of January 1, a trade and payment agreement between Rumania and China was signed for 1968. The brief report indicated neither the volume of goods to be exchanged, nor whether an expansion of trade between the two countries was envisaged by this agreement. Hsinhua of December 31, however, said that it calls for a greater volume of trade. The 1967 trade agreement, it will be recalled, provided for an unspecified increase of trade.

(more)

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Trade between the two countries reached 356.3 million lei in 1959, but by 1962 had dropped sharply to 76.3 million lei. Since 1962 it has risen steadily, and in 1966 exceeded even the 1959 level (395.0 million lei).

During the last two years the trade balance was favorable for Rumania, namely 28.6 million lei in 1965 and 14.2 million lei in 1966.

Miscellaneous

Maurer to Israel? The French paper Express reported that Premier Ion Gheorghe Maurer has been invited to visit Israel during 1968. Thus far this information has not been confirmed by Rumanian news media.

Big Deal Concluded with France. According to RFE Special/Edwards of December 27 the French group of Thomson-Brandt has signed a contract for the construction and equipment of a four-factory complex that will manufacture refrigerators at Gaesti. The value of the deal is between 10 and 12 million dollars.

Collaboration with Yugoslavia. Radio Bucharest of December 27 reported that the 9th session of the joint Rumanian-Yugoslav commission for technical and scientific collaboration took place in Bucharest. The delegations agreed to exchange documentation and specialists, in particular in the fields of machine building, oil industry, electrical power, chemical industry and agriculture.

Israeli Exhibition in Bucharest. RFE/Special Zoller of December 27 reported that an Israeli trade exhibition is to take place in Bucharest during April 1968.

Tourist Office in Frankfurt. DPA of December 29 reported that, according to Ambassador Constantin Oancea, a Rumanian tourist office will be opened in Frankfurt at the beginning of 1968. The office will be run jointly by the National Travel Office (ONT) and the Rumanian airlines (TAROM).

Delegation to Cuba. According to Radio Bucharest of January 2, a delegation of Rumanian scientists, artists and writers arrived in Havana to attend an International Congress of Intellectuals. The delegation includes Remus Radulet, Vice-President of the Academy; Pop Simion, Vice-President of the Writers Union; Valeriu Pop, first deputy chief editor of Scanteia, and others.

Road Agreement with Turkey. A Rumanian-Turkish road transport agreement has been signed between the two countries, reported Radio Bucharest of December 24.