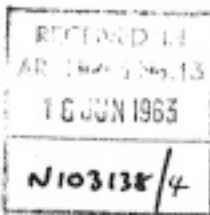


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Soviet Interest in Scandinavia



There have been signs recently of increased Soviet activity in the Scandinavian countries.

2. A number of high level visits have taken place and more are planned. Since the end of February the Finnish Prime Minister has visited the Soviet Union, Mr. Gromyko has been to Norway and Denmark and Mr. Kosygin has been the unexpectedly senior head of a Soviet delegation to Finland. During the coming few months the Swedish Foreign Minister and the Danish Prime Minister are to visit the Soviet Union.

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3. It is possible that Mr. Khrushchev himself contemplates a visit to Scandinavia. Speculation started at the beginning of March after he had dropped a hint to this effect to the Swedish Ambassador in Moscow. Mr. Stewart has suggested that Mr. Gromyko's visits were arranged in order to pave the way for Mr. Khrushchev. The Danes have claimed that Mr. Krag's visit to the Soviet Union need not entail an invitation in return but if it came to the point, and not least if the Finns appealed for co-operation all the Scandinavian countries would probably receive Khrushchev in their turn.

Flag B

4. The Russians seem also to be making an effort to expand their Scandinavian trade. Recent increases in their exports to Finland are explicable in the context of the long-standing failure of Soviet exports to match their imports. But it is worth noting that the main emphasis during Mr. Kosygin's recent visit to Finland for the 15th Anniversary of the Fenno-Soviet Pact was on the importance of Fenno-Soviet trade. The Russians have recently placed a substantial order for ships in Sweden, and they have encouraged a Danish firm to hope for a similar order.

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5. One further area in which the Soviet Union has appeared anxious to be helpful to the Scandinavians is in

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the development of their adjoining Northern territories. The Norwegian Prime Minister spoke in favour of more joint development schemes in July 1962 since when the Russians have raised the matter on many occasions and asked what he had in mind. Three specific suggestions were put to Mr. Gromyko in Norway: a further joint hydro-electric scheme, improvements in tourist traffic and trade across the frontier. He was generally encouraging but had no particular comment to make. Co-operation with the Soviet Union was also raised during the March Nordic Council meeting by Finland. Plans for developing the Northern parts of Norway are, of course, like the Kirkenes project over which the Finns are delaying, aimed at improving conditions and living standards so that they no longer lag behind those across the Russian frontier. But though the Russians would thereby lessen the present comparative effectiveness of Communist propaganda in the area, they no doubt calculate that they can reap valuable dividends from a policy of co-operation.

6. If it is indeed true that the Russians are making a deliberate attempt to improve their image in Scandinavia, then their intentions are probably to exploit the economic difficulties resulting from the Brussels failure and perhaps also to weaken the adherence of Norway and Denmark to NATO at a time when the Alliance is considering the question of nuclear force in which neither country is willing to participate. Economically the moment is propitious for Soviet blandishments, particularly to Denmark which has been most heavily hit. One would expect the Russians to try to foster disagreement within NATO at a time such as the present when important plans are under consideration. H.M. Ambassador has inferred that the Norwegians told Mr. Gromyko of their decision to take no part in a NATO multilateral nuclear force during his visit. There is no reason to suppose however that his arguments had influenced the decision.

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7. As to our own attitude I do not think that we need be unduly worried about the effect of Soviet blandishments (even if made personally by Mr. Khrushchev) on the Scandinavian countries. It is not part of our policy to isolate them from the Soviet Union and in so far as there are genuine common interests in improving relations, we should not be averse to this. We must, of course, make sure that our own policies are understood by the Scandinavians. So far as Norway and Denmark are concerned, their membership of NATO ensures this. As regards Sweden I think that the recent discussions in London with the Prime Minister and Foreign Minister will serve the purpose for quite some time to come. Finland is another and a more difficult matter though I should hope that our efforts over the Peace Treaty re-interpretation will bring dividends for the immediate future. The Prime Minister's decision to visit Finland and Sweden during August is all to the good.

*R. H. Mason*

*W. H. H. H.*

(R. H. Mason)  
April 30, 1963

And EFTA should be a  
help, too

*S. P. Kelly*  
*P. U. S.*

*I agree*

*Y.S.*  
*J. P. Kelly*

*Northey*

*Yes* *WAC* *6/v.* *26/7*  
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