

February 10, 1947
**Record of Conversation between I.V. Stalin's and
Romanian Leader G. Gheorghiu-Dej**

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Summary:

Stalin and Gheorghiu-Dej discuss the economic policy of the Romanian Government

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Russian

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Record of I.V. Stalin's Conversation with G. Gheorghiu-Dej about the Economic Policy of the Romanian Government

Moscow

10 February 1947

SECRET

Present: Comrades Molotov, Mikoyan, Susaikov, Skoda (interpreter).

Comrade Stalin asks whether the exchange of letters, about which they spoke in the previous conversation, has taken place.[1]

Dej[2] responds affirmatively.

Comrade Stalin asks Dej about the organizational structure and the rights of the Romanian Ministry of National Economy.

Dej says that the Ministry of National Economy is in charge of all industries, and also internal and external trade in Romania. All significant actions of the Ministry of National Economy are approved by the High Economic Council of Romania, to which all the economic ministries of the country, i.e. the Ministry of National Economy, of Finance, of Mines and Petroleum and so on, are subordinated. The projects approved by the Highest Economic Council are presented for discussion to the Council of Ministers. Dej is the head of the Highest Economic Council.

Comrade Stalin notes that Dej, in his capacity as the head of the Highest Economic Council and the Head of the Ministry of National Economy, is "subordinated to himself".

Dej says that in the closest future he will submit a draft law to the government on the reorganization of the Ministry of National Economy, and a law organizing industrial departments by branches.

Comrade Stalin asks, what would these departments be like, and if they would have the right to set the prices.

Dej responds that every department would be in charge of all issues concerning the corresponding branch of industry. The departments will submit their proposals to the minister. Dej says that such management already exists in the Romanian textile industry, and it produces positive results. It helps the government to control private enterprises.

Comrade Stalin says that the Communists in Romania took upon themselves the most serious and difficult positions in the Romanian economy. Initially, they believed that they won those positions from the bourgeoisie, but in reality, the Romanian bourgeoisie consciously gave those positions to the Communists, because it knew the difficulties, and wanted to compromise the Communists. The Romanian Communists just think that they lead those ministers, in reality it is not so, because it is very difficult or impossible to be in charge of something, when you do not have raw materials, means of productions and stockpiles, when you cannot set the prices at the market. The main task of the Romanian communists today is to implement the financial reform as soon as possible, while being as prepared as possible, in order to give the country a solid-value currency. Without it, everything will be in vain.

Dej responds that they are engaged in preparation for this most important event.

Comrade Stalin responds that Dej should speak openly, truthfully. The preparation for the reform has not really started in Romania, and Dej has just reported the opposite.

Dej asks comrade Stalin to provide assistance with specialists-economists.

Comrade Stalin promises to supply such specialists for assistance, but emphasizes that first of all, these people would have to study the Romanian economy really well, to get themselves familiar with all the information.

Dej thanks comrade Stalin. Then Dej says that the monetary reform is supposed to be implemented by the time of the new harvest, and that the Hungarians agreed to print a corresponding amount of the new money bills in order to replace the old ones.

Comrade Mikoyan says that the currency reform should be carried out not in five or six months, but soon. Touching specifically on the trade negotiations, which the Romanian economic delegation is conducting in Moscow, and on the requests of the Romanian government to help alleviate the difficult economic situation of the country, comrade Stalin states that the Soviet government agreed to once again come to Romania's help, and to help with the following:

(1) The Soviet government cuts down the sum of 300 billion leis, which the Romanian government has to pay under Article 12 of the armistice agreement, down to 100 billion leis.

(2) Despite the agreement signed by the Romanians, the Soviet government takes on all the expenses related to transportation inside the Soviet Union of the Soviet property, being returned to the Soviet Union, upon itself.

The Romanians would have to bring the Soviet property, being returned to the Soviet Union, only to the borders and ports of the Soviet Union. The Romanians will pay all expenses for transportation of that property within the Romanian territory and in the Romanian ports. The Soviet Union will pay for all the expenses related to transportation on Soviet territory and in Soviet ports.

(3) The Soviet government would provide Romania with a loan of 10 million dollars (in goods), according to the trade treaty.

In addition to that, the Soviet government will provide Romania the goods that it needs for an additional 15 million dollars, in exchange for which it will receive goods from Romania for 15 million dollars.

Dej thanks comrade Stalin and emphasizes that if the Romanian Communists receive the necessary assistance from the Soviet Union, they will be able to deal with the economic tasks facing the country.

Comrade Stalin responds that if the Romanian Communists cannot bring order to their own country, no external assistance will help them.

Comrade Molotov notes that they allowed the working class in Romania to get lazy, taught it bad discipline, did not make it work, because they did not feed it, and they did not collect taxes from peasants. In these conditions, you cannot govern. You can only break the state apart.

Comrade Stalin says that they need to cut the number of workers at factories and plants, immediately levy taxes on the peasants, and cut the number of employees in service industries. After the monetary reform is implemented, they should lower wages, and take decisive measures against speculators. All these measures should be proposed to the government, and if it creates obstacles to their implementation, Dej should be ready to resign and to inform the government about that.

Turning to the question of the situation inside the Romanian Communist Party, comrade Stalin says that Dej did not tell him fully and honestly (chistoserdechno) about the nationalistic slant inside the Romanian Communist Party. Dej himself raised this question in his conversation with Vyshinsky—that they should send Pauker to Paris. It is a wrong and harmful position. You need to value and promote good workers, regardless of whether they are Romanians, Jews or Hungarians. There was a strong anti-Semitic movement in Russia as well, even stronger than in Romania. The wave of anti-Jewish massacres (pogrom) swept all over Russia. However, the Bolsheviks did not give up their position on the national issue. Zinoviev, Kamenev and Trotskii were removed, not because they were of Jewish origin, but because they undermined the Soviet government and were fighting against it. The Bolsheviks removed Russians as well: Bukharin, Rykov and others for the same reasons. If a person is good, he should be given opportunities, regardless of the prejudice that exists at a certain stage, against certain nations. The Bolsheviks were attacked on the Jewish issue. They even said that Ilich was a Jew. However, he resisted those attacks, and he rejected them, because he was an internationalist. Romania is a multi-national state. There are many Jews, Hungarians, and Slavs in Romania. How do the Romanian Communists want to build their party from the Romanians only? They should remember that if their party is class-based, socially based, then it will grow; if it is racially based - it will perish, because racism leads to fascism.

Dej admits that his views are mistaken. Dej says that already in 1946 comrade Vysbinsky allegedly advised him to send Ana Pauker away and now he just repeated that same idea to Vyshinsky.

Dej notes that on the issue of promoting Pauker to the deputy position and her appointment as a leader of a parliamentary group, he had a conversation with comrade Susaikov, who pointed out that his views were wrong. However, he, Dej, disregarded that advice, thinking that it would be more correct from the tactical point of view.

Comrade Stalin says that it would also be wrong from the tactical point of view.

Dej promises to change completely (polnost 'iu perestroitsia).

Comrade Stalin asks how are Pauker and Luka working.

Comrade Susaikov responds to this question. He draws his attention to power aspirations and to the unbridled character of Central Committee member Bandarash,[3] who should be monitored and not allowed to get out of hand.

Dej asks for advice on the issue of village cooperation.

Comrade Stalin responds that they should wait on that issue until the currency reform is implemented.

On the issue regarding purchases of bread in the United States, which was raised during the conversation, they made a decision that Dej should draft a response and give it to comrade Molotov to look at, and he will help draft the final version of that

response.

The conversation lasted 1 hour and 40 minutes.

Translated by Skoda.

[1] See documents 191, 192

[2] As in the original. Should be: Gheorghiu-Dej

[3] As in the original. Should be: Bodnarash.