

Note by Lech Walesa Regarding Further Procedure of Talks,

[not dated]

A note regarding further procedures of talks

The organization of the "Roundtable" talks has not been, as yet, precisely defined. Preliminary arrangements are needed very quickly. In particular, I am expecting a response to the following questions:

- 1) How large a team is going to participate in the general debates of the Roundtable?
- 2) What persons and representatives of what organizations have been invited or are going to be invited?
- 3) What is the preliminary estimate of the duration of the Roundtable (what is meant here is the time estimate of the "first session," ending with decisions)?
- 4) How large are the working groups going to be? From my part I am already proposing to define the agenda for the working groups, namely (in brackets I give the names of my plenipotentiaries for the particular teams)
 - 1/ Union pluralism (T. Mazowiecki)
 - 2/ Economic questions (A. Wielowieyski)
 - 3/ Social pluralism (K. Szaniawski)
 - 4/ Political reform (B. Geremek)
 - 5/ Law and the judicial system (J. Olszewski)
 - 6/ Agriculture and agricultural union (A. Stelmachowski)
 - 7/ Mining questions (A. Pietrzyk)

Following these preliminary explanations it will be possible to set the date of the first meeting.

[signed by Lech Walesa]

[Source: Andrzej Stelmachowski Papers; . Translated by Jan Chowaniec for CWIHP.]

Note from A. S. Kapto, A. S. Pavlov, and Ye. Z. Razumov to the CC CPSU

In connection with the aggravation of the political situation in the Georgian SSR we consider it advisable to send the following recommendations to local Party committees (attached).

We request your agreement.

A. Kapto Ye. Razumov A. Pavlov

To the CP CC's of union republics, *kray*, and *oblast'* Party committees

The aggravation of the political situation in the Georgian SSR which is noted in the TASS report of 10 April again shows the entire importance of timely preventive measures on the part of local Party, government, and law enforcement bodies. The CC CPSU directs the attention of the CP CC's of union republics, *kray*, and *oblast'* Party committees to the need for a deep and comprehensive analysis of the situation which has unfolded in each region and the implementation of effective work to put an end to various kinds of antisocial manifestations.

Party committees and primary Party organizations ought to ensure high political vigilance, not permit complacency and lack of principle in evaluating extremism and nationalism, decisively put an end to any fabrications directed at undermining the foundations of the state, and not ignore any instance of illegal actions.

It is necessary to more diligently improve mass political work in labor collectives and the population's places of residence. Sound out the mood of the people sensitively, react quickly to their needs and requests, and root out bureaucratism and red tape. Pay special attention to the organization of educational work among the student population. Mobilize all Party, government, and Komsomol activists for these purposes. Increase the responsibility of leadership cadre for the political situation in each collective and their personal participation in educational work and public speeches before workers and youth.

The CC CPSU stresses the exceptionally important role and responsibility of the mass media for an objective treatment of the processes which are occurring and the correct formation of public opinion.

It is necessary to concentrate the attention of law enforcement bodies on the adoption of timely and decisive measures directed at people committing violations of socialist law, facilitating the kindling of ethnic strife with their inflammatory actions, and inciting people on the path to anarchy and disorder.

In this regard, Party committees and the leaders of law enforcement agencies, using the mass media and the entire arsenal of ideological and educational work, are to ensure the explanation and deep study of the USSR Supreme Soviet Presidium decrees published in the press directed at a fuller and more effective use of the means of protecting the Soviet constitutional order and ethnic equality; [they] permit a more active struggle to be waged against various kinds of extremist elements.

It is recommended that Party committees investigate additional measures in their Bureaus to strengthen discipline, order, and organization in every way in each region.

[Source: TsKhSD. f. 5, op. 35 d. 145, pp. 55-57. Original, published in Istoricheskiy Arkhiv 3 (1993), pp. 99-100. Translated for CWIHP by Gary Goldberg.]

Note on Proposals for Meetings between Chairman of the Council of State and Representatives of Opinion Making Social Groups

October 1986

A note on a proposal for meetings of Chairman of the Council of State with individuals representing opinion-making social circles who do not have contacts with the highest state authorities.

I. The amnesty act has created a new situation in Poland and created possibilities for a broader social dialogue. It is very much needed due to the many unsolved problems and the deteriorating social and economic situation—despite some normalization. Among these problems one should include the following: 1) a sense of lack of prospects and any chances for the future for many people, particularly the youth; 2) the lack of credibility of the authorities, frequently connected with deep aversion to them; 3) [problems] stemming from economic and technical development, or even some regress vis-a-vis the developed countries.

Getting out of the crisis and moving [into] recovery, and particularly undertaking efforts to reform and achieve economic equilibrium, requires, in the first place, changes in peoples' attitudes. Such changes will not be achieved in a sufficiently broad scale without:

- a) conviction, in the sense of effort and sacrifice,
- b) an understanding of the government's policies,
- c) approval of such policies. So far, signs of any such changes are lacking, and in this respect the situation is getting worse.

II. Taking the initiative [to arrange] meetings with Chairman of the Council of State could be an important factor on the road toward a broadly defined understanding and renewal, if it is conceived:

- 1) as one factor harmonized with other measures contributing to renewal, understanding, and social cooperation, and particularly a change of [the political] climate and human attitudes. Consideration of this initiative apart from the specific social situation and other measures is doomed to failure;

- 2) as a factor in the increasing rationalization of political and economic decisions. However, one needs to note that: a) in observing the work of the state organs one doesn't detect any particular interest in a dialogue with different social groups, and b) experiences of the Consultative Economic Council or the Socio-Economic Council at the *Sejm* [Polish Parliament] have not been encouraging so far;

- 3) as a factor in strengthening the government's position through some kind of legitimacy, as these meetings can and should be recognized as a form of support and cooperation from social circles. It will have an effect both inside and outside, but it will be durable only when these meetings will not be a facade and of temporary character;

- 4) as a factor of dialogue and mediation, particularly in difficult situations.

III. For the dialogue conducted at these meetings to bring about the desired results, it has to:

1) meet decisively the postulates of the Polish Episcopate and broad social circles relating to the freedom of association. The question of trade union pluralism⁷ is meeting with particular opposition [by the government]. In the long run, however, one cannot imagine social development without the implementation of this postulate. Right now broad social circles do not have legal opportunities for social activity and expression—[a lack] of which will unavoidably lead to tensions and conflicts. Thus, opening broader opportunities to form socio-cultural associations is becoming indispensable. Catholics will attempt to form professional, agricultural, intellectual, youth or women's associations, acting on the basis of Catholic social teachings, charitable associations and institutions, as well as those preventing social pathology;

2) adopt the principle of philosophical neutrality in the school and educational system and accept the principle of philosophical pluralism in scientific and cultural circles;

3) invite to those meetings not only publicly known people, but, above all, people who are representative of their [social] groups. In this way opinions and considerations of those circles could be directly presented and defended. This postulate should not contradict the conditions of factual dialogue and limits on the number of participants;

4) assure the truly independent character of invited participants, among whom, besides people connected with the Catholic Church, should be properly chosen representatives of other independent circles.

IV. Proceeding to the organization of the above meetings and the possible formation of a consultative body, the following questions should be resolved:

1) What is the real motive for organizing these meetings and forming a consultative body?

2) What are going to be the tasks and powers of that body?

3) Should this body be created by Gen. Jaruzelski as Chairman of the Council of State, or by the Council of State [as a whole]?

4) What will be the composition (what social circles and proportions), the manner of appointment, and the size of this body?

5) In what way will the society be informed about the work of this body and the opinions of its members?

6) Will it be possible to adopt the principle that people who are not representing official political structures and the state organs also be invited?

7) Is there a possibility to hold proper consultations with Lech Walesa on the participation of people from the "Solidarity" circles?

8) Would the state authorities, before the final decision on meetings and setting up the consultative body, publicly take a positive position on the proposal to expand activities for social associations?

9) Is it possible to calm philosophical conflicts in schools in connection with the study of religions and atheization, as well as with philosophical diversification of teachers in the school system?

[Source: Stanislaw Stomma Papers. Translated by Jan Chowanec for CWIHP.]

Letter of Lech Walesa to the Council of State

2 October 1986

The Council of State of the People's Republic of Poland *in Warsaw*

Acting on the basis of a mandate given to me in democratic elections at the First Congress of delegates of the NSZZ [National Commission of the Independent Sovereign Trade Union] "Solidarity" in 1981, as chairman of that Union, led by an opinion expressed by the leaders of national and regional authorities:

—taking into consideration an unusually important decision of the PRL [Polish People's Republic] authorities relating to the release of political prisoners, including a group of NSZZ "Solidarity" activists, which creates a new socio-political situation, allowing for an honest dialogue of all important social forces in Poland;

—motivated by my concern about further economic development of our country and having in mind the concentration of all Poles around the task of economic reform as a task of particular importance, in the absence of which we are faced with economic regression and backwardness, particularly in relation to the developed countries;

—drawing conclusions from the attitude of millions of working people, who over the last four years didn't find a place for themselves in the present trade unions, remained faithful to the ideals of "Solidarity" and wished to get involved together with them in active work for the good of the Motherland within the framework of a socio-trade union organization, which they could recognize as their own;

I am calling on the Council of State to take measures, which—consistent with binding legislation—would enable the realization of the principle of union pluralism, finally putting an end to the martial law legislation which constrains the development of trade unionism.

At the same time—for the sake of social peace and the need to concentrate all social forces on [the task of] getting out of the crisis—I declare readiness to respect the constitutional order, as well as the law of 8 October 1982 on trade unions. True, the provisions of this law are far from our expectations, but they nevertheless create possibilities of working and respecting the principles of the freedom of trade unions and union pluralism, and only temporary regulations are blocking the realization of those principles. It is high time to put an end to those temporary regulations and to lead to the normalization of social relations in the area of trade unionism. This is [within] the competence of the Council of State.

I trust that the Council of State will wish to take advantage of that competence and use—perhaps this unique chance—to strengthen social peace and activation of all social forces for the good of our country.

[signed] Lech Walesa

Submitted to the Council of State on 2 October 1986.

[Source: *Institute of Political Studies (Polish Academy of Sciences), Warsaw. Translated by Jan Chowaniec for CWIHP.*]

Memorandum of Conversation

18 October 1986

P r o m e m o r i a

for H.E. rev. Abp. Bronislaw Dabrowski about a conversation in the Belvedere held on 18 October 1986 by A. Swiecicki, J. Turowicz, and A. Wielowieyski with Vice Chairman of the Council of State, K. Barcikowski, member of the Council of State K. Secomski, and Secretary of the CC PUWP, St. Ciosek, concerning a Social Consultative Council.

The conversation started at about 9 a.m. and lasted three and a half hours. K. Barcikowski referred to questions which he had received from the Episcopate. He expressed their mutual lack of trust. The proposal [for the Council] is new and startling. It would be the only means to get involved in difficult decisions. Participation in [the proposed Council] is a matter of citizenship, a duty. Its composition [is] well balanced: 30-40 people [would be involved] for certain (but there are proposals to expand that list and to invite other people on an ad hoc basis). Of the Catholics from the circles close to the Episcopate, 8-10 people [would be active]. Besides representatives of the [ruling] party and other parties, non-party people, including those not connected with the authorities (but not extremists, who are re-activating the “S[olidarity]” structures) [would also actively participate].

The proposed Consultative Council is meant to increase trust and develop recommendations, which the Chairman of the Council of State (Gen. Jaruzelski) would pass on to the proper state organs as important proposals. Its effectiveness will depend on the authority [that it can command]. There will be a place for the opinions of its members, and the circles to which they belong. The Consultative Council has to work out some consensus.

The Consultative Council would be set up by the Chairman of the Council of State personally and not by the Council of State as such, which has too narrow a range of responsibilities and competence.

A possible range of activities of the Council [is] building: 1) social understanding, 2) functioning of the State, 3) conditions for economic progress, 4) scientific-technical progress, 5) development of socialist democracy, 6) current and prospective social policy, 7) environmental protection, 8) improvement of the moral condition of society; as well as other important matters.

The creation of approximately ten similar “citizens’ convents” for larger agglomerations or several *voivodships* [districts] and also the appointment of a Citizens’ Rights Ombudsman is expected.

K. Barcikowski, referring to a note he received at the beginning of the meeting from A. Wielowieyski, said that there is some skepticism toward these proposed bodies, but that he was sure that a “façade counts too.” Criticism towards consultative bodies is incorrect, anyway, as they are actively operating.

Taking a position on particular points of the “Note”

—he called into question an assertion that union pluralism is indispensable for the longer term;

—he expressed surprise that Catholics would aim at forming associations and said that the authorities might take a position on this matter, but only if all the interested parties would first take a position toward the proposed Council (ref. to question 8);

—in schools one can see an aversion shown by Catholics (question 9);

—[he said that] the demand that the Council be representative creates the impression that it was to be made according to a “prescription;”

—[he noted that] the question of informing public opinion about the workings of the Council requires further thought; certainly discretion will be needed (question 5);

—[he questioned if] the participation in the Council, of people connected with the authorities (e.g. with the Party) mean that only people opposed to the authorities should be in the Council? (to question 6—it would be an issue to raise);

—[he said that] consultations with Walesa are not being foreseen without [Walesa] fulfilling conditions which the government’s spokesman talked [about] (on TV), i.e. cutting himself off from other “S” leaders;

He thought the note was one-sided.

Subsequently a mutual clarification of positions took place.

A. Wielowieyski stated that the configuration of social forces is very unfavorable to efforts to overcome the crisis due to the fact that the majority of society is passive, has no confidence and is skeptical towards the authorities. The greatest need is to create a self-identity—that is how he explained the need for pluralism and having the proper representation of other social groups—identity indispensable for improving the climate and for the defense of the needs of those groups.

A. Swiecicki talked about gradual realization of the principle of pluralism. He pointed to: 1) a need to create an educational environment, 2) pressure for secularization in schools (study of religions and verification of teachers) is stimulating a fighting attitude among the clergy, and 3) representation of particular segments of society in the Consultative Council should match the prestige and significance of people proposed (there are indications that people who are invited are not representative of those social segments.)

He emphasized several times that Catholic associations were better educationally, since they were more independent than the parishes, but they could be formed only as local organizations.

J. Turowicz pointed out that “normalization” is perceived negatively by society and seen as a means of reinforcing the totalitarian system. The need to reform the system was broadly felt. He did not think that Catholics should be in majority in the Council, but he questioned the way the extremists were being defined (e.g. Mazowiecki or Geremek are counted as part of that group, but these are, after all, reasonable and moderate people).

As far as the names of people for the Council from the government side [are concerned], these could not be compromised names. He repeated arguments about a possible ineffectiveness and ostentatiousness of the Council, and also about the need for school neutrality.

Towards the end of the discussion he emphasized that social pluralism is a fact, and that the institutions in which society could broadly participate could not be licensed exclusively. He also raised the possibility of a role not only for Catholic associations, but for the others too (e. g. he mentioned D and P).

A. Wielowieyski, referring to K. Barcikowski's words about social organizations, mentioned, among other things, a particular feeling of helplessness on the part of peasants towards the political and economic apparatus governing the countryside (agricultural and mechanical associations), associations in which even heads of the communities are helpless.

K. Barcikowski referring to the above-mentioned matter said (without denying the fact) [that] this would not be easy to fix soon.

—took an unwilling position toward the creation of associations; said the parishes are acting legally, with the authorities' consent, while there had been talk at the Joint Commission about associations, long ago; says that the more the Church gets, the more it wants (there was unwillingness, but not a decisive refusal);

—he evaluated Walesa critically;

—he did not exclude altogether union pluralism in the future though it was inadmissible [now];

—it was difficult to commit to cooperation with people, who were declaring [their] hostility;

—defended pro-governmental social organizations (they were "alive"[active, not moribund]);

—expressed regret that in 1956 religion was not left in schools; since the Church had created its own network of religious teaching, and the "state secular school" was just a response to that network and it had to defend itself against the Church;

—you were making a mistake, you wanted to sell us an "angel" (some kind of an ideal society, which doesn't exist), your promises will eventually shrink, the Church doesn't have influence on attitudes toward work; however, towards the end of the discussion, to an argument that the Church nevertheless has had influence on moderation and non-violence within society, he did not oppose it, but said that, after all, both sides have been temperate;

—he emphasized that, after all, all proposals from this talk would have to be approved by the party;

—we appreciated you very much, but we can dispense with your advise, we announced amnesty for political reasons, but we would not have done it if it would have complicated the situation in the country;

—the amnesty had moved the intelligentsia circles tremendously, but for the workers it did not mean much;

—you were maximalists; I did not see a rapprochement; my opinion was authoritative. I did not exclude further talks, but our proposals were not going to change much, we would not come up with concessions because we did not have to. Both sides had been involved, and if it did not work, the country will have to pay for it;

—haste is not in our interest.

Stanislaw Ciosek

—recalled the negative results of pluralism in 1980/1981 and rejected it, arguing that the whole world has a totalitarian system;

—the curve of social expectations was declining, and no revolts or tragedies were going to happen now;

—he said he knew the report “5 Years After August [1980],” prepared by “Solidarity’s” advisers, but we knew it even better, and that was why we wanted to do something together with you to prevent [Poland from] becoming a colony of a stronger state.

K. Secomski spoke briefly and didn’t bring up anything of importance.

Done by:
Andrzej Wielowieyski

[Source: Stanislaw Stomma Papers. Translated by Jan Chowaniec for CWIHP.]

Anatoly Chernyaev's Notes from the Politburo Session, 8 May 1987

On the Doctrine of the Warsaw Treaty Organization.

The essence of the issue is whether to say that we have more troops in the center of Europe than NATO has, or not. We need to close down Vienna somehow. If we want to be honest, we have to say that. We were cunning for 13 years, and we have to admit it now.

Letting the lies stand would create even more problems with the public opinion. We are raising the issue of disarmament, and trying to avoid it ourselves.

Akhromeev. I think that we should try to find a solution on the issue of the disbalance of armaments in Europe, and we should state it openly.

Gorbachev. Policy in the main issue here. The speculations are going on. Remember, I told you about my meeting with Thatcher. She said that they were afraid of us. That we invaded Czechoslovakia, Hungary, and Afghanistan. This perception is widespread among the public there. It persists in the minds of many people. Anti-Soviet propaganda is based on it. We should strengthen our policy for humanization of international relations with our actions.

We should let them know that we are not just sitting or lying on our military doctrine, but we are trying to find a way to make the world more stable. Now even parity seized to be a guarantee. Therefore, we propose to act in an appropriate fashion. And we will not be stubborn about having 27 thousand tanks and almost 3.5 million soldiers there.

We overlooked a very important question--the question of sufficiency. Many scientists, the public responded to this idea. And we need to make a statement that we are striving to keep the armaments at the lowest level.

About disbalance. Nobody in the Defense Council could explain clearly what strategic parity was. This not a question of statistics, it is a question of policy. Strategic

parity means that we have a reliable guarantee of defense of our country. And the enemy will not attack us because in that case it would receive an unacceptable retaliatory strike. If we anticipate such a result, we have parity. But we start counting--a gun there, and a gun here--then we should stop building of socialism. They have 6 billion people working on armaments. So should we try to catch up with the number? We should put an end to such an approach.

We are stealing everything from the people. And turning the country into a military camp. And the West clearly want to pull us into the second scenario of arms race. They are counting on our military exhaustion. And then they will portray us as militarists. And they are trying to pull us in on the SDI. These are the positions, from which we should formulate our military doctrine.

And when we speak about the number of our troops in Europe, and if we state the numbers honestly, then we would have to come to the decision to withdraw them at an appropriate time. It is important for the leadership of our allies that we keep our military presence there. And it is not so important how many troops there are. We also need the presence, it is a political element--so that others knew. If they touch our allies--they would have to deal with our power.

Therefore, the approach of one soldier there, and one soldier here, they have a bullet, and we have a bullet--is not our approach.

We need to make it clear. Let us say, we keep 170 thousand. But there should be no rush--like we were going to withdraw the rest immediately. In short, we should push the Budapest initiative. We should not allow this to look like a retreat. We need to think this through, discuss with our allies, and then propose to the West during negotiations. Let them react. Maybe they will tell us that we do not need to do it. It is important for us to untie the line of trust, trust, and trust once again. The West is speaking about it all the time, and we are just cunning around.

And if we are speaking about Europe: from the Atlantic to the Urals, where we will have to deal with the troop numbers, they are afraid of it, because they would have to ship the Americans over the ocean.

Archive of the Gorbachev Foundation,
Moscow, Russian Federation

Translated by
Svetlana Savranskaya

[Polish Government] Report, “A Synthesis of the Domestic Situation and the West’s Activity”

28 August 1987

Warsaw, 28 August 1987

A synthesis of the domestic situation of the country and the West’s activity

The moods in social segments against the background of the economic situation

—Generally, anxiety is rising due to the prolonged economic crisis. The opinion is spreading that the economy instead of improving is getting worse. As a result, an ever greater dissonance arises between the so-called official optimism of the authorities (“after all, it’s better [now]”) and the feeling of society.

—Criticism directed at the authorities is rising because of the “slow, inept and inconsistent” introduction of economic reform.

—Social dissatisfaction is growing because of the rising costs of living. The opinion is spreading that the government has only one “prescription,” i.e. price increases. Against this background the mood of dissatisfaction is strongest among the workers.

—[The] belief is growing that the reform has not reached the workplaces, [there is] a lack of any improvement in management and organization of work.

—Confirmations of the above moods are [the following factors:]

a) in the period January-July 1987, there were 234 collective forms of protest, i.e. more than in the same period last year;

b) a total of 3,353 people participated in work stoppages, while only 1,729 people participated in such stoppages last year;

c) the role of workplace union organizations in inspiring conflicts that threaten work stoppages is rising.

—Disappointment and frustration is deepening within the intelligentsia, which placed great hope in the reform for overcoming technical and “civilizational” backwardness, and thus in their own social “promotion” and improvement in their standard of living.

—Characteristic of these circles, [which] otherwise stand far removed from the opposition, is the opinion that the “government is strong when it comes to keeping itself in power, but weak and helpless in fighting the wrongs which lead to economic anarchy and the demoralization of society.”

—Consecutive liberalization measures, such as consent to create several associations, publication of the journal *Res Publica*, reissuing of *’ad*, or Czyrek’s meeting in the Warsaw KIK, have little resonance within society and render little help in improving the “reputation” of the government. One can put forth the thesis that their reception is larger in narrow circles of the so-called moderate opposition and in some circles in the West than in the broader public opinion at home.

—Reaction to the Social Consultative Council, which at the beginning was very positive, is deteriorating. The opinion that the Council has not lived up to expectations, and that it is a “couch” [*Kanapowe*, meaning: composed of a few individuals who can fit on one couch] device, is gaining [ground]. It is pointed out that only about a dozen

members in the Council are active, while the majority is silent or has nothing to say. Even a report submitted in the Council by Prof. Szczepanski on resolving the crisis didn't produce any significant response (except in some circles of the so-called moderate opposition and among some Western correspondents).

—These unfavorable trends are not being compensated [for] by active Polish foreign policy and [its] undeniable successes in overcoming barriers of isolation and restoration of Poland to its proper place in the world [after the sanctions imposed by the West following the December 1981 martial law crackdown]. These successes are being noticed and even present an element of surprise in the West, where the “originality” or “national character” of the so-called Jaruzelski Plan is being stressed. The development of political relations with the West is also observed carefully by the internal enemy, causing it irritation and apprehension that the opposition might be left on its own. But for the “average” citizen, foreign policy is something remote, without an effect on the domestic situation of the country and the standard of living of the society, and, what is worse—an impression is created that the authorities are concentrating their efforts on building an “external” image, neglecting the basic questions of citizens' daily lives. Generalizing, one can say that:

1) confidence in the authorities and readiness to cooperate in the reconstruction of the country is declining at a very fast rate, which is caused mainly by the ineffectiveness of actions [taken] in the economic sphere. Liberalization measures undertaken so far are not able to stem this process;

2) Against this background, one can also clearly note the declining prestige of the First Secretary of the CC PZPR;

3) A state of discontent is growing ([among] workers and intelligentsia groups, and partly in the villages) and it is gradually, but systematically accumulating. The situation in the camp of the political adversary.

—A seeming decline of activities “on the outside:” fewer leaflets, new initiatives or provocative appeals. Also, the planned ceremonies of the “August Anniversary” are less impressive and aggressive in content and form than in previous years;

—The adversary admits that in terms of organization it is at a standstill, and in its political and propaganda interaction it made mistakes and found itself on the defensive vis-a-vis the government (see our campaign around US financial support for “Solidarity”);

—However, a number of symptoms indicate that as far as the adversary is concerned, it is the “calm before the storm.” For the adversary says that:

a) each action by the authorities in the economic sphere will be favorable to the opposition (failing to implement it or the incomplete realization of economic reform will cause stagnation or regression, and as a result rising social dissatisfaction, but a similar result can be brought about by full implementation of reform, as it will result in a temporary decline in purchasing power, layoffs, etc.);

b) government policies are approaching bankruptcy, and it must come to the next crisis;

c) the government has already entered into the next curve and is losing control over the development of events;

d) the government is becoming more and more susceptible to social pressure;

—Based on these premises, the adversary has come to the conclusion that it does not have to bother much—it is enough to sustain a mood of justified anger and wait and join, at the right moment, the eruption of dissatisfaction, as in 1980;

—the adversary has already undertaken specific preparations in this direction:

a) energetic steps are being taken to increase and institutionalize financial grants from the West. These steps, for the time being, have succeeded in the US Congress granting “Solidarity” US \$1 million;

b) under consideration is the reorganization of top leadership bodies, their transformation into a sort of Staff “capable of taking operational decisions and coordinating actions;”

c) communication systems between the underground and diversion centers and “Solidarity” structures in the West and among particular regions are being perfected;

d) a network of alarm communication is being set up in case of a general strike;

e) under consideration is the strengthening of the infrastructure and training for the illegal structures in the regions;

f) printing facilities are maintained in full readiness (fully loaded with equipment, the underground is unable to “absorb” the machines transferred from the West);

—a peculiar kind of “detonator” may turn out to be terrorist actions planned by the extremists, preparations for which are advancing;

—obviously, all areas of activity of the adversary so far are still valid, thus:

a) criticism of the system and the authorities for economic ineptitude, falling behind the Soviet “*perestroika*,” for halfway liberalization measures— most often through interviews of opposition leaders to the Western media and in contacts with representatives of foreign governments and embassies;

b) disruptive activities in relations with the West, through repeated demands that the essential condition for changing the Western attitude toward Poland on questions of trade and credit should be the restoration of trade union pluralism and ensuring legal activities for the opposition;

c) strengthening the so-called second circulation publishing;

d) attempts at rebuilding illegal structures at work-places.

Activities of the Western special services and centers of diversion

—Activities of the intelligence services are directed mostly at reconnaissance:

a) the state of the economy, the decisiveness of government in implementing reforms, differences of positions in this regard within the top leadership and mid-level *Aktyin* [party activists], as well as the implementation of reforms (from the “top” to the workplace);

b) possibilities of eruptions on a larger scale.

—Assuming such a course of developments, the “spectacle” with American donations for “Solidarity” was arranged on purpose. The point was, among others, to show “who is the master here” and as a result to subordinate even more strongly the illegal structures in the country to the power centers in the West, and in fact to the special services in the US.

—This operation turned out to be a success: the under-ground (with few exceptions) agrees to be a US instrument. The adversary is so sure of its power in the under-ground that it steadily extends [the underground's] range of tasks:

- a) an ever wider realization of demands in the area of economic intelligence;
- b) identification of the Security Services functionaries (names and addresses) and preparations for provocation against our apparatus (this scheme is known from previous crises);
- c) inspiring terrorist actions.

—At the same time the process of upgrading the opposition leaders as “trustworthy and legally elected representatives of the society” is continuing (e.g. many recent invitations for Walesa to foreign events, contacts by Western officials with the leadership of the opposition). The purpose of these measures is quite clearly the re-creation of the opposition leadership elite from the years 1980-1981 in case a similar situation arises.

—Activities coordinated within NATO by the US, aimed at strengthening the position of the Church (contacts with Glemp and other representatives of the hierarchy, new inspirations involving the Church in the matters of foundations), are also continuing.

—Activities aimed at strengthening the American presence in Poland on a larger scale are being intensified:

- a) independent of official visits, there are more and more visits of politicians and experts, which the Americans themselves define as study travels (what in practice is tantamount to the realization of intelligence demands);
- b) the Americans are strengthening their influence among politically active, opinion-shaping circles, which is confirmed by, inter alia, their current fellowship programs. They are most clearly taking an interest in young people, [who are] outstanding in their field, as their aim is to generate a new pro-American leadership elite.

—Similar activities are directed at the centers of ideological diversion.

Changes in evaluations of the economic situation in Poland formulated in the West

—Already in the first months of this year, Western intelligence and governmental experts' evaluations presented rather positive opinions about a “spirit of change” in Poland and on theoretical assumptions of the reform. Opinions were expressed that if the authorities “introduce proper structures, mechanisms and institutions enabling effective introduction of the second stage of economic reform,” then Poland “will have a chance for economic development”;

—In Western estimates from this period, one can see that at least some forces in the West have identified their interests with the reform course in Poland. Hence, [there have been] all sorts of “encouragement,” and sometimes pressure, to speed up, deepen, [and] expand the reform process (both in the economy and in the superstructure);

—However, in mid-1987 one can observe increasing criticism in the evaluations and prognoses for the Polish economy made by the Western intelligence services and government experts. These assessments are sometimes extended to the whole domestic situation. For example:

a) intelligence specialists and congressional experts in the US [state]:

- The results of the reform so far are disappointing. So far there is nothing which would indicate that in the near future the authorities will be able to stabilize the economic situation. One should even assume a growing socio-political destabilization.
- Straightening out the mess is dragging on, and as a result Poland may fall into an even more turbulent state than before.
- The inactivity of the authorities may have an exponential effect in the form of increased confrontation and isolation.
- If the government does not take immediate and decisive measures, it may lose an opportunity to escape this labyrinth of difficulties.

b) NATO experts:

- The economic situation is very complex and the opposition's activity is resulting in a situation for the authorities that is no less dangerous than it was in 1980.

c) A new element is that experts from neutral countries are formulating similarly drastic assessments. For example, the Swedes [note]:

- The reform policy is losing speed, and paralysis in the government's activities is increasingly visible.
- The danger of an economic and societal crash is approaching.
- Poland is becoming a keg of gunpowder.
- Such evaluations may result in a fundamental change in the position of the West [with their] slowing down political normalization and gradual reconstruction of economic relations with Poland. One proof of this may be [in the] deliberations among the diplomats of NATO countries in Warsaw:

a) Is it worth it to support reform efforts in Poland since the reform cause is losing, and maybe it has already been lost[?]

b) Is it worth it to still invest in the present team[?]

c) It is not by accident that the embassies of NATO countries are currently conducting investigations [into] organizing people, who "lost hope in the possibility of the PUWP improving the situation" and [into] a possible organizing by those people into a new party (association), which "would support [the] PUWP on the basic line, but would use different methods."

[Source: Andrzej Paczkowski Papers. Translated by Jan Chowaniec for CWIHP.]

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POINT PAPER... DEFENSE AND SPACE

-- Shevardnadze said in October that the Soviets no longer want to discuss SDI but rather find mutually acceptable language on the ABM Treaty that will ensure "strategic stability" as we move ahead with offensive reductions.

-- In his October 30 letter to you, Gorbachev said that "what remains is, in effect, to agree on the period of nonwithdrawal."

-- Gorbachev's first priority at the Summit will likely be to get a formal U.S. commitment to observe the ABM Treaty regime.

-- It is not clear whether he will seek an understanding now on what "observance" would entail or propose to leave that for the future. The recent trend suggests putting it aside.

-- Gorbachev's approach will likely combine some of the following:

Affirmation of Adherence to the ABM Treaty

-- In the October 30 Statement, we agreed that an objective for the Summit is to consider instructions to delegations on "...the observance of and non-withdrawal from the ABM Treaty for an agreed period."

Emphasis on Resolving the Duration Issue

-- Shevardnadze and Gorbachev have stressed that agreement on 10 years is the key issue. In his October 30 press conference here, Shevardnadze said this was an issue "to be discussed."

-- Factors influencing the Soviet position on duration seem to include how long START reductions will take, when and if subsequent negotiations will occur, and when the results of the SDI program will emerge.

Compliance with the ABM Treaty During Period

-- In lieu of an explicit agreement on what it means to "observe" the ABM Treaty, the Soviets have suggested two ideas for ensuring compliance with the ABM Treaty during the period.

- o Using a "rejuvenated" SCC for settling disputes over ABM Treaty compliance during the period, and
- o Having the right to terminate START obligations should a side grossly violate the ABM Treaty.

-- These concepts are likely to remain integral to the Soviet approach if Gorbachev is counting on U.S. domestic pressures -- political, budgetary -- to constrain SDI in the future.

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POINT PAPER: START

- Expectations rising for START agreement by Spring; can be done, but no time to waste.
- On sublimits, should try to pin down numbers during summit:
 - o On Ballistic Missiles, U.S. wants 4800, Soviets 5100
 - o On ICBMs, U.S. proposed 3000, Soviets 3000-3300
 - o On heavy ICBMs, U.S. proposed 1650 limit that includes missiles with 6 or more warheads; Soviet offer would cap heavy ICBMs only at 154 -- equivalent to 1540 warheads -- we should try to pocket this proposal.

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AUTHORITY:

Soviets have succumbed to U.S. insistence on 50% cut in throwweight, but are only offering unilateral statement; should get commitment to write 50% level into Treaty.

Soviets see our demand to ban Mobile ICBMs as disingenuous. Should put burden on them to prove limits can be monitored; should also seek agreement that if acceptable verification regime can't be agreed upon, mobiles would be banned.

Agreed at Reykjavik to find way to limit nuclear-armed Sea-launched cruise missiles (SLCMs) outside 6000 limit. Soviets want numerical limit of 400 on two submarine types, none on surface ships. No way to verify their proposal -- should press instead to exchange data on deployment plans.

Verification is key tool to resolving remaining issues. INF showed again that "devil is in the details." Solutions to throwweight, mobiles -- Soviet agenda items, such as counting rules -- may emerge from intensified focus on verification. Want Soviets to propose measures, not just react to ours.

Soviets may raise - "obstacles" introduced by U.S.:

Backfire bomber: U.S. wants it included as strategic bomber; Soviets do not. In SALT II, Soviets made unilateral statement that Backfire was medium-range bomber and would not be given intercontinental capability; also promised to limit production to 30 per year -- seem to have kept both promises. President Carter said U.S. considered Soviet commitments essential obligations of SALT II; signed Treaty on that basis.

Air-launched Cruise Missiles: U.S. says range permitted under SALT (600 km. maximum) may not be adequate, but has not yet tabled alternative. Soviets concerned we may seek to raise the limit to exempt future U.S. long-range conventional ALCMs; internal USG decision is near.

Counting Rules: Soviets not pressing this issue, but U.S. says SALT-era rules (which Soviets want) may not be good enough for warhead-limiting START Treaty; we haven't tabled proposals since USG is still considering alternatives.

- 2 -
D O L G O S T O V O

D&S Contingency: Possible Wild Cards

-- Possible variations that Gorbachev could push include the following:

-- Sensors vs Weapons? In the context of the Soviet "list," Gorbachev could offer a more relaxed regime on sensors (such as for early warning) in exchange for no development or testing of "weapons" in space. Keeping "weapons" from space has been a recurrent theme since the Geneva summit.

-- Defining Other Physical Principles (OPP)? Gorbachev could argue that the real problem is that no one knows what OPP systems and components are and that this is the issue to which the sides should now turn their attention.

-- Role for Defense Ministers? Since the April Ministerial, the Soviets have hinted at involving Defense Ministers in the permitted/prohibited activities dispute. Gorbachev could suggest that Yazov (if he comes), Akhromeyev, Carlucci and Crowe get together at the Summit or thereafter.

-- Combining START and D&S? Several Soviet officials have plugged the idea of a "one-Treaty" formulation involving essentially two obligations on D&S: adherence to the ABM Treaty for the duration of the START agreement and the right to escape a START Treaty in the event of a serious breach of the ABM Treaty.

-- New Ideas on Verification? Soviet scientists/academics say that having U.S. observers witness a future Soviet space launch -- perhaps even inspecting a payload -- is under consideration in Moscow. At NST, CD, and elsewhere, the Soviets have urged pre-launch inspection of space payloads.

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INTERMEDIATE-RANGE NUCLEAR FORCES (INF) TREATY

- INF is a fine Treaty.
- The key to its success is full implementation of its provisions, including all of the verification measures that were so painstakingly negotiated.
- The measures that we have agreed to are new for both sides and there will no doubt be wrinkles to iron out as we proceed.
- What is important is for both sides to have confidence from the very beginning that it is going to work.
- We will be under terrific scrutiny. But I think we should take our cue from the successful first year of the Stockholm Document's inspection regime.

INF as a Beginning

- I think we both agree that the INF Treaty should only be the first step.
- It wasn't easy getting here, so let's make this hard work serve as a guide for future agreements.
- Specifically, let's remember the importance of the principles of U.S.-Soviet equality and effective verification as we hammer out the details of a START treaty.
- For as the security of our two countries increases, so will the prospects for peace and security throughout the world.
- Our INF verification experience will provide a good foundation for seeking comprehensive verification measures that will be necessary in other arms negotiations, especially in START.

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START

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- We have come a long way since we first met in Geneva. Expectations are rising that we can reach a START agreement before next summer.
- I think it can be done, but we can't waste any time.
- We have agreed that our meeting here should result in specific instructions to the negotiators. I'd like to run through some issues that require our attention now.

Sublimits

We are close on both the concept and levels:

Sublimit on all ballistic missile warheads.

- o We prefer 4800. You say 5100. We should solve this while you are here.

Sublimit on ICBM warheads.

- o A sublimit on ICBM warheads would help stability.
- o You obviously don't disagree in principle since you proposed 3000-3300 in October. We should try to reach final agreement on this now.

Sublimit on heavy ICBMs.

- o You have offered to limit your heavy ICBMs to 154 and heavy ICBM warheads to 1540 -- this is constructive and should be written into the Treaty.

Throwweight

Your side has said it will reduce throwweight by half, and not exceed this limit. So we agree on the basic substance.

This issue is important to us.

- o Your missiles can deliver much more payload than ours.
- o Without reductions and enduring limits on throwweight, many here will question seriously whether a START agreement actually improves our security.

-- Your side has offered a unilateral statement about reducing and limiting throwweight.

-- We think this matter is too central to our security and the viability of a START treaty to be handled that way.

-- We should agree in Washington to instruct our negotiators to work out a way to record this limit in the Treaty.

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Mobile ICBMs

- You have objected to our proposed ban on mobile ICBMs.
- You are deploying two varieties. The SS-25, which goes on roads, and the SS-24, which goes on the railroad.
- We do not oppose mobile ICBMs in principle -- we, too, are developing plans for ICBMs that would move along highways and railroads.
- We recognize that such missiles might improve stability -- but only if there is a limited number and we can verify it.
- So verification is the key.
- As Secretary Shultz has told you, we are willing to work very hard on this with you.
- That will require a major effort by your people as well -- we will look for creative proposals from your side.
- If you are willing to do that, I am ready to agree to instruct our delegations to develop measures to verify a sublimit on mobile ICBMs.
- You and I should agree that if our negotiators can't develop such measures, then mobile ICBMs should be banned.

Sea-Launched Cruise Missiles

- At Reykjavik, both sides agreed that nuclear-armed SLCMs would be dealt with outside the 6000 limit. We agreed to find a solution to limiting these weapons.
- Your solution is a specific limit on SLCMs. We see two major problems with this:
 - o Your proposed limits would severely hamper our conventional naval capabilities. We cannot accept that in an agreement on strategic nuclear forces.
 - o And, we just don't see any effective way to verify limits.
- Perhaps we should look at the problem in a new way -- as one of predictability, not hard limits. Under this approach, the goal would be to provide each other a sense of each side's plans and programs.
- This would help ensure against surprises, and allow each side an opportunity to raise concerns with the other.

Verification

- We need to focus the work of our Geneva delegations on the issue of verification.
- There are two reasons this is crucial:
 - o Our experience with INF points out that important issues will arise; many unexpected. So it is not too soon to get cracking on this.
 - o Second, intensified work on this issue might point the way to solutions to the remaining problems -- particularly on throwweight and mobile missiles.
- So a real effort is needed now.

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DEFENSE AND SPACE

Preserving or Foreclosing Options?

- As Secretary Shultz and Mr. Carlucci framed the issue for you in Moscow, we need to find out whether there is a formulation which gives you assurances for the future but which preserves the strength and thrust of the SDI program.
- What the issue comes down to -- for me at least -- is the question of preserving options for the future.
- When we met in Geneva, you tried to convince me to renounce the SDI program altogether.
- At Reykjavik, we had a good discussion going, but you insisted on restricting SDI to the laboratory.
- What both Geneva and Reykjavik said to me was that you were trying to foreclose options.
- You were trying to cut SDI off at the knees before it ever had a chance to prove itself -- and before we ever had a chance to consider its possibilities.
- I will not do this. I will not give up what I believe is an opportunity -- for the first time since nuclear weapons came into existence -- to reduce the risk of war by learning how to defend effectively and efficiently against ballistic missile attack.
- I am not saying you must sign onto this opportunity now. I wish you would, but you may not have as much faith as I do in technology and our ability to use it to create effective defenses.
- That's all right. I am willing to convince you of the validity -- and viability -- of my vision for the future as time goes by and it becomes clear without a doubt.
- What I am asking -- indeed, I cannot accept anything but -- is that you not try to foreclose that option now.
- If your intent is to shut off possibilities before they've had a chance, then our efforts to find common ground in this area will ultimately fail.
- But if we can agree that our fundamental objective here is to preserve options, then perhaps we can work this out.

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Specific Formulations

- So how do we find that formulation?
- Seems to me we agree on one basic thing: that there will be a nonwithdrawal period from the ABM Treaty for a certain length of time and, during this time, the sides will observe the ABM Treaty.
- That seems straightforward enough but, as we both realize, it really isn't complete.
- Three things are missing. There are also a number of smaller problems that our delegations have been working on, but I think that if you and I resolve the bigger questions, the other problems might become easier.

Length of Nonwithdrawal from ABM Treaty

- The first is how long the nonwithdrawal period will last.
 - o You say ten years. We say through 1994.
 - o Our proposal would take us into the middle of the next decade -- a very long time if you consider that we would be undertaking an obligation affecting at least two future U.S. Presidential terms.

What Happens After

- The second is the question of what happens after the nonwithdrawal period ends.
- I would like to see spelled out a "right to deploy."
 - o Having the right to deploy would not obligate a side to exercise that right, any more than having the right to withdraw obligates a side to withdraw.
 - o Rather, getting back to the point I was making earlier, it is needed to preserve options.
 - o Should effective defenses prove feasible -- and that means meeting the criteria that I set of military effectiveness, survivability, and cost-effectiveness at the margin -- then I want to make sure that we can see it through.
 - o If effective defenses do not prove feasible or as long as we are still evaluating their potential, then we would not exercise the right to deploy and -- as long as you did not exercise that right -- we would continue to respect our ABM Treaty obligations.

Activities During Period

- The last big issue with regard to a formulation on "observance of and nonwithdrawal from the ABM Treaty" is what the sides mean when they say "observe."
- I think you know my views very well on this. I will not accept any restraints that go beyond those agreed to in 1972. This means that we should be able to take advantage of our full rights, including development and testing of systems based on new technologies.
- I am less clear about what your position is.
- You now say that some ABM testing could occur in space. I think that's a welcome development.
- But I have heard several different interpretations about your position; perhaps you would tell me yourself now.
- We also have our top experts with us. They should get together and report back to us through Secretary Shultz and Foreign Minister Shevardnadze.

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Contingency

If Gorbachev argues that "right to deploy" forecloses Soviet options:

- As I said, having the right to deploy would not obligate a side to use it. Rather it preserves that option.
- I'm not sure what we're arguing about; even under your proposal, the sides could deploy.
 - o All our current rights under the ABM Treaty will return at the end of the nonwithdrawal period.
 - o Currently, either side can deploy after giving six months' notice of intent to withdraw from the ABM Treaty.
 - o So even under your proposal either side could deploy after the nonwithdrawal period if it gave six months' notice.
- So what is the real concern here? A six-month notification period or making explicit what already is an implicit right?

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POLINT PAPER: NON-NST: ARMS CONTROL

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CHEMICAL WEAPONS

- Soviets pushing for early completion of treaty; have publicly accused U.S. of backing off global ban, encouraging proliferation through binary production.
- We continue to have serious concerns regarding verification; studying ways to enhance security within treaty regime.
- Round VII of bilateral talks began November 30 in Geneva. Encourage serious effort to tackle unresolved issues.

NUCLEAR TESTING

- First round of Nuclear Testing Talks November 9-21 in Geneva. Agreed to exchange visits to testing sites in January 1988, in preparation for Joint Verification Experiments (JVEs).
- Welcome Soviet willingness to make quick start, stress need for constructive effort to complete verification for TTBT/PNET.

CONVENTIONAL

- Main threat to stability in Europe is substantial Eastern conventional superiority. New negotiations should focus on conventional ground forces; participation should be limited to NATO and Warsaw Pact members.
- NATO's objectives -- greater openness, stable balance at lower levels -- in both sides' interest.

VIENNA CSCE FOLLOW-UP MEETING

- 1987 conclusion unlikely. East stalling on both security, human rights issues. Drafting moving at snail's pace.
- Stress U.S. willingness to stay in Vienna as long as necessary to achieve balanced outcome.

NUCLEAR NON-PROLIFERATION

- Need to focus efforts on South Asia. Soviet support for Indo-Pakistani non-proliferation talks would encourage process.
- Soviets should also consider our suggestion for joint summit statement calling on India and Pakistan to halt nuclear arms race in South Asia.
- Tenth round of NPT bilateral consultations set for Washington in January.

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SOVIET MILITARY PRACTICES

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- I am concerned by several recent instances in which actions by the Soviet military either did or could have resulted in serious injury -- even death -- to Americans or our Allies.
- On September 17, a two-man U.S. Military Liaison Mission team was fired on by a group of Soviet soldiers in East Germany, and the U.S. driver was injured.
- I understand that Soviet officials have already apologized for the incident and have said they are taking steps to prevent similar incidents from happening in the future. That's a welcome development.
- But, given the killing of Major Nicholson in 1985, this most recent incident should not have occurred at all.
- I'm sure you'll agree with me that our number one priority should be preserving life. When life is lost because of senseless actions, it is up to you and me to look into the matter to ensure that it does not happen again.
- Likewise, I was very concerned about the test-firing of Soviet ICBMs near Hawaii. It could have had very grave consequences if something had gone wrong.
- There have also been incidents in which Soviet fighter/interceptor aircraft have flown in a dangerous manner in the vicinity of U.S. military aircraft, primarily over the Pacific.
- The fact that a Soviet aircraft recently hit a Norwegian P-3 maritime patrol aircraft underscores the potential danger of such practices.

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COMPLIANCE

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- Full compliance with the obligations of all the agreements between us is essential.
- The record of the Soviet Union in this regard is very troublesome. No example stands out more clearly than the large radar you are building in Siberia near Krasnoyarsk (Kraz-NOH-yarzsk).
- To my mind, Krasnoyarsk is something like the SS-20 -- a Soviet deployment decision taken years ago that has caused deep suspicion in the West about Soviet intentions.
- You must decide whether Krasnoyarsk adds to your security -- or whether, like the SS-20, it is more of a liability.
- What I want you to understand clearly is how large a liability it really is.
- The suspicion aroused by Krasnoyarsk will make itself felt in all else you and I are trying to do:
 - o For example, I must answer this basic question -- if the Soviet Union has not complied with past agreements, why should the Senate ratify new ones?
 - o This will be a tough question to deal with on INF. And it could stop a START agreement in its tracks.
- You have said you are stopping construction of the radar. That's a step in the right direction, but not enough.
- The only real solution -- one that will dispel the mistrust caused by Krasnoyarsk -- is to dismantle the radar.

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Contingency:

If Gorbachev raises the modernization of THULE (Greenland) and/or FYLINGDALES (U.K.) -- two large radars the U.S. is building to replace old equipment at those locations:

- The situation is not analogous to Krasnoyarsk.
- Krasnoyarsk is a crystal-clear violation of the ABM Treaty. It's the wrong type of radar, in the wrong location and pointed in the wrong direction.
- The U.S. radars you mentioned are permitted by the Treaty. Early warning radars have always been there and modernization is permitted by the Treaty.
- We do not intend to, nor would the Congress allow us, to trade legal radars for an illegal one.
- Even the Congressmen that visited Krasnoyarsk came back convinced that it was a clear violation of the Treaty.

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CONVENTIONAL ARMS CONTROL

- Now that we've reached an INF agreement, conventional stability in Europe deserves our priority attention. Warsaw Pact conventional superiority is largest obstacle to greater stability.
- We are encouraged by your businesslike approach in Vienna on a negotiating mandate for conventional stability from the Atlantic to the Urals.
- Our objectives in the new negotiations will be to establish a more stable balance of conventional forces at lower levels and more openness in military activities.
- We will not agree to address nuclear weapons or capabilities in these negotiations, nor should neutral and nonaligned nations have a right of review over NATO-Warsaw Pact agreements.
- Our final decision to proceed with new conventional stability talks -- as well as with distinct negotiations on confidence and security building measures -- will depend on getting a balanced result at the Vienna CSCE meeting. We'll be looking for significantly improved Soviet performance in human rights.
- We await a constructive Eastern response to NATO's December 5, 1985 proposal, which went far toward meeting stated Eastern concerns.

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CHEMICAL WEAPONS

- When you and I met in Geneva in 1985, we agreed to "accelerate" negotiations on a chemical weapons ban.
- There has been progress since then, but our negotiators have a lot of hard work ahead.
- The Soviet Union has said that a chemical weapons ban can be concluded in the near future.
- The U.S. remains committed to a ban -- but only to one that protects our security by being truly global and verifiable.
- That's a tall order to fill, but one we'll keep working at.

If Gorbachev Raises U.S. Binary Program:

- The U.S. chemical weapons modernization program is designed to provide a stable, safer deterrent at lower levels.

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NUCLEAR TESTING

- The first round of negotiations got off to a good start in November.
- It's important that we make progress on verification improvements for the existing treaties, so they can be ready for ratification as soon as possible.
- I am also pleased by the Soviet decision to accept my long-standing invitation to visit nuclear testing sites. This can provide a good basis to move forward.

Date: 1/9/91

IS/PPC/ODR

DEPARTMENT OF STATE

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CDE IMPLEMENTATION

- We have been encouraged by the initial implementation of the military confidence- and security-building measures adopted at the Stockholm Conference.
- We welcome the positive approach the USSR took toward our inspection of a Soviet military activity in August.
- We note that you also have conducted two successful inspections of activities involving U.S. forces.
- It is important that this positive approach be extended to all commitments under the Helsinki Final Act.
- I believe this experience has demonstrated that inspections are not something to be avoided;
 - o They are an essential component of the confidence building process;
 - o Their use marks an important step forward for East-West relations.

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A Meeting of the Politburo, March 10, 1988

About COMECON.

Gorbachev: The HPR [Hungarian People's Republic] and the PPR [Polish People's Republic] have a volume of differentiated trade with the West three times as large as we have. We look at them askance when they walk away toward the West, but we cannot replace [Western goods] with anything. In COMECON we almost have no trade. Only primitive exchange. The essence is in oil [from the Soviet Union]. And our representatives feel no need to trade with them. And they do not feel it either. In the European Union there is a market, but not in COMECON. They [Eastern Europeans] even sell us food for currency.

Our assistance [programs to Eastern Europe] alone take 41 billion [rubles] annually from our budget. Cuba takes 27 billion. In relations with COMECON we must take care, first of all, of our own people. It has become excessively hard for us to conduct business as we have been doing for the last decades. The program [of socialist integration] is dead...

For instance, Poland, [First Secretary Eduard] Gierek. What was it all based on? On the credits from the West and on our cheap fuel. The same is [true] with Hungary. There are specific features in Yugoslavia. But even Yugoslavia is on the brink of collapse. We should draw lessons from all this.

What is our approach? Our priority is the political stability of the socialist countries. This is our vital interest, including the perspective of our security.

... We need the goods from socialist countries. And we bear our responsibility for [the future of] socialism. In an economic sense socialism has not passed the practical test. Therefore we should hang on. Although the situation is gripping us at the throat [*dushit*]. This is the first thing we should keep in mind. We cannot isolate ourselves from COMECON. But what is to be done? The main objective in our approach is what we have been trying to achieve today – to accelerate [*nazhimat na*] the scientific-technical revolution, development of machine-building interests, technological reconstruction. This will liberate [the socialist camp] from the purchase of technologies [from the West]. Consequently, this will free up hard currency...

We should be candid with COMECON and tell them: should we become integrated or not? And they must make up their mind, because we cannot forever remain a provider of cheap resources for you. If they tell us "no," then our hands are free...

Source: Notes of Anatoly Chernyaev. The Archive of Gorbachev Foundation, Fund 2, Opis 1

Translated by Vladislav Zubok
The National Security Archive

Anatoly Chernyaev's Notes from the Politburo Meeting, March 24-25, 1988

Discussion of the "Nina Andreeva affair"¹

(...)

Ligachev. Arguably, we will muddle through, will survive the attacks [by radical, anti-Stalinist forces in the Soviet mass media], but there are socialist countries, the world communist movement – what to do about them? Would we risk breaking apart this powerful support that had always existed side by side with our socialist countries? History has become politics and, when we deal with it, we should think not only about the past, but also about the future.

Chebrikov [KGB chairman]. There are things that should remain a secret. I would use this expression: there should be Kremlin secrets. Nobody should learn about them. A man dies and his secret dies with him. Understand? Should we turn inside out the secret that is passing away? Incidentally, we should look at the experience of other states, they take a strict approach to similar affairs. They have established time-limits: which material should be published after 30 years, which after 50 years, and some materials are sent to archives with the classification "not for publication."

...Some time ago I was in charge of the [KGB] archive. Even today I have access to it. I had to read many documents from the 1930's, even before the rehabilitation, and even before the post-war years. Those materials had a terrifying effect on me, regarding the crimes that had taken place in those years. And, of course, some perceptions had broken down, there was a breakdown of mentality. And this is not a simple thing: in someone it happens in one way, in others in other ways...

Gorbachev. I have been receiving letters where their authors write to me: you have set out to destroy what had been built by Stalin – a great state, national order... What I am getting I would not wish any of you to get. But I think: there are goals you believe in, [of which] you are convinced and [for which you are] prepared to go all the way, otherwise what kind of a character are you, what are you doing here? Behind you is the country, the world, and if you, like a petty soul, like a small fry to panic, to cry "wolf" and to hunker down to save your skin – then it is all over.

(...)

Shevardnadze. Primitivism, intellectual narrow-mindedness had prevented N.S. Khrushchev from implementing to the end the line of the Twentieth Party Congress [in 1956]. Primitivism and narrow-mindedness, I am deeply convinced, are bringing many socialist countries into a deadlock. Take for instance Bulgaria, take the old leadership of

¹ In early March 1988, the newspaper *Soviet Russia* published a feature article by "a professor from Leningrad," Nina Andreeva, under the title "I cannot forsake my principles." It quickly became a manifesto of the forces that opposed the radicalization of *perestroika*. Some Politburo members, including Yegor K. Ligachev, encouraged this process. Gorbachev was at the moment on a trip abroad, but when he returned, he addressed the issue at the Politburo and used the "Andreeva affair" as an occasion to rout ideologically conservative forces. [Editor's footnote — V.Z.]

Poland, take the current situation in the German Democratic Republic, in Romania. Is it socialism?

I will be frank: the communist and working class movement today is in a profound crisis, in a most profound crisis. Pick any party. Therefore everything that we have been doing over here – *perestroika*, renewal, improvement – are revolutionary processes. In essence, they promise the rescue of socialism. And any primitive approach can kill our enlightened cause.

Source: Notes of Anatoly Chernyaev, The Archive of Gorbachev Foundation, Fund 2, Opis 1

Translated by Vladislav Zubok
The National Security Archive

8. NIE 11/12-9-88, May 1988, *Soviet Policy Toward Eastern Europe Under Gorbachev*



Director of
Central
Intelligence

~~Secret~~

**Soviet Policy Toward Eastern
Europe Under Gorbachev**

National Intelligence Estimate

~~Secret~~

NIE 11/12-9-88
May 1988

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NIE 11/12-9-88

SOVIET POLICY TOWARD EASTERN
EUROPE UNDER GORBACHEV (~~CONF~~)

Information available as of 26 May 1988 was used in the preparation of this Estimate, which was approved by the National Foreign Intelligence Board on that date.

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KEY JUDGMENTS

General Secretary Gorbachev's policies have increased the potential for instability in Eastern Europe. But they have also expanded the scope for diversity and experimentation, affording new possibilities for evolutionary reform in the region.

Gorbachev has set an ambitious agenda for Eastern Europe. His aims are to secure East European support for the Soviet modernization drive, promote broader Soviet foreign policy objectives through closer Warsaw Pact coordination, and stimulate a deeper process of economic and political regeneration in the region. Aware of the region's diversity, he has set general guidelines for reform rather than detailed plans. But he faces East European realities—severe economic problems, aging leaderships, and mounting social discontent—that conflict with Soviet objectives.

Soviet policy under Gorbachev has sought to balance the competing objectives of encouraging change and promoting stability. Although Gorbachev has avoided a high-risk strategy of forcing change on these fragile political systems, continuing Soviet pressure, as well as the example of the Soviet reform program, has introduced new tensions into the region.

Growing Diversity, Sharper Conflict

For the next three to five years, Eastern Europe's outlook is for growing diversity—in responding to reform pressures, crafting approaches to the West, and managing relations with Moscow:

- Economically, Eastern Europe cannot deliver what Gorbachev wants. As the gap between goals and results grows more acute, Gorbachev is likely to exert stronger pressure on his allies to forge closer economic ties, upgrade performance, and implement domestic economic reforms.
- While the recent leadership change in Hungary probably comes close to Gorbachev's preferences for Eastern Europe, prospective successions elsewhere are not likely to yield the dynamic, innovative leaders Gorbachev needs to achieve his more ambitious goals in the region. Consequently, his pressures for change will continue to be aimed at regimes ill-equipped and, in some cases, unwilling to respond.

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Thus, at best, Gorbachev's approach can achieve only evolutionary progress toward political rejuvenation and improved economic performance in Eastern Europe. Continued, and probably heightened, Soviet pressure will lead to sharper conflicts, both within East European societies and between Moscow and its allies.

Potential Challenges to Soviet Control

Cross-pressures emanating from Moscow, coupled with severe economic and political dilemmas in Eastern Europe, could yield more serious challenges to Soviet interests. Three extreme scenarios are possible:

- *Popular upheaval* in Poland, Romania, or Hungary, involving a broad-based challenge to party supremacy and ultimately to Soviet control.
- *Sweeping reform* in Hungary or Poland, going well beyond Gorbachev's agenda and eventually threatening to erode party control.
- *Conservative backlash*, involving open repudiation of Soviet policies by orthodox leaders in East Germany, Romania, or elsewhere.

Of these, popular upheaval is the most likely contingency. Gorbachev will expect his allies to act decisively to end any political violence or major unrest. Indeed, East European leaders are at least as aware of the need for vigilance as Gorbachev is, and they have at their disposal powerful security forces that have proved effective in containing unrest. Should events spin out of their control and beyond the limits of Soviet tolerance, the ultimate controlling factor on change in Eastern Europe will be Soviet force:

- Gorbachev faces greater constraints than did his predecessors against intervening militarily in Eastern Europe; his foreign policy and arms control agenda, and much of his domestic program as well, would be threatened.
- A Dubcek-like regime would have much greater latitude to pursue reforms now than in 1968, and Soviet intervention to stop it would be more problematic.
- In extremis, however, there is no reason to doubt his willingness to intervene to preserve party rule and decisive Soviet influence in the region.

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Implications for the United States

Gorbachev's sanctioning of diversity and experimentation have expanded the limits of the thinkable in Eastern Europe, presenting new opportunities for US and Western policies:

- Economic dilemmas and high-technology requirements will lend strength to US calls for internal reforms of the kind already legitimized by Moscow.
- Gorbachev's active European policy and the generally more dynamic period of East-West relations will offer new opportunities for the West to engage even the more conservative East European regimes.

At the same time, Gorbachev's policies will complicate the coordination of Western policies toward European security. Differing Western approaches will make it harder for Western governments to reach a political consensus on dealing with Moscow and its allies, and harder for NATO to maintain a security consensus.

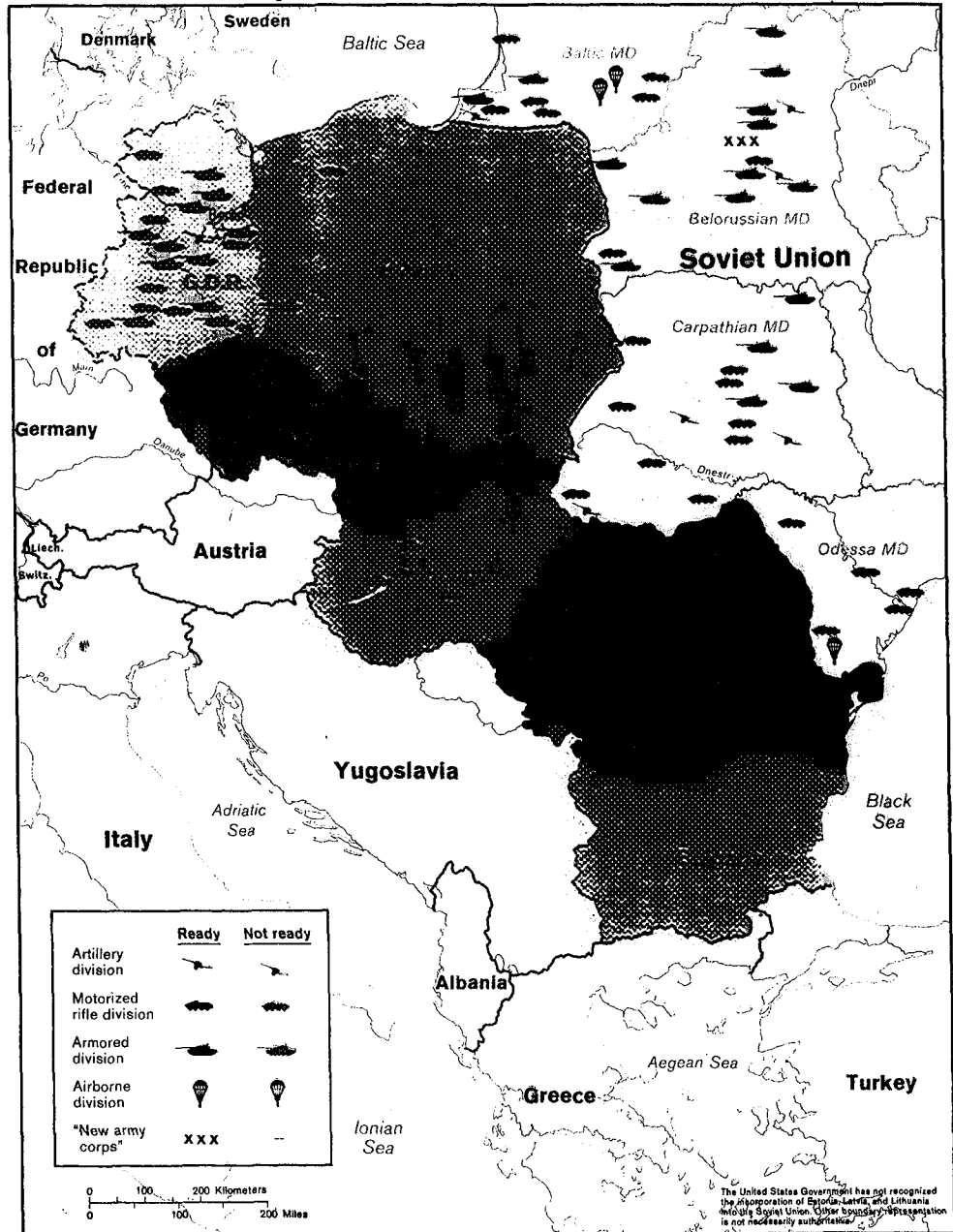
Gorbachev's policies also call into question some of the assumptions upon which the US policy of differentiation is based, in that the twin US goals of diversity and liberalization increasingly collide. Those regimes most at odds with Gorbachev's approach also tend to be the most orthodox and repressive, and the reform-minded Hungarians and Poles are now closely attuned to the Soviet line. In practice, however, our ability to influence the grand alternatives—reform or retrenchment, crisis or stability—will remain limited; we can at best encourage evolutionary movement toward internal liberalization and greater independence from Soviet tutelage.

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Figure 1
Soviet Forces in Eastern Europe



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DISCUSSION

1. Not since the early Khrushchev years have policy changes in the USSR had so profound an impact on Eastern Europe as those now being pushed by General Secretary Mikhail Gorbachev. These new winds blowing from Moscow, as well as serious internal economic and political dilemmas, have ushered in an era of considerable uncertainty—and potentially of significant change—in Eastern Europe. With the impending passing of an entire generation of leaders in the region, Soviet policy over the next three to five years is likely to be decisive in determining the scope and direction of change and, ultimately, the stability of the Soviet empire.¹ ~~(S NF)~~

2. For Gorbachev as for his predecessors, the importance of Eastern Europe can hardly be exaggerated: it serves as a buffer, military and ideological, between the USSR and the West, a base for projecting Soviet power and influence throughout Europe, a conduit of Western trade and technology, and a key external pillar of the Soviet system itself. The Soviet Union continues to exercise decisive influence over the region through a complex web of political, economic, and military and security ties, and there is no reason to doubt ultimate Soviet willingness to employ armed force to maintain party rule and preserve the Soviet position in the region. ~~(S NF)~~

3. At the same time, however, Eastern Europe is a region of chronic instability, recurrent crisis, and growing diversity; the tasks of Soviet alliance management have grown progressively greater. Successive Soviet leaders have sought both cohesion and viability in Eastern Europe; they have failed to achieve them simultaneously. Gorbachev, while mindful of the need for stability, has tilted the balance toward an agenda of change and reform in the interest of regime viability. Some veteran East European officials liken the current situation to Khrushchev's de-Stalinization campaign and the subsequent upheavals in Hungary and Poland in 1956; they fear that the Soviet reform

¹ This Estimate examines relations between the Soviet Union and its six Warsaw Pact allies—East Germany, Poland, Czechoslovakia, Hungary, Romania, and Bulgaria—over the next three to five years. It focuses on the impact and implications of Soviet policies in the region as a whole rather than offering detailed assessments of individual countries. ~~(S NF)~~

drive will unleash potentially uncontrollable pressures for change in Eastern Europe. ~~(S NF)~~

Eastern Europe in the Mid-1980s

4. The new Soviet leadership under Gorbachev inherited an Eastern Europe whose seeming quiescence was belied by serious problems just beneath the surface. To be sure, the challenge posed by Solidarity in Poland had been successfully contained with the imposition of martial law in December 1981, and the Jaruzelski regime had made some progress toward restoring party control and neutralizing its domestic opposition. Yet, throughout Eastern Europe, severe economic problems, rising social discontent, and political stagnation among the aging party leaderships created an unstable situation. ~~(S NF)~~

5. *Economies in Decline.* When Gorbachev assumed power in 1985, Eastern Europe had endured nearly a decade of economic decline and stagnation. Most obviously, the region-wide financial crisis of the early 1980s contributed to the end of an era of East-West economic detente: trade with the West declined sharply, new credits were scarce, and several of the East European regimes were compelled to enter into extensive refinancing negotiations with Western creditors. Trade relations with the USSR fared little better, as Soviet oil prices reached a new peak in 1982-83, belatedly reflecting the full brunt of the 1978-79 increases in the world market (as the five-year averaging mechanism for Soviet oil deliveries caught up with prevailing world rates). ~~(S NF)~~

6. These reversals took a heavy toll on standards of living, as the East Europeans struggled with large foreign debts and deteriorating economic performance. In Romania and Poland, shortages of energy and basic foodstuffs raised the prospect of economically induced political instability; elsewhere, problems were less disastrous but still acute. Failure to deliver the promised improvements in living standards—the linchpin of regime strategies in the 1970s—further undermined political legitimacy and deepened societal alienation. Reduced investments and growing lags in the scientific-technological revolution had also weakened East European competitiveness on world markets, further mortgaging the region's economic future. ~~(S NF)~~

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7. *Aging Leaderships.* Adding to Eastern Europe's decline was the stagnation and immobility of its aging party leaderships. By 1987, the average age of the six top party leaders was well over 70, their average tenure in office more than two decades. Only Poland's General Jaruzelski, a relative youngster at 64, and East German party leader Erich Honecker, still spry at 75, seemed capable of energetic leadership; most of the others were in poor health, presiding over leaderships bereft of new ideas. These were hardly the men to grapple with the difficult policy issues of the 1980s. ~~(S-INT)~~

8. Political malaise in Eastern Europe had been accentuated by a long period of enfeeblement in Moscow, stretching from the latter years of the Brezhnev era through the interregna of Yuri Andropov and Konstantin Chernenko. Three Soviet successions in the space of as many years, coupled with mixed policy signals, heightened uncertainties and complicated succession dilemmas in Eastern Europe. The absence of clear and decisive Soviet leadership also contributed to a period of drift in Eastern Europe, as each regime began to ad-lib its own approaches, even on some sensitive foreign policy issues. ~~(S-INT)~~

9. *Challenges to Soviet Authority.* Ideological erosion in Eastern Europe—accelerated by the crushing of Solidarity in Poland—gave rise to new independent social groups and, above all, to a resurgence of national consciousness throughout the region. In some cases, the regimes responded by attempting to co-opt nationalist sentiments, as in the Honecker regime's appropriation of Martin Luther, Frederick the Great, and others as precursors of the East German state. In others, official policy played on exclusivist, chauvinistic nationalism: the Bulgarian regime mounted a brutal assimilation campaign against its Turkish minority, and Romania's President Ceausescu increased repression against the Hungarian minority in Transylvania. ~~(S-INT)~~

10. More worrisome from Moscow's perspective were new signs of national self-assertiveness among its allies, particularly in the aftermath of INF (intermediate-range nuclear force) deployments in Western Europe in late 1983 and 1984. East European concern about the Soviet walkout from the Geneva disarmament talks in late 1983 betrayed deeper anxieties over the erosion of European detente. During the fall of 1984, there was an unprecedented, semipublic display of Warsaw Pact disunity—the Soviet and Czechoslovak regimes called for a tougher line and closed ranks, while the East Germans, Hungarians, and Romanians pressed for improved East-West relations and stressed

the special role of small states in promoting detente. ~~(S-INT)~~

11. For most of the East European regimes, the preservation of European detente was no longer just desirable; it had become an essential ingredient of their economic and political strategies. It also corresponded to rising pressures from below for national self-expression and self-assertion and for affirming the "Europeanness" of the East European states. Unlike the upheavals of 1956, 1968, and 1980-81, these trends did not directly threaten Soviet primacy in the region but were aimed at achieving greater scope for diversity in the interest of economic and political stability. Together with mounting internal problems, they added up to considerable disarray in Moscow's East European empire. ~~(S-INT)~~

Gorbachev's Policies Toward Eastern Europe

12. In Eastern Europe as elsewhere, Gorbachev's initial approaches were extensions of his broader domestic and arms control agenda:

- Domestically, Gorbachev was seeking to revitalize Soviet power and prestige through economic "restructuring" (*perestroika*) and a carefully regulated campaign of "openness" (*glasnost*), designed to strengthen a lagging economy, overcome bureaucratic resistance, and breathe new life into society at large.
- Externally, Gorbachev needed a respite from East-West tension and the debilitating arms race with the United States. He also sought to replace the rigid, ideological world view of his predecessors with a more sophisticated pursuit of Soviet regional interests, particularly in Western Europe and East Asia. ~~(S-INT)~~

13. As for Eastern Europe, Gorbachev probably did not have a fully developed conception of its problems and, as at home, lacked a clear and detailed plan of action. Improved economic performance was a high priority—to transform Eastern Europe from a drain on Soviet resources to an asset in the Soviet modernization drive and to promote economic and political viability. Gorbachev viewed with obvious disdain the hidebound leaderships in Prague, Sofia, and Bucharest, which reflected the corruption, inefficiency, and dogmatism of Brezhnev's latter years. Given his ambitious foreign policy program, he also required renewed discipline and greater coordination among the East Europeans:

- In pursuit of these objectives, Gorbachev needed to press change on the East Europeans, particularly in economic policy. But he also needed

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stability in the region, so as not to jeopardize his more urgent priorities at home.

— Although Gorbachev was not inclined to embark on a high-risk strategy, he also saw dangers in continued stagnation and hence was more ready than any Soviet leader since Khrushchev to encourage diversity and experimentation as the keys to long-term viability in the region.

— And, of course, Soviet approaches to Eastern Europe were not Gorbachev's alone. As on domestic policy, Gorbachev also had to take into account the views of other key Soviet officials. (See annex.) ~~(S-NF)~~

14. **Foreign and Security Policy Coordination.** Gorbachev's first task was to reassert firm leadership over Warsaw Pact foreign policy and improve coordination to support his far-reaching arms control agenda. This he achieved through a series of Warsaw Pact summits—six in his first two years—and the adoption of something approaching a conciliar system, whereby the East Europeans were briefed before and after major Soviet foreign policy initiatives. More important, the Soviet shift from confrontation to dialogue on arms control issues helped allay East European concerns of being caught in the middle of rising tensions, facilitating a natural convergence of Soviet and East European approaches on East-West issues. ~~(S-NF)~~

15. Gorbachev's ambitious foreign agenda also entailed a much greater role for the East Europeans. Jaruzelski and Honecker paid early visits to China aimed at restoring normal interstate and interparty ties, and several East European governments began exploring the prospects for normalizing relations with Israel. Some—notably the Poles and East Germans—floated new arms control and other security proposals. And Honecker's visit to Bonn exemplified a more active Western policy by the GDR. ~~(S-NF)~~

16. In light of growing East European diplomatic activity, it should not be surprising that Gorbachev laid great stress on coordination and discipline in Warsaw Pact councils. The renewal of the Pact itself was instructive. With its initial term due to expire in May 1985, the Romanians and others hinted that they favored certain changes to the text—a watering down of mutual defense obligations and more precise provisions for the Pact's eventual dissolution—and that they wanted only a 10-year extension. In the event, the Pact was renewed without a single change; and Gorbachev, then only two months on the job, had achieved an

Multilateral Summit Meetings of Soviet and East European Party Leaders, 1985-87

Date	Location	Event	Agenda
March 1985	Moscow	Chernenko funeral	
May 1985	Warsaw	Warsaw Pact 30th anniversary	Renewal of Warsaw Pact
October 1985	Sofia	Warsaw Pact Political Consultative Committee (PCC) meeting	Pre-Geneva arms control proposals
November 1985	Prague	Ad hoc	Informal debriefing on US-Soviet summit at Geneva
June 1986	Budapest	PCC	"Budapest appeal" for conventional and tactical nuclear force reductions
November 1986	Moscow	Ad hoc meeting of CEMA (Council for Economic Mutual Assistance) party leaders	"CEMA 2000" program for scientific-technological cooperation
May 1987	East Berlin	PCC	Conventional force reductions; military doctrine; "new international economic order"
December 1987	East Berlin	Ad hoc	Debriefing on US-Soviet summit in Washington

Unclassified

impressive show of unity. (Gorbachev reportedly hammered out this agreement at the time of Chernenko's funeral—literally his first day in office—but only at the price of offering new Soviet energy deliveries in return for Ceausescu's agreement.) Gorbachev also has moved to expand the infrastructure of the Warsaw Pact. In May 1987, two new Pact bodies were created to facilitate ongoing coordination of Soviet and East

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European arms control positions and supervision of East European foreign visits and contacts.² ~~(S-NF)~~

17. At the same time, however, Gorbachev has used the Bloc's consultative bodies for substantive policy discussions rather than ritualistic endorsement of pre-cooked resolutions. Soviet influence remains paramount, but Gorbachev's new stress on consultation and consensus-building reflects his understanding that the East Europeans have extensive and useful foreign ties of their own and that an effective Soviet approach to the West must take these realities into account. Once a common position is reached, Gorbachev has insisted on closed ranks and alliance discipline, and even the loyal Bulgarians have been called to task for failing to endorse Soviet arms control initiatives with sufficient enthusiasm. Gorbachev also instructed the Poles to redraft the "Jaruzelski Plan" for arms reductions in Central Europe, and he played a key role in controlling the pace and timing of inter-German relations. ~~(S-NF)~~

18. *Economic Pressures.* The second major item on Gorbachev's agenda was to link the East European economies to the Soviet modernization drive. Both bilaterally and through CEMA (the Council for Economic Mutual Assistance), Gorbachev moved to redress the trade deficits the East Europeans ran up in the 1970s, maintaining a freeze on Soviet oil deliveries at their early 1980s level and demanding increased imports of higher quality East European goods, particularly consumer items and high-technology machinery and equipment. The heavily indebted Poles, Romanians, and Hungarians were enjoined to reduce their economic dependence on the West; the Bulgarian and Czechoslovak regimes were exhorted to revive their stagnant economies and upgrade performance. And all were pressed to join the Soviet-led "Comprehensive Program" for scientific-technical cooperation through the year 2000—"CEMA 2000," for short—through joint ventures and coordinated production in key high-technology areas:

- To enforce these strictures, Gorbachev created new quality-control inspections and delivered blunt messages to several East European leaders.
- Gorbachev lobbied personally for the swift implementation of the CEMA 2000 program in late 1985 and, in doing so, moved CEMA toward a new agenda.

² These are the Multilateral Group for Current Information Exchange and the Special Commission on Disarmament Questions. ~~(S-NF)~~

— He also pushed through new bilateral agreements on scientific-technological cooperation and secured new legislation in the East European countries to facilitate coproduction and joint ventures. ~~(S-NF)~~

19. The actual conduct of Soviet-East European economic relations in Gorbachev's first two years revealed less change than the early rhetoric seemed to promise. Indeed, the East European trade deficit with Moscow rose sharply in 1986 to 2.6 billion rubles—the largest annual trade gap since 1981. Although trade for 1987 was nearly balanced, the favorable trends were due chiefly to a decline in the value of Soviet oil rather than increased East European deliveries. In export performance, as well as domestic "restructuring," the veteran East European leaders temporized with the familiar foot-dragging that has frustrated Soviet leaders from Khrushchev on. ~~(S-NF)~~

20. The East Europeans were particularly wary of being drawn into Soviet-sponsored (and Soviet-dominated) joint ventures in high-technology areas, and resistance was evident in the elaboration of the CEMA 2000 program. Owing to its industrial power and unique access to Western technology via "inner-German" trade, the GDR was the key East European participant; but the East Germans, like the Hungarians and Romanians, were reluctant to jeopardize their own carefully cultivated trade relations with the West in support of Gorbachev's domestic agenda. Soviet-East European differences were evident at the hastily convened November 1986 Moscow summit on CEMA integration, which yielded only minimal consensus on the next stage of scientific-technological cooperation. Even Soviet planners now concede CEMA 2000 goals are too optimistic. ~~(S-NF)~~

21. *Succession Dilemmas.* These frustrations pointed to Gorbachev's more basic dilemma: how to impart some of his own dynamism to Eastern Europe without a wholesale shakeup of the ossified party leaderships in Prague, Sofia, and elsewhere. Gorbachev evidently recognized, however, that any direct attempt to instigate an East European succession would entail great risks. Consequently, Soviet efforts have been largely indirect, aimed at shaking up the ruling establishments by projecting reformist ideas and the example of Moscow's own domestic innovations. These efforts also aimed at shifting the internal party debates in those countries toward the preferred Gorbachev agenda, and in so doing altering the context and accelerating the pace of presuccession maneuvering. ~~(S-NF)~~

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22. Such pressure was evident in May 1987, when Soviet Foreign Minister Shevardnadze visited Budapest to convey Gorbachev's dissatisfaction with the Hungarian leadership's procrastination on further economic reform. A month later, Karoly Grosz, reputed to be an able and energetic administrator, was named Hungarian Prime Minister. And in July, after a quick visit to Moscow by Grosz, the Hungarian leadership unveiled a long-discussed, long-postponed set of economic reform (and austerity) measures. A year later, the succession process took a much more decisive turn:

- At a special party conference in May 1988, Grosz was named party General Secretary, forcing out Janos Kadar, who had served in the top party post since 1956.
- Most of Kadar's proteges were also dramatically removed from the top leadership, replaced by a strongly reformist group of younger officials.

Although the initiative for these decisions was probably Hungarian, Soviet pressure clearly forced the pace and direction of change. (S ~~SECRET~~)

23. Even without direct Soviet calls for change in Eastern Europe, the demonstration effect of Gorbachev's domestic departures was unsettling. The very existence of a reform-minded Soviet leader, coupled with his critique of Brezhnev-era mismanagement, served to undermine the authority and cohesion of the more orthodox East European regimes. And the new legitimacy accorded to economic "restructuring" and political "openness" threatened to unleash widespread public expectations for rapid change. Nowhere were these trends more evident than in Czechoslovakia, where the seeming vindication of reformist and even dissident ideas sent shock waves through the divided party leadership. These pressures, combined with the declining health of party leader Gustav Husak, led to his abrupt resignation in December 1987. (See inset, page 10.) (S ~~SECRET~~)

24. The Czechoslovak succession confirmed Gorbachev's determination to promote change without threatening stability. Through strong, if largely indirect, pressure on the divided Prague leadership, Gorbachev helped secure the removal of Husak, the personification of Brezhnev-era conservatism—only to accept a safe, almost Chernenko-like successor in Milos Jakes. Indeed, Soviet pressure for change probably could not have succeeded had Gorbachev attempted to push a reformist successor on a still-conservative Czechoslovak leadership. Jakes, then, was probably a compromise choice for Moscow as well as Prague; the

The Hungarian Succession

Karoly Grosz



Age 57... General Secretary of the Hungarian Socialist Workers' Party (HSWP) since 22 May 1988; Premier since June 1987; Politburo member since 1985... May party conference gave a mandate to institute both economic and political changes... commitment to economic reform untested, accomplishments as Premier limited... respected by business leaders as dynamic, vigorous executive willing to make tough decisions... Budapest party secretary, 1984-87.

Janos Kadar



Age 76... HSWP President since 22 May 1988; removed as party leader, Politburo member at that time... after 1956 revolution, forged social consensus based on consumerism and relaxed relations between party and people... ability to convince Soviets of Hungarian loyalty and stability contributed to long reign... recently seen as impediment to economic and political progress because of unwillingness to expand reforms of 1970s, also declining energy level, progressive health problems.

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The Czechoslovak Succession

Gustav Husak's December 1987 resignation as Czechoslovak party leader (while retaining the largely honorific state presidency) came in the wake of a long Soviet campaign to push the Gorbachev agenda in Prague; the resulting pressures undoubtedly encouraged the Czechoslovak leadership to move against Husak. His successor, Milos Jakes, brought to the party leadership a mixed bag of credentials:

- Jakes carried the baggage of post-1968 "normalization," having been among the anti-Dubcek conspirators and having directed the 1969-70 purge of party members associated with the Prague Spring.
- He had served since 1981 as party secretary for economic affairs and recently seemed to have sided with pragmatic elements in the party favoring cautious economic reform—stressing, however, that economic change must take place under strict party control. (S NF)

Though hardly a green light for reform, Jakes's elevation will help move the regime toward long overdue economic change and political rejuvenation, already hinted at by the April 1988 changes to the Central Committee secretariat. And Jakes, a firm Moscow loyalist, will be more receptive to Soviet calls for improved economic performance, closer cooperation in Soviet-sponsored joint ventures in high-technology areas, and domestic "restructuring." He is also likely to oversee further changes in the party leadership, still dominated by holdovers from the 1969-70 "normalization" period and now thrown into ethnic imbalance by the overrepresentation of Czechs in top regime positions. (S NF)

These changes are not likely to spark social upheaval, nor will they lead to significant liberalizing reform in Czechoslovakia. But they may herald a long-awaited change in economic policy and encourage opposition groups to become more active, if only to test the limits of tolerance under the Jakes regime. (S NF)



Milos Jakes (u)

Age 66 ... party leader since 17 December 1987 ... party Central Committee secretary, 1977-87, responsible for agriculture until 1981, for economy until April 1988 ... Presidium member since 1981 ... attended CPSU Higher Party School in Moscow (1955-58), presumably speaks fluent Russian ... Czech. (C NF)



Gustav Husak (u)

Age 75 ... President since 1975 ... party leader, 1969-87 ... resigned as party chief but remains a member of policymaking Presidium ... has had cataract surgery, suffers continuing vision problems, declining general health ... reportedly drinks excessively ... Slovak. (C NF)

Czechoslovak succession underscored the limits of the achievable in Soviet policy in dealing with the more conservative regimes in Eastern Europe. (S NF)

25. The gap between Gorbachev's ultimate objectives, as outlined in numerous speeches and documents, and the actual policies he has pursued reflects the fundamental contradiction between his desire for change and the imperatives of party control in Eastern Europe:

- Gorbachev has set an ambitious agenda for Eastern Europe that addresses many of the region's problems, but it is neither broad nor deep enough to remedy underlying systemic weaknesses.

- He has expanded the scope of permissible experimentation for reformist regimes, such as Hungary, and has succeeded in pushing some of the more conservative East European regimes toward long overdue, though still timid, reforms.
- In the process, he has accentuated divisions within the East European leaderships and awakened a combination of popular hopes and anxieties about impending change. These trends, coupled with severe economic problems, have heightened uncertainties in the region and increased the potential for crisis. (S NF)

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Outlook: Growing Diversity, Sharper Conflict

26. Soviet policy toward Eastern Europe is likely to continue along the lines already established under Gorbachev. Its key elements will be:

- Within the framework of firm party control, *sanctioning of diversity and experimentation* as the keys to economic and political viability.
- Continued *pressure for reform* without dictating specific measures or demanding slavish emulation of Soviet practices.
- Insistence on *foreign policy coordination*, whereby the East Europeans are afforded greater room for tactical maneuver but are expected to hew closely to the broad lines set in Moscow.
- Mounting pressure for *improved East European economic performance* and increased cooperation in high-technology areas.
- Longer term efforts toward *strengthened institutional ties*, coupled with alliance management techniques that facilitate Soviet control and influence through a more participatory system of give-and-take. ~~(S-NF)~~

27. These broad contours of Soviet policy will remain in place so long as Gorbachev's domestic position is secure and Eastern Europe remains quiescent. A major change in Moscow would obviously alter the equation:

- *Gorbachev's ouster* would curtail the Soviet reform drive and heighten uncertainties in Eastern Europe as the new regime sorted itself out. His removal on political grounds would send another new signal to the divided East European regimes—this time a sharply antireformist one—and undercut Soviet authority, at least temporarily.
- *Retrenchment in Moscow* (with Gorbachev still in office) would strengthen the existing orthodox leaders in Eastern Europe without fully arresting the pressures for change. Perceived lack of unity in the Kremlin would further polarize Eastern Europe, with conservatives seeking to restore the status quo ante and reformists continuing to push for change.
- *More daring Soviet reforms*—a result, perhaps, of Gorbachev's need to overcome bureaucratic resistance through radical policy and personnel

changes—would further destabilize Eastern Europe and strain relations with Moscow. Rising pressures within the East European regimes might prompt some of them to implement sweeping reforms or force out existing leaders.

~~(S-NF)~~
28. Gorbachev has played a skillful political game so far, pulling back when necessary while gathering support for the next push forward. Although the chances of a domestic showdown have increased, Gorbachev seems to have the upper hand and appears inclined to push his reform agenda further and more forcefully. ~~(S-NF)~~

29. *Growing Diversity*. For the next three to five years, the outlook in Eastern Europe is for growing diversity—in responding to reform pressures, crafting approaches to the West, and managing relations with Moscow. Diverse East European arms control proposals and economic approaches to the West will facilitate some Soviet objectives, but they will also complicate the tasks of alliance management and run counter to the joint action needed for scientific-technological cooperation. In Gorbachev's broader view, moreover, diversity is no end in itself but rather a vehicle for economic and political regeneration. These goals are nowhere in sight in Eastern Europe. Except perhaps in Hungary, they are not likely even to be seriously pursued. ~~(S-NF)~~

30. *Glasnost* and *perestroika* will continue to yield mixed results. Barring leadership changes, Romania and East Germany will continue to resist reform pressures; Bulgaria will continue to experiment at the margins but will proceed only haltingly toward real "restructuring." The new Czechoslovak leadership under Jakes will push more forcefully for economic change, but serious movement toward economic and political reform remains a distant prospect. Hungary and Poland could be more interesting:

- The appointment of Karoly Grosz—a tough, self-confident risk taker in the Gorbachev mold—as General Secretary of the Hungarian party and the promotion into the leadership of outspoken reform advocates marks an important turning point. The new leadership is likely to be much more aggressive in pressing economic and political reforms, but it faces severe problems—including workers unhappy with austerity, intellectuals demanding more freedom, and an economy that is stagnating and burdened with a heavy foreign debt. Failure to develop a more radical

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and effective reform program would further contribute to a rise in tensions.

— Evidently with Soviet blessings, General Jaruzelski has already consolidated a rather unorthodox pattern of party-military rule, moved toward granting the Catholic Church new legal status, and proposed economic reforms that, on paper at least, go well beyond Moscow's. The disastrous economic situation and social discontent—as shown by the recent wave of strikes—make successful realization of the reforms unlikely, but the urgency of domestic problems may also push the regime toward the social dialogue it has rejected up to now. (S-NF)

31. In foreign policy, the East European regimes have reason to be satisfied with Gorbachev's skillful engagement of the West and their own increased room for maneuver. So long as Moscow maintains a conciliatory approach to the West, Soviet and East European policies will remain generally congruent. At the same time, Gorbachev's encouragement of a more active role for the East Europeans will increase the chances for open conflicts of interest at CSCE (Conference on Security and Cooperation in Europe) talks and in other Pan-European forums. There will also be increased risk of further embarrassments to Moscow arising from Hungarian-Romanian polemics or public airing of East European human rights violations. Hence, foreign policy coordination will require more skillful management, and Gorbachev will need to prod the Czechoslovak and Bulgarian regimes toward more active diplomacy while restraining the occasional independent-mindedness of the Romanians, Hungarians, Poles, and East Germans. (S-NF)

32. At the same time, East European realities will limit the parameters of possible Soviet initiatives. Not only must Gorbachev weigh the consequences of Soviet policies on political stability in Eastern Europe, but he must also take into account the perceptions and likely reactions of East European leaders. Their views are not likely to deter him from policies he considers vital to Soviet interests; but, on matters as potentially destabilizing as inter-German relations, his options are limited. Indeed, Gorbachev's campaign for a common "European house" of growing intra-European cooperation implies a degree of national autonomy in Eastern Europe far beyond what he or any other Soviet leader would countenance. Moscow will find it increasingly difficult to promote this line in the West without introducing new divisions into Eastern Europe as well. (The Berlin Wall will stay, whatever tactical advantages Gorbachev might see in its removal.) (S-NF)

Table 1 Million US \$
Eastern Europe: Projected
Debt Figures, 1987-90^a

	1987	1988	1989	1990
Bulgaria				
Gross debt	4,954	5,121	5,375	5,730
Net debt ^b	3,531	3,598	3,745	3,986
Debt service ratio ^c (percent)	36.7	36.4	37.1	38.4
Czechoslovakia				
Gross debt	4,714	4,940	5,150	5,335
Net debt	3,497	3,723	3,933	4,118
Debt service ratio (percent)	15.3	15.8	16.4	16.7
East Germany				
Gross debt	16,775	16,573	16,447	16,423
Net debt	8,862	8,660	8,534	8,510
Debt service ratio (percent)	41.0	38.7	36.1	33.8
Hungary				
Gross debt	15,314	16,684	18,084	19,502
Net debt	13,414	14,784	16,184	17,602
Debt service ratio (percent)	54.1	53.4	54.9	57.1
Poland				
Gross debt	34,570	35,937	37,417	38,908
Net debt	32,850	34,117	35,497	36,888
Debt service ratio (percent)	73.9	74.0	64.2	74.5
Romania				
Gross debt	4,214	3,324	2,679	2,053
Net debt	3,632	2,490	1,593	967
Debt service ratio (percent)	34.5	21.5	16.3	14.5

^a Last updated: 14 January 1988.

^b Reserve figures used in calculating net debt exclude gold reserves.

^c The debt service ratio is calculated using the following formula: Interest payments + medium- and long-term principal repayments/total exports + invisible receipts. The debt service ratio for Poland is calculated using the amount of interest owed, not the amount paid.

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Table 2 Eastern Europe's Economic Outlook: Average Annual Growth by Five-Year Plan Period ^a Percent

	1971-75	1976-80	1981-85	1986-90 ^b
Bulgaria				
Total GNP	4.7	1.0	0.8	1.0
Gross fixed investment	6.4	-9.1	-1.1	2.5
Personal consumption	3.9	1.6	2.1	1.0
Czechoslovakia				
Total GNP	3.4	2.2	1.1	1.0
Gross fixed investment	6.5	-0.3	-1.2	1.0
Personal consumption	2.7	1.5	1.1	1.0
East Germany				
Total GNP	3.5	2.3	1.7	2.0
Gross fixed investment	1.5	1.7	-10.0	2.0
Personal consumption	3.8	2.0	1.2	1.5
Hungary				
Total GNP	3.3	2.0	0.7	1.0
Gross fixed investment	2.3	0.3	-5.2	1.0
Personal consumption	3.2	2.2	0.4	0.5
Poland				
Total GNP	6.5	0.7	0.6	2.0
Gross fixed investment	14.4	-2.9	-4.9	1.5
Personal consumption	5.6	2.4	-0.2	1.5
Romania				
Total GNP	6.7	3.9	1.8	2.0
Gross fixed investment	10.4	6.9	-2.2	2.0
Personal consumption	5.1	4.7	0.2	1.0

^a Last updated: 12 January 1988.

^b Projections for 1986-90 were based on analysis of current trends, results of econometric models, and consultations with country experts.

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33. **Strained Economic Relations.** Eastern Europe cannot deliver what Gorbachev wants: significant improvements in trade performance, particularly in high-technology areas. Poland and Hungary will remain saddled with enormous debts for the foreseeable future, with East Germany and Bulgaria also facing debt problems. The Romanian economy, drained to repay Western creditors, will remain devastated for years to come, and Czechoslovakia's industrial and technological base has been rendered obsolete by years of neglect. Throughout the region, projected growth rates and shares devoted to investment will remain suppressed, leaving the East European economies with only limited capacity to assist in the Soviet modernization drive. Nor are the East Europeans likely to

jeopardize economic relations with the West or risk further reductions in domestic living standards for the sake of Gorbachev's economic agenda. (S NF)

34. So far, Gorbachev's economic pressures—like those of Soviet leaders before him—have yielded few tangible results aside from improved deliveries in some areas like machine tools. Foreign trade plans for 1986-90 are inconsistent with Gorbachev's main goals, calling for an average annual growth of only 5 percent in Soviet-East European trade—the slowest growth in planned trade in the last 15 years. Similarly, most of the CEMA 2000 technical goals appear unattainable—only a handful of joint ventures have been created, and the push for “direct links” between enterprises remains hamstrung by economic and bureaucratic

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impediments that have frustrated Soviet planners from the beginning. Moreover, Soviet-East European terms of trade have begun to shift against Moscow, as the five-year averaging mechanism for Soviet oil prices has caught up with declining prices on the world market. If world oil prices hold roughly steady for the next few years—or even if they increase somewhat—the East European ruble debt will begin to disappear, further weakening Moscow's economic bargaining power. ~~(S-NF)~~

35. Gorbachev will face a growing gap between his economic goals and results over the next three to five years, at the very time that his domestic modernization plans call for a significant increase in East European inputs and tangible progress in the CEMA 2000 program. Following the pattern of his domestic policies, Gorbachev has come to realize that his goals in Soviet-East European economic relations cannot be met without systemic economic and institutional reform. At the October 1987 meeting of the CEMA prime ministers, the Soviets reopened some of the fundamental problems raised earlier by the East Europeans themselves: lack of convertible currency, inadequacy of direct links among firms, and absence of a rational pricing mechanism. And Gorbachev will soon learn, if he has not learned already, that reforming intra-CEMA trading procedures is futile without deep structural reforms in the domestic economic systems. ~~(S-NF)~~

36. Thus, the dilemma of promoting change without provoking instability in Eastern Europe will grow more acute. Faced with an almost certain need to increase the pace of reform at home, Gorbachev is likely to step up pressure on the East Europeans to introduce *perestroika* and economic reform, albeit not with the same intensity or impact as in the USSR. ~~(S-NF)~~

37. *Succession Scenarios.* Leadership changes in Eastern Europe present both risks and opportunities for Gorbachev. On the one hand, it is increasingly clear that change of the kind Gorbachev wants will not take place under the current crop of leaders. The prospective departure of several veteran leaders gives Gorbachev an unparalleled opportunity to influence the selection of more energetic and innovative party leaderships. On the other hand, several East European successions—some already under way—pose risks for political stability and hence for Gorbachev's broader agenda. ~~(S-NF)~~

38. The Hungarian succession of May 1988 dramatically altered the top leadership and raised popular expectations for reform, but the attendant austerity

measures are likely to heighten domestic tensions. Nor is the succession process complete: further leadership changes, including the naming of a new prime minister, are still ahead. In Czechoslovakia as well, Husak's replacement by Jakes is just the beginning of a turnover of the entire post-1968 leadership, with the need for Czech-Slovak proportionality adding to the disruption. Elsewhere, impending successions promise to be similarly unsettling:

- Zhivkov has been in power for more than three decades; his departure will reverberate throughout the Bulgarian apparatus.
- With seven Politburo members over 70, the East German party faces a major turnover of the remaining leaders of the wartime generation.
- The post-Ceausescu succession in Romania will introduce considerable uncertainties into that highly personalized leadership and may invite East-West rivalry as Moscow attempts to reassert influence with a successor regime. ~~(S-NF)~~

39. Gorbachev's task will be to manage several leadership transitions, perhaps simultaneously, to assure that preferred, or at least acceptable, successors are named and that regime authority is preserved in the process. His ability to do so will depend on his success in defeating conservative forces in his own leadership. The options and constraints confronting him in Eastern Europe are fairly clear:

- He will need to work with the existing top leaderships; Soviet preferences will be important but not decisive.
- There will be a short list of three to five figures in each party whose seniority gives them some claim to the job.
- Excluding the Ceausescu clan, nearly all these figures meet the minimum qualifications of experience and reliability.
- Except in Hungary, none has demonstrated the kind of dynamism Gorbachev wants, though a few have reformist credentials.

While the Hungarian succession probably comes close to Gorbachev's preferences for Eastern Europe, prospective leadership changes elsewhere are not likely to yield the dynamic, innovative leaders Gorbachev needs to achieve his more ambitious goals in the region as a whole. He will probably have to settle for a series of transitional leaderships and then work to ensure that a new generation of reform-minded leaders is groomed. ~~(S-NF)~~

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40. This cautious and gradualist approach has the advantage of minimizing the disruption inherent in East European successions. If carefully managed, it may also facilitate the eventual transfer of power to a new and more forward-looking generation of leaders. But it will not soon yield the dynamic, innovative leaderships Gorbachev needs to achieve his more ambitious economic and political goals in Eastern Europe. It also means that Gorbachev's reform pressures will continue to be aimed at leaderships ill equipped and, in some cases, unwilling to respond. ~~(S-NF)~~

41. *Sharper Conflict.* Thus, at best, Gorbachev can achieve only evolutionary progress toward political rejuvenation and improved economic performance in Eastern Europe. And currently contemplated reforms will not solve deep-seated political and economic problems. As the gap between objectives and results becomes more evident, Gorbachev will be inclined to push more aggressively for deeper changes as the necessary precondition to economic and political revitalization. To do so will require a careful calibration of Soviet policy: he will need to push hard enough to achieve tangible results but not so hard as to provoke system-threatening instability. The danger of miscalculation will increase. ~~(S-NF)~~

42. Already Gorbachev has introduced new destabilizing tendencies into Eastern Europe through his open critique of past failures of socialism, heightened economic pressure on his allies, and, above all, the demonstration effect of his domestic reform program. Sharper conflict is likely even if Gorbachev does not increase the pressure on his allies. The longer the Soviet reform dynamic continues, the stronger will be the internal pressures for change on the East European regimes. ~~(S-NF)~~

43. These cross-pressures, coupled with severe economic problems and leadership uncertainties, will heighten popular unrest in Eastern Europe. In Poland, newly implemented austerity measures have led already to widespread strikes, protests, and demonstrations; Hungary and Romania also face growing unrest. There will be a general increase of antiregime activism, owing to the climate of "openness" and greater willingness to test the limits of regime tolerance. Human rights, religious, pacifist, environmentalist, and other groups—already active in most of Eastern

Europe—will grow more assertive. The pattern of cooperation among Hungarian, Czech, and Polish dissidents is also likely to expand. ~~(S-NF)~~

44. These developments alone will not threaten party rule, but collectively they will:

- Weaken regime authority.
- Undermine economic recovery prospects.
- Lay the groundwork for more serious challenges. ~~(S-NF)~~

Potential Challenges to Soviet Control

45. There are at least three more extreme scenarios that could lead to serious challenges to Soviet control over Eastern Europe. ~~(S-NF)~~

46. The Hungarian Revolution of 1956, the 1968 Prague Spring, and the Polish social revolution of 1980-81 (along with numerous lesser upheavals) provide ample evidence of the inherent instability of Moscow's East European empire. Each of these had its own dynamic, but each led ultimately to a broad-based challenge to party supremacy and Soviet control in the region. And each led to crisis—meaning in the East European context the actuality or imminent likelihood of Soviet military intervention. ~~(S-NF)~~

47. However, Gorbachev's sanctioning of reform and experimentation implies a more liberal Soviet definition of "crisis." Liberalizing reform (of the kind espoused by the 1968 Czechoslovak leadership) may no longer lead so swiftly and automatically to a "crisis situation" in Moscow's eyes. ~~(S-NF)~~

48. *Popular Upheaval.* Several of the usual instability indicators—discontent over living standards, weak and divided leadership, social unrest—are evident in several countries, and all face pressures emanating from Moscow. New shocks—severe austerity measures, the death or ouster of a top party leader, or the emergence of an organized and emboldened opposition—could bring about serious instability almost anywhere, with Poland, Romania, and Hungary the most likely candidates for trouble:

- The likelihood of multiple, simultaneous upheavals is higher than it has been in more than 30 years. In the late 1980s and into the early 1990s, virtually all the East European countries face

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Romania: Impending Crisis?

The potential for regime-threatening crisis is growing in Romania, the country least affected by Gorbachev's policies and most defiant of Soviet strictures. Romania's problems are homegrown, owing to the Ceausescu regime's severe austerity measures and draconian domestic policies.

A major riot involving an estimated 5,000 to 10,000 protesters in Brasov in November 1987 was the most visible manifestation of growing public unrest, which has given rise to scattered strikes, demonstrations, and acts of sabotage. So far, unrest has remained isolated and localized: there is no organized opposition, and security forces are well equipped to quell protests—with stocks of foodstuffs as well as truncheons.

Evidence is also growing of ferment within the party hierarchy itself. Disenchantment within the rank and file, fueled by popular protests and Ceausescu's scapegoating of the party for his economic failures, has left him isolated. Gorbachev's public criticism of Ceausescu's ruling style and widespread knowledge of Ceausescu's medical problems are accelerating this trend, as officials throughout the system try to distance themselves from him to avoid being caught up in a post-Ceausescu housecleaning. Discontent within the party has been diffuse up to now, and Ceausescu's reshuffling of key leaders has precluded the emergence of an oppositionist faction.

These economic and political pressures add up to an increasingly volatile internal situation, however, and several possible scenarios could bring about a full-scale upheaval:

- *Ceausescu's death or incapacitation.* Ceausescu suffers from prostate cancer and has visibly weakened in the past year (although he maintains a vigorous schedule). If he were to die in office, he would probably be replaced by a collective including his wife Elena and other loyalists; such a regime would probably be embroiled quickly in a broader succession struggle.
- *A palace coup.* The most likely crisis scenario would have growing popular unrest, stimulating still more dissatisfaction within the party and setting the stage for Ceausescu's ouster. He would

probably be succeeded by a collective of figures currently within the party leadership; Elena and the rest of the clan would be swept away along with Ceausescu himself.

- *A brushfire of popular unrest.* Simultaneous outbreaks of protest could spark a more widespread uprising, overwhelming Securitate resources and leading to a breakdown of public order. The resulting near-anarchy could lead to a seizure of power by the military.

Soviet Attitudes

So long as Romania did not descend into complete disorder, Moscow would probably have more to gain than lose in a crisis scenario. A post-Ceausescu leadership would offer opportunities for restoring lost influence; and Romania's geopolitical and economic realities would remain severe constraints on any successor regime in Bucharest.

Military intervention would not even be a plausible contingency unless there were incipient anarchy in Romania or the advent of a successor leadership that threatened to remove Romania from the Warsaw Pact. Neither is likely.

Spillover in Eastern Europe

Short of a Soviet invasion, events in Romania would not have wide repercussions elsewhere. Nor would they impinge on Gorbachev's broader agenda, in that a Romanian crisis would not be linked to Soviet policies or pressure tactics; indeed, a crisis provoked by Ceausescu's misrule would strengthen Gorbachev's argument that stability demands economic and political rejuvenation. However:

- Hungarian-Romanian relations would be severely strained if domestic violence in Romania were to turn into ethnic violence directed at the Hungarian minority in Transylvania.
- And Yugoslavia would be involved if bloodshed or chaos in Romania precipitated an exodus of Romanians seeking refuge abroad via Yugoslavia.

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analogous sets of problems: stagnant economies, leadership successions, and reformist pressures from Moscow.

- As in the past, however, possible scenarios would be highly country-specific. Only in Romania is there a significant possibility of widespread violence; elsewhere, the greater likelihood would be

a broad-based, organized challenge to regime authority. (In Poland, however, this latter scenario could also lead to a cycle of repression and violence.) ~~(S/NF)~~

- 49. For Gorbachev, a possible upheaval in Eastern Europe constitutes the greatest external threat to the Soviet reform program and his own continued tenure.

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Despite the greater tolerance he has shown for experimentation, he will expect his allies to take swift, decisive action to end any political violence or major unrest. Indeed, the East European leaderships are at least as aware as Gorbachev is of the need for vigilance, and they have at their disposal large security forces that have been effective thus far in containing disturbances. Should events overwhelm the capacity of local leaders, there is no reason to doubt that he would take whatever action was required, including military intervention, to preserve party rule and Soviet authority in the region. Like his predecessors, Gorbachev would exhaust all other options before undertaking Soviet military intervention. Indeed, he faces even greater constraints:

- A Soviet invasion of an allied country would do irreparable damage to his image in the West and undermine the entire edifice of his foreign policy.
- An upheaval in Eastern Europe, particularly one attributable to Gorbachev's reform pressures, could also threaten his domestic standing. It would add to domestic political pressures for his removal from power and the curtailment of his reform program. ~~(S-NF)~~

50. *Sweeping Reform.* Gorbachev has expanded the limits of acceptable reform. In Hungary and Poland particularly, reform blueprints are being circulated that go well beyond anything now on the agenda in Moscow. And now the Hungarians have put in place a leadership team containing radical reformers, such as Imre Pozsgay, head of Hungary's Patriotic People's Front. Although Grosz has more conservative leanings than the newcomers, he is action-oriented and willing to take some chances to get the party out in front of the reform process. In light of the looming economic decline and coalescence of dissident and establishment pressures around a reform package, he could be pulled by his new Politburo toward more radical solutions to Hungary's problems. Given the fate of previous reform movements, there would be strong elite and popular inhibitions against direct challenges to party supremacy and the Soviet alliance system. If Eastern Europe's past is any guide, however, a genuine reform movement in Hungary or elsewhere would tend inevitably toward national self-determination and autonomy. ~~(S-NF)~~

51. Such a scenario would be the most hopeful for Eastern Europe and the most problematic for Moscow, particularly if public discipline were maintained.

There would be no incipient anarchy to facilitate Soviet suppression, few pro-Soviet collaborators to call on, and no cataclysmic event to spur Moscow to take early and decisive action. By the time Gorbachev had decided that the course of events had gone too far, he could be faced with a relatively unified reform leadership and a disciplined and determined population; the costs of intervention would be much higher than under a scenario of serious internal instability. Gorbachev would have to choose between suppressing a genuine reform movement—inspired by his own calls for *glasnost* and *perestroika*—or countenancing at least a partial erosion of Soviet control. His choice—by no means a foregone conclusion—would hinge on the scope of change and the perceived challenge to Soviet influence in the region. ~~(S-NF)~~

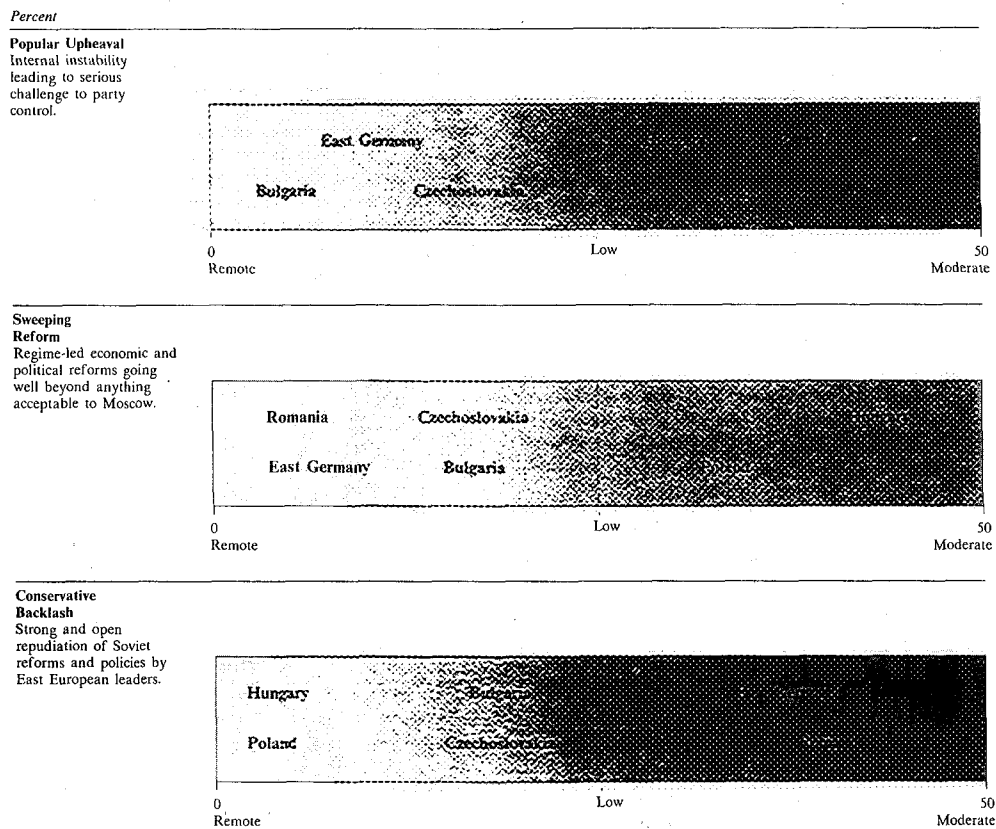
52. *Conservative Backlash.* Gorbachev's pressure for reform also could lead to stronger and more open defiance on the part of orthodox leaders in East Berlin, Bucharest, or elsewhere. Prague's chief ideologist Vasil Bilak has publicly rejected the applicability of Gorbachev's reforms to Czechoslovakia, and the East German official press regularly, if indirectly, dismisses the Soviet reform program. If further Soviet pressures create new cleavages that impinge more directly on the job security of the conservative East European leaderships, and if future Yeltsin affairs strengthen perceptions in Eastern Europe that Gorbachev is faltering, hardliners there might become much more openly confrontational. ~~(S-NF)~~

53. If, for example, perceived divisions in the Kremlin emboldened some East European leaders to adopt stridently antireformist platforms, the damage to Gorbachev's authority would be magnified. He would probably have the clout to silence Zhivkov and Jakes, but his capacity to ward off a conservative backlash led by Honecker or Ceausescu would be less certain, particularly if they and other recalcitrants joined forces in an informal rejectionist front (indeed, Gorbachev is already reported to have criticized Ceausescu for trying to form an "antireform alliance" with Honecker):

- Such a scenario would be interactive—it would require the tacit approval of Gorbachev's domestic opponents, who in turn would be strengthened by an East European backlash.
- While a less threatening—and less likely—contingency, it would nonetheless represent a major challenge to Gorbachev's authority and policies in the Bloc. To avert irretrievable damage to

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Figure 2
Potential Challenges to Soviet Control, Probabilities
Over the Next Five Years



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both, he might have to force a showdown in Eastern Europe—perhaps by demanding the resignation of his most strident critics. ~~(S NF)~~

54. **Prospects and Variations.** None of these more extreme scenarios is likely to be played out in the near future, but their probability will increase over the next three to five years. Moreover, these evolutions need not be manifest in their pure forms, nor are they mutually exclusive. Short of these extreme scenarios, it

is a virtual certainty that somewhere in Eastern Europe there will be new movement toward more daring reform, a new outburst of public unrest, or more open resistance to Moscow's reform agenda. We could see all three at once. ~~(S NF)~~

Implications for the United States

55. Eastern Europe is entering a period of flux. Change is facing more countries—and across more

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dimensions—than at any time since the immediate post-Stalin period. Developments over the next three to five years are likely to determine the key contours of political life in the region for a generation to come:

- Within the time frame of this Estimate, these developments will not lead to the unraveling of Moscow's East European empire, nor will they by themselves diminish the military threat posed by the Warsaw Pact.
- A crisis in Eastern Europe would undermine Pact cohesion, at least temporarily, but it would almost certainly lead to a crackdown (with or without Soviet intervention), rolling back whatever concessions had been wrested from the regime.
- Short of such an extreme evolution, however, the scope of conceivable change in the region has expanded considerably. And the likelihood of growing diversity and sharper conflict will create new opportunities for Western engagement of Eastern Europe. ~~(S-NF)~~

56. Gorbachev's agenda of reform, openness, and experimentation is congruent with US goals of promoting pluralism in Eastern Europe and greater independence from Moscow. This endgame is not what Gorbachev has in mind, of course; but, in encouraging change as the key to dynamism and ultimately to greater viability, he has sanctioned diversity and expanded the limits of the thinkable in Eastern Europe. ~~(S-NF)~~

57. Gorbachev's policies also call into question some of the assumptions upon which the US policy of differentiation is based, in that the twin aims of liberalization and independence from Moscow increasingly collide in Eastern Europe. Those regimes most at odds with Gorbachev's approach also tend to be the most conservative and repressive. Conversely, relatively open countries like Poland and Hungary, which have received favored US treatment, are now closely attuned with Moscow. ~~(S-NF)~~

58. These contradictions in US policy will grow more acute the longer Gorbachev remains in power and the Soviet reform dynamic continues. However, our ability to influence the grand alternatives—reform or retrenchment, crisis or stability—will remain limited indeed; we can at best promote favorable change on the margins:

- Gorbachev's policies have created new opportunities for Western encouragement of liberalizing

US Policy Toward Eastern Europe

Excerpts From NSDD 54, 2 September 1982:

"The primary long-term U.S. goal in Eastern Europe is to ~~_____~~ facilitate its eventual reintegration into the European community of nations. . . . The United States . . . can have an important impact on the region, provided it continues to differentiate in its policies toward the Soviet Union and the Warsaw Pact countries of Eastern Europe, so as to encourage diversity through political and economic policies tailored to individual countries. . . .

"Differentiation will aim at:

- Encouraging more liberal trends in the region.
- Furthering human and civil rights in East European countries.
- Reinforcing the pro-Western orientation of their peoples.
- Lessening their economic and political dependence on the USSR and facilitating their association with the free nations of Western Europe.

~~_____~~

- Encouraging more private market-oriented development of their economies, free trade union activity, etc. . . .

"In implementing its policy, the U.S. will calibrate its policies to discriminate carefully in favor of governments which:

- Show relative independence from the Soviet Union in the conduct of foreign policy as manifested by the degree to which they resist associating themselves with Soviet foreign policy objectives and support or refrain from obstructing Western objectives; or
- Show relatively greater internal liberalization as manifested in a willingness to observe internationally recognized human rights and to pursue a degree of pluralism and decentralization, including a more market-oriented economy. . . ."

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reform on the part of regimes so inclined, like the Hungarian and the Polish. For the others, the United States also may have new leverage to promote diversity, even if reform prospects are remote.

8. (Continued)

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— US policy faces the dilemma that large segments of the East European societies are not willing to accept the austerity that implementation of economic reforms would entail. And the regimes are loath to risk the political reforms needed to win public acceptance of painful economic measures.

~~(S/NF)~~

59. Gorbachev's policies will complicate the coordination of Western approaches to European security. For Bonn, the prospect of closer relations with its eastern neighbors has revived old ambitions for a greater central European role. The French, worried about Bonn's eastward drift and suspicious of Gorbachev's ultimate aims, have taken the lead in resisting a new wave of European detente:

— These differences will make it harder for Western governments to reach a political consensus on dealing with Moscow and its allies, and harder for NATO to maintain a security consensus.

— However, differing Western policies toward Eastern Europe create cross-pressures that promote diversity, inhibit CEMA integration, and erode Warsaw Pact foreign policy discipline.

~~(S/NF)~~

60. *Influencing Eastern Europe.* The United States has always pursued a two-track policy in Eastern Europe, communicating directly with East European populaces as well as with their governments. These direct channels of communication will be particularly important as new ideas circulate and new opportunities emerge:

— International broadcasting—particularly via Radio Free Europe, but also from other Western radios—will be an important vehicle for informing East European publics on Soviet reforms and exerting indirect pressure on the East European regimes.

— There will be greater opportunity for developing East-West contacts: those regimes that already pursue relatively open policies will have greater latitude to expand them; the others will come under pressure from both Moscow and their own populaces to do likewise. Such contacts—ranging from scientific exchanges to scholarly dialogues and people-to-people programs—will serve to push forward the limits of diversity, strengthen public and elite pressure for internal reform, and help cultivate second-level officials who may play key roles in successor regimes. ~~(S/NF)~~

61. There also will be new opportunities for Western engagement of the East European regimes, owing to:

— Economic dilemmas that virtually compel several East European governments to accept previously unpalatable conditions in exchange for Western credits.

— High-technology requirements, pushing the East Europeans to facilitate direct contacts with Western firms and international economic organizations.

— Gorbachev's campaign for a "European house," which impels the East Europeans toward more active diplomacy and also heightens their sensitivity to charges of human rights violations.

— The general climate of reform and "openness," which offers opportunities for engaging Eastern Europe on formerly taboo subjects and pressing more directly for internal reforms of the kind already legitimized by Moscow. ~~(S/NF)~~

62. The East European regimes will continue to be wary of any Western proposals that impinge on regime control or Soviet prerogatives on foreign and security policy. They are likely, however, to be more receptive than in the past to US proposals for counterterrorism and counternarcotics cooperation, expanded East-West contacts, and even improvements in the area of human rights:

— The CSCE process offers new forums for separate, if not fully independent, East European diplomatic activity—as in Hungary's cosponsorship with Canada of a proposal on national minorities. Such developments suggest there is greater scope for Western engagement of Eastern Europe on key East-West issues, and in so doing for promoting greater diversity and independence in the region.

— A prospective umbrella agreement between the European Community and CEMA, along with a possible CSCE follow-on conference on East-West economic relations, would complicate US efforts to control technology transfer, but they would also offer new venues for engaging Eastern Europe on foreign trade policy and domestic reform.

— New opportunities also may develop for a more genuine security dialogue, particularly if a new round of talks on conventional force reductions affords greater scope for East European diplomacy.

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8. (Continued)

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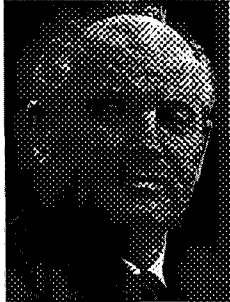
— On matters of internal liberalization, the ironic convergence of US and Soviet calls for economic and political reform will lend strength to the conditions the United States attaches to expanded economic cooperation. ~~(S/NF)~~

63. *Influencing Soviet Behavior.* Should the trends Gorbachev himself has set in motion lead to upheaval or sweeping reform in Eastern Europe, the ultimate controlling factor will be the limits of Soviet tolerance. Gorbachev has strong disincentives to inter-

vening in Eastern Europe, particularly for the purpose of suppressing a genuine reform movement. He and his Politburo are not likely to be deterred from actions they deem vital to Soviet interests, but the United States and its allies may be able to alter at the margin the Soviet risk calculus by maximizing the price Moscow would have to pay. The extent of direct, heavyhanded Soviet interference would be influenced marginally by the ability of the United States to convey clearly how such Soviet behavior would affect the broader US-Soviet agenda. ~~(S/NF)~~

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ANNEX
KEY SOVIET OFFICIALS RESPONSIBLE FOR EASTERN EUROPE



Interparty Relations

Mikhail Gorbachev
CPSU General Secretary (since March 1985)

By the time he became General Secretary in March 1985, Gorbachev had already met all East European party leaders and had spoken with some of their principal lieutenants as well. In November 1969 he was part of a low-level delegation to Czechoslovakia. After becoming CPSU secretary for agriculture in 1978, he returned to Czechoslovakia (April 1979). Gorbachev visited Hungary in October 1983 and Bulgaria in September 1984, and he almost certainly met in Moscow with these leaders and others during the annual CEMA gathering each June, as well as at other summits. He also was involved in hosting visits of each of the East European party leaders in the early 1980s.

At Chernenko's funeral in March 1985, the party leaders of the Warsaw Pact states were the first foreign dignitaries with whom Gorbachev met. Since that time, he has visited every East European country (except Albania) at least once. He has also met in Moscow with East European officials on 39 occasions.



Yegor Ligachev
Politburo member and secretary, Central Committee (since 1985)

As unofficial "second secretary," Ligachev, 67, is involved in general oversight of foreign policy; he currently chairs the Supreme Soviet Commission on Foreign Affairs. He has not frequently visited East European countries, but, in 1987, he traveled twice to Hungary. He also visited Poland in 1984. Despite his reputation as the leading conservative in the Soviet Politburo, Ligachev has praised Hungary's economic reforms, strongly suggesting that Budapest need not imitate Soviet economic policies and structures. His cautious approach to domestic reform in the Soviet Union, however, suggests he would be similarly cautious about major change in Eastern Europe.



Aleksandr Yakovlev
Politburo member (since June 1987) and secretary, Central Committee (since March 1986)

Yakovlev, 64, is one of Gorbachev's closest advisers on foreign affairs and an influential figure in Soviet policymaking toward Eastern Europe. He led the Soviet delegation to the January 1987 Socialist Bloc Ideological/International Secretaries meeting in Warsaw, where he advocated new media techniques to aggressively promote a socialist concept of democratization and human rights. A leading reform proponent, Yakovlev has also pushed for a more sophisticated European policy and has stressed the need for more flexibility in socialist development, which suggests that he is relatively open to internal diversity in the Bloc countries. He has met frequently in Moscow with visiting East European delegations and in 1987 traveled to Poland and East Germany.

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Vadim Medvedev
Chief, Liaison With Communist and Workers' Parties of Socialist Countries ("Bloc Relations") Department; and secretary, Central Committee (since March 1986)

Although Medvedev, a proponent of economic reform, has not worked on East European matters, his writings have stressed that socialist economic theory should draw both on the Soviet model and on the experiences of other Bloc countries. Medvedev, 59, has headed several delegations to Soviet Bloc countries and accompanied Gorbachev on a trip to Hungary in June 1986. He advocates diversity for the economic and political policies of East European regimes, with the caveat that Soviet tolerance will depend on their ability to contribute to Soviet economic modernization.



Diplomatic Relations

Eduard Shevardnadze
Foreign Minister

Since becoming Foreign Minister in June 1985, Shevardnadze, 60, has frequently traveled to Eastern Europe, visiting all East European foreign ministers in their capitals and attending regular Warsaw Pact foreign minister meetings. The past year has clearly been Shevardnadze's most active, with nearly half of his 20 trips abroad made to Eastern Europe. During a June 1987 visit to Budapest, he reportedly pressed the Hungarians to move economic reform forward, expressing dissatisfaction with bilateral economic, scientific, and technical relations. In 1986, Shevardnadze visited Romania in October and Poland in March. He has been an increasingly outspoken advocate of reform and foreign policy "new thinking."



Economic Relations

Nikolay Ryzhkov
Chairman, USSR Council of Ministers; Politburo member (since 1985)

Premier Ryzhkov, 58, coordinates government-to-government economic ties between the Soviet Union and Eastern Europe. A strong supporter of domestic economic reform, he has also encouraged CEMA premiers to endorse changes in CEMA operations and trade. During a meeting with his East European counterparts in 1987, Ryzhkov recommended intra-CEMA currency reforms, direct enterprise contacts, joint ventures, and a new CEMA organizational structure. In response to the opposition of several East European leaders to this limited decentralization of planned management, Ryzhkov warned that those countries unwilling to participate in these changes should not hinder those who do.

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8. (Continued)

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Military Relations

Viktor Kulikov

First Deputy Minister of Defense (since 1971); Commander in Chief of the Warsaw Pact Forces (since January 1977)

An able field commander, Marshal Kulikov, 67, is the third-ranking official in the Soviet military hierarchy. He wields considerable political clout throughout Eastern Europe and, through a combination of persuasion and bullying, has reportedly won compliance with Moscow's policies, especially in operational matters and in planning for the imposition of martial law in Poland in 1981. Although US officials have consistently been impressed by Kulikov, [REDACTED] has indicated that he will soon be retired. Kremlin leaders may view Kulikov, who only cautiously supports Gorbachev's program of sufficiency and doctrinal revision, as an impediment to significant change in the defense sector.

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Speech by Jozef Czyrek,

11 May 1988

A speech by Mr. Jozef Czyrek at a founding meeting of the Polish Club of International Relations, held on 11 May 1988

1. Together with our host, Professor Aleksander Gieysztor, we have envisioned the founding of a Polish Club of International Relations. The talks conducted on this matter and today's meeting confirm a positive response to this initiative. I am convinced that outstanding representatives of different circles and orientations will join in the activities of the Club, which we want to base on the recognition of pluralism and understanding.

2. We have stated in a joint letter with Prof. Gieysztor that Poland's position among the nations of the world demands broad social support, dialogue and public evaluation. This would be the major objective of the Polish Club of International Relations. I want to repeat: *social support, dialogue and public evaluation*. This is the essence of how we see the activity of the Club.

3. This assumes a wide representation of points of view and opinions, lively and unrestrained discourse on all questions of Polish foreign policy, relations in Europe and the world, aiming at a consensus through dialogue. We assume that the Club will act on the basis of the Constitution of the Polish People's Republic and will be led by the Polish *raison d'état*. However, within the framework of the Constitution and the principles of *raison d'état* there is a wide area for an exchange of views and the drawing of conclusions. I want to express conviction that in the Club's activities we should strive toward the broadest understanding and consensus. After all, there is no doubt that we are led—above all differences of views—by the good of Poland, the good of our nation, of our motherland.

4. Proposals to create this kind of social body have been suggested by different circles for some time. We are now taking this initiative not without reason. We look at the creation of the Club and its activity as one of the important elements building national understanding. Poland needs it as much as [it needs] air. Recent developments not only do not undermine such a need, quite to the contrary—they fully emphasize its importance.

5. We are holding our meeting on a day of very important Sejm deliberations. They fully confirm the will for the implementation of the II [second] stage of economic reform, and very important resolutions are being taken, which are intended to speed up its introduction and increase its impact. The Sejm also confirms its unwavering will to continue and expand political reforms. I think personally that from the process of renewal we will come to a deep reconstruction, to a significant widening of the Polish model of socialism in economic, social and political life. Led by this desire is Chairman of the Council of State Wojciech Jaruzelski, and—contrary to various opinions—he has broad backing, both within the ruling coalition and various patriotic forces, as well as from within our party.

6. In various discussions, including those held within our party, the idea of building some kind of pro-reform coalition or anti-crisis pact is being put forward. There

is no doubt that Poland needs this kind of coalition very badly. I am personally convinced that we should strive towards it, build it not for a distant future, but rather for the near one.

7. I am stressing this basic objective because we see, together with Professors Gieysztor and other co-authors of that initiative [discussed above in number 6], such activity as a basic task of the Club. Consensus on the questions of foreign policy, to which the Club should contribute, is as important as consensus on the questions of internal economic, social and political reforms. In fact there can be no deeper national understanding without a harmony of positions on key international questions for the country. It is important in all countries and in ours in particular.

Foreign policy is certainly the area, which is evoking, relatively, the smallest [number of] controversies. There is a broad understanding of the correctness of the alliance with the USSR and other socialist states as the basis for the territorial integrity and security of Poland. There is also broad support for the unambiguously peaceful purposes of our foreign policy, and particularly [for] active participation in building joint security in Europe and constructively shaping East-West relations, including the need for positive developments in relations with Western countries. We fully appreciate the significance of international law, including human rights, the weight of regional and global problems in the natural environment, the necessity of expanding cultural exchanges and the elimination of all barriers to economic cooperation.

There is no doubt that the purposes of Polish foreign policy are consistent with the national interests of Poland. However, there is also no doubt, that both within the area of objectives and of the ways of their realization, a broad social dialogue is needed. We would like the Club that we are about to set up to serve well such a dialogue, an elaboration—as I have already pointed out—of mutual understanding and consensus on these matters.

8. In our times the significance of the phenomenon which is being called public diplomacy, is growing. This form of diplomacy, engaging various social forces and affecting the shape of foreign opinion on one's country, is one of the great platforms of international contacts. It's even more important, the more representative and the more socially and morally authoritative the persons are participating in it. We are convinced that we can gather many such personalities in the proposed Club. And today's meeting also confirms it.

Based on an idea of national understanding, we would like to see the proposed Club gather people of practically all patriotic orientations. We see it as place for people who, as a result of their present or past activity, have contributed significantly to the development of Polish relations with the abroad. We see in it people, who, from different philosophical or political outlooks, participate or want to participate in expanding contacts with abroad. People from very different circles, of divergent opinions, but ready to get involved in building national understanding.

9. It is our conviction [that] the Club, in addition to its other purposes, should also serve in shaping political culture. It should act on its principles and at the same time make a significant contribution in the deepening of society. We think that this understanding will gain support, because one cannot build a national understanding without political culture.

10. Together with Prof. Gieysztor and other co-authors of the initiative we are deeply convinced that the Club should have a social character. Thus, we do not want to tie it to any state institution, nor to any existing social organization. We see it as an autonomous social body set up on the basis of the law on associations and self-governing principles of activity. We think that this formula is the best one and will gain support of both the personalities gathered here, as well as many other persons to whom we have appealed for participation. The draft statute of the Club is based on such principles, with a significant contribution by Prof. Manfred Lachs, for which I thank him wholeheartedly. This draft will be submitted here for discussion. We also want to submit for discussion a draft list of people, to whom we have turned for participation in the Club's activities.

11. In the end I want to thank wholeheartedly Prof. Aleksander Gieysztor for his co-participation in this initiative and for hosting today's meeting. I hope that the beautiful Castle of which Prof. Gieysztor is so admirably in charge, will be the Club's headquarters.

[Source: Andrzej Stelmachowski Papers; translated by Jan Chowaniec for CWIHP.]

Georgi Shakhnazarov. Comments on the report of [Commander-in-Chief of the Warsaw Treaty Organization Marshal] V.G. Kulikov at the Conference of the PCC [Political Consultation Committee of the Warsaw Treaty.]

May 25, 1988

1. I gain the impression that, despite many assurances in loyalty to the defensive military doctrine, the real reappraisal of strategic conceptions in this directions has not even started in our country.

On page 3 of the report [Kulikov] attempts to prove a thesis that, despite the INF Agreement, war danger in Europe will not decrease, but, in fact, will increase. Arguments brought to prove this thought are not convincing. Meanwhile it effectively justifies a program of reactive [*otvetnogo*] increase of our military power. When planning rearmament of all branches of military forces, [the military] do not provide data about resources that this would require, although the list alone makes it clear that military expenditures would not go down, but would significantly go up. And this is proposed when the process of disarmament has begun and, in particularly, the prospect of talks and achievement of an agreement on conventional arms reductions and military forces in Europe is getting brighter.

2. It is known that for a long time the Romanians have been bluntly rejecting our programs of military build-up, and the leadership of other [East European] countries accept them without enthusiasm, tied by the Alliance discipline. Nevertheless, the report addresses a rebuke to the fraternal countries who increasingly decline to purchase [Soviet] armaments (p. 6).

Military expenditures in Eastern Europe (although according to Western data) per capita are twice as high that in the majority of NATO countries. Our friends understandably cannot afford to carry this burden any further, all the more so under conditions of a pre-crisis economic situation in almost every [East European] country. What is more profitable for us: that they continue their armament and march towards economic disaster or, on the contrary, that they spare on military expenditures and improve their economic situation, reinforcing de facto the security of the commonwealth?

3. Doubtful is the thesis that the role of "chemical support of combat actions of troops" has increased (p. 5). The report says also that chemical troops will be reinforced with flame-throwers and the means of camouflage (p. 11). How does this correspond to our declarations of our readiness for a complete ban on and liquidation of chemical weapons?

4. The document contains a declaration about the need to support military-strategic parity with NATO (p. 7).

This thesis under current conditions should be spelled out to avoid its "verbatim" implementation.

5. It is not clear what it means that the combat and numerical strength of each Allied army "is intended to be preserved on the level prescribed by the Protocols by the end of

1999.” Does it mean a plan over-fulfillment, building up a larger military might ahead of time?

6. As an example that [the military] understand the concept of defensive doctrine in highly bizarre way can be found in the thesis about the intention to devote in the next five year plan more attention to the air-borne paratrooper formations [*udarno-shturmovim otriadam*] (p. 9). Until now this arm of the service existed predominantly not for defensive tasks.

Another example. On page 11 the report recommends to increase the stockpile of fuel, ammunition, to create their stockpiles on the territory of Hungary and Bulgaria, to create stockpiles of armaments and equipment for deployment of formations from the reserves, etc.

On p. 12 the report points out the need to expand the net of air-strips, to continue equipping protective hangars for military aircraft.

In general the report admits that implementation of the prescribed tasks, which should maintain the military-strategic parity, would require big efforts from the Allied Command and the Ministry of Defense in procurement of troops, [and] large-scale mobilization of the scientific and industrial potential of the socialist countries.

In other words, overall the report speaks not about a reduction of military efforts, but, on the contrary, their intensification. It would not be at all surprising that even if the report of the Commander-in-Chief does not leak to the West (and in present circumstances in the WTO such leaks cannot be excluded), the West were able easily to conclude on the basis of the facts and those measures for a build-up that would be implemented that in reality we do not want to disarm – moreover, we do not even want to lower the level of armed confrontation.

In essence, the presented document does not indicate that any attempt is about to be made to reassess the real military-strategic situation in Europe. The key component of this situation is the continuing Western intention to preserve nuclear arsenals on a certain level. The focus is still on nuclear deterrence, but not on the task of waging an offensive war by conventional means. With this in mind, we should remake our strategy. The existing nuclear means guarantee us from a direct aggression and thereby makes redundant a further increase of conventional armaments and military forces.

On the other hand, as many politicians from the Left are telling us, with some justice, only our concrete steps in reduction of armaments will trigger corresponding measures in the West. This will provoke such a wave of popular movement there, that governments will have to move towards us.

Then should we provide bourgeois militarists with arguments to continue and intensify the arms race?

Resolution of M.S. Gorbachev: “com. D.T. Yazov [Minister of Defense] received instructions.”

Published in G.Kh. Shakhnazarov. "Tsena svobodi" [The Price of Freedom] pp. 355-357.

*Translation by Vladislav Zubok
National Security Archive*

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to NS
May 31, 1988

X35

MEMORANDUM OF CONVERSATION

SUBJECT: The President's First One-on-One Meeting with
General Secretary Gorbachev

TIME & PLACE: May 29, 1988, 3:26 - 4:37 p.m.,
St. Catherine Hall, The Kremlin, Moscow

PARTICIPANTS: U.S. USSR

- | | |
|--|---|
| Ronald W. Reagan, President
of the United States | Mikhail S. Gorbachev,
General Secretary,
CPSU CC |
| Thomas W. Simons, Jr., Deputy
Assistant Secretary of State
(EUR) (notetaker) | Viktor M. Sukhodrev, Acting
Department Director
(notetaker) |
| Rudolf Perina, Deputy
Director, NSC Staff
(notetaker) | Vadim I. Kuznetsov, Section
Chief, MFA (notetaker) |
| Dimitri Zarechnak
(interpreter) | Pavel Palazhchenko
(interpreter) |

Gorbachev said he greeted the President warmly, and wanted to say right away that he was very determined to continue the growing dialogue which was gaining momentum in Soviet-American relations. They would be going into the details later, but he wished to say at the outset that he thought that in recent years, since the statement they had signed in Geneva, there was reason to see change for the better, and not only in bilateral relations, but, thank to that, in the world. The most important result of the change was to make the whole international climate better and healthier.

And, Gorbachev went on, he wished to say that because neither side could have done it alone; the Soviet leadership could not have done it alone. The two sides had had to do it together, and had. There was an important symbolism in that. The President's personal contribution had counted for a lot. He had noted the President's remarks; but they had not just been nice words.

The President said that both sides had come a long way since he first wrote to Gorbachev in 1985. History would record the period positively, and that was true not just for our relations. As with the INF accord, they had made the world safer with some of the things they had done. Gorbachev said agreed. The President continued that they had much still to do. He was

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Dept. of State, RPS/IPS, Margaret P. Grafeld, Dir.
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Date 8/25/99 Exemption _____

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particularly pleased with what Gorbachev was doing in Afghanistan, that he withdrawing his troops. Afghanistan was a problem Gorbachev had inherited; had not been involved in its creation. The whole world approved the courage he was showing in what he was doing there.

Addressing the President, Gorbachev said he would like to return to Geneva. The President had mentioned it. It had been their first meeting; they would return to it again and again. It had been a difficult but necessary beginning. Looking back on Geneva, from the position we had achieved today, it was possible to give high marks to the important political statements that they had made there. There they had said in their joint statement that nuclear war cannot be won and must never be fought; that no war was admissible; that neither side sought military superiority. It had been a strong statement by the leaders of the two great powers, and it had received much attention in the world.

Gorbachev continued that he wanted to invite the President to build on that Geneva experience, to make in their joint document a political statement on the same scale. Mr. President, he said, both sides and their allies now thought it necessary to move forward in arms control. Joint efforts were needed. But it was also evident that no problems in the world could be solved by military means. War made things too unpredictable. Therefore the only way to resolve problems, including regional conflicts, was by political means. By building on their four meetings since Geneva, they should say that in this diverse world of varied ideologies and nations, it was essential to live together in peace. That should be a universal principle. He wanted to give the President his proposed language for a draft statement. He wished the President to think about how to reflect what they had thought about in their four meetings and would be thinking about here in Moscow.

Gorbachev asked the President what he would say in principle to making such a statement. It was a question of reflecting policies as they were.

The President asked if he could read it, and Gorbachev passed it to him. Noting that an English text was included, the President said he had thought for a minute Gorbachev thought he read Russian; no, said Gorbachev; the English text was there.

(The English text Gorbachev passed the President in writing read:)

Proceeding from their understanding of the realities that have taken shape in the world today, the two leaders believe that no problem in dispute can be resolved, nor should it be resolved, by military means. They regard peaceful coexistence as a universal principle of international relations. Equality of all states, non-interference in internal affairs and freedom of socio-political choice must be recognized as the inalienable and mandatory standards of international relations.

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Having read the statement, the President said he liked it, and their people should look at it. Gorbachev noted that he was passing it over for consideration and discussion.

The President said he was somewhat older than Gorbachev, and remembered when the two countries were allies in World War II against the evil of Hitler. Then, after the war, something happened between the countries, and, as Churchill said, an iron curtain fell between them. He did not hear the term used much anymore, however, and he thought that in their meetings he and Gorbachev had had something to do with that. That did not mean that all the problems between the two countries were solved, but they had done things, and could do things, in the spirit of the statement that Gorbachev had just given him.

The President said he wished to digress for a minute and hand Gorbachev a list, as he had done before. The United States was a country to which people came from all over the world, and many of them maintained an interest in the countries they had come from. All the cases on the list had been brought to his personal attention, by relatives and friends, and he wanted to mention two specifically.

The first was that of Yuriy Zieman. He was a writer. His children were in America, and he was seriously ill, and wished to come to America for medical treatment. The President said he had wanted to visit him. Zieman's children wanted to do something for him, if not to cure him, at least to ease his illness.

The President continued that he would not go through the whole list; there were a dozen or so. But for some reason he felt a particular affinity for one man on the list, Abe Stolar. He was an American, whose parents had come to America in the time of the czars. He had been born on the very same day as the President, in the State of Illinois, so they had been born not many miles apart. When Stolar was young he and his parents had gone back to Russia, and his son had eventually married a young lady here in Russia. Now they had all decided they wanted to return to the land where Stolar was born in the United States, and the Soviet Government gave permission to all but the daughter-in-law. So they all decided to stay behind until they could leave together. As Stolar put it, he wanted to die where he was born, and the President thought the Soviet authorities should allow the whole family to leave. He hoped he would not die on the same day as Stolar, even though they were born on the same day.

Gorbachev responded that as always when the President presented specific humanitarian problems to him, especially concerning departures, these would be given careful attention. There was no obstacle to departure from the Soviet Union but one -- possession of state secrets -- and that was natural, since all countries wished to protect such secrets. But basically the Soviets did not keep people here against their will.

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Gorbachev went on to say that on the eve of his departure, in his statements in the U.S., in Washington, in Helsinki, the President has spoken about raising human rights in Moscow. Gorbachev said with a smile that he felt it was incumbent on him to respond, since otherwise the President might feel he had him (Gorbachev) in a corner, and might feel he should put on more pressure. He wanted to say that they in the Soviet leadership were ready to work with the U.S., with the Administration and with the Congress, on an ongoing basis, for solutions to humanitarian problems. He was saying that because he was convinced of it, and because it was quite clear that both in the Administration and in the Congress there were people who did not have a clear idea of what the human rights situation really was in the Soviet Union

Gorbachev went on that he would like to say the Soviets had many comments to make about the U.S. human rights situation; about problems of political rights, the rights of blacks and colored people, social and economic rights, the treatment of anti-war protesters and movements. They got many facts from the U.S. press. Probably they still did not know everything well. But they were ready to listening to what the U.S. side had to say. They were ready to have a conversation with the U.S. Congress. Gorbachev said he was calling for a seminar, on a continuous basis, involving officials, legislators and academics of the two sides, to discuss what was happening in the two countries.

It was not just a question of cases, Gorbachev continued, but of generalizations with which the Soviets disagreed; the U.S. probably saw some things it disagreed with on the Soviet side too. But these things should be discussed. The Soviets were open to that kind of discussion.

The President said he knew what Gorbachev was saying. Some of it was true, as it was anywhere, because the U.S. was a big and various country. It had many races, and one race, the blacks, had once been slaves. They were then freed, and discriminating against them was now illegal, but all the individual prejudices could not be immediately overcome. Some people in our country had brought them with them when they came. But there was one difference: the U.S. had passed laws, and under the law no one could use prejudice to keep someone from getting a job, finding housing, getting an education and the like. That would be against the law, and that person would be punished under the law, not because of his race or religion.

Gorbachev responded that there were many declarations and many provisions in the U.S. Constitution and U.S. laws. The problem was to look at how they were implemented in real life. If one looked at figures on unemployment of Blacks and Hispanics, on per capita income of Whites and Blacks, on access to education and health, there were big differences. In the Soviet Union living standards were lower, even much lower, than in the United States, but there was nothing like such large contrasts among groups of people in the country when it came to pay and the like.

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The President responded that when slavery was lifted from the Blacks they started at a much lower level than others, and even the civil rights laws could not guarantee them equality when it came to jobs and schools and the like. But when you considered that they had started lower, under the economic expansion of the past six years wages and employment among Blacks were rising faster than for Whites. In other words, they were catching up.

Gorbachev said he had not been inventing figures. He was citing facts from the American Congress. He did not want to teach lessons to the United States President on how to run America. He just wanted to note that the President had ideas about the Soviets, and the Soviets had ideas about the U.S. Recently the Soviets had become much more self-critical, but the U.S. had not. Once the Soviets had become begun to be self-critical, it seemed that the U.S. spoke more about civil and ethical rights. Of course the President was completing his term as President. Gorbachev said he thought the President's successors would be more self-critical than he was. But maybe everything was not "alright" (Gorbachev used the English word) in the United States, as the President's Administration seemed to think. He wanted only to say that he was suggesting an ongoing seminar between legislators and others to examine the issues and compare notes.

The President said he thought that was a wonderful idea. One goal of the session should be to work out misunderstandings.

The President continued that he wished to take up another topic that had been a kind of personal dream of his. He had dreamed about it. He had been scared to raise it with Gorbachev, but he was going to do it now anyway. He wanted no hint of anything that had been negotiated, where we had insisted on something the Soviets had to do. If word got out that this was even being discussed, the President would deny he had said anything about it.

The President went on that he was suggesting this because they were friends, and Gorbachev could do something of benefit not only to him but to the image of his country worldwide. The Soviet Union had a church -- in a recent speech Gorbachev had liberalized some of its rules -- the Orthodox Church. The President asked Gorbachev what if he ruled that religious freedom was part of the people's rights, that people of any religion -- whether Islam with its mosque, the Jewish faith, Protestants or the Ukrainian church -- could go to the church of their choice.

The President said that in the United States, under our Constitution, there was complete separation of church and state from each other. People had endured a long sea voyage to a primitive land to worship as they pleased. So what the President had suggested would go a long way to solving the Soviet emigration problems. Potential emigrants often wanted to go because of their limited ability to worship the god they believed in.

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Gorbachev said that as the Soviets judged it the problem of religion in the Soviet Union was not a serious one. There were not big problems with freedom of worship. He himself had been baptized, but was not now a believer and that reflected a certain evolution of Soviet society. There was a difference of approach to that problem. The Soviets said that all were free to believe or not to believe in God. That was a person's freedom. The U.S. side was active for freedom, but why did it then happen that non-believers in the U.S. sometimes felt suppressed, in a way. He asked why non-believers did not have the same rights as believers. The President said they did. He had a son who was an atheist, though he called himself an agnostic.

Gorbachev asked again why atheists were criticized in the U.S. This meant a certain infringement of their freedom. It meant there was a limitation on their freedom. He read the U.S. press. The Soviets said there should be free choice to believe or not to believe in God.

The President said that was also true for people in the U.S. Religion could not be taught in a public school. When we said freedom, that meant the government had nothing to do with it. There were people out there who spent considerable money to build and maintain schools that were religious. He had heard Gorbachev had recently lifted restrictions on such contributions. There were people volunteering to restore churches. In our country the government could not prevent that, but could not help it either. Tax money could not be spent to help churches. It was true there were private schools, with the same courses as public schools but with religious education besides, because people were willing to pay to create and support them. But in public schools supported by taxes you could not even say a prayer.

Addressing the President, Gorbachev said he should know that after the Revolution there had been excesses in that sphere. As in any revolution there had been certain excesses, and not only in that sphere but in others as well. But today the trend was precisely in the direction the President had mentioned. There had been some conflicts between the authorities and religious activists, but only when they were anti-Soviet, and there had been fewer such conflicts recently, and he was sure they would disappear. And when they spoke of perestroika, that meant change, a democratic expansion of democratic procedures, of rights, of making them real; and that referred to religion too.

The President invited Gorbachev to look at religious rights under our Constitution. There were some people -- not many, but some -- who were against war. They were allowed to declare themselves conscientious objectors when they could prove that it was a matter of faith with them not to take up arms even to defend their country. They could be put in uniform doing non-violent jobs -- they could not escape from service -- but they could not be made to kill against their religion. In every war there were a few such people, and sometimes they performed heroic deeds in the service of others. They could refuse to bear arms.

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If Gorbachev could see his way clear to do what the President had asked continued the President, he felt very strongly that he would be a hero, and that much of the feeling against his country would disappear like water in the sun. If there was anyone in the room who said he had given such advice, he would say that person was lying, that he had never said it. This was not something to be negotiated, something someone should be told to do.

The President said he had a letter from the widow of a young World War II soldier. He was lying in a shellhole at midnight, awaiting an order to attack. He had never been a believer, because he had been told God did not exist. But as he looked up at the stars he voiced a prayer hoping that if he died in battle God would accept him. That piece of paper was found on the body of a young Russian soldier who was killed in that battle.

Addressing the President, Gorbachev said he still felt the President did not have the full picture concerning freedom of religion in the Soviet Union. The Soviet Union had not only many nationalities and ethnic groups, but many religious denominations -- Orthodox, Catholic, Muslim, various denominations of Protestants, like the Baptists -- and they practiced their religion on a very large scale. The President would meet the Patriarch, would go to one of the monasteries. If the President asked him, the Patriarch would tell him about the situation concerning religion in their country.

Gorbachev said he would like to make one more suggestion. It was true that they did not have much time to do much that was new. But they should try to work not just for the present but also for the future. Perhaps the President would give thought to opening up even greater cooperation in space between the two countries. If that came out of this meeting as a common desire, that would be a good result. The two countries had good capabilities and doing something jointly would be a very big thing. It was very difficult for one country to operate in space. As he had already said to the Washington Post, now the Soviets would like the U.S. to begin cooperation on a joint mission to Mars. He understood this would be a long-term project; it meant lots of work and could not be accomplished overnight. But it was important to begin, and cooperation would be very useful.

The President said he had told his people to look into that very definitely. The U.S. program had been set back by the Challenger tragedy.

The President noted that there was a young man giving him the signal that the time had come for them to join their wives. Gorbachev said he understood. The President commented that space went toward heaven, but not as far as what he had been talking about before. Gorbachev said he wished to give the President his proposal for joint statement language on Mars. (Its English text read:)

The two sides noted that preparation and implementation of a manned mission to Mars would be a major and promising bilateral Soviet-American program, which at subsequent stages could become international. It was agreed that experts from both countries would begin joint consideration of various aspects of such a program.

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Gorbachev said space was at least closer to heaven. He was very pleased with this first discussion. It permitted confirmation that the two leaders were still on very friendly terms. He hoped this meant they were truly beginning to build trust between the two countries. He had told Shultz -- w must have conveyed it to the President -- that they were just beginning to b on good terms with the Administration, and along came an election. But he still wanted movement; there was still time to accomplish many things.

The President said he agreed. He knew it was not protocol, but betwee the two of them they were Mikhail and Ron. Gorbachev said he had noticed th were on a first-name basis since the Washington meeting.

The President concluded that there was one thing he yearned to tell hi atheist son. He wanted to serve his son the perfect gourmet dinner, to have him enjoy the meal, and then to ask him if he believed there was a cook. Th President said he wondered how his son would answer. As the meeting ended, Gorbachev said that the only answer possible was "yes."

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[REDACTED]

Soviet National Security Policy:
Responses to the Changing
Military and Economic
Environment [REDACTED]

Scope Note

This is the third in a series of papers produced in the Office of Soviet Analysis that seek to explore various aspects of the Gorbachev leadership's "new thinking." Each examines the historical roots and current imperatives that appear to have provided the driving force behind the leadership agenda and explores the potential implications for the USSR in the 1990s. The first, [REDACTED] *Gorbachev: Steering the USSR Into the 1990s*, July 1987, focuses on Gorbachev's economic program. The second, [REDACTED] *Gorbachev and the Military: Managing National Security Policy*, October 1987, examines the dynamics of party-military relations and the implications for policy formulation. This study deals with the evolving Soviet perception of the military environment and the debates under way in the USSR on security policy. [REDACTED]

Soviet National Security Policy:
Responses to the Changing
Military and Economic
Environment

Key Judgments

*Information available
as of 31 May 1988
was used in this report.*

The reality of the nuclear standoff and an era of tightening economic constraints have stimulated an expanding debate in the USSR on the precepts that guide decisions on the size and composition of Soviet military forces. Much of the public treatment is designed to influence Western opinion by portraying Soviet military aims as nonaggressive, seeking only what is necessary to ensure the security of the USSR. Nonetheless, there is, we believe, persuasive evidence from both classified and open sources that the discourse goes beyond mere propaganda and involves fundamental issues that have potentially important ramifications for Soviet security policy and military forces over the longer term.



Intelligence



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THE COLLECTION OF THE
NATIONAL SECURITY ARCHIVE

Soviet National Security Policy: Responses to the Changing Military and Economic Environment

An Intelligence Assessment



June 1988





[REDACTED]

Soviet National Security Policy: Responses to the Changing Military and Economic Environment [REDACTED]

An Intelligence Assessment



Anatoly Chernyaev's Notes from the Politburo Session, 20 June 1988

Politburo Discussion of Gorbachev's Draft Report to the XIX Party Conference.

From Gromyko's remarks. Could the Soviet Union afford to switch all resources to civilian objectives? Hundreds of billions went to the military ones. There is one big "but." They wanted to bend us to their will. In the UN Security Council we proposed to the United States to stop the arms race. They rejected our proposals. That is why we could not stop our production of nuclear weapons, and did not want to reduce the number of our military bases. They had thousands of those. And we could not do otherwise in the name of the country's independence.

During Khrushchev's time we had made 600 bombs (nuclear). He said then: how long are we going to do it? Under Brezhnev we could have taken a more rational position. But we continued to stick to the principle: they are racing, and we are racing, like in sports.

Science and intelligent people have already arrived at the conclusion about the senselessness of this race. But both we and they continued it. We approached this issue in a primitive way. And our high command started from the assumption that if a war was started, we would win it. And so we made more and more nuclear weapons. That was our mistaken position, absolutely mistaken. And the political leadership carries the complete blame for it.

Tens of billions were spent on production of those toys, we did not have enough brains. But you all know how those issues were decided then. We should strengthen this point in the theses. I believe that it would make the report a contribution to policy and theory in this sphere.

Ligachev. How do we admit people to the Party now? Here are the statistics. Every 16th worker gets admitted, and every second-to-fourth person from scientists, writers, and the like.

Gorbachev. This issue is unresolved indeed. We cannot admit everybody who wants to [enter] the Party, and at the same time, we cannot alter the nature of our workers' party. We also admit very few young people. We need some criteria.

The means of mass communications do a great job in *perestroika*. We would not have moved anywhere without them. However, we would need to say that group-think dominates the media. We need to say that while criticizing, the press puts a person in a position where he has no rights. As Lenin said, what comes out is "literary jockeying." *Glasnost* should be healing. And how would you heal if a person cannot respond to what had been written about him. The framework of *glasnost*, the framework of democracy, the framework of socialism—we need to think them through and speak about them openly.

... It has been proposed that we should even more strongly emphasize that we managed to remove the threat of nuclear war, we should stress it even more. Yegor Kuz'mich [Ligachev] proposed that. However, I would not be too excited about it. We came to a correct understanding of the situation, and we should give it a calm assessment.

It says in the first draft "thanks to our power." No—thanks to new thinking. If we do not stress realism, and do not propose realistic things—nobody on the other side would meet us halfway, and nothing good will happen. This a common process. Even though the conclusion that the threat of war was removed is very important. It is very important that the world has woken up and is taking its fate into its own hands...

About Komsomol. We used to have this phrase: "in partnership with the CPSU." I do not insist on the term "under the leadership," but we should somehow state it so that the relations with public organizations were understood in a democratic way. But not in such a way that everybody would read it as they want: what it means to lead, but not to order around. I understand it as ideological and political influence on the youth. In other words, I am in favor of leadership, but a correct one.

It is a question—how to combine democracy, *glasnost*, with a strong central power that is necessary for our big country and the multinational state? Therefore, we proposed the formula: "in combination with party leadership." There were many doubts. Still, I think, we should not propose anything else here so far. We said: "at this stage," i.e. the present political culture does not allow anything more significant. In the Novo-Ogarevo team many people were not excited about this phrase. But I am deeply convinced, and I thought like this all my life, that Lenin's idea of "Soviets [councils] with Communists"—is a promising and correct idea. If we want to ensure the success of *perestroika*, we cannot do that without the Party. If we do not find appropriate organizational solutions for its implementation, it will not work. We need to strengthen executive committees, but only by strengthening the soviet [councils] themselves,

assuming that Communists would be elected to them by the free vote of the people. In other words, Communists would be in power legally for the first time. And that way we will have a limit on the General Secretary, not just that he can do anything: he can do anything, but within the law.

In short, we should think about the country, not about our seats. And if somebody was trying to adjust their work to be liked by Gorbachev, or Shcherbitsky, or Gromyko—we are against it. We opened up such a process that we must think and think about the country. And in the future, when we have led the country to a more open state, many things would become clearer.

Shevardnadze. Emphasized the thesis on human rights: how well we expanded it, it is a great cause.

Gorbachev. This section is still raw here. Human rights came from our revolution. And what did it lead to? In short, it will not work like that in the theses.

Shevardnadze is saying that *perestroika* should abolish the deformities in ethnic relations. And that the section on secession from the USSR is simplified in our Constitution.

Gorbachev. What are you saying? Under the command-administrative system you can write anything in the Constitution. In the conditions of democracy you need to be careful about it.

We should state honestly that the party will lead, but it will lead exclusively on a legal basis, on the basis of a free mandate from the people.

In the Politburo we were talking about opposition parties. We believe that here we need to develop a firm policy. Only when we present this policy, when it gives results, will we then resolve our doubts about other parties, then everything will take its place. Now the issue is not multi-party systems, the issue is the correct road for the entire society. The soil on which extremism grows is the same one which we want to leave ourselves. And today we are only planning many things.

Comrade Dolgikh was saying here that the people demand that we be on our guard. This is not the issue. Not "on our guard," but we should do our work, so that we have results. For me there is no question about it—socialism, as we see it now, fits the principles of democracy. But we will not achieve such socialism without the Party, and we should reform the Party.

Regarding means of mass communications. Everybody seems to support the thesis that democracy and *glasnost* do not mean anarchy. Many of us are inclined to press them down a little. But I would say that now we have accumulated some experience, and now we already can write a law on mass media. We could not do it before now. We were rightly afraid that we could strangle them to death.

I would say the same about the KGB. Let the country live, and let the KGB work in the new situation. Later, we will see.

Vorotnikov gives a high estimate of the international section of the theses. Notes that we let ourselves get pulled into the arms race indeed. We found ourselves on the brink of a catastrophe.

Gorbachev. This is the softest term. Could use stronger words.

Vorotnikov. It is not imperialism, we are the ones to blame. We failed to use all means for peace. We got pulled into somebody's logic.

Gorbachev. There is a stupid dialectics here: if they do it, we also will. There were opportunities—yes, but we got wound up. If you look closely—we were always catching up, and we did not use political methods to achieve our objectives in a proper manner. This admission can lessen our guilt to some degree. We wanted to ensure strategic parity. It is a good concept—strategic parity. But we were pursuing simply parity, mechanical parity. Did we want to have parity with the entire NATO? To race with the whole world in the volume of armaments: cannon by cannon, plane by plane? Then let us introduce ration cards for food, turn the country into a military camp, and just race and race.

The situation has been changing, and now it is completely different. And we still have not used what we have. We are not changing the direction. But we were not capable of using our peace-loving capabilities in a reasonable way. Originally, we wrote in our theses that we found ourselves on the brink of war. So it was in the original draft, but then we decided to soften the wording so that we do not scare anybody.

*Archive of the Gorbachev Foundation
Moscow, Russian Federation*

*Translated by
Svetlana Savranskaya
for the National Security Archive*

Document No. 136: Summary of Discussion among
Defense Ministers at the Political Consultative Committee
Meeting in Warsaw, July 15, 1988

As part of this discussion among Warsaw Pact defense ministers, the issue of sharing military data with NATO receives further attention. By this time, the internal debate has changed significantly (see Document No. 130, for example). Soviet Defense Minister Iazov specifically declares that the East must be truthful in its reporting because the enemy knows the real figures, down to the order of tens of thousands of men and thousands of tanks. If less or more were published, he argues, the Warsaw Pact would be open to accusations of lying before all humankind. One cannot keep anything secret anymore, he opines. He also admits that the Soviet Union maintained 2 percent of its population under arms, whereas other countries had only 1 percent. On the subject of existing international military structures, he reminds his colleagues that they date back to the 1950s on the Warsaw Pact side. This prompts a debate between various allied representatives present over the proper pace of changing those structures.

[...]

The first speaker, Comrade Minister [Dmitrii] Iazov, explained that the forces of NATO and the Warsaw Pact are more or less evenly balanced. The number of persons is approximately equal. The Warsaw Pact has about 30,000 more tanks, but the NATO tanks are of better quality. The Warsaw Pact has more launch pads for non-nuclear tactical missiles. Also, as regards artillery, the relation is about 1.2:1. But the USA has more aircraft. Their superiority in helicopters and anti-tank weapons balances out our superiority in tanks and artillery. However, the Americans put quantity first.

Neither side is in a position to begin an attack without major regrouping.

The USA claims, however, that our formations are attack formations. They point to the equipment of our pioneer troops with bridges and our superiority in tanks and artillery as proof.

They demand a unilateral correction of the asymmetries in land forces.

They are unwilling to negotiate the inequalities in attack aircraft, helicopters and naval fleets.

[...]

An inadequately prepared publication of the figures would be considered by the West Germans and Americans as a victory for their side. For this reason, it must be thoroughly prepared politically, so that we do not suffer a loss in prestige.

[...]

The publicized data must be objective, since the opponent knows our figures down to the level of c. 10,000 men and 1,000 tanks.

If we publicize less, their intelligence will notice it and accuse us of lying before the entire world.

Similarly, if we publicize more than we have, in order to minimize what we are lacking, the figures will be checked on the spot and our deception will be exposed before the eyes of the world. We can no longer hide anything.

[...]

Again: the figures must be exact. If you agree, then we can decide what to put into storage.

We should prepare the data in the months of August and September and come to an agreement about publication of the total figures in October.

The following speaker was Comrade Minister [Heinz] Kessler. He expressed his agreement in principle with the explanation of Comrade Minister Iazov. He pointed out that, once the figures submitted by the Warsaw Pact had been gone over once again, it was up to the Committee of the Ministers of Defense to decide about their publication. At the same time, he emphasized that the assignment of groups to theaters of war must not be changed and that this is not the time to discuss the withdrawal of the Soviet army groups.

Comrade Minister [Milan] Václavík voiced his agreement and called for charging the Army generals with the task of going over the data. Structural changes should not be undertaken hastily, but rather be realized gradually, taking into account the direction of the operations of the individual armies as well as of the opposing army. Divisions are needed that are in a position to act independently, without the assignment of different units for cover.

A reduction of the armed forces must not harm the Warsaw Pact in any way. In estimating the individual types of weapon the principle of sufficiency must be applied, in cooperation with the staff of the Unified Armed Forces.

[...]

Comrade Minister [Ferenc] Kárpáti pointed out that in view of a new rethinking of the division of the European theaters of war, thorough preparation of the data was very important. Comrade [Károly] Grósz, he said, had already raised this question before the Political Consultative Committee.

In working out the structures, the strength of the opposing groups must be taken into consideration. The Hungarian People's Army has begun reorganizing its units and has changed to the brigade system, which, however, is not yet regarded as the final solution.

[...]

Comrade Minister [Vasile] Milea observed that the solution of these questions is very important for all countries. He suggested that commissions on the question of publicizing the data should be formed in the armies. For the development and equipment of individual armies and decisions about structures, the geographic conditions of each country must be taken into account.

[...]

Army General [Anatolii] Gribkov pointed out once again that the data to be publicized are total figures and not information according to theaters of war and countries.

The operational plans must be reworked on the basis of the commitments made in connection with the Military Doctrine of the member-states of the Warsaw Pact,

on the agreed-upon dates. A change in organizational structures should only be undertaken gradually.

In conclusion, Comrade Minister [Florian] Siwicki summarized the meeting by saying that all participants were of the opinion that the data on the Warsaw Pact should only be publicized after the Committee of the Ministers of Defense has checked the figures and confirmed them.

The leading role should be played by the USSR, since it assesses these questions on a global scale. But each country must make its contribution.

The propaganda machine must be prepared for the publication, to prevent the opponent from exploiting our figures for a new round of the arms race.

The question of the technical equipment of the allied armies is a problem of quality. Therefore, parity must be reached in the area of the quality of military technology.

One should take account of the fact that NATO can translate research and development into production more quickly than the Warsaw Pact.

[Source: VA-01/40374, BA-MA. Translated by Ursula Froese.]

Report on a Working Conference [of Opposition Leaders]

1 September 1988

A report from a working conference

At a meeting held on 1 September 1988, chaired by Prof. Andrzej Stelmachowski, there was a discussion on preparations to a possible “Roundtable.” Participants in the discussion were: B. Geremek, P. Czarторыski, M. Krol, H. Wujec, A. Michnik, J. Kuron, S. Grabska, K. Sliwinski, T. Gruszecki, R. Bugaj, J. Moskwa, A. Wielowieyski, K. Wojcicki, H. Bortnowska, Z. Grzelak.

Differences of opinion among the participants concerned mostly the degree of to which emphasis should be placed on the [legal] registration of “Solidarity” as opposed to the preparation of broader topics of possible future talks. Attention was drawn to the danger of too wide a range of topics, which might water down the cause of “Solidarity.” In this connection it has been agreed that it is necessary to prepare a detailed schedule of negotiations, in which the question of “Solidarity” would be awarded the first place.

Another matter discussed was the status of social participants in the “Roundtable” discussions. It has been acknowledged that it has to be precisely defined.

In the course of the meeting M. Krol submitted a report on his talk with Minister Kiszczak, and P. Czarторыski described the situation in Silesia.

As a result of the discussion it has been agreed:

1. The point of departure for the preparations for the talks is a document submitted by L. Walesa on 25 August 1988, in which three major areas for talks have been formulated: unions, pluralism of associations, and economic and political reforms;
2. The date for the meeting of the so-called Group of 60 was set for 9 October 1988 in Gdansk (still to be agreed with L. Walesa);
3. The formation of topical groups, which were to prepare papers for the Gdansk meeting, as well as for future talks conducted by L. Walesa. The following groups have been set up:
 - a group for trade union matters (Kuron, Merkel, Malanowski, Wujec, Rosner, Milczanowski);
 - a group for economic questions (Wielowieyski, Gruszecki, Bugaj—with an invitation to G. Janowski for agricultural matters);
 - a group for pluralism of associations (Geremek, Szaniawski, Paszynski, Bratkowski and possibly M. Krol—future systemic questions).

It has been agreed that further topical groups should be established, which would cooperate with a group of “Solidarity” advisors. Among other things, the question of youth and generational differences should be brought up.

The question of contacts, the press and other media was entrusted to J. Moskwa, and the preparation of papers for discussion in Gdansk—to K. Wojcicki.

[Source: Andrzej Stelmachowski Papers. Translated by Jan Chowaniec for CWIHP.]

Memorandum by Lech Walesa, "On Starting the Roundtable Talks"

4 September 1988

On starting the [Roundtable] talks

Right now we can begin to discuss the topics for negotiations, which I presented in my statement of 26 August. I think that in the beginning of next week talks should be concerned with two questions:

1) implementation of the promise made by the authorities that there would be no repression toward striking workers, and that those [repressive measures] have been applied, will be annulled,

2) union pluralism and within its framework the legalization of NSZZ "Solidarity", consistent with the postulate of the striking crews.

I think that the first stage of implementing the principle of the "Roundtable" as a process should be a factual discussion of the above topics and preliminary decisions. The composition of the meeting should initially be trilateral, as was our meeting on 31 August. I am going to present personal proposals separately.

A positive consideration of the above mentioned questions will allow for a broader debate on economic and political reforms in our country.

Gdansk, 4 September 1988

[signed]

[Source: Andrzej Stelmachowski Papers. Translated by Jan Chowaniec for CWIHP.]

Report from Andrzej Stelmachowski to Lech Walesa,

6 September 1988

6 September 1988
Mr. Chairman
Lech Walesa
Gdansk

A report

Yesterday, i.e. on 5 September, I met with Secretary J. Czyrek. The conversation lasted from 5:15 p.m. to 7:15 p.m., and then for another 10 minutes [we talked] in connection with the need for intervention on behalf of workers dismissed from their jobs or called up for military service as a penalty [for participation in strikes].

At the beginning [of the meeting] I handed him your note of 4 September, and the second one from "Solidarity RI" relating to agriculture [in] which I have agreed with them on my trip to Czipstochowa for a harvest festival. To begin with, the Secretary was delighted that we are proposing to start the "Roundtable" in [a] reasonable, not too accelerated time limit. He also said that he had been expecting a second Kiszczak-Walesa meeting to discuss the agenda, a list of participants and an agenda, while it would appear from your note that such meeting is not planned. I responded to this that, of course, a Kiszczak-Walesa meeting is always possible if we both agree on what needs to be done.

In that case the secretary has revealed his vision of the "Roundtable." He sees it as follows:

1) An exchange of views on the proposed changes in: a) the socio-political system, b) the economic system;

2) Work procedure and methods of coming to conclusions. He sees the sequence of work [as follows:]

1/ Discussion of the democratization process, leading to the creation of a joint election platform and reaching an understanding on restructuring the most important state structures: the Sejm, the government, the chief of state (i.e., a "presidential system");

2/ Discussion of pluralism of associations (so that its implementation could be achieved by the year's end);

3/ Discussion of a trade union model. He emphasized, however: "we stand on the position of the trade union law."

He added: We won't quarrel about the sequence of the points.

As can be seen from the above, the sequence of his points is exactly the reverse of ours. Therefore, I put up a [a bit of an objection], explaining that "political and legal empowering is the necessary premise of further phases, as it is difficult to undertake obligations towards anyone without having a legal existence."

To this the secretary "put his cards on the table" stating that in deciding on the legalization of "Solidarity" the authorities would like to know how the "S" sees its place in the political system. They would like to see "S" as a constructive factor, and not one undermining the system. They do not demand that "S" should get actively involved in the system as it exists today, but they would like to see its co-participation and co-responsibility in the reformed system.

I expressed fear that unleashing a wide-ranging debate on reforming the political system will water down the whole question.

After a longer exchange of views he recognized that besides “a large table,” “smaller tables,” including a “union” one, could also be established. He insisted, however, that reform questions should at least be considered together with the union matters.

In view of my fears that the “large table” debates may be less specific, he has revealed still another proposal. Thus, they would like to set up temporarily a body like a “Council for National Understanding,” which would be entrusted with preparing the reform of the Sejm, government, etc. He asked if “S” would enter into such a council. I in turn inquired how such a council would be chosen: by nomination or by delegation by particular organizations. He responded that it would be through delegation (in this respect it would greatly differ from the Consultative Council) and resolutions would be taken through an “understanding” and not by a “vote.” Such a council would have about 50 persons.

I responded I could not decide this for the “S” authorities, but that I personally thought such participation might be possible, obviously already from the position of a legalized organization.

Then we moved on to the composition of the “Table” and the possibility of a “union table.” I said that for the time being we don’t have any proposals regarding the “Table,” while at the “union table” there would be 7-8 people, including about 5 worker activists and about 2-3 people from a team of “advisors” (I did not mention names). He responded by saying that on their side also there would have to be workers and that people from the OPZZ cannot be excluded.⁶⁶ He also asked if the strikers would be included in the “S” delegation. I responded that yes, that, for Lech, people who are “dynamic” are right now more important than those who already belong to “Solidarity’s ZBOWiD.” I appealed to him not to interfere, as far as possible, into the composition of the other side; we are ready to accept people even from the “party’s concrete” (at which he smiled and said this would be an exaggeration, as he would like to lead [the talks] to a positive conclusion).

As far as the “Large Table” is concerned, he mentioned several names such as Kozakiewicz, Kostrzewski (President of Polish Academy of Sciences), Stomma, Przeclawska, Marcin Krol, etc. I acknowledged it.

As far as setting the date for starting the debates, it would be next week (according to your note). I merely said that I did not like the figure 13, thus it would be either 12th or 14th. He said he did not have aversion to the 13th, but since a meeting of the Politburo is scheduled on that day, that day would be out of question anyway.

So much for your information. To sum it up—we are faced with a dilemma as to whether to agree to parallel debates at both tables: the “big one” and several small ones, including the “union” one, or not. If so, then we should invite to the “large table” people from the “Group of 60,” invited for Sunday (besides the “unionists”).

There is also the question whether the Kiszczak-Lech debate should be renewed to complete these things, or whether I should do it with Czyrek.

Before leaving the CC building I made a phone call to Rev. Urszulik (I had an earlier appointment, but due to the late hour I wanted to cancel it). Then attorney

Ambroziak, who was there, broke the news to me about a call-up of the military in Gdansk and Stalowa Wola and about the layoffs of 28 people from the Northern Shipyard in Gdansk. Therefore, I returned back to Secretary Czyrek and intervened. He promised to take up this matter.

Since Urszulik was urging me to come over (he sent a car), I drove to the Secretary of the Episcopate, where I met, with Rev. Orszulik, Abp. Stroba and Bp. J. Dąbrowski. I reported to them on my conversation with Czyrek.

They were of the opinion to agree to both a “large” and “small” table.

While writing this note (at 9:50 a.m.) I got a call from Czyrek, who told me the following:

1) Call-ups to the military are not a new event, but implementation of earlier instructions dating back to the strike period. He pointed out that it has to do with “short” mobilization exercises, 5 days, 10 days, 14 days at most.

2) He promised to explore the question of layoffs in the Northern Shipyard in conversation with the first secretary in Gdansk, who is expected to arrive today for a Politburo meeting.

I pressed [him] to eliminate as fast as possible the above mentioned measures, emphasizing the harmfulness of using the military for penal purposes (Minister Czyrek was against using this term).

Secretary Czyrek said that Gen. Kiszczak would be inclined to begin the “Roundtable” on the coming Wednesday (14th) or Thursday (15th).

With warm wishes to all of you,
P.S.

Please set up a fast telephone communication with Lech (i.e. specific hours and telephone number).

[Source: Andrzej Stelmachowski Papers. Translated by Jan Chowaniec.]

Memorandum by Lech Walesa, "On Starting the Roundtable Talks"

4 September 1988

On starting the [Roundtable] talks

Right now we can begin to discuss the topics for negotiations, which I presented in my statement of 26 August. I think that in the beginning of next week talks should be concerned with two questions:

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2) union pluralism and within its framework the legalization of NSZZ "Solidarity", consistent with the postulate of the striking crews.

I think that the first stage of implementing the principle of the "Roundtable" as a process should be a factual discussion of the above topics and preliminary decisions. The composition of the meeting should initially be trilateral, as was our meeting on 31 August. I am going to present personal proposals separately.

A positive consideration of the above mentioned questions will allow for a broader debate on economic and political reforms in our country.

Gdansk, 4 September 1988

[signed]

[Source: Andrzej Stelmachowski Papers. Translated by Jan Chowaniec for CWIHP.]

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EXDIS

21. ON THE VIENNA CST MANDATE TALKS, THERE REMAIN BOTH PROCEDURAL AND SUBSTANTIVE DIFFERENCES. AT HIS LAST MEETING WITH SHEVARDNADZE IN GENEVA, THE SOVIETS HAD OFFERED LANGUAGE FOR THE SCOPE SECTION OF THE MANDATE. WE HAD REFERRED THEM TO THE 23 AS THE APPROPRIATE NEGOTIATING FORUM. THE SOVIETS INSTEAD ANNOUNCED IN VIENNA U.S.-USSR AGREEMENT TO A JOINT TEXT. THERE HAD BEEN, OF COURSE, NO SUCH THING. AGAIN IN MOSCOW, THE SECRETARY SAID, HE HAD STRESSED THE NEED TO DISCUSS THE REMAINING DIFFERENCES IN VIENNA WITH THE 23; WE WILL NOT CHANGE OUR APPROACH IN THIS REGARD. THE SECRETARY SAID HE THOUGHT THAT AIRCRAFT REMAINS THE MOST SERIOUS STICKING POINT. IN THE END IN VIENNA EVERYTHING WILL PROBABLY FALL INTO PLACE -- BUT IT WILL ALL HAPPEN QUITE QUICKLY. IN THE MEANTIME, WE WILL CONTINUE TO INSIST ON A BALANCED OUTCOME AND ON CST AUTONOMY WITHIN THE CSCE FRAMEWORK.

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REGIONAL ISSUES

22. THE SECRETARY NOTED THAT WE HAD GONE TO MOSCOW BELIEVING THAT THE MOST PRODUCTIVE AREA FOR DISCUSSION WAS SOUTHERN AFRICA. THIS HAD PROVED TO BE THE CASE. IN THE EXCHANGES BETWEEN ASSISTANT SECRETARY CROCKER AND ADAMISHIN, IT SEEMED CLEAR THAT THERE WAS A COMMON UNDERSTANDING THAT NO MILITARY SOLUTION IS POSSIBLE IN THE REGION AND THAT NATIONAL RECONCILIATION IS THE

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ESSENTIAL INGREDIENT FOR SUCCESS. WE ARE PLEASED THE SOVIETS AGREED TO JOIN US IN PUTTING MAXIMUM PRESSURE ON THE PARTIES TO RESOLVE THEIR DIFFERENCES BY THE SEPTEMBER 29TH ANNIVERSARY OR UNSCR 435.

23. THE SECRETARY BRIEFLY LISTED THE OTHER REGIONAL ISSUES DISCUSSED IN MOSCOW: AFGHANISTAN, THE MIDDLE EAST, IRAN/IRAQ, CENTRAL AMERICA, CAMBODIA AND KOREA.

NEXT STEPS

24. THE SUCCESS OF THE MOSCOW SUMMIT CAN BE MEASURED BY THE WORK PROGRAM IT LEFT IN ITS WAKE, A WORK PROGRAM WHICH IS SUBSTANTIAL AND INCLUDES ALL FOUR AREAS OF THE U.S.-USSR AGENDA. BOTH SIDES REMAIN DETERMINED TO CONCLUDE A START TREATY. WHETHER THAT IS POSSIBLE REMAINS TO BE SEEN. WE SHOULD BE ABLE TO IMPLEMENT THE JVE AND PROCEED WITH RATIFICATION OF THE TESTING TREATIES.

25. NEITHER SIDE COMMITTED ITSELF TO OR RULED OUT ANOTHER SUMMIT. IN THE EVENT OF A START AGREEMENT, AN ADDITIONAL SUMMIT WOULD BE APPROPRIATE. BUT THE PRESIDENT WAS CAREFUL NOT TO GET LOCKED INTO A DEADLINE PSYCHOLOGY. WHAT WE HAVE SAID PUBLICLY IS IDENTICAL TO

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OUR PRIVATE POSITION.

26. THE SECRETARY CONCLUDED BY NOTING THAT ALL OF WHAT HE HAD DESCRIBED HAD REQUIRED AN UNIMAGINABLE AMOUNT OF EFFORT, INCLUDING LONG ALL-NIGHT SESSIONS IN MOSCOW. IN RETROSPECT, IT HAD BEEN CLEARLY WORTH IT. HE CONCLUDED BY NOTING AGAIN THAT THE BASIC NATO DOCTRINE, CONTAINED IN THE HARMEL REPORT, WAS ONE OF STRENGTH AND COHESION -- WHICH ALLOWED US TO TAKE OPPORTUNITIES TO MAKE THINGS BETTER. THIS WAS THE BASIS AND OBJECTIVE OF WHAT WE HAVE BEEN DOING AND WILL CONTINUE TO WORK HARD TO DO.
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EXDIS

ON THE ISSUES AND THAT OUR EXPERTS HAD BEEN ENGAGED PRACTICALLY AROUND THE CLOCK. IN THE START DISCUSSIONS, WE FOCUSED PARTICULARLY ON ALCMS ISSUES AND ON VERIFICATION OF MOBILE ICBMS, SHOULD THEY BE ALLOWED. THIS PAID OFF IN SOME SUBSTANTIAL PROGRESS. ON TWO DIFFICULT SUBJECTS -- SLCMS AND DEFENSE AND SPACE -- WE HAD RUN INTO ROAD BLOCKS. WHILE THERE WAS NO DRAMATIC HEADWAY, WE SHOULD BEAR IN MIND THAT IT IS THE SIFTING THROUGH TOGETHER OF THE PROBLEMS THAT CAN PAVE THE WAY FOR PROGRESS IN THE FUTURE. THE MESSAGE IN THE DEFENSE AND SPACE AREA REMAINS: WE ARE MOVING FORWARD STEP-BY-STEP; WE ARE DETERMINED TO REACH GOOD AGREEMENTS, BUT WE STILL HAVE A HARD ROAD AHEAD OF US.

NUCLEAR TESTING

16. THE SECRETARY NOTED THAT HE AND FOREIGN MINISTER SHEVARNADZE HAD SIGNED THE JOINT VERIFICATION

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EXPERIMENT (JVE) AGREEMENT ON TUESDAY MORNING WITH THE PRESIDENT AND GORBACHEV PRESENT. IT PROVIDED FOR ONE EXPERIMENT IN THE U.S. AND ONE IN THE USSR. THE AGREEMENT AND ITS ANNEXES WILL OPEN THE WAY FOR THE CONDUCT OF THE JVE LATER THIS SUMMER. WE HOPE TO COMPLETE THE PROTOCOL TO THE THRESHOLD TEST BAN TREATY (TTBT) SHORTLY AFTER THE JVE IS CONDUCTED, AND SUBMIT BOTH THE TTBT AND THE PEACEFUL NUCLEAR EXPLOSIONS TREATY FOR RATIFICATION THIS FALL.

17. THE SECRETARY SAID THAT THE JOINT STATEMENT GIVES A SENSE OF THE DISTANCE WE HAVE TRAVELED ON THESE ISSUES. FOR EXAMPLE, IN THE WORK ALREADY UNDERWAY ON THE JVE, WE HAVE REACHED NEW LEVELS OF ON-SITE PRESENCE FOR VERIFICATION: MORE THAN 50 PEOPLE ARE NOW AT EACH OTHER'S TEST SITES, AND BY THE TIME THE JVE IS CONDUCTED, THAT NUMBER WILL RISE TO 90. THIS WAS THE FIRST TIME ANY FOREIGNERS (INCLUDING EAST EUROPEANS) WERE SETTING FOOT ON THE SOVIET NUCLEAR WEAPONS SITE. THE SECRETARY NOTED THAT THIS WAS A SUBJECT HE HAD BEEN WORKING AT SINCE THE OUTSET OF THE ADMINISTRATION; FINALLY, WE ARE GETTING MEANINGFUL RESULTS -- BUT ONLY BECAUSE WE HAD BEEN PATIENT AND DETERMINED.

LAUNCH NOTIFICATION AGREEMENT

18. WE SIGNED AN AGREEMENT PROVIDING FOR ADVANCE NOTIFICATION OF ALL ICBM AND SLBM LAUNCHES. BOTH SIDES HAD HAD THIS TYPE OF CONFIDENCE BUILDING MEASURE IN THEIR START POSITIONS. IN MOSCOW, WE SUGGESTED BREAKING IT OUT AS A STAND-ALONE AGREEMENT. THE SOVIETS, AFTER SOME INITIAL JOCKEYING, AGREED.

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BALLISTIC MISSILE PROLIFERATION

19. WE BROUGHT UP WITH THE SOVIETS THE SUBJECT OF GROWING BALLISTIC MISSILE PROLIFERATION. IRONICALLY JUST AS WE WERE CELEBRATING TOGETHER THE ELIMINATION OF A CLASS OF BALLISTIC MISSILES, THE CHINESE WERE BUSYING THEMSELVES BUILDING, SELLING AND INSTALLING COMPARABLE MISSILES IN TROUBLED AREAS OF THE THIRD WORLD. PROGRESS ON PROLIFERATION ISSUES HAS BEEN MIXED. WHILE WE HAVE BEEN SUCCESSFUL ON NUCLEAR PROLIFERATION AND HAVE MOVED AHEAD IN THE CHEMICAL AREA (INCLUDING A GOOD SECTION IN THE JOINT STATEMENT), WE ARE JUST BEGINNING TO FOCUS ON THE BALLISTIC MISSILE PROLIFERATION PROBLEM.

VIENNA CSCE MEETING AND CONVENTIONAL MANDATE TALKS

20. THE SECRETARY DESCRIBED THE DISCUSSIONS IN THIS AREA AS FRUSTRATING AND DISAPPOINTING. WHILE A MONTH AGO THE SOVIETS HAD AGREED TO REFER FOR THE FIRST TIME TO A BALANCED OUTCOME IN VIENNA, THEY WENT NO FURTHER AT THE MOSCOW SUMMIT. THE SECRETARY HAD SUGGESTED TO GORBACHEV THAT HE SEND A COPY OF THE CPSU CONFERENCE THESES TO HIS NEGOTIATORS IN VIENNA, TO HELP "MOVE THEM OUT OF THEIR STALINIST ATTITUDES." DESPITE OUR PROMPTING, THERE WAS NO REAL MOVEMENT.



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EXDIS

GIVEN A CONFLUENCE OF EVENTS: THE VIENNA CSCE END-GAME, THE PUBLICATION OF THE CPSU CONFERENCE THESES, AND RECENT SOVIET MOVES IN THIS AREA. IT IS CLEAR THAT SOME REMARKABLE THINGS ARE HAPPENING IN THE SOVIET UNION TODAY. WE SHOULD BE PROPERLY SKEPTICAL -- AND WAIT TO SEE CONCRETE RESULTS -- BUT IT WOULD BE A MISTAKE FOR US TO INSIST THAT NOTHING IS HAPPENING. THE JOINT STATEMENT IN ITS REFERENCES TO HUMAN RIGHTS, FOR EXAMPLE, GOES BEYOND ANY PREVIOUS DOCUMENT SUBSCRIBED TO BY THE SOVIETS. IT WOULD SIMPLY NOT BE HONEST FOR AN OBSERVER TO IGNORE THIS KIND OF CHANGE -- AND ACCORDINGLY, THE PRESIDENT DID SO IN HIS REMARKS IN MOSCOW.

12. IN MOSCOW THE PRESIDENT STRESSED HIS BELIEF THAT NATIONS DO NOT DISTRUST EACH OTHER BECAUSE THEY ARE ARMED; THEY ARE ARMED BECAUSE OF LACK OF TRUST. HE EMPHASIZED THAT WE NEED TO ZERO IN ON THE SOURCES OF EAST-WEST MISTRUST -- SOVIET HUMAN RIGHTS ABUSES AND

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UNHELPFUL BEHAVIOUR IN REGIONAL CONFLICTS. THE PRESIDENT PRESENTED A LIST OF CASES WHICH GORBACHEV AGREED TO STUDY CAREFULLY. FIVE CASES WHICH THE PRESIDENT HAD RAISED EARLIER WERE RESOLVED IN ADVANCE OF HIS ARRIVAL. WE WILL BE WATCHING VERY CAREFULLY TO SEE WHETHER REFUSENIKS WHO MET WITH THE PRESIDENT SUFFER AT THE HANDS OF SOVIET AUTHORITIES. IN CONCRETE TERMS, THE SUMMIT SEEMS TO HAVE ALREADY HAD SOME EFFECT. SOME 100 REFUSENIK CASES HAVE BEEN RESOLVED SINCE APRIL. AND OUR

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EXPERTS WERE INFORMED OF THE RELEASE OF A NUMBER OF POLITICAL PRISONERS. WE WILL CONTINUE TO TAKE A WATCHFUL ATTITUDE: WE WERE ENCOURAGED BY WHAT WE SAW AND HEARD IN MOSCOW, BUT THE PROOF IS ALWAYS IN THE RESULTS.

BILATERAL AFFAIRS

13. WHILE WE WORKED HARD ON BILATERAL TOPICS, WE DID NOT CONCENTRATE ON ANY SINGLE MAJOR AGREEMENT. WHAT IS IMPORTANT IS THE CUMULATIVE EFFECT OF A NUMBER OF AGREEMENTS PREPARED IN ADVANCE OF AND SIGNED AT THE SUMMIT:

- AN AGREEMENT ON COOPERATION ON TRANSPORTATION SCIENCE AND TECHNOLOGY;
- A NEW COMPREHENSIVE FISHERIES AGREEMENT;
- TWO AGREEMENTS UNDER THE COAST GUARD -- MARITIME SEARCH AND RESCUE, AND RADIO NAVIGATION -- BOTH AFFECTING THE NORTHERN PACIFIC;
- A THREE-YEAR IMPLEMENTATION PROGRAM UNDER THE EXCHANGES AGREEMENT: UNDER THIS PROGRAM WE WILL BEGIN NEGOTIATIONS WITHIN THREE YEARS FOR THE ESTABLISHMENT OF CULTURAL-INFORMATION CENTERS IN MOSCOW AND WASHINGTON;

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-- AN AMENDMENT TO THE ANNEX TO THE APRIL 1987 AGREEMENT ON PEACEFUL USES OF OUTER SPACE PROVIDING FOR THE PLACEMENT OF INSTRUMENTS ON EACH OTHER'S SPACE FLIGHTS AND THE EXCHANGE OF RESULTS OF NATIONAL STUDIES FOR UNMANNED SPACE EXPLORATION, INCLUDING TO THE MOON AND MARS. GORBACHEV WAS CLEARLY TAKEN BY THE PROSPECT OF A MARS PROJECT.

14. THE PRESIDENT AND GORBACHEV AGREED TO EXPAND DRAMATICALLY OUR PEOPLE-TO-PEOPLE EXCHANGES WITH A NEW PROGRAM OF EXCHANGES FOR AMERICAN AND SOVIET HIGH SCHOOL STUDENTS. THIS IS AN IDEA THAT HAS BEEN WITH THE PRESIDENT FOR A LONG TIME. WE ALSO HAVE UNDERWAY THE NEGOTIATION OF NEW AGREEMENTS ON BASIC SCIENTIFIC RESEARCH, ON MARITIME SHIPPING, AND ON DELIMITING OUR CIVIC MARITIME BOUNDARY. FINALLY, WE HAVE AGREED TO CONTINUE OUR WORK TOWARDS OPENING CONSULATES IN KIEV AND NEW YORK.

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15. THE SECRETARY REFERRED THE COUNCIL TO THE SUMMIT FACT SHEET FOR DETAILS ON THE DISCUSSIONS ON START AND DEFENSE AND SPACE. HE COMMENTED GENERALLY THAT THE PRESIDENT AND THE GENERAL SECRETARY HAD A GOOD EXCHANGE.

OF THOSE MEETINGS WERE ONE-ON-ONES. IN ADDITION, THE SECRETARY HAD TWO SESSIONS WITH FM SHEVARDNADZE. A RELAXED, CORDIAL ATMOSPHERE PERVADED THESE TALKS. WHEN, FOR EXAMPLE, THE PRESIDENT SUGGESTED TO GORBACHEV THAT HE WOULD WELCOME A VISIT OF RED SQUARE, GORBACHEV RESPONDED WITHOUT HESITATION, SERVING AS "TOUR GUIDE" FOR ONE OF THE HIGHLIGHTS OF THE SUMMIT. THE HUMAN TOUCH WAS VERY MUCH THERE; THE POSITIVE ATMOSPHERICS PROVIDED A PROPITIOUS BACK-DROP FOR SERIOUS, BUSINESSLIKE DISCUSSIONS.

8. THE PUBLIC ASPECTS OF THE VISIT WERE A GREAT SUCCESS. THE SECRETARY SAID THAT THE INTENTION HAD BEEN TO EXPOSE THE PRESIDENT TO A BROAD CROSS-SECTION OF SOVIET SOCIETY: STUDENTS, INTELLECTUALS, DISSIDENTS/REFUSENIKS, AND -- QUITE LITERALLY -- THE SOVIET MAN IN THE STREET. THE SOVIETS HAD AGREED TO TELEVISION COVERAGE OF THE PRESIDENT'S REMARKS AND WE HAD SOUGHT TO MAKE FULL USE OF THESE OPPORTUNITIES. THE MEETING WITH ARTISTS, WRITERS AND INTELLECTUALS HAD BEEN PARTICULARLY INTERESTING FOR THE PRESIDENT. THESE WERE STRONG, IMPRESSIVE PEOPLE WHO WERE VERY FORTHRIGHT IN EXPRESSING THEIR CONCERNS. THE PRESIDENT HAD ALSO VISITED MOSCOW STATE UNIVERSITY WHERE HE HAD ENGAGED IN

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A FREE EXCHANGE WITH STUDENTS. HE SPOKE WITH THEM ABOUT THE FUTURE AND ABOUT WHY THIS SHOULD BE OF PERSONAL INTEREST TO THEM, KEYING THIS TO THE THEME OF A MORE OPEN AND FREE SOCIETY (A FAVORITE THEME OF THE SECRETARY'S). THE STUDENTS WERE, TO SAY THE LEAST, RESPONSIVE AND ATTENTIVE.

9. REGARDING GORBACHEV'S DOMESTIC POSITION, THE SECRETARY NOTED THAT WHILE WE CANNOT SEE VERY CLEARLY INTO THE KREMLIN, THE GENERAL SECRETARY CAME ACROSS AS THE MAN IN CHARGE. THERE IS NO DOUBT THAT HE IS THE KEY MAN. LIGACHEV WAS ON HAND AS WELL AND SEEMED TO BE AT EASE -- EVEN ENGAGING IN A JOCLAR EXCHANGE WITH WHITE HOUSE CHIEF OF STAFF BAKER.

10. SECRETARY OF DEFENSE CARLUCCI MET TWICE WITH DEFENSE MINISTER YAZOV. MARSHAL AKHROMEYEV HEADED THE SOVIET'S NST WORKING GROUP AND DEMONSTRATED ONCE AGAIN THAT HIS PRESENCE WAS AN INDICATION THAT THE SOVIETS WERE PREPARED TO DO BUSINESS. YAZOV INFORMED US THAT AKHROMEYEV HAD ACCEPTED ADMIRAL CROWE'S INVITATION TO VISIT THE U.S. JULY 6-11. YAZOV ALSO INVITED SECRETARY CARLUCCI TO VISIT THE SOVIET UNION DURING THE FIRST WEEK OF AUGUST -- AND CARLUCCI HAS ACCEPTED.

HUMAN RIGHTS

SECRET

11. WHILE WE DID NOT SET OUT TO MAKE MOSCOW THE HUMAN RIGHTS SUMMIT, HUMAN RIGHTS WERE VERY MUCH ON OUR MINDS,

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1970'S AND HAD FAILED: WHAT HAD HAPPENED TO THOSE HIGH-FLOWN PRINCIPLES IN AFGHANISTAN, CAMBODIA, ANGOLA AND ELSEWHERE, WE HAD ASKED THE SOVIETS. IT IS IN OUR MUTUAL INTERESTS THAT WE STICK TO REALISM AND CONCRETE STEPS. THIS IS WHAT WE TOLD THE SOVIETS FROM THE OUTSET AND WE STOOD FIRM; THE PRESIDENT SIMPLY INSISTED THAT WE NOT GO BACK TO THESE UNREALISTIC CONCEPTS. IN THE END, WE GOT OUR WAY. THE LESSON WE DRAW FROM THIS EPISODE IS THAT WE MUST REMAIN CONSISTENT IN OUR POINT OF VIEW ON

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EXDIS

HOW TO MANAGE THE U.S.-SOVIET RELATIONSHIP AND HOW TO PURSUE OUR FOUR-PART AGENDA.

6. THE THIRD CURRENT WAS CONTINUITY. BEFORE GOING TO MOSCOW, THE PRESIDENT MADE CLEAR THAT HE WANTED TO CREATE A DURABLE PROCESS FOR DEALING WITH U.S.-SOVIET DIFFERENCES -- A FRAMEWORK HE COULD PASS ON TO HIS SUCCESSOR. THE MOSCOW SUMMIT IS ANOTHER LARGE STEP IN THAT DIRECTION. WE HAVE FASHIONED A POLITICAL DIALOGUE THAT IS REALISTIC AND SOLID, ONE THAT CAN WEATHER BOTH THE ROUGH SPOTS AND THE HIGH POINTS. THE SECRETARY REMINDED THE COUNCIL THAT THIS ADMINISTRATION HAS ALWAYS BEEN OPPOSED TO LINKAGE. IN THE IMMEDIATE WAKE OF POPULAR ANGER OVER THE SOVIET DOWNING OF A SOUTH KOREAN AIRLINER, FOR EXAMPLE, THE PRESIDENT SENT HIS REPRESENTATIVE (AMBASSADOR NITZE) TO PURSUE ARMS CONTROL DISCUSSIONS WITH THE SOVIETS BECAUSE IT WAS IMPORTANT AND OF POTENTIAL BENEFIT IN ITS OWN RIGHT. SIMILARLY IN THE MIDST OF A PREVIOUS YEAR'S SPY FUROR, WHEN 60

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SENATORS VOTED AGAINST HIS PROCEEDING TO A SCHEDULED MEETING IN MOSCOW, THE PRESIDENT HAD DIRECTED THE SECRETARY TO GO AHEAD, AND MUCH WAS ACCOMPLISHED AS A RESULT.

ATMOSPHERICS

7. DURING THE COURSE OF FOUR OFFICIAL MEETINGS, THE PRESIDENT AND GORBACHEV SPENT EIGHT HOURS TOGETHER; TWO

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EX **DECAPTIONED**

VIENNA PASS USDEL CSCE

E.O. 12356: DECL: OADR
TAGS: OVIP (SHULTZ, GEORGE P)
SUBJECT: SECRETARY SHULTZ BRIEFS NAC ON MOSCOW SUMMIT:
PRESENTATION

REF: USNATO 3192

1. SECRET - ENTIRE TEXT.
2. SUMMARY. IN HIS PRESENTATION TO THE NAC, THE SECRETARY CHARACTERIZED THE MOSCOW SUMMIT AS AN UNQUALIFIED SUCCESS. HE DISCUSSED THREE CURRENTS WHICH HAD MOVED THE SUMMIT ALONG: CHANGE, CONSISTENCY, AND CONTINUITY. HE EMPHASIZED THAT IT WAS EVIDENT FROM THE MOSCOW TALKS THAT THE SOVIETS ARE SERIOUSLY ENGAGED: THEY WANT TO DO AS MUCH AS POSSIBLE WITH THIS ADMINISTRATION, WITH PEOPLE THEY HAVE COME TO KNOW. THE

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PRESIDENT, FOR HIS PART, WISHES TO LEAVE A SOLID BASIS OF PROGRESS, A STEPPING OFF PLACE FOR HIS SUCCESSOR. THE JOINT STATEMENT ISSUED AT THE SUMMIT OUTLINES A BROAD AND DETAILED WORK PROGRAM THAT WILL GIVE SUBSTANCE TO THE COMMON COMMITMENT TO KEEP DEALING WITH PROBLEMS IN U.S.-SOVIET RELATIONS. THE SUCCESS OF THE SUMMIT HAS BORNE OUT THE NATO APPROACH OF OPENNESS TO DIALOGUE, BASED ON ALLIED COHESION AND STRENGTH. IT ALSO POSES THE CONTINUING CHALLENGE OF HOW BEST TO TAKE ADVANTAGE

06/16/81

SECRET

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NATIONAL SECURITY ARCHIVE

SECRET

OF OPPORTUNITY -- AGAIN BASED ON UNITY AND COHESION OF THE ALLIANCE. THE SECRETARY DISTRIBUTED BOTH THE MOSCOW JOINT STATEMENT AND A FACT SHEET, WHICH SUMMARIZED IN GREATER DETAIL THE SUBSTANCE OF THE SUMMIT DISCUSSIONS. END SUMMARY.

INTRODUCTION

3. FOLLOWING SYG CARRINGTON'S WELCOMING REMARKS TO SECRETARY SHULTZ AND "HIS NOBLE ARMY OF MARTYRS" SITTING IN THE SECOND AND THIRD ROWS, THE SECRETARY PROCEEDED TO DEBRIEF THE COUNCIL ON MOSCOW SUMMIT DISCUSSIONS AND EVENTS. HE CHARACTERIZED THE SUMMIT AS AN UNQUALIFIED SUCCESS, BOTH IN TERMS OF SUBSTANCE AND IN ITS CEREMONIAL ASPECTS. THE SECRETARY STRESSED THAT THE COHESION AND STRENGTH OF THE ALLIANCE AND THE WISDOM OF ALLIANCE COUNSELS HAD CONTRIBUTED SIGNIFICANTLY TO BOTH PREPARATIONS FOR AND PROGRESS ACHIEVED AT SUMMIT MEETINGS.

OVERVIEW

4. THE SECRETARY OPENED BY SAYING THAT HE WANTED TO SHARE HIS SENSE OF THE CURRENTS THAT HAD MOVED THIS
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SUMMIT ALONG. THE FIRST CURRENT WAS A POWERFUL ONE: CHANGE. THIS WAS SOMETHING ALMOST TANGIBLE IN MOSCOW. THE SUBJECT OF CHANGE -- WHAT TO DO, HOW TO DO IT, WHAT IT ALL MEANS FOR THE SOVIETS AND FOR EAST-WEST RELATIONS -- WAS ON EVERYONE'S MIND. GORBACHEV SPOKE OF IT, AS DID THE REFUSENIKS (IN THEIR MEETING WITH THE PRESIDENT). THE SOVIETS INCREASINGLY WILL BE FIXED ON THE PARTY CONFERENCE LATER THIS MONTH. THE SECRETARY RECOMMENDED AS REQUIRED READING JUST-PUBLISHED "THESES" WHICH WILL BE DEBATED AT THE CPSU CONFERENCE. TO HIS MIND, THEY ARE "STUNNING IN THEIR IMPORT" AND DESERVE CAREFUL STUDY.

5. THE SECOND THEME THE SECRETARY EVOKED WAS CONSISTENCY: CONSISTENCY ABOUT OUR OWN INTERESTS AND HOW WE PURSUE THEM. IT IS EASY TO BE CAPTIVATED BY THE SENSE OF CHANGE IN THE SOVIET UNION. BUT AS WE TAKE NOTE OF WHAT IS OCCURRING THERE, WE MUST ALSO CONTINUE TO HOLD TO OUR OWN BASIC INTERESTS. HE OFFERED AS AN EXAMPLE THE LAST-MINUTE DELAY IN MOSCOW TO AGREEMENT BETWEEN THE LEADERS TO THE U.S.-SOVIET JOINT STATEMENT. GORBACHEV SOUGHT TO SET DOWN ABSTRACT PRINCIPLES REGARDING DETENTE OF THE SORT THAT WERE FASHIONABLE IN THE 1970'S. THE PRESIDENT MADE CLEAR THAT, AS FAR AS WE WERE CONCERNED, THESE PHRASES WERE LESS THAN USEFUL IN THAT THEY WERE SUBJECT TO MIS-INTERPRETATION. FURTHERMORE, THIS KIND OF LANGUAGE WAS USED IN THE

Letter from Andrzej Stelmachowski to Lech Walesa,

1 October 1988

1 October 1988
Tel. 33-96-11
Mr. Lech Walesa
Chairman of NSZZ
"Solidarity"
in Gdansk

Dear Chief:

On 20 September I held another talk with Secretary J. Czyrek. In the beginning, according to the instructions, I protested the arrest of the 17 students who make up the National Council of the Independent Student Union (NZS), expressing hope that the next meeting of this kind would not be disturbed, even more so because at stake here is a selection of delegates to the "Roundtable." I also intervened on behalf of two members of the Striking Committee at Stalowa Wola, who still have not been re-admitted to their jobs, drawing his attention to the fact that the recommendation to re-admit about 200 miners to their jobs in Silesia also have not been implemented.

Secretary Czyrek promised to take care of these matters: he would go personally to Silesia to settle things and also for his part to prepare a "miners' table." At the same time he has raised far-reaching grievances towards Onyszkiewicz because of his appearance before a U.S. Congressional Committee, that is before the body of a foreign state (it was indeed a great blunder). As far as the "Roundtable" talks are concerned, we have agreed on the following:

- 1) The main "Roundtable" will number 50-70 people.
- 2) Individual teams will have about 20 people each, and their compositions may change as the need arises.
- 3) There will be 5 teams (union, systemic-political, economic, social pluralism and agriculture), and an additional sixth "table" will be operating in Katowice (on mining and matters related to that region). Secretary Czyrek didn't agree to set up a separate table for dealing with law and order, but agreed to discuss these matters at the systemic-political "table."
- 4) On the governmental side, representatives of the Party and allied parties will be invited but also large social organizations, such as NOT, PTE, agricultural circles, leaders of self-governmental and cooperative organizations, etc., but more on a personal rather than an institutional basis.
- 5) It has been decided that "Solidarity's" representation will be as large as the party-government representation, including the "allies;" however, there will be a third category of "miscellaneous," comprised of well-known personalities who are not directly connected to either side. Here Church representatives will be included.
- 6) As far as the duration of the "Roundtable" talks is concerned, there is a proposal to start them on 17 October and finish before 11 November. If everything goes well, there would be a great ceremonious ending, combined with the 70th anniversary of regained independence.

7) The “Roundtable” will make only the most important decisions and will form a Council for National Understanding, which would receive proper powers from the Sejm and would prepare legislative drafts necessary for the introduction of political reform, as well as essential elements of economic reform.

In connection with this, we allowed ourselves to conduct a number of consultations, as a result of which we have prepared together with Bronislaw, Tadeusz and Henryk draft lists of participants with a kind request for approval or correction.

The list of the “Roundtable” contains both a proposal of people comprising the “S” delegation, as well as those supported for a “bargain” with the government side. I would also like to reserve the right of “exchanging” from our side some people if the need arises.

I would also like to propose for the future the open-ness of deliberations, so that the public can be properly informed.

I am requesting your approval of the above arrangements, and particularly the date of starting the talks and the list of participants.

Shaking your hand,

[signed]

[Source: A. Stelmachowski Papers. Translated by Jan Chowaniec for CWIHP.]

Georgy Shakhnazarov's Preparatory Notes for Mikhail Gorbachev for the Meeting of the Politburo

6 October 1988

Mikhail Sergeevich!

Maybe you will find these thoughts useful.

Today we are discussing the results of our talks with the leaders or prominent figures from a number of socialist countries—[Laotian Prime Minister Kaysone] K. Phomvihan, Wo Thi Khong, [East German leader] E[rich] Honecker, [Romanian leader] N[icolae] Ceaucescu, [former Polish Leader Eduard] Gierek. Now [Mongolian People's Revolutionary Party leader Jambyn] Batmunkh is asking for a meeting.

Each country has its unique situation and we would be correct not to approach them across-the-board [*chokhom*]; we are seeking to figure out the specifics of each of them, and to build our policy on the basis of such an analysis.

At the same time today's exchange and, broadly speaking, everything that we know, all the information we receive, encourages us to take a multi-faceted evaluation of the situation in the socialist commonwealth. Notwithstanding all their differences and nuances, there are multiple signs that some similar problems are increasingly plaguing the fraternal countries. The very similarity of symptoms of the disease testifies to the fact that its catalyst [*vozbuditel*] is not some kind of a malignant germ that has managed to penetrate their lowered defenses, but some factors rooted in the very economic and political model of socialism as it had evolved over here, and had been transferred with insignificant modifications to the soil of the countries who had embarked on the path of socialism in the post-war period.

We have already laid bare weaknesses of this model and are beginning to remove them in a systematic way. This is actually the super-task of *perestroika*—to give socialism a new quality. A number of countries have followed us and began, even ahead of us, the process of deep reforms. Some of them, the GDR [East Germany], Romania, the KPDR [North Korea] still do not admit its necessity, but they do it rather for political reasons, because their current political leadership does not want to change anything. In reality all of them need changes, although we do not tell them this publicly to avoid criticism for trying to impose our *perestroika* on our friends.

But the fact is that obvious signs of a crisis require radical reforms everywhere in the socialist world. And subjective factors play a huge role. For instance, in more than backward Laos, Phomvihan is acting skillfully, and there are some good results. But those who stubbornly turn a deaf ear to the call of the time are driving the malaise ever deeper and aggravate its manifestations in the future.

And this concerns us in a direct way. Although we laid aside our rights of "senior brother" in the socialist world, we cannot renounce the role of a leader, the role that will always objectively belong to the Soviet Union as the most powerful socialist country, the motherland of the October Revolution. When it came to a crisis in any of them, we had to come to rescue at the cost of huge material, political and even human sacrifices.

We should clearly see, moreover, that in the future any possibility to “put out” crisis situations by military means must be fully excluded. Even the old leadership seemed to have already realized this, at least with regard to Poland.

Now we must reflect on how we will act if one or even several countries become bankrupt simultaneously? This is [a] realistic prospect, for some of them are on the brink of monetary insolvency (Poland, Hungary, Bulgaria, Vietnam, Cuba, GDR). Even Czechoslovakia, which has so far stayed afloat, now has rapidly rising external debt.

What shall we do if social instability that is now taking an increasingly threatening character in Hungary will coincide with another round of trouble-making in Poland, demonstrations of “Charter 77” in Czechoslovakia, etc.? In other words, do we have a plan in case of a crisis that might encompass the entire socialist world or a large part of it?

We are worried about this. When we receive from time to time alarmist cables we do what we can, but all this is at best like applying lotion to sores, not a systematic, thoughtful strategy for treatment of the disease, not to mention preventive measures.

It is high time to discuss these issues at the Politburo in the presence of experts. We should not bury our head in the sand like an ostrich, but we should look into the future with open eyes and ask ourselves the sharpest questions:

Could the socialist countries come out of the pre-crisis situation without Western assistance?

What price will they have to pay for this assistance?

To what extent should we encourage such a course of events or put up with it?

To what degree are we interested in further presence of Soviet troops on the territory of a number of allied countries (excluding the GDR)?

We should assign to the newly-established CC International Commission [the task of preparing materials for this discussion.] This is a huge problem, in scope as well as in significance, we need to tackle it continuously, but the first exchange should take place as early as late December [1988]–early January 1989. There will be a working conference of the Party leadership of the commonwealth in Prague in February, and this gives us a chance to share some of our conclusions with our friends. They are already expecting it, although each of them, of course, sees the situation from “his own angle.”

[Source: Published in G. Kh. Zhakhnazarov, Tsena prozreniia [The Price of Enlightenment]. Translated by Vladislav Zubok (National Security Archive).]

Letter from A. Stelmachowski to Jozef Glemp, Primate of Poland

24 October 1988

24 October 1988
His Eminence
Jozef Cardinal Glemp
Primate of Poland
in Gniezno

Your Eminence,

In view of the prospect of Your Eminence's talks with Gen. W. Jaruzelski, I feel it is my duty to inform you about a crisis which has arisen in connection with the "Roundtable" negotiations and the prospect of [their] breakdown at the very start.

First I am going to describe the difficulties which we have encountered:

a) Contrary to the impressions we received from preliminary talks held on 31 August and 15 and 16 September that the authorities were ready to come forward towards "Solidarity's" position, an acute press campaign has been intensified (particularly in "Trybuna Ludu"), in which it is incessantly repeated that the "Roundtable" cannot lead to the re-legalization of "Solidarity." This campaign, conducted through the central party daily, gives an impression that the authorities not only do not attempt to convince their own "hardliners" on matters which were to be discussed at the "Roundtable," but that since that time they themselves have hardened their position, creating a general impression that now, after setting up the Rakowski government, they are less interested in the "Roundtable."

b) Despite arrangements agreed upon with Mr. Czyrek, that each side decides on the composition of its delegation to the "Roundtable," we have encountered an attempt to interfere with the list presented by Mr. Walesa. Nine persons were called into question. They are: Jan Jozef Szczepanki, Andrzej Szczepkowski, Stefan Bratkowski, Zbigniew Romaszewski, Henryk Wujec, Jan Jozef Lipski, Janusz Onyszkiewicz, Jacek Kuron, and Adam Michnik. Now the opposition relates to the two latter ones. Lech Walesa takes the position that the principle of mutual non-interference into the composition of delegations should not be violated. However, in a letter that he sent over a week ago to Gen. Kiszczak he stated that he would see to it that the whole "Solidarity" delegation will abide by all arrangements and prove the will for a sincere and honest dialogue.

c) An objection has been raised that "Solidarity" representatives had been meeting with the extreme opposition circles, such as the KPN, "Fighting Solidarity," and others. This charge is biased and exaggerated on purpose. That meeting was not directed against the "Roundtable," but was aimed at making sure that those groups would not undermine the idea of the "Roundtable" meeting and the position which "Solidarity" intends to take at it. It is also a fact that "Solidarity" representatives at that meeting were rather under attack.

Another charge that was raised was that [we are responsible for the] street disturbances in Gdansk, which took place on Sunday, 16 October, when ZOMO made it impossible for a group of demonstrating youth to pass through from the Saint Brigid church to the NMP. Such events, which were also influenced by ZOMO's attitude, testify

not so much of “inspirations” from the “Solidarity” side, but rather of radicalization of the young generation.

Procedural difficulties and charges put forward by the authorities are—it seems—of a fallacious nature. The real obstacles are as follows:

1) The question of goals of the “Roundtable.” Mr. Czyrek has formulated them (in personal conversation with me) as an attempt to form a Council for National Understanding, which would deal with all controversial problems. In our opinion the “Roundtable” should adopt guiding resolutions on major questions and the proposed Council for National Understanding should deal with the implementation of those resolutions and technical matters, if need be.

2) The question of union pluralism. The prospects of settling this question are more than unclear. The press campaign, as I have indicated, has been aiming for some time at questioning union pluralism. The most important element here is a statement by General Jaruzelski himself, published in today’s press, in which three premises for the implementation of such pluralism are being defined. The most distressing one is economic, which the General has defined as: “[The] achievement of indispensable, fundamental economic equilibrium, so that some kind of spontaneous social pressures [*licytacja roszczeniowa*, claim bidding] would not endanger a highly complex reform process.” This means sticking to the theory that economic reform can be realized without social support (in any case a meaningful number of workers), and union pluralism is a sort of luxury, which should be realized later on.

3) The question of social pluralism. Last week Mr. Czyrek questioned the advisability of setting up a team for social pluralism (despite the fact that earlier such a team had been envisaged) explaining that some social organizations like the Polish Literary Union, Union of Artists, or the Journalists’ Union of the Polish People’s Republic do not want to sit at the same table with representatives of the previous regime’s creative unions. Admittedly, he later expressed willingness to reactivate the government-church negotiating group, which had been preparing a draft law on associations, with the possibility of some enlargement of its composition. However, an important question arises, which is whether the reserve shown [by some of the social organizations such as the Polish Literary Union, Union of Artists, and the Journalists’ Union of the Polish People’s Republic] will adversely affect the drafting of the projected law on associations.

4) The question of post-strike repression. Some time ago the Church representatives became guarantors of job restitution for all those who had been dismissed from work for their participation in the August strikes. At a meeting on 15 September, General Kiszczak very solemnly promised to withdraw all repression. That promise has brought about positive effects on the Seacoast (in Gdansk and Szczecin), while in Silesia jobs have not been restored to 114 miners, and in Stalowa Wola to 2 people. A communique of the press bureau and the Episcopate on this question was confiscated by the censorship office last week and it has not appeared in the national mass media.

In this situation I would be extremely grateful to your Eminence for an explanation of the essential prospects for the realization of both “pluralisms” (trade union and social). The whole thing can be reduced to the question: “Are the reforms (economic and political) to be realized jointly with an empowered society, which also means with ‘Solidarity’—or without it?” If the prospects are not encouraging, I don’t see the purpose

of further preparatory talks, which would only serve narrow purposes, instead of [those of] the society.

With expressions of a son's devotion,
[signed by Andrzej Stelmachowski]

[Source: A. Stelmachowski Papers. Translated by Jan Chowaniec for CWIHP.]

Excerpt from Anatoly Chernyaev's Diary

28 October 1988

Kohl met one-on-one with Gorbachev (plus me and Horst Teltschik, assistant to the Chancellor). And when I saw this striving at the highest level to speak as one human being to another human being (mutually), I felt physically that we were entering a new world, where class struggle, ideology, and, in general, polarity and enmity are no longer decisive. And something all-human is taking the upper hand. And then I came to realize how brave and far-sighted M.S [Gorbachev] is. He declared a “new thinking” “without any theoretical preparation” and began to act according to common sense. His ideas are: freedom of choice, mutual respect of each other's values, balance of interest, renunciation of force in politics, all-European house, liquidation of nuclear armaments etc. All this, each by itself, is not original or new. What is new is that a person—who came out of Soviet Marxism-Leninism, Soviet society conditioned from top to bottom by Stalinism—began to carry out these ideas with all earnestness and sincerity when he became the head of state. No wonder that the world is stunned and full of admiration. And our public still cannot appreciate that he has already transferred all of them from one state to another...

[Source: Anatoly Chernyaev, 1991: The Diary of an Assistant to the President of the USSR (Moscow: TERRA, 1997). Translated from Russian by Vladislav Zubok (National Security Archive).]

Anatoly Chernyaev's Notes from the Politburo Session, October 31, 1988

What are we going to take to the United Nations? Attended: Shevardnadze, Yakovlev, Dobrynin, Falin, Chernyaev.

Gorbachev. This is what I think. First of all, we need to define new thinking—how our policy is reflected in the minds of the people, politicians, and the military. Single out significant, constantly present factors.

We should present "the new us," show them how we are changing, how we comprehend the changing world, and how we develop along with it. This is the first part of the speech.

The second part—and the main one—is to affirm that new thinking, our new foreign policy is fully connected with *perestroika*, with the objective processes within the country. Tell them, what we are going to do next at home.

Present basic principles of our new military-political doctrine, as concrete as possible, and what it means for the international situation.

Show them our new military thinking as a part of new political thinking, and emphasize the military-technological side of our doctrine. In the speech we should make public the figures regarding our armed forces. Name the reductions that we are going to make unilaterally. It would be better, if we could unload ourselves of weapons in two years, and then publish how much we had, and how much we have left.

Recently, I met with Komsomol members at their exhibition of science and creativity. They overwhelmed me with questions: for what do we need such an army, Mikhail Sergeevich? For what do we need so many tanks, so many missiles? In short, the people will accept the idea of unilateral disarmament only in the event that the international situation changed. However, we are already acting in this direction. We have just given 6 billion dollars for public health—precisely by cutting the military expenditures.

Shevardnadze raises the issue of whether it was time to withdraw our troops from Hungary.

Gorbachev. Yes, but first we need to reduce the numbers, not to withdraw all at once. By the way, Khrushchev had all the right intentions in the military sphere. But look how he implemented them.

The third part—about the United Nations. Describe what it lived through during the Cold War. Emphasize that it was created for cooperation and coordination, and

therefore, it was just natural that its role diminished during the Cold War, its role "fell down."

It is for a reason that this organization is called the United Nations. In this context it should have a universally accepted doctrine, which would reflect the rights of the peoples, their right of free choice, human rights. Show the UN role as an instrument of the new world.

The fourth part. How do we see our contribution to the creation of the new world? We are not just calling for it, we are going to act. In the speech, we should present a set of responses to Western anxieties.

In general, this speech should be an anti-Fulton—Fulton in reverse. And we can already use the basis of certain experience of new thinking's work, show the movement in the right direction. And they will believe us when they see that we make clearly evident real steps.

The American theme should be present in the speech, i.e. our look at Soviet-American relations now, and in the prospective [future].

We should present our worldview philosophy based on the results of last three years. We should stress the process of demilitarization of our thinking, humanization of our thinking.

We should point to the fact that today international politics is expanding to the level of the people —, not only politicians and generals.

*Archive of the Gorbachev Foundation,
Moscow, Russian Federation*

*Translated by
Svetlana Savranskaya
for the National Security Archive*

1. NIE 11-23-88, December 1988, *Gorbachev's Economic Programs: The Challenges Ahead*



Director of
Central
Intelligence

~~Secret~~

Gorbachev's Economic Programs: The Challenges Ahead

National Intelligence Estimate

*This National Intelligence Estimate represents
the views of the Director of Central Intelligence
with the advice and assistance of the
US Intelligence Community.*

~~Secret~~

NIE 11-23-88
December 1988

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Director of
Central
Intelligence

~~Secret~~
~~NOFORN NOCONTRACT~~

NIE 11-23-88

Gorbachev's Economic Programs: The Challenges Ahead (U)

*Information available as of 20 December 1988 was used
in the preparation of this National Intelligence Estimate.*

*The following intelligence organizations participated
in the preparation of this Estimate:*

The Central Intelligence Agency
The Defense Intelligence Agency
The National Security Agency
The Bureau of Intelligence and Research,
Department of State
The Office of Intelligence Support,
Department of the Treasury

also participating:

The Office of the Deputy Chief of Staff
for Intelligence, Department of the Army
The Office of the Director of Naval
Intelligence, Department of the Navy
The Office of the Assistant Chief of Staff,
Intelligence, Department of the Air Force
The Office of the Deputy Assistant Secretary for
Intelligence, Department of Energy
The Director of Intelligence, Headquarters, Marine Corps

*This Estimate was approved for publication by the
National Foreign Intelligence Board.*

~~Secret~~
December 1988

1. (Continued)

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recalcitrant bureaucracy. The comparatively high prices of privately supplied goods will spur inflation. An added problem for Moscow is that these reforms probably will be most successful, at least initially, in non-Russian areas such as the Baltic states and the Caucasus. ~~(C NF)~~

We do not foresee a large, sustained increase in Soviet imports from the West. The Soviets may increase borrowing to perhaps \$3-4 billion net per year over the next few years. Even a much larger surge in borrowing from the West, which we think is unlikely, would not aid the overall economy substantially or ameliorate the resource competition between the military and civilian sectors. A few industries may benefit, however. ~~(C NF)~~

We judge Gorbachev will divert additional resources from defense—including managers, equipment designers, investment funds, and plant capacity—to his civilian programs. While we recognize there is some redundant defense plant capacity, significant increases in the production of goods for the civilian sector would require a diversion of resources from the military. Diversion from defense to civilian objectives will escalate conflicts over resource allocation because it could delay upgrades to weapons plants, thereby postponing the introduction of new systems. Clearly there are strong economic pressures for major reductions in military spending. Striking the right balance will involve many leadership arguments and decisions over the entire period of this Estimate. In any case, the large-scale modernization of Soviet defense industries in the 1970s has already put in place most of the equipment needed to produce weapon systems scheduled for deployment through the early 1990s.² ~~(C NF)~~

Moscow will press harder on Eastern Europe for more and higher quality machinery and consumer goods, for greater participation in joint projects, and for greater contributions to Warsaw Pact defense. Such demands will produce only marginal benefits for the USSR because of real economic constraints in Eastern Europe and the reluctance of its regimes to increase their help to the Soviets. ~~(C NF)~~

There is some chance that Gorbachev's economic programs may not survive. Disruptions, such as widespread reform-related work stoppages or a drastic drop in performance indicators, might strengthen conservative opposition. Such trends, coupled with continuing nationality turmoil, could force the leadership into a major retreat. ~~(C NF)~~

² The Director, Defense Intelligence Agency, holds an alternative view that a critical

1. (Continued)

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recalcitrant bureaucracy. The comparatively high prices of privately supplied goods will spur inflation. An added problem for Moscow is that these reforms probably will be most successful, at least initially, in non-Russian areas such as the Baltic states and the Caucasus. ~~(S)~~

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² The Director, Defense Intelligence Agency, holds an alternative view that a critical distinction must be made between near-term resource allocation trade-offs that can be made without significantly disrupting current defense procurement, and those of the longer term where a downward turn in defense spending trends may result in reordering or stretching out of weapons procurement. ~~(S)~~

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Given the severity of Soviet economic problems, Gorbachev needs the many benefits of a nonconfrontational international environment. This gives the United States and its allies considerable leverage in bargaining with the Soviets over the terms of that environment on some security issues such as regional conflicts and arms control and on some internal matters such as human rights and information exchange. The margins of this leverage will be set by Moscow's determination not to let the West affect the fundamental nature of the Soviet system or its superpower status.³

~~(C-REF)~~

³ For a fuller discussion of these issues, see SNIE 11-16-88, *Soviet Policy During the Next Phase of Arms Control in Europe*, November 1988; NIE 11-3/8-88, *Soviet Forces and Capabilities for Strategic Nuclear Conflict Through the Late 1990s (Volume I)*, December 1988; and the forthcoming Estimates NIE 11-14-88, *Trends and Developments in Warsaw Pact Theater Forces and Doctrine, 1988-2007*; and NIE 11-4-89, *Soviet Strategy Toward the West: The Gorbachev Challenge*. ~~(C-REF)~~

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Discussion⁴

The Need for Change

A simple growth formula—ever increasing inputs of labor and capital—resulted in rapid economic gains for the Soviet Union in the postwar era. This postwar system placed heavy stress on quantity rather than quality. Because there was an abundance of low-cost, readily available resources, there was little concern for efficiency and productivity. As the USSR moved out of the reconstruction phase in the 1960s, this growth formula became less effective. Labor supply growth slowed, ever larger expenditures were required to exploit natural resources, and the inefficiencies inherent in central planning became more acute as the economy grew. ~~(CONF)~~

Military spending also has increasingly hindered economic performance. To support the military effort, Moscow created an institutional mechanism reaching from the highest state bodies down through layers of administrative control to individual enterprises, thus ensuring priority to defense programs. As a result of this priority, the defense sector's share of national output grew and by the mid-1980s consumed 15 to 17 percent of GNP. The incentive structure—wages, bonuses, perquisites—was designed to favor those who worked in or supported the defense industry. The defense sector was given priority access to raw materials, machinery and equipment, subcomponents, scientists, engineers, and skilled workers, preempting consumption and investment in the civilian sector. The

⁴ General Secretary Gorbachev's efforts at reforming the political and economic fabric of the Soviet Union have been under way for more than three years. This Estimate reviews the progress of his economic strategy, identifies the conflicts inherent in his approach, and assesses the outlook for reform over the next five years. The Soviet leader has set in motion a dynamic process whose outcome cannot be predicted with confidence. There will continue to be major alterations in the game plan, and a conservative reaction to the strains unleashed by the current effort is possible. What is clear is that the very fabric of Soviet ideology and institutions is being questioned more than at any time since the revolution, and in the Soviet Union there is a general consensus that retreating to the economic and political path existing when Gorbachev took over is not tenable. ~~(CONF)~~

Soviet defense industry became the most technologically advanced and most effective sector of the economy. This effectiveness was due primarily to the priority that created the institutional mechanism rather than greater efficiency. The defense industry has been at least as inefficient and wasteful as the civilian sector. ~~(CONF)~~

As a result of these factors, GNP growth slowed from rates that were closing the economic and technological gaps with the developed West during the 1950s and 1960s to a range in the 1980s that allowed little expansion of per capita output and stymied progress in narrowing the technology gap. The large and still growing burden of defense coupled with increasing demands for investment in areas such as energy and agriculture allowed no room for major increases in the quantity and quality of consumer goods and services. ~~(CONF)~~

Brezhnev's successors, then, were saddled with:

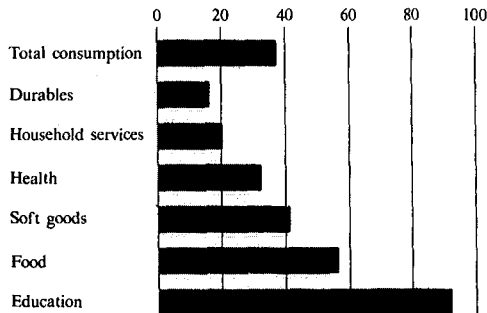
- An antiquated industrial base and a defense sector that was siphoning off high-quality resources needed for economic improvement.
- An energy sector beset by rapidly rising production costs of oil, its major fuel.
- Levels of technology that, for most areas, substantially lagged those of the West.
- Inefficiencies inherent in the conflict between ever more central planning and control and an increasingly large and complex economy.
- An inefficient farm sector that, despite large investments, still employed 20 percent of the Soviet labor force compared with only 5 percent in the United States.

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Figure 1
USSR: Low Living Standards

Soviet consumption as a percentage of US consumption, 1983

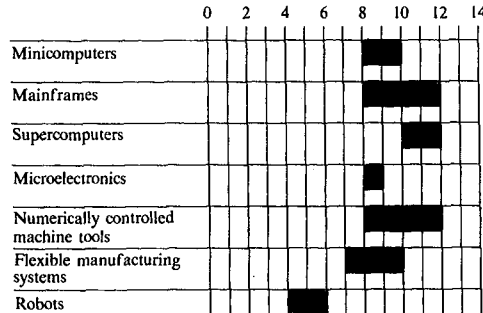


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Figure 2
USSR: Lags in Key Technologies

Approximate length of US lead in years



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- A hidebound, corrupt bureaucracy and inflexible planning system that failed to provide the proper signals for production and investment, retarded scientific-technical innovation, and encouraged high costs and massive waste of resources. (C/NF)

A Bold Action Plan

Gorbachev recognized the "pre-crisis" urgency of these problems and initiated a bold strategy to deal with them. He grouped his efforts to revive the economy under the broad rubric of *perestroika*, a term that includes three major economic elements—tighter *economic discipline*, *industrial modernization*, and *economic reform*. The goal of these actions, we believe, is to develop an economic environment capable of:

- At least containing, if not narrowing, the growing gaps in technology and economic performance with the West, thereby also enabling Moscow to maintain its military competitiveness.

- Achieving major improvements in consumer welfare to gain the cooperation and support of the masses for *perestroika* and to maintain regime legitimacy. Gorbachev and other Soviet leaders recognize that reaching these economic goals will take years, possibly decades, and that progress toward them could be greatly facilitated by a more nonconfrontational international environment. Gorbachev's efforts in arms control, his political initiatives, and the campaign to refurbish the USSR's image are intended to achieve such an environment. (C/NF)

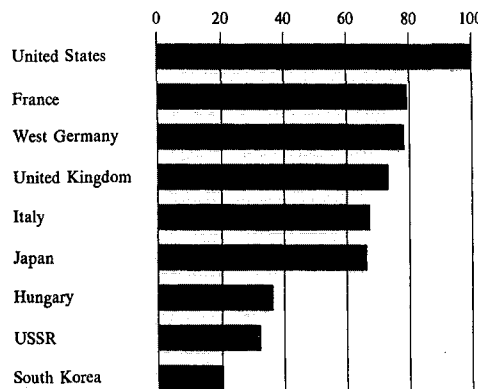
When Gorbachev first assumed office, he concentrated on extending and intensifying Andropov's *discipline* campaign. His "human factors" initiatives—discipline, temperance, and improved work incentives—were intended to raise labor productivity and to increase economic growth for the first two or three years of the 1986-90 Five-Year Plan while industry retooled. He also removed many inept and corrupt managers and officials and attempted to rationalize

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Figure 3
USSR: Per Capita Consumption in a
Global Perspective, 1985

Index: US=100



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the organizational structure of the bureaucracy by trimming slots and rearranging and combining functions. (C-~~NR~~)

Gorbachev argued that *industrial modernization* was the key to long-lasting improvement of the USSR's economic situation. His program was aimed at the massive introduction of new machinery and the rapid retirement of old equipment. This depended heavily on major improvements in the machine-building and metalworking sector that manufactures producer and consumer durables and military hardware. (See inset, "Machine Building—The Focus of Gorbachev's Modernization Plans.") (C-~~NR~~)

Gorbachev's boldest proposals were focused on *economic reform* of planning and management. These changes—contained in the Basic Provisions for Fundamentally Reorganizing Economic Management, the

Law on the State Enterprise, and 11 decrees—were approved at the Central Committee plenum in June 1987. This set of documents, together with decrees adopted over the last three years that expanded the role of the private sector, represents a design for the most comprehensive reform of economic management in the Soviet Union since the introduction of Stalinist central planning in the late 1920s. The plan goes well beyond the "Kosygin" reforms adopted in 1965 (see annex A). The reform package is scheduled to be "almost fully" in place by the beginning of 1991—the first year of the 13th Five-Year Plan—and major parts of the package are already in effect. (See the table on pages 5 and 6.) (C-~~NR~~)

Clearing the Political Track

Gorbachev also proposed reforms of the political system in part because of the ability of the entrenched state and party bureaucracies to defeat past efforts at economic reform. He aims to decentralize the political system to circumvent the resistance to reform at the top and middle levels of the leadership—groups that have forced him to compromise and slow implementation of his programs. The reforms place more decisionmaking authority at the local level in hopes of making the system more responsive to local economic signals than to administrative dictates from the top. His program for "democratization" is designed to produce a more participatory political culture—encouraging local officials to take initiative to resolve problems and giving the populace a greater say in decisions. (C-~~NR~~)

At Gorbachev's initiative, measures were approved by the national party conference in June 1988 to reduce the size of the party apparatus, force local party chiefs to stand for election as head of the regional soviets, and give the soviets new authority. These measures aim at diminishing the ability of local party chiefs to block controversial reforms and sensitizing local leaders to popular sentiment on such economic issues as more and better food and consumer goods. *Glasnost*—an element of political reform in the broadest

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~~Secret~~**Machine Building—The Focus of Gorbachev's Modernization Plans**

Gorbachev has argued that the key to long-lasting improvement of the USSR's economic situation is the continuous introduction of increasingly productive machinery and equipment. The modernization program, therefore, depends heavily on improvements in machine building and metalworking—the sector that produces these producer durables, as well as consumer durables and military hardware. The ambitious targets of the 1986-90 plan reflect the sector's importance:

- Output is to increase by 43 percent during the period 1986-90.
- Targets for high-technology equipment are even higher. Planned growth rates are especially high for numerically controlled machine tools (125 percent), robots (225 percent), and processing centers (330 percent).
- Quality and technological levels are to improve dramatically. By 1990, 85 to 90 percent of the most important types of machinery output will be up to "world technical levels," compared with 13 to 15 percent for civilian machinery in 1986. New machinery is to be at least 50 to 100 percent more productive and reliable than previously produced equipment.
- New machinery is to be introduced more quickly than in the past—by 1990, 13 percent of machine-building output is to be in its first year of production, up from 3 percent in 1985.
- By 1990, 60 percent of the sector's own machinery is to be new—that is, brought on line during the preceding five years. To reach this goal, investment in civil machine-building ministries is

to rise by 80 percent. Meanwhile, the withdrawal rate for old capital goods is to double by 1990, while the withdrawal rate for machinery is to quadruple. ~~(S, NF)~~

Machine building's struggle to meet these goals was hindered, in part, by the quality control program and new financial arrangements introduced in 1987:

- Production of numerically controlled machine tools showed no growth in 1987, and production of industrial robots declined.
- While newly introduced machines represent about 9 percent of output, the Soviets admit to a general lack of progress in meeting "world standards."
- The pace of both investment and machinery retirements has slowed markedly from the plan guidelines. ~~(S, NF)~~

Though machine builders will not reach their 12th Five-Year Plan targets, the leadership has taken steps to revitalize modernization by refocusing resources on priority areas including machinery for consumers, the food program, transportation, and construction. At the same time, the plan calls for an intensification of the development of machine tool building, instrument building, electronics, and electrical equipment—the same industries targeted for preferential development in the original 12th Five-Year Plan goals. ~~(S, NF)~~

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Soviet Economic Reform: A Status Report

Reform	Major Purpose	1989 Goals	1988 Results	Final Objective
Enterprise self-financing	Enterprises will bear full economic responsibility for the results of their activity. Investment will be financed less through budget allocations and more through enterprise's own resources and bank credits.	100 percent of industry and agriculture; "hope" to complete changeover of nonproduction sphere to same principles.	60 percent of volume of output in the economy.	Same as 1989 goals.
Regional/local self-financing	Republics and local governments will have greater role in forming their own budgets and will be expected to balance revenues and expenditures. Revenues will be formed from taxes levied on enterprises within the region or locale to fund social/economic development.	Estonia, Latvia, Lithuania, Belorussia, Moscow City, Tatar ASSR, and Sverdlovsk Oblast (RSFSR).	Not yet introduced.	Expansion to unnamed regions.
Planning	Enterprises will produce a portion of their output in compliance with mandatory state orders and will be given greater latitude in determining the remainder.	All enterprises and associations. State orders are to make up an estimated 40 percent of industrial production.	State orders made up 86 percent of industrial production.	State orders are to "eventually" drop to 20 to 25 percent of total production.
Supply	Only "scarce" producer goods and supplies for state orders will continue to be rationed by the state. Other supplies will be distributed through a wholesale trade system that will allow free purchase and sale under direct contracts between providers and users.	Approximately 10 percent of total industrial production; 50 to 55 percent of sales through state supply networks. ^a	Over 4 percent of total industrial production operated under wholesale trade.	Wholesale trade reform to cover more than 70 percent of sales through state supply networks by 1992. ^b
Wages	Entire wage and salary structure in the production sector will be overhauled, but increases are dependent upon enterprise's ability to finance them and are tied to increases in labor production.	No announced goal. 1988 goal was 60 to 70 percent of the work force. (May not be expanded because of concern that wages are being increased more than increases in labor productivity.)	No information.	All industrial sectors by end of 1990.
Banking	Decentralizes bank decisionmaking somewhat and elevates the role of economic criteria in extending credit.	Codification of banking practice through new banking legislation.	Limited decentralization. Some flexibility in negotiating lending rates. Assumed role of liquidators in cases of insolvency.	After price reforms are implemented.
Foreign trade	Allows selected enterprises to engage directly in foreign trade and keep portion of foreign currency earned.	Unannounced.	Was to be 26 percent of all imports and 14 percent of all exports. (Implementation behind schedule.)	No date given.

Footnotes appear at end of table.

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Soviet Economic Reform: A Status Report (continued)

Reform	Major Purpose	1989 Goals	1988 Results	Final Objective
Wholesale prices	Will be revised to better reflect resource scarcity and customer demands and will be based on contracts.	Not scheduled to be implemented.	Not scheduled to be implemented.	Industry, transportation, and communications by 1 January 1990; construction and agriculture by 1 January 1991.
Retail prices	Will be made more flexible and more fully reflective of supply and demand, probably resulting in higher prices for food, rent, and consumer services.	None; to begin only after full public discussion and before 1991 (beginning of 13th Five-Year Plan).	Not scheduled to be implemented.	Whole economy, presumably including retail by 1991.

^a This goal was moved up to 1989 from 1990. In 1987, the stated 1989 goal was to be 30 percent of sales through state supply networks operating on wholesale trade.

^b This goal was slightly reduced. In 1987, the stated 1992 objective was for wholesale trade to cover 80 percent of sales through state supply networks.

~~This table is Confidential Reform.~~

sense—encourages the critical reexamination of economic history and the Stalinist system's ideological foundations and provides a new set of precepts that support the devolution of economic and political power. (See inset, "Challenging Accepted Norms.") (C/NF)

Slow Progress

Implementation of Gorbachev's program is off to a rocky start. This is particularly true of his attempts to reform the system of planning and management. Ministries have not clearly apprised enterprise managers of their new tasks and responsibilities. Detailed instructions have not been issued, nor have chains of command in new organizations been delineated clearly. Enterprise managers remain reluctant to take risks and to focus on quality and innovation because pressure remains to meet quantitative targets set in the extremely ambitious original five-year plan. (C/NF)

Loopholes in the reform legislation—the result of compromise between those who wanted a radical decentralization of economic decision making immediately and those who preferred a more traditional, cautious approach—have allowed the ministries and the planning bureaucracy to resist change and have postponed the advent of market forces:

- For example, although obligatory plan targets covering an enterprise's entire range of output have been replaced by a system of "nonbinding" control figures and mandatory state orders, during the first year of implementation, state orders levied by Gosplan and the ministries often took all of an enterprise's output. In an effort to solve this problem, ministries are prohibited from issuing state orders during 1989, and Gosplan is instructed to reduce state orders by one-half to two-thirds.

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Challenging Accepted Norms

Initiatives

Initiatives to make enterprises more financially independent would inevitably result in the bankruptcy of inefficient firms.

Wage reform would tie rewards more closely to individual production results and would give greater rewards to professionals and skilled workers.

Retail price reform would reduce government subsidies and bring supply and demand more into line.

Wholesale price reform would allow prices to reflect changes in resource scarcities and consumer demand.

Expansion of the private sector to increase the availability of consumer goods and services would unleash private initiative.

Workplace democratization would allow the workers to elect their managers and workers councils, giving them a greater stake in the collective's success.

The cooperative movement in agriculture would give the farmer a personal interest in using the land more efficiently by allowing him to contract with the farm and to pocket the profits.

Conflicts

This creates major uncertainties for workers, who face unemployment and/or retraining, and for the manager, a member of the privileged elite, who has typically spent his entire career at the same plant.

This eliminates wage leveling and creates pressures to fire redundant workers, thus conflicting with the social contract.

While needed ultimately for long-term reform, it would weaken the safety net that gives the poorest segment of the population assured access to necessities such as food, housing, and health care.

It would allow the market more influence over Soviet economic activity, increasing the potential for its reputed evils—inflation, unemployment, "unearned" profits, and cyclical fluctuations.

It encourages qualities previously eschewed in the making of the "new Soviet man"—self-interest, competition, and "money-grubbing"—while it chips away at state ownership of the means of production.

Democratization violates the Lenin-ordained principle of one-man plant management and gives the workers a greater potential to challenge the role of the party in the economy.

It appears to be at variance with the raison d'etre for collectivization—the submergence of the individual to the group and a mechanism to transfer dividends from agriculture to other sectors.

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- Under the new conditions of "self-financing," enterprises are to finance operating expenses and some capital expenditures out of their own revenues and bear the full economic responsibility for their actions. However, the amount of revenues they are permitted to keep and the distribution of these resources among investment and incentive funds remain under the control of the ministries. As a result, the ministries are able to juggle these accounts and use the earnings of profitable enterprises to bail out the unprofitable ones.

In the area of foreign trade, a "stage-by-stage" convertibility of the ruble is planned, starting with the currencies of the countries belonging to the Council for Mutual Economic Assistance. Enterprises also are being given broader rights to keep part of the foreign exchange earned from exports. However, they still need approval to participate directly in foreign economic activity, and Soviet economists admit that currency convertibility, even with the currencies of Eastern Europe, is far off. ~~(C-NE)~~

Finally, implementation of Gorbachev's program is slow because only a portion of the economy has changed to the new system, and crucial elements of the reform package are not scheduled for full implementation until the beginning of the 13th Five-Year Plan in 1991. Wholesale and retail price reform is essential to make other reforms work, such as self-financing and making the ruble more convertible into both domestic goods and foreign currencies at realistic rates. Yet, wholesale price reform in the state sector will not be completed until 1991 and is likely to consist of administrative revisions rather than changes in the way prices are determined. Retail price reform has been postponed indefinitely because the regime fears that it will corrode the support of the populace for *perestroika*. Substantial new flexibility in setting prices, as reformers originally intended, is not likely because the Soviets have seen that granting limited enterprise rights to set prices has been inflationary under monopolistic conditions. (See inset, "Backtracking on Reform.") ~~(C-NE)~~

The modernization program has also been lagging and seems to be getting a reduced level of attention. In 1987 there was no increase in the output of machinery for the civilian sector, and the resulting shortfalls in

Backtracking on Reform

Some economic reforms, particularly those that would negatively affect the consumer, have been delayed or modified:

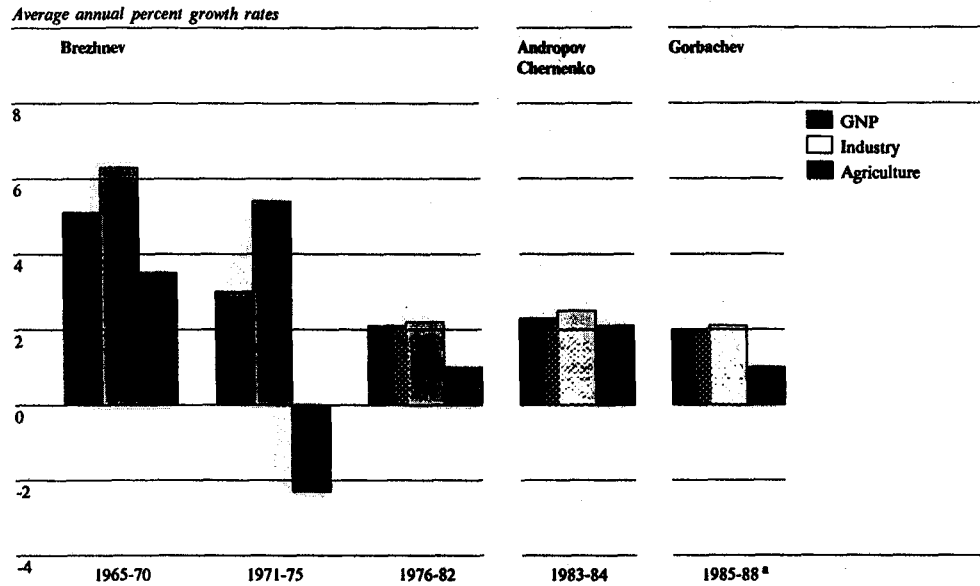
- *Retail price reform, which was to be implemented in 1991 along with wholesale price reform, has been pushed into the indefinite future; even reform economists are expressing skepticism about its wisdom.*
- *Consumer goods remain tied to state orders in order to ensure that unprofitable goods will be produced; state orders have been reduced substantially in other sectors.*
- *A new set of price regulations on goods and services produced in the cooperative sector are in response to public complaints of price gouging.*
- *Decisions on wage increases, which were to be the preserve of the enterprise, now are monitored by Gosbank in order to ensure that they do not exceed productivity gains and add to inflationary pressures.*
- *Wholesale price reform that will be implemented beginning in 1990 is not the reform of the price mechanism itself as envisioned in the original reform decree, but another revision that will periodically need adjusting.* ~~(C-NE)~~

equipment for investment caused problems throughout industry and the rest of the economy. The high targets that machine builders were tasked to achieve were overwhelming, particularly in light of the fact that they were being forced to do everything at once: retool, increase quality, conserve resources, change the product mix, and accelerate production. Despite some performance improvement in 1988, the program remains well below target. ~~(C-NE)~~

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Figure 4
USSR: Economic Performance Under Gorbachev and His Predecessors



*1988 data are preliminary.

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Gorbachev's economic program has so far failed consumers. Economic performance during 1985-88 was about the same as in 1976-82—the most stagnant Brezhnev years when per capita income did not grow. The effects of this poor performance—coupled with reduced imports of consumer goods and the antialcohol campaign—mean that Soviet consumers probably felt somewhat worse off at the end of 1987 than they did in early 1985 when Gorbachev assumed the post of General Secretary. The Soviet consumer scene is still marked by lengthy queues, rationing of some goods, pervasive black-market activity, and shortages of basic necessities, especially food. (C-~~NP~~)

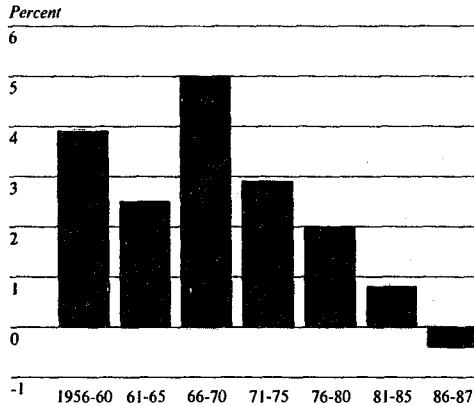
Altering Economic Strategy

Because of these mounting problems, Gorbachev has begun to alter his strategy in an attempt to revitalize his economic program and prepare for the planning decisions for the next five-year plan (1991-95). The potential problems from disgruntled consumers forced Gorbachev to alter his investment strategy to place more emphasis on housing, food processing, and light industry and to restrict growth in some other sectors. The Soviets have directed the machine-building industry to give priority to sectors that directly serve the consumer. (C-~~NP~~)

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Figure 5
USSR: Average Annual Growth of
Per Capita Consumption, 1956-87



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The defense industry is also being told to assume responsibility for a greater share of consumer-related production:

- Premier Ryzhkov directed the defense industry to increase deliveries of equipment to the food-processing sector.
- The Ministry of Machine Building for Light and Foods Industry and Household Appliances was disbanded and most plants resubordinated to the defense industry.
- The 1989 plan calls on the defense industry to improve the quality and increase production of consumer goods and capital equipment for consumer-related industries.
- The Minister of Medium Machine Building (the most secretive defense-industrial ministry) announced plans to increase sharply the output of equipment for the dairy industry. ~~(S-NT)~~

Gorbachev is increasingly concentrating on expanding the private and cooperative sectors and offering long-term leasing arrangements in both agriculture and

industry because those initiatives hold the best prospects for producing considerable improvements in the quality of life over the next five years. Legislation that would have levied a prohibitive tax structure on cooperatives was remanded in July by the Supreme Soviet in an unprecedented move. ~~(S-NT)~~

Outlook

We believe that Gorbachev's efforts at reforming the economy, fostering capital renewal, and motivating labor and management will produce no substantial improvement in the Soviet economy over the next five years.³ His efforts to devote increasing resources and attention to improving consumer welfare, however, could achieve some modest results. Still, we believe Gorbachev will be disappointed with the overall consequences. Squeezing investment growth in nonconsumer sectors, including heavy industry, will jeopardize prospects for meeting vital production targets. This same strategy resulted in serious bottlenecks and a substantial slippage in industrial growth during the period 1976-80. Plans to increase investment in light industry and to buy Western manufacturing equipment face long-drawn-out retooling and installation processes. Gorbachev's failure to deal with the already large budget deficit will intensify inflationary pressures. (See annex B.) ~~(S-NT)~~

Soviet attempts to incorporate new technologies and create a more productive labor force will not be enough to narrow the technology gap in most sectors with the West during the remainder of this century. More important, gains in particular areas will not be self-perpetuating as long as incentives for dynamic technological change remain weak. The Soviets have undertaken a variety of measures to spur innovation and the introduction of new technologies, including: (1) raising prices for innovative products; (2) forming associations to gather research, development, and production responsibilities under one roof; (3) making

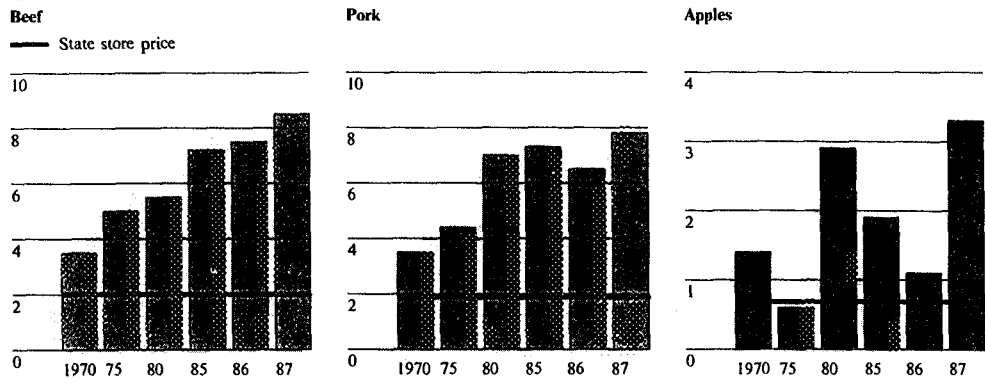
³ The Director, Defense Intelligence Agency, believes that this uneven performance could include sufficient improvement in the Soviets' economic and technical base to facilitate fulfillment of future military requirements. ~~(S-NT)~~

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Figure 6
Moscow: Collective Farm Market Prices
of Selected Goods^a

Rubles per kilogram Note scale changes



^a Data are for purchases made in Moscow in August or September of each year.

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information more available as a result of *glasnost*; and (4) encouraging joint ventures and technical exchanges with the more advanced countries. Nevertheless, systemic obstacles remain that discourage the introduction and dispersion of new technologies at industrial enterprises.⁶ Recent reforms aim at creating conditions and incentives for greater "technology pull" from below and expanding the autonomy of research and production collectives, but we believe these first faltering steps will not produce substantial results during the period covered by this Estimate. Acquisition of technology aimed toward military uses will not provide advances in Soviet industrial applications—the cornerstone of Soviet modernization. On the other hand, the new proposed forms of cooperative sharing of technology and managerial techniques with

the West, particularly joint ventures, could allow for easier transfer of technology than has been the case with traditional purchases of machinery and equipment.⁷ ~~(S NF)~~

There may be some economic benefits from the reform program that will help to prevent further deterioration in the planned economy. For example, financial pressures on enterprises should help reduce redundant labor and some waste of materials. On balance, however, we believe that such benefits will be slow in coming and that they will be outweighed by disruptions resulting from the conflicting and changing signals that piecemeal implementation of the reform program will continue to create. ~~(S NF)~~

⁶ The Director, Defense Intelligence Agency, believes that, since the Soviets already lead in several key defense technologies, they should be able to continue assimilating technology gains in this sector. (S NF)

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We see no evidence that Gorbachev currently intends to impose more radical reform in the state sector, a strategy that would include:

- Disengaging enterprises completely from ministerial control and allowing them to respond to economic levers.
- Providing much better price and profit signals by allowing prices to fluctuate in response to supply and demand.
- Creating a more competitive environment by breaking up the present huge production conglomerates and permitting competition from abroad.
- Introducing financial and capital markets.

Such moves toward a market economy at this time would be even more disruptive to the planned economy than piecemeal implementation and in particular would jeopardize Gorbachev's campaign to win popular support for his programs. We believe it most likely that reforms for the state sector will continue to be implemented slowly. Only a small number of unprofitable firms will be shut down, and price reform will entail the periodic revision of prices rather than a change in the basic pricing mechanism to allow more flexibility. Nevertheless, Gorbachev has often reacted to setbacks by proposing increasingly radical measures, and we cannot rule out an effort to move rapidly toward a market economy in the state sector. (See annex C.) (C-INT)

We believe Gorbachev will continue to push forward on the moves already begun to expand private initiative by paving the way for growth in the private and cooperative sectors and by allowing long-term agricultural leases. For such reforms to work, however, Moscow must allow more flexibility and reliance on the market. We believe progress in this area will be difficult because a resentful public and skeptical local authorities are likely to continue retarding the development of the private sector. Furthermore, the lease contracting system in agriculture will probably remain bound by centrally directed procurement targets and state supplies of inputs as well as a recalcitrant bureaucracy. Goods supplied by the private sector will be costly, raising concerns over inflation. An added problem for Moscow is that these reforms probably will be most successful, at least initially, in non-Russian areas such as the Baltic states and the Caucasus. (C-INT)

We believe there will be escalating conflicts over resources as the industrial modernization program falls short, consumers continue to clamor for tangible rewards, and the military perceives no reduction in its needs. In the near term, the resource allocation debate will be sharpest on investment. The present five-year plan has no slack that would permit greater investment in priority sectors without offsetting adjustments in other areas. The regime continues to balance the books on the investment program by assuming large gains in productivity in key areas such as machine building, agriculture, industrial materials, and construction. Yet, in his three-plus years in power, Gorbachev has not made any progress in reversing the long-term decline in productivity. (C-INT)

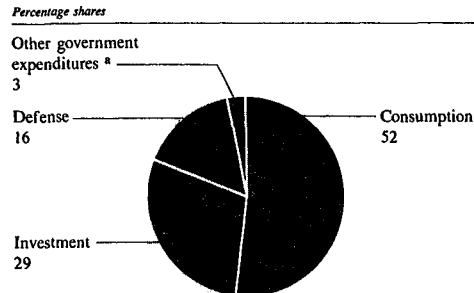
As a result, the leadership will have to tap resources outside the civilian machinery-production sector to continue the high investment strategy needed to renew the USSR's capital stock and improve productivity over the long term. As a large claimant on some of the economy's most valuable and productive resources, the defense industry is the prime, but not the only, candidate that will be tasked to support Gorbachev's industrial modernization drive. The defense industry already produces civilian investment goods and is the main source of some high-technology machinery and equipment such as robots, computers, and advanced machine tools both for its own use and for the civilian economy. (S-INT)

The defense industry has been given additional assignments to support the civilian sector and has been told that these civil projects must be given priority, even at the expense of some defense activities. We judge Gorbachev will divert additional resources from defense—including managers, equipment designers, investment funds, and plant capacity—to his civilian programs. The unilateral force reductions recently announced by Gorbachev could pave the way for cutbacks in weapons procurement in the near term, which will release defense industry resources for Gorbachev's civil economic agenda. While we recognize there is some redundant defense plant capacity, significant increases in the production of goods for the

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Figure 7
Estimated Distribution of Soviet GNP
by End Use



^a Administration, other services, and civilian research and development.

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civilian sector beyond the short term would require a diversion of resources from the military. Some members of the military have acknowledged that defense must endure some pain under *perestroika* to help the economy and, hence, its own needs down the line. Nevertheless, diversion of resources from defense to civilian objectives will escalate conflicts over resource allocation because it could delay upgrades to weapons plants, thereby postponing the introduction of new systems. Clearly there are strong economic pressures for major reductions in military spending. The full extent of these trade-offs will be based on an ongoing decisionmaking and bureaucratic process that will continue over the scope of the Estimate. (C-INT)

The Director, Defense Intelligence Agency, holds the view that a critical distinction must be made in the discussion of resource allocation trade-offs between the resource requirements for short-term objectives and those of long-range goals. Short-term requirements will rely primarily upon existing plant capacity and inputs. The demands Gorbachev is making on the defense sector do not require significant short-term reallocations from defense to the civilian sector or the disruption of current procurement programs. In the

longer term, to achieve lasting gains in productivity, significant investment resources will be required. Redirecting investment going to the defense industry would not be sufficient to meet the economy's modernization requirements since other sectors take far greater shares of total investment. While slowing the flow of investment resources into the defense sector may well result in a downward turn in defense spending trends, the Soviets probably would maintain weapons programs that are key to force modernization, while stretching some lower priority programs and phasing out early some long-established weapons production runs. (S-INT)

The accumulating economic problems and the challenges posed by the simultaneous pursuit of economic and political reform will raise the level of contention higher than it has been so far in Gorbachev's tenure. As a result of these tensions and continued struggles over resource allocation, we believe there is some risk for Gorbachev's economic program. In the area of economic reform in particular, disruptions—widespread reform-related work stoppages or a drastic drop in performance indicators—would strengthen conservative opposition and convert to opponents those who have been only lukewarm supporters of reform. Such trends—coupled with the effects of *glasnost* and continuing nationality turmoil—could force the leadership into major retreat. If this should happen, the more orthodox elements of Gorbachev's program would survive, but the reforms designed to bring about a major decentralization of economic decision making would be shelved. (C-INT)

Implications for the West

On Arms Control

Gorbachev's initiatives in the arms control arena have been supported by development of "new thinking" in the formulation of national security policy. Three leading themes of this new policy are:

- *The economic dimension of national security.* Soviet leaders have linked an improved economy to the expansion of the USSR's influence, and they have

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contended that the challenge posed by the arms race to Moscow's superpower status is as much economic as it is military. They and the military leadership agree that significant improvements in the high-technology sector of the economy are essential to compete with future Western weapon systems.

- *The limits of military power.* Gorbachev has tried to promote a concept of "mutual security" that attaches greater weight to political factors.
- *"Reasonable sufficiency."* Gorbachev and his followers have characterized this concept as having the necessary forces to deter aggression, and they have indicated that the Soviets already have sufficient power to do so. The Party Congress in February 1986, moreover, endorsed Gorbachev's call to "restrict military power within the bounds of reasonable sufficiency." ~~(S NF)~~

In addition to trying to redefine Soviet national security requirements, we believe Gorbachev has moved arms control to the forefront of the USSR's national security agenda in an effort to dampen both external and internal pressures to spend more on defense, at least until he can reap the productivity gains he hopes to achieve from his industrial modernization program. With more than 150 Soviet Ground Forces divisions, 160 Soviet Air Forces regiments, and 50 Soviet Air Defense Forces regiments west of the Ural Mountains, any type of accommodation with NATO that would allow the Soviets to reduce expenditures on modernizing these forces has the potential to result in substantial resource savings. The Soviet leadership probably hopes that the process of arms control negotiations will weaken NATO's resolve to modernize conventional and tactical nuclear weapons—thus making possible cuts in their own defense spending. ~~(S NF)~~

The unilateral force reductions recently announced by Gorbachev could pave the way for cutbacks in weapons procurement in the years ahead. The amount saved will depend on the forces affected, the restructuring of remaining forces to give them what Gorbachev described as a "clearly defensive" orientation, the pace at which the reduced force is modernized, and the costs of carrying out these initiatives. (S NF)

A plausible long-term method of transferring resources would be to redirect future investment from defense industries into the civilian sector during the next five-year plan (1991-95). As a result of the large-scale modernization in the defense industries in the 1970s, the defense sector has already in place most of the equipment it needs to produce weapon systems scheduled for deployment through the early 1990s. But the high-quality machine tools, equipment, and raw materials required to retool the defense industry to produce the next generation of weapons are the same resources needed for Gorbachev's industrial modernization program. ~~(S NF)~~

For Eastern Europe and Soviet Client States

Attempts at political reform in the USSR are likely to generate pressure on East European countries for similar reforms. Moscow will also increase its demands on them for more and higher quality machinery and consumer goods and for greater participation in joint projects—particularly those involving the exploitation of Soviet natural resources. East European countries will also be asked to shoulder more of the costs of the Warsaw Pact defense effort. We believe these countries—which are facing economic constraints and are anxious to do hard currency business with the West—will be able to resist most of these demands successfully. ~~(S NF)~~

As to relations with client states, we expect increased pressure from Moscow for those countries to adopt reforms in order to reduce the burden of Soviet support. While such support is only a limited drain on resources, Gorbachev apparently believes that it is inconsistent to continue support at past levels to countries, such as Cuba and Vietnam, that are not willing to adopt more flexible economic policies. ~~(S NF)~~

In Commercial Relations

We do not foresee a large, sustained increase in Soviet imports from the technologically advanced capitalist countries. Poor Soviet export prospects mean that such an increase would have to be financed either by a

* For further details, see NIE 11/12-9-88 ~~(Secret NF-NC)~~; May 1988, *Soviet Policy Toward Eastern Europe Under Gorbachev*. ~~(S NF)~~

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substantial runup of debt, which Soviet officials insist they will avoid, or by accelerated gold sales, which could risk significant reduction in world gold prices. In this regard, the situation facing Moscow in 1988 is far different from the USSR's position in the early-to-middle 1970s, when the Soviets could easily manage a substantial increase in their debt to the West:

- Now Moscow must contend with stable or declining oil prices and uncertainties over the quantity of oil available for export.
- Much of the debt incurred in the 1970s was formally tied to Western agreements to purchase Soviet raw materials. This option is currently being used more selectively.

Moreover, although the Soviets recognize the potential gains from increased use of Western technology and equipment, they lack the confidence in the ability of the economy—as currently configured—effectively to absorb and ultimately to diffuse imported technology on a large scale. ~~(C-INT)~~

We cannot rule out a temporary sharp increase in imports of consumer goods as a stopgap measure, given the leadership's concern over the lack of popular support for Gorbachev's programs. Even such an increase would only restore Soviet spending on consumer goods imports to pre-1985 levels. The Soviets cut back substantially on imports of consumer goods at that time in response to a large reduction in export earnings. In recent months Western banks have been negotiating credit lines with the Soviet Union worth between \$6 billion and \$9 billion—largely tied to Soviet purchases of machinery and equipment for the production of consumer goods. In the past the Soviets have arranged such lines and not used them fully, and it is currently unclear to what extent they will use these newly acquired credit lines. Unlike the mid-1970s, when credit competition among Western governments worked to the Soviets' financial as well as political advantage, the new credit lines do not offer preferential financing, nor do they otherwise materially broaden the potential base for Soviet borrowing. ~~(C-INT)~~

A surge in borrowing from the West would not aid the Soviet economy significantly or ameliorate the resource competition between the military and civilian

sectors. For example, even borrowing as much as Western bankers would allow—perhaps \$3-4 billion net annually in addition to the roughly \$5 billion needed per year to refinance maturing debt—would provide only a drop in the bucket for an economy that produces roughly \$2 trillion worth of goods and services annually. We believe the Soviet leadership will not undertake such borrowings for fear of the economic leverage it would give Western governments and bankers. Moreover, the Soviets recognize that plans for any debt buildup can go awry should Moscow unexpectedly confront lower oil prices, further depreciation of the dollar, or two consecutive bad harvests. ~~(C-INT)~~

We expect to see an intensification of Soviet foreign economic initiatives, including increased concessions to Western firms to conclude joint-venture agreements, greater efforts to learn from Western businessmen, a stepped-up campaign for GATT membership, and the possible release of more trade and financial data to facilitate improved borrowing terms. (See annex D.) Under these conditions Soviet hard currency trade will continue to be dominated by Western Europe and Japan. The Soviets also will push hard as a top priority to improve economic relations with the European Community. ~~(C-INT)~~

The Soviets will continue to press for trade and possibly financial concessions from the West. This will lead to increased pressures for the West to pare further the list of COCOM-controlled technologies. Such pressure will make it more difficult for the West to maintain a unified stance on current agreements—or reach a new consensus—concerning trade and financial flows to the Soviet Bloc. ~~(C-INT)~~

For Western Leverage

Given the severity of Soviet economic problems, Gorbachev needs the many benefits of a nonconfrontational international environment. This gives the United States and its allies considerable leverage in bargaining with the Soviets over the terms of that environment on some security issues such as regional conflicts and arms control and on some internal

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matters such as human rights and information exchange. The margins of this leverage will be set by Moscow's determination not to let the West affect the fundamental nature of the Soviet system or its super-power status.⁹ (C NF)

⁹ For a fuller discussion of these issues, see SNIE 11-16-88, *Soviet Policy During the Next Phase of Arms Control in Europe*, November 1988; NIE 11-3/8-88, *Soviet Forces and Capabilities for Strategic Nuclear Conflict Through the Late 1990s (Volume I)*, December 1988; and the forthcoming Estimates NIE 11-14-88, *Trends and Developments in Warsaw Pact Theater Forces and Doctrine, 1988-2007*; and NIE 11-4-89, *Soviet Strategy Toward the West: The Gorbachev Challenge*. (C NF)

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Annex A

The "Kosygin Reform"

As outlined by Kosygin, the 1965 reform program was to include an administrative reorganization of the bureaucracy, some decentralization of planning and decisionmaking functions from the ministries to the enterprises, a change in success criteria for enterprises, a revision of wholesale prices, and a reform of the industrial supply system. ~~(C-INT)~~

In comparison, Gorbachev's reform program is much more comprehensive and integrated, encompassing other key elements. For example, his price reform, unlike previous efforts, is designed to encompass all forms of prices—wholesale, procurement, and retail—and, in theory, is intended to change the basic pricing mechanism. ~~(C-INT)~~

The 1965 reforms were handicapped by major economic flaws and inconsistencies. But they foundered largely because of opposition from the government bureaucracy, which reacted by procrastinating, assimilating, complicating, and regulating. Implementation of the reform also suffered from a lack of strong

leadership backing. Its initiator, Kosygin, became increasingly overshadowed by Brezhnev, who lacked his predecessor's commitment to reform. The climate for a decentralization of decisionmaking became even less favorable after the Czechoslovak "spring" of 1968, which underscored the political risks of reform. Consequently, the reform was never implemented as initially intended. ~~(C-INT)~~

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Annex B

The Budget Deficit

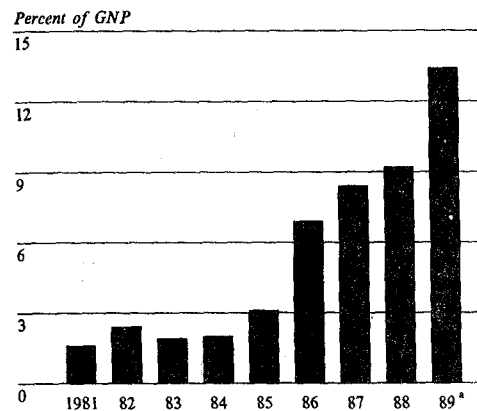
The Soviet state budget deficit has increased dramatically during the last three years. We calculate the 1989 deficit will be about 125 billion rubles—some 13 percent of Soviet GNP. (For comparison, the highest US Government budget deficit represented 3.5 percent of US GNP in fiscal year 1986.) (c-1)(u)

The inflationary pressures resulting from Moscow's fiscal policy are already visible. Growth of wages almost doubled in the first half of 1988. There has been a marked increase in the prices of consumer goods sold in collective farm markets, along with higher prices and increased shortages of consumer goods in state stores. Articles in the Soviet press have complained loudly about enterprises inflating the prices of new machinery products. Excess purchasing power also has probably led to an expansion of the underground economy, which results in resource diversions from the state sector and undermines attempts to spur state worker productivity through higher wages and salaries. (c)

Gorbachev's policies are partly responsible for the deficit rise:

- State spending has risen rapidly as a result of large boosts in state investment and increases in total state subsidies on food and livestock products.
- Receipts from stiff sales taxes on alcoholic beverages are down substantially as a result of the regime's antialcohol program.
- Revenues from the large markups imposed on the retail prices of imported food and consumer goods have fallen sharply as a result of the cutback in these imports starting in 1986.
- Proceeds from enterprise profit taxes grew slowly last year because of production problems due to retooling, reforms, and quality control measures. (c)

Figure 8
USSR: Estimated State Budget Deficit, 1981-89



* Projected.

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Annex C

Soviet Economic Reform: Signs of a Radical Economic Shift

Indicators of forward movement toward radical, market-oriented reform would include:

- Less emphasis on the fulfillment of 1986-90 Five-Year Plan targets and the announcement of realistic 1991-95 goals. The 1989 plan already has accepted targets for produced national income and industrial production that are lower than called for in the current five-year plan.
- Strong, united commitment by the leadership not only to the general concept of economic restructuring but also to individual elements of the reform program that are particularly controversial, such as essential price changes or even price reform.
- Willingness to carry through particularly painful adjustments such as bankruptcies that close down many enterprises and wage reforms that lead to wide differentials in pay.
- Evidence of a large expansion in the number of cooperatives (and employees of cooperatives) and the playing down of resentment by the general populace over egalitarian issues.
- Promulgation of major new agricultural reforms that reduce the powers of the state and collective farms.
- Greater consolidation of economic ministries, accompanied by cuts in staff and revision of their charters to steer them away from supervising the day-to-day activities of economic enterprises.
- Continued ability of reform economists to publish controversial articles that push the limits of reform. ~~(G-11)~~

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Annex D

Update on Joint Ventures

Moscow has signed 41 joint-venture contracts with Western firms in 1988, bringing the total to 61 since legislation governing such contracts took effect in January 1987. Nevertheless, Soviet leaders are discouraged by the low level of investment and technology in most of these deals and are considering changing the program to encourage more Western participation. Such changes might spur additional contracts, but primarily from firms interested in small-scale projects. (C-~~NF~~)

Moscow's relative success in negotiating joint ventures is largely the result of greater Soviet flexibility, particularly in easing restrictions on the repatriation of profits, the biggest obstacle to concluding agreements. The original legislation allowed Western firms to earn hard currency profits only by exporting finished products of the joint enterprise. Moscow is now allowing an array of options, including countertrade agreements in which the Western partners export Soviet goods to earn hard currency. In one agreement, the Soviets reportedly will also allow a consortium of six US firms to repatriate profits by pooling their hard currency earnings. (C-~~NF~~)

Despite the surge in agreements, the Soviet leadership is far from satisfied with the progress of its joint-venture program. Service and consumer-related projects, rather than high-technology deals, still dominate the list of completed contracts. (C-~~NF~~)

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12. SNIE 11-16-88 CX, November 1988, *Soviet Policy During the Next Phase of Arms Control in Europe* (Key Judgments only)



Director of
Central
Intelligence

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Soviet Policy During the Next Phase of Arms Control in Europe

Special National Intelligence Estimate

This Special National Intelligence Estimate represents the views of the Director of Central Intelligence with the advice and assistance of the US Intelligence Community.

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SNIE 11-16-88CX
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November 1988

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SNIE 11-16-88

Soviet Policy During the Next Phase of Arms Control in Europe (U)

*Information available as of 17 November 1988 was used
in the preparation of this Special National Intelligence Estimate.*

*The following intelligence organizations participated
in the preparation of this Estimate:*

The Central Intelligence Agency
The Defense Intelligence Agency
The National Security Agency
The Bureau of Intelligence and Research,
Department of State

also participating:

The Office of the Deputy Chief of Staff for Intelligence,
Department of the Army
The Office of the Director of Naval Intelligence,
Department of the Navy
The Office of the Assistant Chief of Staff, Intelligence,
Department of the Air Force
The Director of Intelligence, Headquarters,
Marine Corps

*This Estimate was approved for publication by the
National Foreign Intelligence Board.*

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November 1988

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Figure 1
 NATO and Warsaw Pact Forces Within the Atlantic-to-the-Urals Zone



Indigenous Forces		Stationed Forces		Indigenous Forces		Stationed Forces	
Belgium	Netherlands	Belgium		Bulgaria	Hungary	Group of Soviet Forces, Germany	
Denmark	Norway	Canada		Czechoslovakia	Poland	Central Group of Forces (Czechoslovakia)	
France	Portugal	France		East Germany	Romania	Northern Group of Forces (Poland)	
Greece	Spain	Netherlands		Soviet Military Districts		Southern Group of Forces (Hungary)	
Iceland	Turkey	United Kingdom		Baltic	North Caucasus		
Italy	United Kingdom	United States		Belorussian	Odesas		
Luxembourg	West Germany	West Germany		Carpathian	Transcaucasus		
				Kiev	Ural		
				Leningrad	Volga		
				Moscow			

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Key Judgments

We judge that the Soviets and their allies have a number of interrelated military, political, and economic reasons to engage the West in conventional arms control:

- Military:
 - To improve the correlation of forces and to reduce what they perceive as NATO's capability to launch a surprise attack.
 - To impede NATO's force modernization plans and to prevent or impede NATO's deployment of advanced technology weapons.
- Political:
 - To demonstrate the "new thinking" in Soviet foreign and domestic policy.
 - To appeal to foreign and domestic public opinion in a generalized way, while adding to Moscow's overall arms control posture and enhancing the USSR's image as a trustworthy, rational player in the international arena.
- Economic:
 - To reduce the threat from NATO and thereby reduce the urgency on the part of the Soviet Union to match or better NATO's high-technology modernization programs.
 - To make it politically easier to allocate economic resources within the Soviet Union from the defense sector to the civilian sector to carry out *perestroyka*.

We believe the Soviets and their allies *prefer* to negotiate with NATO to achieve *mutual* reductions of conventional forces. Militarily, it makes more sense to trade force reductions, thereby retaining a balance in the correlation of forces. However, the Warsaw Pact probably realizes that negotiating an agreement with NATO that is acceptable to the Soviets could take years—and might not even be possible.

In the short term (up to two years), we believe the Pact will pursue a strategy aimed at reducing the West's perception of the Soviet threat in the expectation that this course will make it difficult for NATO governments to maintain or increase defense spending. The Pact will engage NATO in the Conventional Stability Talks and probably will introduce sweeping proposals for asymmetric reductions.

12. (Continued)

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We predict that, when formal negotiations concerning conventional forces in the Atlantic-to-the-Urals zone begin, the Warsaw Pact will quickly present a formal version of its public diplomacy position—and might even table a draft treaty very early in the negotiations. It will probably insist on an initial discussion of data regarding asymmetries between the two sides' forces and will probably suggest establishing a working group on data.

The Warsaw Pact states will *not* accept the current NATO proposal, which in effect calls on the Pact to take gigantic cuts in tanks and artillery for minor cuts on the NATO side so that there is parity between the Pact and NATO. For example, this would mean the Pact would have to withdraw or destroy about 25,000 tanks while NATO would withdraw or destroy about 900 tanks.

Outside of the negotiating process itself, for political effect, the Soviets may also take unilateral initiatives:

- We judge the Soviets could garner significant political gains in Western Europe at tolerable risks by unilaterally removing some of their forces from Eastern Europe, especially all from Hungary. The evidence on Soviet timing and conditions is insufficient to predict with confidence when and whether a withdrawal announcement might be made.
- Given the West German concern about short-range nuclear-capable forces, it is possible that the Soviets might make a gesture by unilaterally withdrawing some short-range ballistic missile launchers from Eastern Europe; however, we judge the likelihood of such a move to be low for the period of this Estimate.
- The Soviets may attempt to portray force restructuring as a unilateral force reduction; however, we judge that the ongoing restructuring of the Soviet ground forces is intended primarily to make units more effective for prolonged conventional combat operations against NATO.

We judge that, among our NATO Allies, France will be the most resistant to potential Soviet gambits, with the United Kingdom a strong second. Of the major partners, the Federal Republic of Germany will be the most responsive to such ploys, because of its strong desire to reduce defense spending and to reduce the chance of the country becoming Europe's nuclear battleground. The challenge for the United States and the rest of NATO will be to continue the ongoing NATO modernization, while at the same time negotiating on a possible agreement with a more sophisticated adversary in an environment where the public perception of the Warsaw Pact threat has been softened significantly.

~~These Key Judgments are Secret Noform.~~

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Anatoly Chernyaev, Personal Memorandum to Mikhail Gorbachev
November 11, 1989

11.11.89 to M. S.

Mikhail Sergeevich!

On the eve of his visit to Japan, A. N. [Yakovlev] called me in so that he could “test drive” some international problems on me.

We started talking about everything else, and I felt an acute internal grievance in him. In fact, it has been slipping before, but now especially. And I understood immediately what it was caused by, because it was painful to my ears, too, when at the last Politburo meeting, as if in passing, you placed him under Medvedev’s leadership” One can only guess why [you did] that. But there are also interests of our cause [at stake]. If you want to get a real platform for the XXVIII Congress, it would be risky to rely on Medvedev. He is too “correct,” too much of a prisoner of the “political economy school,” in which he was educated; too cautious. Mainly, he is completely devoid of political imagination. Meanwhile, we are talking now not only about the development of the concept of perestroika, but about a change of the theoretical bases of our policy and the development of society, about a new leap of fundamental significance in the history of socialist thought, about a dialectic surmounting of Lenin. And that relates to all spheres—from the heights of our beliefs to the basic details of party work. Of course it is impossible either in the pre-congress CC (Central Committee) platform, or even in the report at the Congress to develop all this in a proper form, but this issue should be raised. Otherwise the Congress will not fulfill its historic mission.

And at a moment like this, you are giving (obviously due strictly to passing and tactical considerations, because I do not believe that you do not see the difference in Yakovlev and Medvedev’s potentials) today’s “Bukharin” into service to today’s ... well, to which of those people can I compare him ... “Pyatakov.” Due to this fact alone, Yakovlev will not work to his fullest. And to use his potential later, “on the eve” of the Congress, so to speak, in an “intimate fashion”—wouldn’t it be too late, too big a rush? Without even mentioning the human aspect of this ... dignity, pride, age, political prestige after all, and so on.

I apologize. I believe it was my duty [to say this], and not only because of my personal attitude toward A. N. [Yakovlev].

[Source: State Archive of the Russian Federation, Fond 10063, Opus 1
Translated by Svetlana Savranskaya for the National Security Archive.]

22. NIE 11-3/8-88, December 1988, *Soviet Forces and Capabilities for Strategic Nuclear Conflict Through the Late 1990s* (Key Judgments and Executive Summary)



Director of
Central
Intelligence

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Soviet Forces and Capabilities for Strategic Nuclear Conflict Through the Late 1990s

National Intelligence Estimate

Key Judgments and Executive Summary

*These Key Judgments and Executive Summary
represent the views of the Director of Central
Intelligence with the advice and assistance of the
US Intelligence Community.*

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NIE 11-3/8-88
1 December 1988
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Soviet Forces and Capabilities for Strategic Nuclear Conflict Through the Late 1990s (U)

*Information available as of 1 December 1988 was used
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*The following intelligence organizations participated
in the preparation of this Estimate*

The Central Intelligence Agency
The Defense Intelligence Agency
The National Security Agency
The Bureau of Intelligence and Research,
Department of State
The Office of the Deputy Assistant Secretary
for Intelligence, Department of Energy

also participating

The Deputy Chief of Staff for Intelligence,
Department of the Army
The Director of Naval Intelligence,
Department of the Navy
The Assistant Chief of Staff, Intelligence,
Department of the Air Force
The Director of Intelligence,
Headquarters, Marine Corps

*This Estimate was approved for publication by the
National Foreign Intelligence Board*

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1 December 1988

NOTE

This Estimate is issued in several volumes:

- **Key Judgments and Executive Summary.**
- **Volume I** contains the Key Judgments, an overview of major Soviet strategic force developments in the 1980s, and a summary of Soviet programs and capabilities believed to be of greatest interest to policy-makers and defense planners.
- **Volume II** contains:
 - Discussion of the Soviets' strategic policy and doctrine under Gorbachev, including their objectives in the event of a US-Soviet nuclear conflict and how the Soviet national command authority would operate.
 - Descriptions of Soviet programs for the development and deployment of strategic offensive and defensive forces and supporting systems.
 - Projections of future Soviet strategic forces.
 - Description of Soviet command, control, and communications capabilities and discussion of the peacetime posture of Soviet strategic forces.
 - Discussion of Soviet concepts and plans for the operations of strategic forces during the several phases of a global conflict.
 - Trends in the USSR's capabilities to carry out some missions of strategic forces in nuclear conflict.
- **Volume III** contains tables with detailed force projections and weapon characteristics.

This information is ~~Secret~~ ~~NoFORN~~.

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Key Judgments

We have prepared this year's Estimate against the backdrop of considerable ferment in the national security arena in the Soviet Union that could over time result in a change in the Soviets' military outlook. Gorbachev has shown himself willing and able to challenge long-cherished precepts in this as in other policy areas. The evidence presented in this Estimate indicates, however, that, in terms of what the Soviets spend, what they procure, how their strategic forces are deployed, how they plan, and how they exercise, the basic elements of Soviet defense policy and practice thus far have not been changed by Gorbachev's reform campaign. ~~(S, NF)~~

Given the turmoil that Gorbachev has set in motion over many of these issues, Soviet strategic goals and priorities over the long term have become more difficult for us to predict, and a major change toward a less threatening nuclear doctrine and strategic force structure could occur. However, we believe it is prudent to adopt a wait-and-see attitude toward the prospects for longer term change in the Soviets' fundamental approach to war. Many key doctrinal issues are far from settled among the Soviets themselves. Furthermore, if we are witnessing a transition in Soviet military thinking, substantial tangible evidence of any change in some areas may not be immediately forthcoming. ~~(S, NF)~~

Ongoing development and deployment efforts indicate that all elements of Soviet intercontinental nuclear forces will be extensively modernized between now and the late 1990s. The Soviets will move from a force that has primarily consisted of fixed, silo-based ICBMs to one in which mobile platforms constitute well over half the deployed forces:

- *ICBMs.* In 1988 the Soviets began to deploy two new silo-based ICBMs that will be increasingly more vulnerable as US countersilo capabilities improve, but will enhance the Soviets' capabilities for prompt attack on hard and soft targets. The Soviets also began to deploy their first rail-mobile ICBM, and continued deploying road-mobile ICBMs, which will significantly improve Soviet force survivability.
- *SLBMs.* The Soviet ballistic missile submarine (SSBN) force of the future will contain fewer submarines but more long-range missiles and more warheads, and will generally be much more survivable. The Soviets have recently deployed their first submarine-launched ballistic missile (SLBM) with some capability to attack hardened targets, but SLBMs during the next 10 years will not be nearly as effective for this role as Soviet silo-based ICBMs.

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22. (Continued)

- *Bombers and cruise missiles.* The heavy bomber force will have a greater role with more weapons and greater force diversity. In 1988 the Soviets began to deploy their new supersonic strategic bomber—the Blackjack—capable of carrying long-range, air-launched cruise missiles (ALCMs) and supersonic short-range missiles. [REDACTED]

In 1988 the Soviets launched their second Yankee Notch submarine as a dedicated launch platform for long-range, land-attack, sea-launched cruise missiles (SLCMs). In addition, ALCM and SLCM versions of a large, long-range, supersonic cruise missile are likely to become operational in 1989 and 1990, respectively. (S, NF, WD)


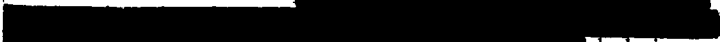
The Soviets continue to invest about as heavily in active and passive strategic defenses as they do in offensive forces, and their capabilities are improving in all areas:

- *Air defense.* Soviet capabilities against low-flying bombers and cruise missiles are increasing because of continuing deployments of all-altitude surface-to-air missiles and fighter and support aircraft.
- *Ballistic missile defense.* The new Moscow antiballistic missile (ABM) defenses should be operational in 1989 and will provide an improved intercept capability against small-scale attacks on key targets around Moscow. It is unlikely through at least the mid-1990s that the Soviets would make widespread ABM deployments that would exceed treaty limits, although they have developed a capability to do so. Also, improving technology is blurring the distinction between air defense and ABM systems.
- *Leadership protection.* A primary Soviet objective is to protect and support the leadership from the outset of crisis through a postattack period. The Soviets have had a 40-year program for leadership protection that includes facilities deep below Moscow and elsewhere that would be very difficult to destroy.
- *Laser weapons.* There is strong evidence of Soviet R&D efforts in high-energy laser weapons for air defense, antisatellite (ASAT), and ballistic missile defense (BMD) applications. The Soviets appear to be considering space-based lasers for BMD, but we do not expect them to be able to deploy an operational system until well after the year 2000.
- *Antisubmarine warfare (ASW).* The Soviets currently lack an effective means of locating US SSBNs in the open ocean. We judge that they will not deploy such a capability in the 1990s, and we see no Soviet solution to

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the problem on the horizon. On the other hand, the Soviets will increase the threat to US attack submarines attempting to operate in areas close to the Soviet Union. ~~(S-NF-WN)~~

Without START constraints, if the Soviets were to modernize their forces in a manner that generally follows past efforts, in the next 10 years intercontinental nuclear weapons would probably grow from the current level of about 10,000 to between 12,000 and 15,000. In the absence of an arms control process, the Soviets would not necessarily expand their intercontinental attack forces beyond these figures, but they clearly have the capability for expansion in the late 1990s to 16,000 or even 18,000 if, for example, they decided to expand forces in response to a US deployment of strategic defenses. As a result of the assessed operational payloads of Soviet bombers and assumed rules for counting bomber weapons, a Soviet force of 6,000 accountable weapons under a START agreement would in fact probably contain 8,000 weapons. In a crisis or wartime situation, the Soviets might be able to deploy a few thousand additional weapons, by augmenting their force with nondeployed mobile missiles and by uploading some missiles to their maximum potential payloads, higher than the accountable number of warheads on these missiles. We note that efforts to deploy additional warheads in crisis or wartime would involve some operational and planning difficulties. ~~(S-NF)~~

An alternative view holds that   deploying additional warheads in crisis or wartime (assuming they were available) would be time consuming, disruptive to force readiness and operations, and potentially detectable. ~~(S-NF)~~

The Soviets apparently believe that, in the present US-Soviet strategic relationship, each side possesses strategic nuclear capabilities that could devastate the other after absorbing an attack and that it is highly unlikely either side could achieve a decisive nuclear superiority in the foreseeable future. Nevertheless, they continue to procure weapons and plan force operations intended to secure important combat advantages and goals in the event of nuclear war, including, to the extent possible, limiting damage to Soviet forces and society. Although we do not have specific evidence on how the Soviets assess their prospects in a global nuclear war, we judge that they would not have high confidence in the capability of their strategic offensive and defensive forces to accomplish all of their wartime missions—particularly limiting the extent of damage to the Soviet homeland. ~~(S-NF)~~

¹ The holder of this view is the Assistant Secretary of State for Intelligence and Research, Department of State. ~~(S)~~

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22. (Continued)

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Thus far, we see no convincing evidence that the Soviets under Gorbachev are making basic changes in their approach to actually fighting nuclear war. Our evidence points to continuing Soviet programs to develop and refine options for both conventional and nuclear war, and the Soviets are preparing their forces for the possibility that both conventional and nuclear war could be longer and more complex than they previously assumed. ~~(S-NF)~~

There is an ongoing debate among the leadership concerning how much is enough for defense, focused on the concept of "reasonable sufficiency." Although couched in doctrinal terms and aimed in part at Western audiences, the debate at this point appears to be primarily about resource allocations. (See page 15 for an alternative view.) To date, as demonstrated in the strategic force programs and resource commitments we have examined, we have not detected changes under Gorbachev that clearly illustrate that either new security concepts or new resource constraints are taking hold. ~~(S-NF)~~

The large sunk costs in production for new strategic weapons and the fact that such production facilities cannot readily be converted to civilian uses mean that Gorbachev's industrial modernization goals almost certainly will not have major effects on strategic weapons deployments through the mid-1990s. Gorbachev might attempt to save resources by deferring some strategic programs, stretching out procurement rates, and placing more emphasis on replacing older systems on a less than 1-for-1 basis. Major savings could be achieved in the next several years only through cutbacks in general purpose forces and programs, which account for the vast majority of Soviet defense spending. Further, for both political as well as military reasons, Gorbachev almost certainly would not authorize unilateral cuts in the size of the strategic forces. Nevertheless, concerns over the economy's performance, as well as perceived foreign policy benefits, heighten Moscow's interest in strategic and conventional arms control agreements, and have contributed to the greater negotiating flexibility evident under Gorbachev's leadership. We judge, however, that Soviet force decisions, including potential arms control agreements, will continue to be more strongly influenced by the requirement to meet military and political objectives than by economic concerns. ~~(S-NF)~~

The Soviets' recent positions on strategic arms control should not be taken as an indicator of whether or not they are implementing fundamental change in their approach to nuclear war. The asymmetric reductions and acceptance of intrusive on-site inspections entailed by the INF Treaty and the apparent Soviet willingness to accept deep strategic force reductions in START do reflect a marked change in political attitude on security issues under Gorbachev. Overall, however, we do not see Moscow's recent arms control positions resulting in strategic forces that the Soviets would perceive as less capable of waging a nuclear war. ~~(S-NF)~~

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Executive Summary

A Time of Change in Soviet Strategic Policy?

We have prepared this year's Estimate against the backdrop of considerable ferment in the national security arena in the Soviet Union that could over time significantly alter Soviet strategic programs and policies, and thus the overall strategic threat. We take the possibility of such change seriously because Gorbachev has shown himself willing and able to challenge long-cherished precepts in this as in other policy areas. We conclude that sufficiently compelling evidence is lacking to warrant a judgment in this Estimate that the Soviets already have begun to implement fundamental changes in their approach to warfare under Gorbachev. This year, in our assessments of the various elements of Soviet strategic programs and capabilities traditionally presented in this Estimate, we have paid particular attention to indications from the available evidence of whether major change is in the offing. In terms of what the Soviets spend, what they procure, how their strategic forces are deployed, how they plan, and how they exercise, the basic elements of Soviet defense policy and practice appear thus far not to have been changed by Gorbachev's reform campaign. ~~(S, NF)~~

Given the turmoil that Gorbachev has set in motion over many of these issues, Soviet strategic goals and priorities over the longer term have become more difficult for us to predict, and a major change toward a less threatening nuclear doctrine and strategic force structure could occur. We believe, however, it is prudent to adopt a wait-and-see attitude toward the prospects for longer term change in the Soviets' fundamental approach to war. Many key doctrinal issues are far from settled among the Soviets themselves. Furthermore, if we are witnessing a transition in Soviet military thinking, substantial tangible evidence of any change in some areas may not be immediately forthcoming. ~~(S, NF)~~

Strategic Offensive Forces

Evidence and analysis of ongoing development and deployment efforts over the past year have reaffirmed

our judgment that all elements of Soviet intercontinental forces will be extensively modernized between now and the late 1990s, and will be more capable, diverse, and generally more survivable. ~~(S, NF)~~

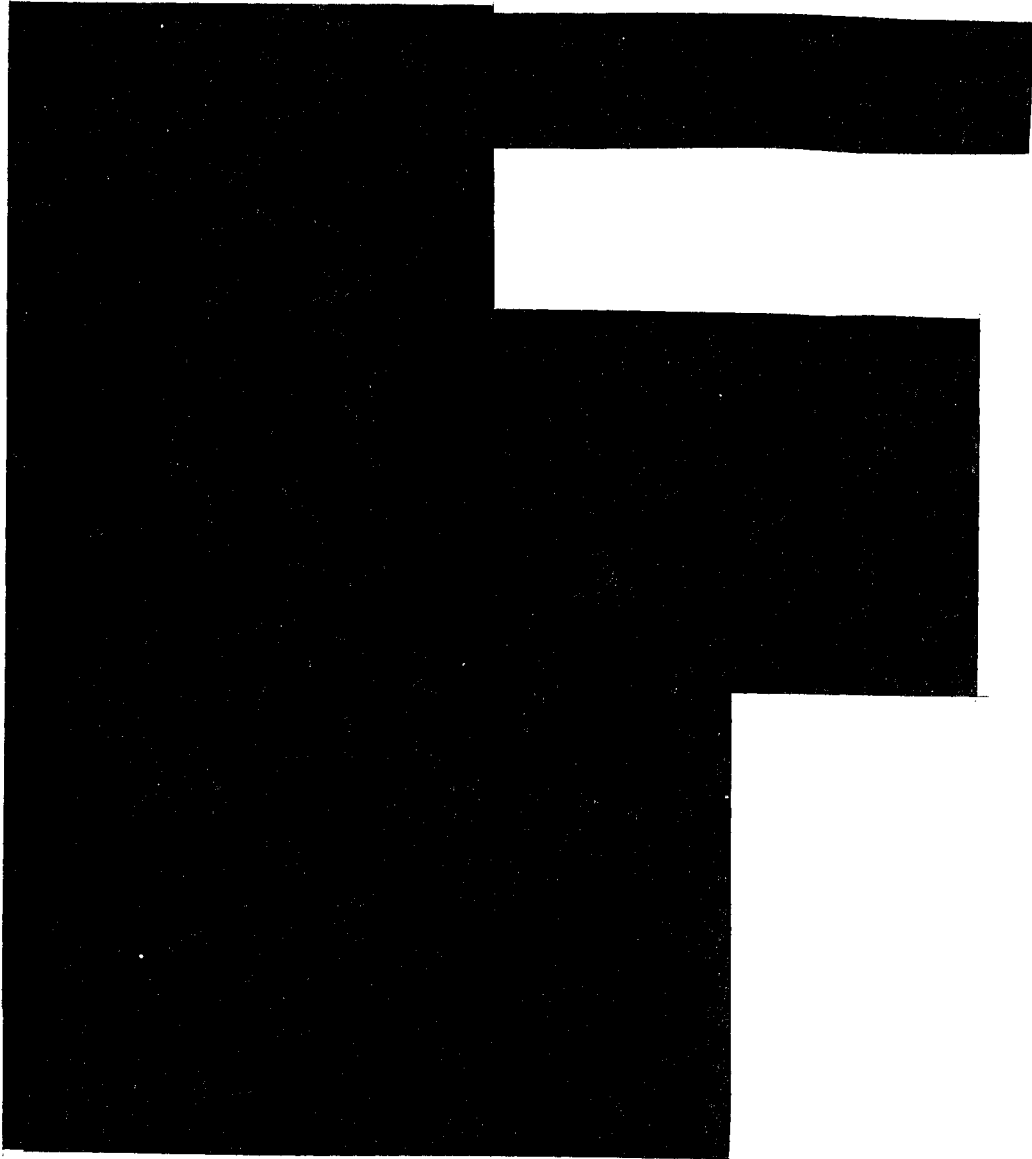
The Soviets will move from a force that has primarily consisted of fixed, silo-based ICBMs to a force in which mobile systems (mobile ICBMs, SLBMs, and bombers) constitute well over half the deployed forces. A START agreement could have a significant impact on the size and composition of Soviet strategic offensive forces, although we expect most of these modernization efforts to continue in any case. Major changes in the force include:

- **ICBMs.** The Soviets began deployment in 1988 of two new silo-based ICBMs—the SS-18 Mod 5 heavy ICBM with an improved capability to destroy hardened targets and the SS-24 Mod 2, a medium, solid-propellant ICBM with 10 warheads that is replacing the six-warhead SS-19 liquid-propellant ICBM. The new silo-based systems will be increasingly more vulnerable as US countersilo capabilities improve, but will enhance the Soviets' capabilities for prompt attack on hard and soft targets. Over the past year the Soviets also deployed the SS-24 Mod 1 rail-mobile ICBM. These rail-mobile deployments, continued deployments of the road-mobile SS-25 (a single-warhead ICBM), and expected improvements and follow-ons to both missiles will significantly improve Soviet force survivability.
- **SLBMs.** The proportion of survivable Soviet weapons also will grow through the deployment of much better nuclear-powered ballistic missile submarines (SSBNs) and new submarine-launched ballistic missiles (SLBMs). The new submarines are quieter and are capable of operating from deep under the icepack. Equipped with new long-range SLBMs that have many warheads (four to 10), the Soviet SSBN force of the future will contain fewer submarines

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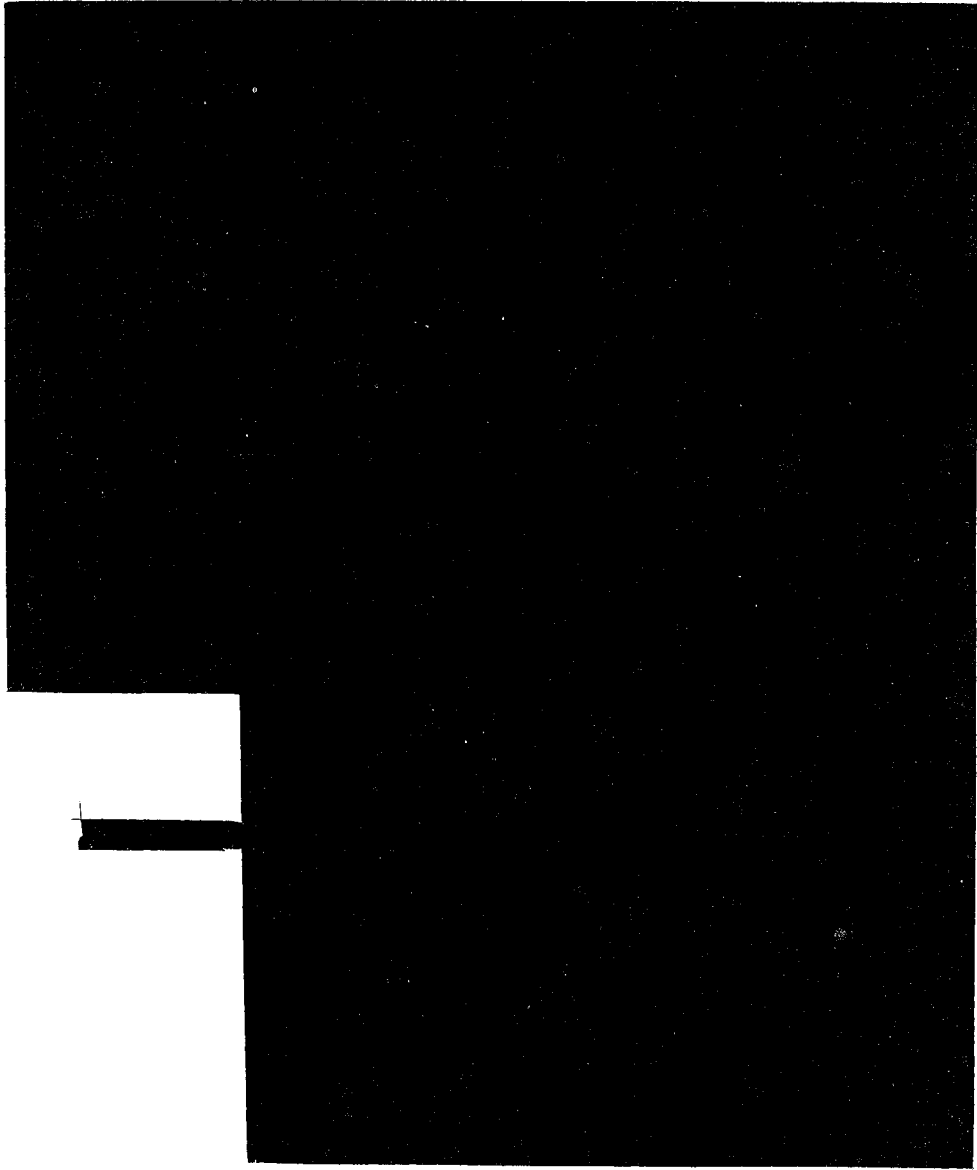


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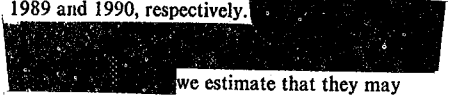
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but more warheads and will be much more survivable. We expect the Soviets to build additional Typhoon and Delta-IV submarines; we judge they will also introduce at least one and possibly two new SLBMs in the 1990s, and probably a new class of SSBN. The Soviets' recently deployed SS-N-23 Mod 2 on the Delta-IV gives them an emerging sea-based capability to destroy hardened targets. We expect, as the Soviets improve the accuracy and responsiveness of their SLBMs, that they will have greater confidence in their ability to attack US ICBM silos, but SLBMs during the next 10 years will not be nearly as effective for this role as Soviet silo-based ICBMs.

- *Bombers and cruise missiles.* Ongoing modernization will give the heavy bomber force a greater role in intercontinental attack, with more weapons and greater force diversity. Production of the Bear H, which carries AS-15 long-range, subsonic, air-launched cruise missiles (ALCMs), seems to be winding down. A force size of 80 is projected. The new supersonic Blackjack, which can carry ALCMs and short-range air-to-surface missiles, achieved initial operational capability in 1988; the Soviets will likely deploy some 80 to 120 by the late 1990s. The Soviets continue to deploy the Midas—their first modern tanker—in support of the heavy bomber force. We expect up to about 150 Midas to be built by the late 1990s to support both strategic offensive and defensive operations.



In 1988 the Soviets launched their second Yankee Notch submarine as a dedicated platform for up to 40 SS-N-21 long-range, subsonic, land-attack, sea-launched cruise missiles (SLCMs). In addition, ALCM and SLCM versions of a large, long-range, supersonic cruise missile are likely to become operational in 1989 and 1990, respectively.

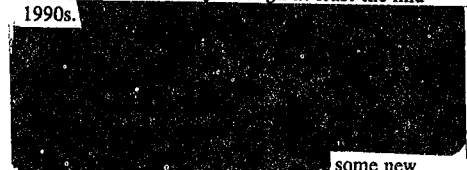


we estimate that they may develop low-observable or Stealth cruise missiles for deployment in the mid-to-late 1990s. (S-UR-100)

Strategic Defensive Forces

The Soviets continue to invest about as heavily in active and passive strategic defenses as they do in offensive forces, and their capabilities are improving in all areas:

- *Air defense.* Soviet capabilities against low-flying bombers and cruise missiles are increasing because of continuing deployments of the SA-10 all-altitude surface-to-air missile and three different types of new lookdown/shootdown aircraft. These will be supported by the Mainstay airborne warning and control system (AWACS) aircraft, which became operational in 1987.
- *Ballistic missile defense.* The new Moscow antiballistic missile (ABM) defenses, eventually with 100 interceptors, should be operational in 1989 and will provide an improved intercept capability against small-scale attacks on key targets around Moscow. The Soviets have developed all the required components for an ABM system that could be used for widespread deployments that would exceed treaty limits. However, we judge that such a widespread deployment is unlikely through at least the mid-1990s.



some new ABM components may be under development and might begin testing in the next year or two; if so, a new ABM system could be ready for deployment as early as the late 1990s for Moscow or possibly as part of a widespread system. Also, improving technology is blurring the distinction between air defense and ABM systems—for example, the capabilities of the SA-12 system.

- *Leadership protection.* A primary Soviet objective is to protect and support the leadership from the outset of crisis through a postattack period. The Soviets have had a 40-year program for providing

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hardened and dispersed facilities for the survival of their leadership and for wartime management during a nuclear war. This program includes deep underground facilities, many of which are beneath Moscow or nearby, that would be very difficult to destroy [REDACTED]

- *Laser weapons.* There is strong evidence of Soviet R&D efforts in high-energy lasers for air defense, antisatellite (ASAT), and ballistic missile defense (BMD) applications. There are large uncertainties, however, about how far the Soviets have advanced, the status and goals of any weapon development programs, and the dates for potential prototype or operational capabilities. We expect the Soviets to be able to develop mobile tactical air defense lasers in the 1990s, followed by more powerful strategic systems, although there is a serious question as to whether the Soviets will field many dedicated laser weapons for air defense. Limited capability prototypes for ground-based and space-based ASAT could be available around the year 2000, possibly earlier. If ground-based BMD lasers prove feasible and practical, we expect Soviet technology would allow the Soviets to build a prototype for testing around 2000, maybe a few years earlier, although operational systems probably would not be available for some 10 years after initial prototype testing. The Soviets most likely are considering space-based lasers for BMD. We do not think they will be able to test a feasibility demonstrator before the year 2000, and we estimate that an operational system would not be deployable until much later, perhaps around 2010.
- *Other advanced technologies.* The Soviets are also engaged in extensive research on other technologies that can be applied to ASAT and BMD weapons. [REDACTED]

[REDACTED] there is potential for a surprise development in one or more of these areas. However, the Soviets probably are at least 10 to 15 years away from testing any prototype particle beam weapon for ASAT or BMD. The Soviets might be able to test a ground-based radiofrequency ASAT weapon by the early 1990s. We believe it is possible a space-based, long-range, kinetic-energy BMD weapon could be deployed, but probably no earlier than about 2005.

- *Antisubmarine warfare (ASW).* The Soviets currently lack an effective means of locating in the open ocean either US SSBNs or modern attack submarines (SSNs) carrying land-attack cruise missiles. We see no Soviet solution to this problem on the horizon. We base this judgment on the difficulty we expect the Soviets to encounter in exploiting the basic phenomena of wake detection, and the technological hurdles they face in sensors, high-speed signal processing, and data relay.
- There is a possibility that the Soviets will introduce a space-based submarine detection system during the 1990s that, while it would have little or no ability to detect properly operated SSBNs, might have a very limited capability against US SSNs, under favorable conditions. Missions for such a system would be to detect SSNs operating in Soviet SSBN bastion areas or seeking to launch land-attack cruise missiles near the USSR. Technological and operational difficulties associated with building a complete ASW system would push system operational capabilities well into the first decade of the next century. Surface-towed passive surveillance sonar arrays and low-frequency active sonars will likely be deployed by the mid-1990s for local-area ASW surveillance. We assign a moderate probability to the deployment of an airborne radar by the late 1990s, intended to detect submarine-induced surface phenomena.
- Judgments on future Soviet ASW capabilities must be tempered by the difficulties inherent in forecasting Soviet ASW advances [REDACTED]

Projected Offensive Forces

This year, we have projected five alternative Soviet strategic forces to illustrate possible force postures under various assumptions about the strategic environment the Soviets will perceive over the next 10 years:

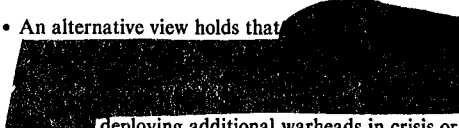
- Under a START agreement, as a result of the assessed operational payloads of Soviet bombers and

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assumed rules for counting bomber weapons, a Soviet force of 6,000 accountable weapons would in fact probably contain about 8,000 weapons. In a crisis or wartime situation, the Soviets might be able to deploy a few thousand additional weapons, by augmenting their force with nondeployed mobile missiles and by uploading some missiles to their maximum potential payloads, higher than the accountable number of warheads on these missiles. We note that efforts to deploy additional warheads in crisis or wartime would involve some operational and planning difficulties

- An alternative view holds that

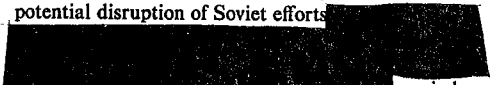
 deploying additional warheads in crisis or wartime (assuming they were available) would be time consuming, disruptive to force readiness and operations, and potentially detectable.²

- Two of the other projected forces are premised on a Soviet belief that relations with the United States are generally satisfactory and, although a START agreement has not been concluded, arms control prospects look good. Intercontinental weapons would probably grow over the next five years from the current number—about 10,000—to between 12,500 and 15,000 depending on modernization and growth rates and military spending levels. (Online weapons, those available after a short generation time, would be about 1,000 to 1,500 fewer, because of submarines in overhaul or empty ICBM silos being modified.) The increase in weapons results from deployment of new systems (SS-24, SS-N-20 follow-on, SS-N-23, Blackjack, Bear H) with more weapons than the systems they replace and not from any increase in launchers. We would expect no additional growth in warheads through the late 1990s.
- In the absence of an arms control process, the Soviets would not necessarily expand their intercontinental attack forces beyond these figures, but they clearly have the capability for significant further expansion. In an environment where the Soviets see

² The holder of this view is the Assistant Secretary of State for Intelligence and Research, Department of State, ~~(S)~~

relations with the United States as generally poor and arms control prospects bleak, the number of Soviet intercontinental weapons could grow to over 15,000 in the next five years and some 16,000 by 1998. In all of these cases, the introduction of modernized systems will result in a decline in the number of launchers. ~~(S)~~

We have a projection for an SDI response force that features a greater offensive force expansion (over 18,000 weapons by 1998). The projection is based on a postulated US decision in the early 1990s to deploy land-based ABM interceptors and space-based SDI assets, with actual deployments beginning around 2000. The projection depicts Soviet measures aimed primarily at overwhelming US defenses through sheer numbers of warheads. In addition, Soviet responses could include increased ASAT efforts, BMD deployments, and advanced penetration aids. While increasing the sheer size of their offensive forces would be the Soviets' most viable near-term response, advanced technical countermeasures would be critical to dealing with SDI in the long term. The size of the force could be lower than 18,000, depending on the timing of the introduction of technological countermeasures. Given the uncertain nature of the US program and the potential disruption of Soviet efforts

 we judge that the deployment of significant numbers of countermeasures is unlikely before the year 2000. ~~(S)~~

Strategic Force Objectives and Operations

We judge that, in part, the Soviets view their strategic forces as effectively deterring adversaries from starting a nuclear war with the USSR and as underpinning the USSR's superpower status. The Soviets also have been preparing their strategic nuclear forces to meet two basic military objectives:

- To intimidate NATO from escalating to nuclear use in a conventional war, so that Warsaw Pact conventional forces have some prospect to secure NATO's defeat without such escalation.
- If global nuclear war occurs, to wage it as effectively as possible as mandated by their nuclear war-fighting strategy.

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Some Soviet public statements now seem to espouse certain longstanding Western strategic theories such as the concept of Mutual Assured Destruction (MAD), which, in part, in order to provide a rationale for emphasizing second-strike nuclear forces and restraining growth in the US strategic force structure, drew sharp distinctions between deterrence and war-fighting requirements for strategic forces. The Soviets, in our view, despite some recent public differences on the matter, are continuing to build their forces on the premise that forces that are better prepared to effectively fight a nuclear war are also better able to deter such a war. (S/NF)

The Soviets apparently believe that, in the present US-Soviet strategic relationship, each side possesses strategic nuclear capabilities that could devastate the other after absorbing an attack. Thus, the Soviets have strong incentives to avoid risking global nuclear war. Moreover, the Soviets apparently do not believe that this strategic reality will soon change or that either side could acquire a decisive nuclear superiority in the foreseeable future. Nevertheless, they continue to procure weapons and plan force operations intended to secure important combat advantages and goals in the event of nuclear war, including, to the extent possible, limiting damage to Soviet forces and society. (S/NF)

In planning for the possibility of actually having to wage a global nuclear war, the Soviets emphasize:

- Massive strikes on enemy forces, passive defenses, and active defenses to limit the damage the enemy can inflict.
- Highly redundant and extensive command, control, and communications (C³) capabilities and leadership protection to ensure continuity of control of the war effort and the integration and coordination of force operations both at the intercontinental level and in Eurasian theaters.
- In general, preparations for more extended operations after the initial strikes. (S/NF)

The Soviets have been increasing the realism in their force training to more fully reflect the complexity of both large-scale conventional and nuclear warfare. Since the late 1970s there has been a continuing Soviet appreciation of the extreme difficulties in

prosecuting a nuclear campaign in the European theater. We believe that the Soviets have become more realistic about the problems of conducting military operations in a nuclear environment, but the requirement to carry out nuclear combat operations as effectively as possible is still one of their highest priorities. Indeed, the Soviets continue to prepare their strategic forces to conduct continuing nuclear combat operations for up to a few months following the initial nuclear strikes. (S/NF)

Nuclear War Initiation and Escalation

In peacetime, the Soviets' lack of high confidence in accomplishing all of their wartime missions, and their appreciation of the destructiveness of nuclear war, would strongly dissuade them from launching a "bolt-from-the-blue" strategic attack. The Soviets also would probably be inhibited from provoking a direct clash with the United States and its NATO Allies that could potentially escalate to global nuclear war. (S/NF)

The Soviets believe that a major nuclear war would be most likely to arise out of a NATO-Warsaw Pact conventional conflict that is preceded by a political crisis. The Soviets see little likelihood that the United States would initiate a surprise nuclear attack from a normal peacetime posture. (S/NF)

In a conventional war in which the Soviets were prevailing, they would have strong incentives to keep the war from escalating. Nevertheless, we continue to judge that the Soviets generally assess a NATO-Warsaw Pact war as likely to escalate to the nuclear level; the Soviets recognize, however, that escalation of a NATO-Warsaw Pact conflict would be strongly influenced by the course and perceived outcome of the conventional war in Europe. This Soviet assessment appears to be driven, in large part, by the Soviet expectation that NATO—consistent with official NATO doctrine—is highly likely to resort to nuclear weapons to avoid the defeat of its forces on the continent.

The Soviets are capable of executing a

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preventive/first-strike nuclear option in circumstances where they do not anticipate an imminent NATO nuclear strike. Despite our uncertainties about how this option fits into overall Soviet strike planning, we judge that it would be attractive for the Soviets to consider only if Warsaw Pact forces suffered serious setbacks in a conventional war. The Soviets would not expect, in any case, to be able to forestall a devastating counterstrike by the United States or NATO forces. (S/NF)

The Soviets apparently also have developed a limited nuclear option that focuses on the brief use of small numbers of battlefield nuclear weapons. However, this option has not substantially evolved since the early 1970s when it was first developed. Also, we lack clear indications of limited nuclear options involving strategic weapons despite the growth and improvements in the entire array of Soviet nuclear forces, from battlefield weapons to intercontinental weapons. In the event NATO launches a few small-scale nuclear strikes in the theater that do not disrupt a Warsaw Pact conventional offensive, the Soviets might be willing to absorb such strikes without a nuclear response. (S/NF)

We judge that, if the Soviets had convincing evidence that the United States intended to launch a large-scale strike with its strategic forces (in, for example, an ongoing theater war in Europe), they would attempt to preempt. It is more difficult to judge whether they would decide to preempt in situations where they see inherently high risks of global nuclear war but have only ambiguous evidence of the United States' intentions to launch its strategic forces. The Soviets have strong incentives to preempt in order to maximize damage to US forces and limit damage to Soviet forces and society. Exercising restraint could jeopardize the Soviets' chances for effectively waging nuclear war. Because preempting on the basis of ambiguous evidence, however, could initiate global nuclear war unnecessarily, the Soviets would also have to consider such factors as: the probable nuclear devastation of their homeland that would result; the reliability of their other nuclear employment options (launching their forces quickly upon warning that a US ICBM attack is under way and retaliating after absorbing enemy strikes); and their prospects for eventual success on the conventional battlefield. We cannot

ultimately judge how the Soviets would actually weigh these difficult trade-offs. (S/NF)

Strategic Force Capabilities

Because of the Soviets' demanding requirements for force effectiveness, they are likely to rate their capabilities as lower in some areas than we would assess them to be. They are probably apprehensive about the implications of US strategic force modernization programs—including significant improvements in US C³ capabilities—and are especially concerned about the US SDI program and its potential to undercut Soviet military strategy. Although we do not have specific evidence on how the Soviets assess their prospects in a global nuclear war, we judge that they would not have high confidence in the capability of their strategic offensive and defensive forces to accomplish all of their wartime missions—particularly limiting the extent of damage to the Soviet homeland. (S/NF)

The Soviets have enough hard-target-capable ICBM reentry vehicles today to attack all US missile silos and launch control centers with at least two warheads each. The projected accuracy and yield improvements for the SS-18 Mod 5 ICBM now being deployed would result in a substantial increase in the effectiveness of a 2-on-1 attack [REDACTED]

We judge that heavy ICBMs will continue to be the primary and most effective weapons against US missile silos during the next 10 years, but some SLBMs and probably other ICBMs are expected to acquire a capability to kill hard targets and thus supplement heavy ICBMs in carrying out the overall hard-target mission. (S/NF)

Over the next 10 years, we expect that Soviet offensive forces will not be able to effectively target and destroy patrolling US SSBNs, alert aircraft, aircraft in flight, or dispersed mobile ICBMs. However, we judge that, for a comprehensive Soviet attack against North America, the Soviets currently have enough warheads to meet most and probably all of their other targeting objectives in a preemptive strike. This would also be the case if the Soviets could accomplish a reasonably successful launch-on-tactical-warning (LOTW). However, we judge that the Soviets would have insufficient warheads to achieve high damage goals against US ICBM silos if they were to retaliate

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after absorbing an initial US attack because of expected Soviet losses in their silo-based ICBMs. On balance, we judge that, even with implementation of the INF Treaty and 50-percent reductions of a START treaty, combined with severe constraints on the deployment of ballistic missile defenses, the Soviets could probably meet their worldwide fixed targeting objectives as effectively as with current forces.

~~(S-INT)~~

Strategic Policy Issues Under Gorbachev

The Soviets claim that they are reorienting their military doctrine to focus more on defensive operations—the concept of “defensive defense”—and are applying a more stringent criterion of “reasonable sufficiency” in determining military force requirements. The Soviet military appears to be reexamining the nature of a future war. In addition, statements by key political and military leaders indicate that they are examining such issues as the winnability of nuclear war, the basis for a credible strategic deterrent, preemption, and how much is enough for defense. Although we have considerable uncertainty about where these matters stand, we make the following judgments:

- *Nature of a future war.* Nuclear warfare remains a dominant factor in the Soviets’ war plans, although they have been devoting more attention over the past several years to the possibility of a prolonged conventional war. Thus far, we see no convincing evidence that the Soviets under Gorbachev are making fundamental changes in their approach to actually fighting nuclear war. Our evidence points to continuing Soviet programs to develop and refine options for both nuclear and conventional war, including longer conventional combat and defensive operations, in order to cope with NATO’s improving conventional capabilities—much as the Soviets have worked since the 1970s on improving their options for more extended strategic nuclear operations.
- *Soviet nuclear warfighting objectives.* Among other actions, Soviet leaders have incorporated a “no nuclear victory” position in the recent party program; some military writings, however, have continued to cite the victory objective. There are differences in the US Intelligence Community over what this means. We judge that, in any case, the Soviets continue to be committed to acquiring capabilities

that could be important in achieving the best possible outcome in any future war. There is no indication that the Soviets were ever sanguine about the consequences they would expect to suffer in a war no matter which side struck first. At the same time, they have continued to believe that nuclear war is possible, and they have consistently pursued a warfighting strategy that goes beyond deterrence and includes the acquisition of both offensive and defensive warfighting capabilities.

- *Superiority, sufficiency, defensive defense.* We judge that the Soviets continue to place high value on combat advantages in nuclear war, but believe it is highly unlikely that decisive nuclear superiority is achievable by either side in the foreseeable future. There is an ongoing debate among the leadership concerning how much is enough for defense, focused on the concept of “reasonable sufficiency.” Although couched in doctrinal terms and aimed in part at Western audiences, the debate at this point appears to be primarily about resource allocations. An alternative view holds that, while Soviet discussions about “reasonable sufficiency” involve, in part, resource allocation issues, they are designed primarily to reduce US/NATO force modernization efforts by proclaiming a less threatening Soviet posture.³ Much of the Soviet public discussion about “defensive defense” appears aimed at influencing Western opinion, particularly to allay Western concerns about the Soviet conventional threat in the context of nuclear arms reductions. The concept, however, also may be perceived by Soviet military leaders as another device for political leaders to challenge traditional military outlays. To date, as demonstrated in the strategic force programs and resource commitments we have examined, we have not detected changes under Gorbachev that clearly illustrate that either new security concepts or new resource constraints are taking hold.

Resources

Heavy investment in the defense industries since the late 1970s will enable the Soviets to produce the strategic forces projected in this Estimate at least

³ The holder of this view is the Director, Defense Intelligence Agency.

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through the early-to-middle 1990s. For some basic materials and intermediate goods used in the production process, however, competition within the defense sector and between the military and civilian economies might be stiff during this period. It is possible these factors could somewhat affect the rate at which some strategic systems are introduced and the levels deployed. Nevertheless, the large sunk costs in production for new strategic weapons and the fact that such production facilities cannot readily be converted to civilian uses mean that Gorbachev's industrial modernization goals almost certainly will not have major effects on strategic weapons deployments through the mid-1990s. However, new construction of defense plants and retooling of existing facilities will be required in the late 1980s and early 1990s to produce new weapons for the late 1990s and beyond (S-NF)

Gorbachev might attempt to save resources by deferring some strategic programs, stretching out procurement rates, and placing more emphasis on replacing older systems on a less than 1-for-1 basis. Major savings could be achieved, in the next several years, only through cutbacks in general purpose forces and programs, which account for the vast majority of Soviet defense spending. Further, for both political as well as military reasons, Gorbachev almost certainly would not authorize unilateral cuts in the size of the strategic forces. We expect, therefore, that Gorbachev will choose to continue his vigorous campaign for deep cuts in both strategic and conventional forces through arms control and for slower growth in defense spending. (S-NF)

Although we do not believe that the Soviets' economic difficulties are the primary reason for their interest in arms control, we believe that concerns over the economy's performance, as well as foreign policy benefits, heighten Moscow's interest in strategic as well as conventional arms control agreements and have contributed to the greater negotiating flexibility evident under Gorbachev's leadership. We judge, however, that Soviet force decisions, including potential arms control agreements, will continue to be more strongly influenced by the requirement to meet military and political objectives than by economic concerns. The Soviets see arms control as a way of avoiding the costs of an escalated military competition with the United

States that would, by requiring increased defense spending, force them to reduce the resources scheduled to go elsewhere in the future. Restraining or eliminating SDI, for example, could free enormous amounts of technical and industrial resources vital to other Soviet military and civilian programs, which would otherwise be spent on countermeasures, and the Soviets could pursue advanced technology efforts at their own pace. In addition, they apparently anticipate savings from strategic arms control agreements, which, while small in comparison with the economy's needs, could be used to help alleviate critical bottlenecks and help advance priority programs such as those for industrial modernization. Some of the potential savings, however, might be used for other military purposes. In the near term, the civilian economy would accrue only small benefits from reducing or even eliminating particular strategic systems that are well under development and for which production facilities have been constructed; also, strategic offensive programs account for only about 10 percent of the Soviet military budget. (S-NF)

Arms Control

The Soviets' recent positions on strategic arms control should not be taken as an indicator of whether or not they are implementing a fundamental change in their approach to nuclear war. On the one hand, the asymmetric reductions and acceptance of intrusive on-site inspections entailed by the INF Treaty and apparent Soviet willingness to accept deep strategic force reductions in START do reflect a marked change in political attitude on security issues under Gorbachev. On the other hand, the Soviets' stance on arms control thus far allows them to continue to pursue certain combat advantages, while seeking to constrain US and NATO force modernization—especially in such areas as ballistic missile defense, space warfare, and advanced technology conventional weapons—and at the same time seeking to protect the key capabilities of their own forces. Further, the Soviets see the INF Treaty and a potential START agreement as helping to establish a more predictable environment in which to plan strategic force modernization. Overall, we do not see Moscow's recent arms control positions resulting in strategic forces that the Soviets would perceive as less capable of waging a nuclear war. (S-NF)

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Notes for Presentation at the Politburo session, December 27, 1988

for presentation at the Politburo.

December 27, 1988

/THESES/

1. Our views on socialism, its role and its potential, its very essence and substantive content on the eve of the 21st century are developing along with the renewal, which has begun -- sometimes trailing it and sometimes getting ahead of it.

This has to do with the internal sphere, where today the understanding of the essence of perestroika, of its objectives and tasks, has moved far ahead in comparison with that of April 1985.

It has to do with the international course as well, where the new political thinking, which has been announced substantively is only now beginning to assume physical dimensions, and to be filled with concrete content -- with the concepts of moving ahead in a number of directions, with the formulation of concrete long-term goals for such a movement, and finally, with practical shifts, and with the very first results.

2. The interconnectedness of these directions -- the internal and the international -- is a dialectical one, and one which is extremely important for the success of not only foreign but especially -- I would like to emphasize this -- domestic policy. Why?

Not only because a well thought-out, rational foreign policy would allow savings of considerable sums, for example in terms of how much it costs for us to assure our ability to defend ourselves.

Not only because it would open additional possibilities for participation in the international division of labor, and consequently in a more rational management of the economy, although both of these are important.

But also because it allows [us] to fully turn on the spiritual factors of development in our work -- the societal, group and individual factors.

A person learns how much he is worth, his qualities, his knowledge and skills, learns about his character, and learns about himself only in communications and interactions with other people.

In just the same way, the state discovers its national self-respect -- and we are lacking this acutely -- a sense of national dignity, but not national arrogance or, to the contrary, inferiority, only through an active policy, only through interactions with others in the world arena, in all possible spheres of such interaction.

A person forms and develops also only through interactions with others, with society as a whole. And in principle, in the same way, although in a much more complex way, of course -- a society develops through its interaction with other societies and peoples.

A person cannot live in a society and be free from it. All efforts to assert such "freedom" are doomed, and at the same time they can lead either to certain deep internal malformations of personality, or to certain deviant or even criminal behavior.

However, the isolation – or self-isolation – of a nation from the world community also brings negative results, although these accumulate and reveal themselves not in a matter of years, but decades. In particular, many of the negative aspects in the policy and psychological outlook of the USA in the world arena were the consequence of their isolationism from the many centers of world policy during a considerable part of their preceding history -- which they have not yet fully overcome.

3. We have not yet fully assessed the scale and the consequences of the spiritual autarchy which predominated in the life of our country during more than half a century.

Yes, imperialism tried to isolate the first socialist country in the world in all respects, to erect barriers against our ideological and cultural influence, and to put us behind an “iron curtain.” And by doing that, to kill two birds with the same bullet: to isolate its own people from the “contagion of bolshevism” and to create myths about us with even greater ease.

They succeeded in doing that too easily. We helped them ourselves.

Stalin needed spiritual autarchy, because only in those conditions could Stalinism as a phenomenon develop and survive as a regime of personal power, inconsistent with the genuinely internationalist teaching of Marxism-Leninism.

And subsequently, spiritual autarchy became a comfortable cradle, in which self-adoration and communist arrogance on a national scale, dogmatism, scholasticism and stagnation enjoyed themselves.

Here we have to see not only the internal causes of stagnation as such, but also that considerable role which spiritual, economic and scientific and technological autarky played in its development. It did not help to preserve [our] ideological virginity either. Just the opposite, by encouraging stagnation, it was thus encouraging ideological ill-health.

In reality, genuine competition existed in only one sphere – the military one. Here the immediate contact of armaments encouraged us to rise to the level of world standards and sometimes even beyond them. This kind of situation -- from ideology to the economy -- could not be called normal from any point of view.

4. What is the main deficiency of the former political thinking, and of the practice based on it? It lies in the fact that it accepted a situation where socialism objectively found itself seemingly in confrontation with -- if not the rest of the world, then with a considerable part of it. It did not just accept it, but assumed that such a situation was natural.

We will not even mention the almost automatically confrontational character of our relations, approaches and policy, which resulted from that situation. That is quite obvious.

Let us think about what forms a further spread of socialism in the world could take in those conditions? I think we believe that it should still occur with the passage of time.

It could have been [the case] that one after another of the “weakest links” of capitalism, according to Lenin’s terminology, would have chosen the socialist path -- often after a most difficult and exhausting struggle for those countries and human souls. This is how it was actually happening. In the 1970s, many countries that tried to step

from early feudalism, and sometimes even from a tribal society, to socialism became socialist-oriented countries. With all respect to the aspirations of the people of those countries, and with all our readiness to help them on this road, we have to see that socialism as a system, as an ideology, is not made stronger by this kind of "world march" but is weaker as a result of it. It is a victory, but a Pyrrhic one.

Or it could also have been the result of certain violent developments in the more developed countries because natural processes there obviously did not lead to socialism as we understood it in the 1970s.

However, socialism is the natural and logical -- and not forcibly imposed -- future of humankind. And as such, it cannot and should not live in separation or in isolation, or self-isolation, from the world. And in this sense, as well as on domestic issues, [we had] the hyper-statist character of socialism, subsuming it under our state interests -- more precisely, under what we understood such interests to be inside the country and in the external sphere.

5. The new political thinking is shaking off the internal chains of this spiritual autarky. And by doing that, it is giving socialism back to the world -- a socialism that is genuinely creative, self-renewing, moving forward and consistent with common human interests, and not a caricature resulting from the self-inflicted distortions, shifts and deficiencies, which are magnified manifold in the propaganda that is hostile to socialism and to our country.

6. We have to analyze carefully what is behind the enthusiasm with which the world, including the West -- in contrast to some of our friends -- welcomed perestroika and the new political thinking. Here is the fatigue of confrontation -- yes, unquestionably. The attractiveness of the current Soviet leadership -- undoubtedly. The sympathies of our true friends -- of course. The genuine response of all honest, decent, progressive forces and people -- as well.

This is all true. But all this, in the good sense of the word, is a matter of convenience. But the reaction, the positive response, is very powerful and long-lasting; too stable to be explained only by elements of convenience. Therefore, the following conclusion would be in order: there are some causes that are deeper, that are hidden at first glance. What are those?

Let the political scientists respond. I would point out one of those [causes]: the need on the part of humankind as well as each person for a progressive ideal, for a realistic appeal for a better future, for a moral impulse toward purity and dignity.

All this was present in socialism in the period of its birth as a teaching and a political movement. All this was present in our socialist revolution. However, it was gradually lost under the influence of the two most important processes beginning from the end of 1960s, and especially in the 1970s and the beginning of the 1980s. The processes were the following:

-- The reaction of the external world to the work of revealing, analyzing and overcoming Stalinism, which we began but did not bring to completion. The point is not that what was said came as a shock. Much worse was the fact that the curtailing of the line of the XX and XXII Congresses did not provide a clear perspective on surmounting [Stalinism], but left the perception with many people in the world that Stalinism is

socialism as such. This perception seemed to have received a number of similar “confirmations” in the 1970s;

-- Stagnation inside the country, the degradation of foreign policy and, most importantly, the way we reacted to both.

A most terrible thing began to occur: the source of progressive inspiration in the world, which our country represented, began to dry out in many respects, was producing not refreshing but bitter and unusable “water.” The strengthening of conservatism in the West in that period was a consequence not only of the processes occurring in the depths of capitalist society, but also of the processes that were occurring in our country at that time. The unhealthy processes.

7. It is time to stop thinking in the categories of “here” and “there.” The interdependence of the world means also the interconnectedness of all the processes of domestic development. Although the ties [created by] this interdependence, of course, are very complex and not simple, still such interconnectedness is an objective reality.

World development is one single process. And to direct it, to exert not even a decisive but just a significant influence on it – and this is not a little thing indeed! – is possible only by participating in all the main directions of this development. One-sidedness, an equalizing, mechanical approach and emphasis on uniformity – all these qualities and categories are inconsistent with development. Neither in theory nor in practice. They are only consistent with stagnation.

8. In all these respects, the speech at the session of the UN General Assembly in New York is a watershed. It sums up all the practical and theoretical results of the new political thinking at present. The thinking, which is addressed first of all to us, and that is precisely why it is so attractive and effective externally. It does not propose any ready-made recipes for the world -- even though they could be the right ones and the fairest ones. No political slogans, even necessary ones. But it is the creative pulse of real life, living thought, of their intense and honest work.

And at the same time, the speech opens a new page in the new political thinking itself, opens it precisely because it stands on the experience of almost four years of transformations and renewal, on our new general political maturity, and on the breadth of our vision.

I now return to the question of the dialectics of the domestic and the international. It consists in the fact that large scale of our look at the internal problems is being shifted to all the others – which in its turn expands the theoretical and practical perceptions. It is also in the fact that our conviction in the correctness of the course which we began brings confidence in oneself, and in our abilities in general. At the same time it allows us to see additional possibilities in the international arena where we did not see them earlier, or where our concerns, stemming from an absence of experience and a healthy thought through calculated risk, were prevalent.

9. The main thing now is not to talk too much about the speech and its main points, not to bring them down to the level of customary, routine journalistic repetitions, but to implement its ideas and its very spirit consistently in each concrete presentation, action or act of our foreign policy.

And more: we have to seriously get involved in following through on the new political thinking, in explaining its concrete principles among our friends. We are not talking about encouraging them to repeat all our ideas and formulas -- this is what many of them are quite ready for. But we want their contribution to the new image, to the creative potential of socialism in the world to constantly grow and become more and more obvious, not only for us but for the entire world.

[Source: State Archive of the Russian Federation. Fond 10063, Opis 1, Delo 190
Translated by Svetlana Savranskaya for the National Security Archive]

Top Secret
Single copy
(Draft record)

Meeting of the Politburo of the CC CPSU
27-28 December 1988

Chaired: com. GORBACHEV M.S.

Present: coms. Vorotnikov. V.I., Zaikov, L.N., Ligachev E.K., Medvedev V.A., Nikonov V.P., Ryzhkov N.I., Sliunkov N.N., Chebrikov V.M., Shevardnadze E.A., Yakovlev A.N., Biriukova A.P., Vlasov A.V., Lukiuanov A.I., Masliukov Yu.D., Razumovskii G.P., Soloviev Yu. F., Talyzin N.V., Yazov D.T.

1. About practical implementation and practical support [*obespechenii*] of the results of the visit of com. Gorbachev M.S. to the U.N.

GORBACHEV. (...) We can state that our initiatives pulled the rug from under the feet of those who have been prattling, and not without success, that new political thinking is just about words. The Soviet Union, they spoke, should still provide evidence. There was plenty of talk, many nice words, but not a single tank is withdrawn, not a single cannon. Therefore the unilateral reduction left a huge impression, and, one should admit, created an entirely different background for perceptions of our policies and the Soviet Union as a whole.

(...) Such impressive positive shifts created among the conservative part of the U.S. political elite, and not only in the U.S., concern, anxiety and even fear. Thatcher also shares some of it. This breeds considerations of another kind the essence of which is – to lower expectations, to sow doubts, even suspicions. Behind is the plot to stop the process of erosion and disintegration of the foundation of the “cold war.” That is the crux of the matter. We are proposing and willing to build a new world, to destroy the old basis. Those who oppose it are in the minority, but these circles are very influential.

In the classified information which we receive they speak directly: we cannot allow the Soviet Union to seize the initiative and lead the entire world...

(...) What kind of policy the U.S. will conduct with regard to us? There are several very interesting and serious versions...

Here is the one: changes in the policy of the USSR are caused by the profound crisis of communism and socialism and what is happening in the socialist world and the Soviet Union is allegedly a departure from these ideas. In other words we are dismantling socialism with our *perestroika* and renounce communist goals. This version is used to devalue our peace initiatives. These are just forced steps, so they say, they do not have another option [*im devatsia nekuda*]. Well, there is some grain of realism in this, but only to a degree. We had something different in mind when we formulated our policy. Of course, we considered internal needs as well.

On the basis of this version comes the conclusion that the United States should do nothing on its part to consolidate positive shifts in international relations. The Soviet

Union, so they say, has no way out, as well as other socialist countries. [The USSR] will give up its positions step by step. This is serious, comrades. The "Washington Times" writes about it. And the "Heritage Foundation" prepared recommendation for the future Bush administration along these lines.

And here is the viewpoint of liberal circles: The USSR is not renouncing socialism, but is rescuing it, as President Roosevelt had once rescued American capitalism through the New Deal. They remind us that capitalism, to solve its problems, many times borrowed socialist ideas of planning, state regulation, social programs based on the principle of more social fairness. So they do not want to allow the Right to play on their version and to devalue our peace initiatives. (...)

If this [conservative] version prevails, it will have a serious political effect. Incidentally, some elements from this concept are present in thinking of [George] Bush. As if they are passing from Reagan to Bush. They are present in Western Europe: they say that under Reagan the United States has built up its military potential, activated their support to freedom fighters in various regions, and thereby convinced the Soviet Union that expansionist policy has no future. Some Europeans also want to see the source of change of Soviet policy in American power.

This seems to be the most influential current. In essence it is close to the official viewpoint. Its danger [vred] is obvious, since, if it takes roots and will be laid in the foundation of policy of the future Administration, it will contribute to the arms race and to military interference of the US in other countries. I am now following these things very closely....

Now we should work out a longer-term plan of practical measures to implement the announced concept [at the U.N.] On this issue the Politburo has received considerations from Departments of the CC, Foreign Ministry, Ministry of Defense, the Committee of State Security [KGB]. They provide a program of actions for the near and distant future. Perhaps this is still a first draft. We should pull our heads together and give it time...

In what was discussed during the days of my stay in New York, the major issue was about the future of *perestroika*. And this I would like to emphasize before the Politburo. Could there be a turn backwards? Incidentally, this is the target of most intense speculation among the Far Right. ...And if you analyze the content of recorded foreign broadcasts [by a special service called *radioperekhvat* – transl.] in languages of our country on all foreign stations, the emphasis is clearly on difficulties of *perestroika*, on growing obstacles to the process in economy, in relations among nationalities, in the process of democratization and *glasnost*, etc.

When I had to stay in isolation [during the trip], I tried during those twelve days, day by day, to analyze and systematize the materials on this score and to give them my assessment. [Radio voices] are hammering away at the Soviet audience that *perestroika* is losing ground, grinding to a halt, that it has not given anything to the people, that in the leadership and the party reins chaos, that the country is sliding toward chaos. And whatever the leadership would undertake, it would sooner or later end up in a trap. And the future of the present leadership hangs by a thread. To be frank, they say that

Gorbachev is living through his last days. According to most optimistic forecasts, he can have a year, year and a half. True, Vladimir Alexandrovich [he addresses Kryuchkov]?

KRYUCHKOV (chairman of the KGB USSR): People say many things.

GORBACHEV: You do not want to speak up. It is so. I should not say we are very surprised by all this. I do not want to be excessively cheerful [*izlishnee bodriachestvo*], but if they are upset, if they try to make these forecasts, it means that they are afraid of our *perestroika*...

Of course, it is still premature to make serious conclusions about the policy of the future Administration, but something can be said on the basis of contacts and some information. First, it is hard to expect that this Administration will aggravate relations with the USSR or will get involved in some risky international adventure [*avantiura*] that can undermine these relations. There seems to be a solid ground for saying this. On the other hand, comrades, I believe with full certainty that the Administration is not ready for a new serious turn in relations with the USSR which would be adequate to the steps our side has undertaken. At least such is a picture today. So they say: we stay prudent, we will not hurry.

Still, at the last moment, when I managed to break away from Reagan [*otorvatsia ot Reigana*] I said to Bush about this indecisiveness. He snapped back: you must understand my position. I could not, according to American tradition, to come to the fore until a formal transfer of power has not taken place. This thing I understand, no questions about it. We will have understanding. And he assured me – there will be continuity. He believes we should build on what has been achieved and will make his own contribution.

All that we received by different channels say that from their side they will add to the efforts to develop our relations.

We should take into account that Bush is a very cautious politician. They say, his idiosyncratic feature is the “natural caution” of Bush. It is inside him. We should see it. And what can make Bush act? Only [a threat] of the loss of prestige for the Administration. So we need [these sort of] circumstances, which we have now created by our initiatives, to promote this process.

The mood of the present Administration mostly reflects centrist sentiments in political circles of the U.S. And Bush himself says: I am in the Center. Most of those who today turn out to be in Bush's team are people who are called traditionalists in America. These people had been brought up in the years of the Cold War and still do not have any foreign policy alternative to the traditional post-war course of the United States with all its zigzags to the Right, to the Left, even with its risky adventures. And we should understand it. And much will depend on how we will act. I think that they [in the U.S.] are still concerned lest they might be on the losing side, nothing more. Big breakthroughs can hardly be expected. We should produce smart policy.

[Georgi] Arbatov has just shared with the following ideas. They [the Americans] have suddenly sent a trial balloon: we are not ready, let's wait, we will see. In general, they will drag their feet, they want to break the wave that has been created by our initiatives. In response they heard that, of course, we could wait, because we have much to do in other directions – European, Asian, Latin American. Then they say: Well, you misunderstood us.

So we should have a thoughtful, dynamic, practical policy. We cannot allow the future Administration to take a protracted time out and slow down the tempo of our political offensive...

SHEVARDNADZE. (...) There is a draft resolution [on the point 1 of the Politburo agenda]. Of course, I do not consider it a final draft. We will have to work on it...

It is not true that the draft [*zapiska*] has not been cleared with the Ministry of Defense. The reasons are well known: comrades were not in place, only comrade Lobov was present and all these issues, all these points we agreed with him. We went to him, obtained his signatures, etc. But this not so important. I fear another thing. What, for instance, does the Ministry of Defense propose in its report? To present data to the Supreme Soviet only after their discussion by the Defense Council and the Politburo, etc. Should we do it, if we are getting ready for a new Supreme Soviet with a new status, new rights, new content and forms of its work? I believe it should not be done.

I have serious reservations about a proposal that the Supreme Soviet receive information only about the main lines of military build-up, and not the plans of this build-up as the draft suggests. This may result in the absence of any details in discussion of this issue by the Supreme Soviet and in the same negative consequences we have already spoken about. Specific plans will continue to be adopted and implemented in secrecy [*v zakritom poriadke*] without the Supreme Soviet. Probably, we should not let it happen. It is absolutely unclear, how the Supreme Soviet, without information on specific plans, will be able to consider seriously and approve defense expenditures. This is a very serious issue. It is also hard to understand the reasons for the objection against this clause of the [Foreign Ministry's Politburo draft resolution] where it says about a presentation for a plan and schedule of withdrawal of our troops from the territories of Allies and about its discussion with the friends.

As far as I know, a specific schedule of withdrawal has not been discussed at the Committee of Ministers of Defense [of the WTO]. We should have such plans, to agree on them with the Allies and to announce them publicly so that everybody knows about our firm intention to carry out what was stated in the United Nations, in a systematic, purposeful and orderly way. Otherwise, if everything is to be decided, as comrades [from the Ministry of Defense] write – in a usual business order [*v rabochem poriadke*], we will become a target for allegations that we are trying to sidetrack the issue of withdrawal [from Eastern Europe] and troops' restructuring [*pereformirovanie*], to do everything not as was announced from the pulpit of the General Assembly.

The following point [in the proposals of the Ministry of Defense] is in direct contradiction to what was said from the Sessions' pulpit and to the clause of the [Foreign Ministry] draft resolution. I have in mind the formula of the Ministry of Defense that the [Soviet] forces that will stay on the territory of socialist countries after [unilateral] cuts should adopt more, I stress, more defensive direction. These are just words, but have significance in principle. Com. Gorbachev spoke about giving these forces another, unequivocally defensive structure. An important and big difference. We will be caught by hand on every, so to say, detail. And now they propose us to speak not about structure, but about some kind of abstract direction. Behind this difference in terminology stand various methods of implementation of the General Secretary's address. In practice we

should act in accordance to the speech at the U.N., so that deeds would not diverge from words.

I cannot agree also with how the draft of the Ministry of Defense treats the issues of *glasnost* and openness, which are today of principled importance, of highest importance. When we carry out our unilateral steps, *glasnost* and openness would be maximized, in my opinion. Otherwise the desired effect will be lost, and, it seems to me, our policy will sustain a propaganda defeat. Our opponents will not hesitate to take us up on this and to sow doubts [to the effect] that the declared steps are not implemented in full.

[The military] propose not a maximal, but a permissible openness. What does it mean – permissible openness, is not clear. Even more important that even this permissible *glasnost* and openness are suggested to be applied only to the withdrawal of our troops from the territory of the Allies. As to the reduction measures on our territory, apparently no *glasnost* is admitted. This is, probably, wrong as well.

In general, my conclusion is that the amendments [to the Foreign Ministry draft proposed in the Ministry of Defense's] draft resolution, in particularly to the military-political section, are designed not allow genuine *glasnost* and openness. And I still believe that these issues are of great importance.

In conclusion, Mikhail Sergeevich, several words. You spoke about some informational reports... They want us to be nervous. And look at them, they are serious people, serious politicians...

GORBACHEV. Yesterday in the morning [U.S. Ambassador Jack] Matlock asked for a meeting with [Alexander] Yakovlev and arrived. He listened to a broadcast from Leningrad, inspired [*inspirirovannuiu*] by comrade Soloviev [First Secretary of the Leningrad Party Organization]. During this program spoke also chairman of the Administration of the GDR who said that one should keep in mind the plots of imperialist intelligence services and their subversive activities against *perestroika*. Well, Matlock then said: "I have a special request from my leadership, both the current and the future one, to declare that we support *perestroika*."

SHEVARDNADZE. You know, sometimes we help ourselves to explode some foreign authorities. We found an analysis of this guy Kissinger. Look what remained of his theory after your speech.

GORBACHEV. Nothing remained.

SHEVARDNADZE. If one says, another, second, third, we should not take it for an absolute wisdom. I think we should treat it more seriously.

GORBACHEV. We get used to the fact, that if in our country someone speaks up, then it is necessarily an official viewpoint. And there they just talk [*boltaiut*], you see.

(...)

GORBACHEV. When we discussed [alternative military service] at the Defense Council and even at the Politburo considered it, we spoke about reductions of troops by five

hundred thousand. Then, in order to resolve the issue with students, we said: add to these five hundred another hundred thousand, to take the issue of enlistment of students off, but let's continue talking everywhere about five hundred thousand. These five hundred [thousand] are directly army troops, and one hundred [thousand] is from construction troops. Eduard Amvrosievich [Shevardnadze] would like to announce the figure 600 thousand, and I told him – no, because when we will start comparing numbers of troops, they will always poke their finger on the fact that these are construction troops, and we will insist that they are not. Therefore, officially we speak about 500 thousand.

YAKOVLEV. Yesterday I met with Matlock. He told me that Bush is more professional, better informed, but at the same time is more cautious. Then he tried to convince me that he always took part in preparation of specific decisions, was interested in details, knew many, i.e. he cast in the best possible light the new president.

What else we should keep in mind in terms of putting pressure on the Americans? They are very afraid of our European and Pacific policies. They would not like to jump on the parting train, besides the runaway train. They are used to being in the drivers seat. They are upset by our active foreign policy in other regions...

Most important, Mikhail Sergeevich, you spoke many times about it – is disappearance of the enemy image. If we continue to advance in this direction, and we carry out this business, we will ultimately pull the carpet from under the feet of the military-industrial complex [of the United States]. Of course, Americans will be forced to change radically their approaches.

YAZOV. In accordance with the decision of the Defense Council taken on 9 November, the Ministry of Defense has already worked out the plans for withdrawal of troops from the GDR, CSSR, HPR and PPR.

After your speech at the Organization of United Nations I attended a party conference of the Group of Soviet Forces in Germany. There was not a single question or a provocative remark. 14 people spoke and all accepted this with approval. On Saturday I was at a conference in Kiev district of Moscow. There was a question: "Would the withdrawal affect preparedness for defense?" I answered. There were no more questions, everyone reacted with understanding. The entire armed forces of the country regard this with understanding. In the Committee of the defense ministers that was held in Sofia, all ministers took it with understanding.

I believe we are ready to report to the Defense Council on our plans of implementation of those proposals that have been publicized at the Organization of United Nations.

The Ministry of Defense does not object to the publicity in the issues of military build-up in the Commission of the Supreme Soviet. But according to the Constitution the Defense Council remains, so I believe that before moving them to the Commission of the Supreme Council, all the issues should be considered at the Defense Council. I do not know why com. Shevardnadze disagrees with this. Before Mikhail Sergeevich presented these proposals at the Organization of United Nations, this issue had been considered by the Defense Council and over here, at the Politburo. How it could have been otherwise? Americans also do not open everything for us. What we really learn from them we cannot

buy for any money in the world. And why should we pass everything right away through the Commission of the Supreme Soviet? Today the Commission of the Supreme Soviet will include a very broad circle. And not everybody should know everything.

GORBACHEV. I think it is a misunderstanding... There are many things that Americans consider behind the closed doors.

YAZOV. Absolutely true.

GORBACHEV. There are things that the Congress does not even consider. They can be done at the discretion of the President and the National Security Council.

YAZOV. Now, on the formula about defensive direction. In his speech Mikhail Sergeevich has really mentioned the cuts by 10 thousand tanks. In doing this, we have to touch on all the troops that are located in the Group of Soviet Forces in Germany. We have to include our tank divisions [in the reduction]. There are motorized regiments in tank divisions. We intend to preserve these motorized regiments. And to remove tank regiments from the tank divisions that stay in Germany, so that more tanks could be withdrawn. In this situation should we really reveal the entire structure only because we want more *glasnost*?

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LIGACHEV. I would like to mention two or three circumstances... In a word, *perestroika* of international relations is very substantial. By the way it does not lose its class character, which was stressed by Mikhail Sergeevich in his report at the 19th Party Conference. At the same time we spoke, and justifiably so, about the priority of common human values, common human interests. I believe that if it were not for common interests of the countries that belong to different social-economic systems, there would be no unity in actions. A common interest is apparently in following directions. The huge burden of military budgets. It is felt by the world of socialism as well as by the world of capitalism. Issues related to the survival of humanity, ecological problems have become burning issues. All this, taken together, and above all our policy of initiatives, led to some changes for the better...

Foreign policy is a very large complex of issues. And most important among them, cardinal – is disarmament... We need disarmament most of all. We carried this burden, with relation to the military budget, so in the economic area we could hardly solve anything cardinally...

But this does not mean that we should weaken the defense preparedness of the country. We have enough ways, approaches, and means to reduce the excessively large military expenditures and to use rationally, pragmatically the means for strengthening the defense readiness of the country. We should tell about this to the party, party activists. Today, when the world has already begun to disarm, slowly but surely, in the final analysis the power of the state will be determined not by military might, but strong economy and by political cohesion in the society.

VOROTNIKOV. ...I would mention only one point. You, Mikhail Sergeevich in your speech have emphasized an ambiguous approach to *perestroika* and the reaction in the capitalist circles, including the United States. But even in the socialist countries we run into serious problems.

Maybe we should in our draft resolution formulate after all directions of our policy towards the socialist commonwealth? Indeed, there is nothing in the draft, beside [the point about] telebridges that should be arranged together with socialist journalists. I consider the situation in a number of socialist countries is so unclear [*neprostaia*] that we should in one or another document clarify our thinking. It flows from your speech.

GORBACHEV. Comrades, let us call it a day. Our action that we had been preparing for so long and implemented, evoked big publicity. It elevates us to a new level in our thinking and work...I think that our resolution encompasses in general all these directions [political, diplomatic, ideological follow-up]. But the comrades should read it once again. Perhaps they will add something useful to it or suggest some corrections. ...

I have two points to add. Vitaly Ivanovich [Vorotnikov] said that people ask inside the country and even at home: how did it come about that we "strip down" independently? And Yegor Kuzmich [Ligachev] approached this theme from another angle: the party should know. We still keep it a secret, speaking frankly. And we keep this secrecy for one reason: if we admit now, that we cannot build a longer term economic and social policy without it [unilateral cuts], then we will be forced to explain – why. Today we cannot tell even the party about it, first of all we should bring in some order. If we say today how much we remove for defense from national revenue, this may reduce to naught [the effect] of the speech at the United Nations. Since such a [bad] situation does not exist in any other country. Perhaps only in poor [*nischenskikh*] countries, where half of their budget goes for military spending.

SHEVARDNADZE. For instance, in Angola.

GORBACHEV. Yes. But there budget and everything is different. We are talking about another story. If we take this [glasnost approach] now, then [people] will tell us: your proposal is rubbish, you should cut your military expenditures by three-four times. How do we go about it, comrades? First, in our plans we build in military expenses twice as large as the growth of national income, then national income turns out to be down the tube, but we stick to our military plans. So you should figure out [*prikinte*] what is going on here. For that reason we should be patient for a little bit longer. But you are all right –

we will have to speak about it. Meanwhile only in a political sense...By the time of the 13th five-year plan, Yuri Dmitrievich [Masliukov] we will implement all these decisions and will have something to say. Then our expenses on this article will be somewhat closer to the American expenses.

...A lot of work should be done on the issue of our [military] grouping in Eastern Europe. We should do it in a systematic way [*planomerno*]. I know that all these proposals are in preparation for the Defense Council. We agreed to hold it in early January and to discuss all these issues....

...See that younger officers do not develop a mood: is it worth continuing military service, continue to be in the army. This should be excluded, comrades. ...A state like ours cannot live without [the army]. All will depend on many factors. I believe that whatever happens we should modernize the army. Incidentally, the army is needed for maintenance of internal stability. This is an important tool in every sense. That is it.

Let's finish our exchange. It was necessary. It is really a large-scale policy-making. I propose to instruct comrades Shevardnadze, Zaikov, Yakovlev, Yazov, Kamentsev V.M. to finalize the draft resolution of the CC on this issues having in mind the discussion at the Politburo.

MEMBERS OF THE POLITBURO. Agreed.

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*Translated by Vladislav Zubok
National Security Archive*

**Minutes of the Meeting of the Politburo of the
Central Committee of the Communist Party
of the Soviet Union (CPSU CC)**

27-28 December 1988

(Excerpts)

Top Secret

Single copy

(Draft record)

Meeting of the Politburo of the CC CPSU

27-28 December 1988

Chaired: Cde. M.S. GORBACHEV

Present: Cdes. V.I. Vorotnikov, L.N. Zaikov, E.K. Ligachev, V.A. Medvedev, V.P. Nikonov, N.I. Ryzhkov, N.N. Sliunkov, V.M. Chebrikov, E.A. Shevardnadze, A.N. Yakovlev, A.P. Biriukova, A.V. Vlasov, A.I. Lukianov, Yu. D. Masliukov, G.P. Razumovskii, Yu.F. Soloviev, N.V. Talyzin, D.T. Yazov.

1. About practical implementation and practical support [*obespechenii*] of the results of the visit of Cde. M.S. Gorbachev to the U.N.

Gorbachev. [...] We can state that our initiatives pulled the rug [out] from under the feet of those who have been prattling, and not without success, that new political thinking is just about words. The Soviet Union, they said, should still provide evidence. There was plenty of talk, many nice words, but not a single tank is withdrawn, not a single cannon. Therefore the unilateral reduction left a huge impression, and, one should admit, created an entirely different background for perceptions of our policies and the Soviet Union as a whole.

[...] Such impressive positive shifts created among the conservative part of the US political elite, and not only in the US, concern, anxiety and even fear. Thatcher also shares some of it. This breeds considerations of another kind, the essence of which is—to lower expectations, to sow doubts, even suspicions. Behind it is the plot to stop the process of erosion [and], disintegration of the foundation of the “Cold War.” That is the crux of the matter. We are proposing and willing to build a new world, to destroy the old basis. Those who oppose it are in the minority, but these circles are very influential.

In the classified information which we receive they speak directly: we cannot allow the Soviet Union to seize the initiative and lead the entire world. [...]

What kind of policy will the US conduct with regard to us? There are several very interesting and serious versions. [...]

Here is one: changes in the policy of the USSR are caused by the profound crisis of communism and socialism and what is happening in the socialist world and the Soviet Union is allegedly a departure from these ideas. In other words we are dismantling socialism with our *perestroika* and renouncing communist goals. This version is used to devalue our peace initiatives. These are just forced steps, so they say, they do not have

another option [*im devatsia nekuda*]. Well, there is some grain of realism in this, but only to a degree. We had something different in mind when we formulated our policy. Of course, we considered internal needs as well.

On the basis of this version comes the conclusion that the United States should do nothing on its part to consolidate positive shifts in international relations. The Soviet Union as well as other socialist countries, so they say have no way out. [The USSR] will give up its positions step by step. This is serious, comrades. The “Washington Times” writes about it. And the “Heritage Foundation” prepared recommendations for the future Bush administration along these lines.

And here is the viewpoint of liberal circles: The USSR is not renouncing socialism, instead it is rescuing it, as President [Franklin D.] Roosevelt once rescued American capitalism through the New Deal. They remind us that capitalism, in order to solve its problems, many times borrowed socialist ideas of planning, state regulation, social programs based on the principle of more social fairness. So they do not want to allow the Right to play on their version and to devalue our peace initiatives. [...]

If this [conservative] version prevails, it will have a serious political effect. Incidentally, some elements of this concept are present in the thinking of [President-elect George H.W.] Bush. As if they are passing from Reagan to Bush. They are present in Western Europe: they say that under [US President Ronald] Reagan the United States has built up its military potential, activated their support to freedom fighters in various regions, and thereby convinced the Soviet Union that expansionist policy has no future. Some Europeans also want to consider the source of change of Soviet policy as American power.

This seems to be the most influential current. In essence it is close to the official viewpoint. Its danger [*vred*] is obvious, since, if it takes root and becomes the foundation of the policy of the future administration, it will contribute to the arms race and to military interference by the US in other countries. I am now following these things very closely. [...]

Now we should work out a longer-term plan of practical measures to implement the announced concept [at the UN]. On this issue the Politburo has received considerations from departments of the CC, the Foreign Ministry, the Ministry of Defense, and the Committee of State Security [KGB]. They provide a program of actions for the near and distant future. Perhaps this is still a first draft. We should pull our heads together and give it time.[...]

In what was discussed during the days of my stay in New York, the major issue was about the future of *perestroika*. And this I would like to emphasize before the Politburo. Could there be a reverse? Incidentally, this is the object of most intense speculation among the Far Right. [...] And if you analyze the content of recorded foreign broadcasts [by a special service called *radioperekhvat*] in languages of our country on all foreign stations, the emphasis is clearly on the difficulties of *perestroika*, on growing obstacles to the process in the economy, in relations among the nationalities, in the process of democratization and *glasnost*, etc.

When I had to stay in isolation [during the trip], I tried during those twelve days, day by day, to analyze and systematize the material on this score and to give my assessment. [Radio voices] are hammering away at the Soviet audience that *perestroika* is losing ground, grinding to a halt, that it has not given anything to the people, that in the

leadership and the party chaos reins, that the country is sliding toward chaos. And no matter what the leadership would undertake, it sooner or later will end up in a trap. And [that] the future of the present leadership hangs by a thread. To be frank, they say that Gorbachev is living through his last days. According to the most optimistic forecasts, he can have a year, a year and a half. True, Vladimir Alexandrovich [Kryuchkov]?

Kryuchkov. [Chairman of the KGB] People say many things.

Gorbachev. You do not want to speak up. It is so. I should not say that we are very surprised by all this. I do not want to be excessively cheerful [*izlishnee bodriachestvo*], but if they are upset, if they try to make these forecasts, it means that they are afraid of our *perestroika*. [...]

Of course, it is still premature to draw serious conclusions about the policy of the future administration, but something can be said on the basis of contacts and some information. First, it is hard to expect that this administration will aggravate relations with the USSR or will get involved in some risky international adventure [*avantiura*] that can undermine these relations. There seems to be solid ground for saying this. On the other hand, Comrades, I believe with full certainty that the administration is not ready for a new serious turn in relations with the USSR which would correspond to the steps our side has undertaken. At least such is the picture today. So they say: we stay prudent, we will not hurry.

Still, at the last moment, when I managed to break away from Reagan [*otorvatsia ot Reigana*] I spoke to Bush about this indecisiveness. He snapped back: you must understand my position. I cannot, according to American tradition, step up front until a formal transfer of power has taken place. This I understand, no question about it. We will have understanding. And he assured me—there will be continuity. He believes we should build on what has been achieved, and he will make his own contribution.

All that we have received through different channels says that, from their side, they will add to our efforts to develop our relations.

We should take into account that Bush is a very cautious politician. They say his idiosyncratic feature is the “natural caution” of Bush. It is inside him. We should see it. And what can make Bush act? Only [a threat] of the loss of prestige for the administration. So we need [these sort of] circumstances which we have now created by our initiatives to promote this process.

The mood of the present administration mostly reflects centrist sentiments in political circles of the US and Bush himself says: I am in the center. Most of those who today turn out to be in Bush’s team are people who in America are called traditionalists. These people were brought up in the years of the Cold War and still do not have any foreign policy alternative to the traditional post-war course of the United States with all its zigzags to the Right, to the Left, even with its risky adventures. And we should understand it. And much will depend on how we act. I think that they [in the US] are still concerned lest they might be on the losing side, nothing more. Big breakthroughs can hardly be expected. We should produce smart policy.

[Georgi] Arbatov has just shared with the following ideas. They [the Americans] have suddenly sent a trial balloon: we are not ready, let’s wait, we will see. In general, they will drag their feet, they want to break the wave that has been created by our

initiatives. In response they heard that, of course, we could wait because we have much to do in other directions—Europe, Asia, Latin America. Then they say: Well, you misunderstood us.

So we should have a thoughtful, dynamic, practical policy. We cannot allow the future administration to take a protracted time out and slow down the tempo of our political offensive.[...]

Shevardnadze. [...] There is a draft resolution [on Point 1 of the Politburo agenda]. Of course, I do not consider it a final draft. We will have to work on it.[...]

It is not true that the draft [*zapiska*] has not been cleared with the Ministry of Defense. The reasons are well known: comrades were not in place, only Comrade Lobov was present and all these issues, all these points we agreed upon with him. We went to him, obtained his signature, etc. But this is not so important. I fear another thing. What, for instance, does the Ministry of Defense propose in its report? To present data to the Supreme Soviet only after the discussion by the Defense Council and the Politburo, etc. Should we do it, if we are getting ready for a new Supreme Soviet with a new status, new rights, new content and forms of its work? I believe it should not be done.

I have serious reservations about a proposal that the Supreme Soviet receive information only about the main lines of military build-up, and not the [actual] plans of this build-up as the draft suggests. This may result in the absence of any details in discussion of this issue by the Supreme Soviet and in the same negative consequences we have already spoken about. Specific plans will continue to be adopted and implemented in secrecy [*v zakritom poriadke*] without the Supreme Soviet [s' approval]. We should not let this happen. It is absolutely unclear how the Supreme Soviet, without information about specific plans, will be able to consider seriously and approve defense expenditures. This is a very serious issue. It is also hard to understand the reasons for the objection against this clause of the [Foreign Ministry's Politburo draft resolution] where it says about a presentation for a plan and schedule of withdrawal of our troops from the territories of Allies and about its discussion with the friends.

As far as I know, a specific schedule of withdrawal has not been discussed at the Committee of Ministers of Defense [of the Warsaw Pact]. We should have such plans, to agree on them with the allies and to announce them publicly so that everybody knows about our firm intention to carry out what was stated at the United Nations, in a systematic, purposeful and orderly way. Otherwise, if everything is to be decided in a usual business order [*v rabochem poriadke*], as comrades [from the Ministry of Defense] write, we will become a target for allegations that we are trying to sidetrack the issue of withdrawal [from Eastern Europe] and troop restructuring [*pereformirovanie*] [and] to do everything contrary to what was announced from the pulpit of the General Assembly.

The following issue [in the proposals of the Ministry of Defense] is in direct contradiction to what was said at the [UN] session and to the clause of the [Foreign Ministry] draft resolution. I have in mind the formula of the Ministry of Defense that [Soviet] forces that will stay on the territory of the socialist countries after [unilateral] cuts should adopt a more, I stress, more defensive posture. These are just words but they have significance in principle. Cde. Gorbachev spoke about giving these forces a different, unequivocally defensive structure. An important and big difference. We will be caught by hand on every, so to say, detail. And now they tell us to speak not about

structure, but about some kind of abstract direction. Behind this difference in terminology stands various methods of implementation of the General Secretary's address. In practice we should act in accordance with the speech at the U.N., so that will deeds would not diverge from the words.

I cannot agree either with the way the draft of the Ministry of Defense treats the issues of *glasnost* and openness, which are today of principled importance, of highest importance. When we carry out our unilateral steps, *glasnost* and openness would be maximized, in my opinion. Otherwise the desired effect will be lost, and, it seems to me, our policy will sustain a propaganda defeat. Our opponents will not hesitate to take us up on this and to sow doubts [to the effect] that the declared steps are not implemented in full.

[The military] proposes not maximum, but a permissible openness. What permissible openness means is not clear. Even more important [is] that even this permissible *glasnost* and openness is suggested to be applied only to the withdrawal of our troops from the territory of the Allies. As to the reduction measures on our territory, apparently no *glasnost* is permitted. This is, probably, wrong as well.

In general, my conclusion is that the amendments [to the Foreign Ministry draft proposed in the Ministry of Defense's] draft resolution, in particular to the military-political section, are designed not to allow genuine *glasnost* and openness. And I still believe that these issues are of great importance.

In conclusion, Mikhail Sergeevich [Gorbachev], several words. You spoke about some informational reports...They want us to be nervous. And look at them, they are serious people, serious politicians...

Gorbachev. Yesterday in the morning [US Ambassador Jack] Matlock asked for a meeting with [Alexander] Yakovlev and arrived. He listened to a broadcast from Leningrad, engineered [*inspirovannuiu*] by Comrade Soloviev [first secretary of the Leningrad Party Organization]. During this program chairman of the GDR government said that one should keep in mind the plots of imperialist intelligence services and their subversive activities against *perestroika*. Well, Matlock then said: "I have a special request from my leadership, both the current and the future one, to declare that we support *perestroika*."

Shevardnadze. You know, sometimes we help ourselves to blow up some foreign authorities. We found an analysis of this guy [former National Security Adviser Henry] Kissinger. Look what remained of his theory after your speech.

Gorbachev. Nothing remained.

Shevardnadze. If one says, another, second, third, we should not take it as absolute wisdom. I think we should treat it more seriously.

Gorbachev. We are used to the fact, that if, in our country, someone speaks up, then it is necessarily an official viewpoint. And there they just talk [*boltaiat*], you see. [...]

Gorbachev. When we discussed [alternative military service] at the Defense Council, and even considered it in the Politburo, we spoke about reductions of troops by five hundred thousand. Then, in order to resolve the issue [relating to the drafting of] students, we said: add to these five hundred another hundred thousand, to remove the issue of the enlistment of students, but let's continue talking everywhere about five hundred thousand. These five hundred [thousand] are straight army troops, and the one hundred [thousand] are construction troops. Eduard Amvrosievich [Shevardnadze] would like to announce the figure six hundred thousand, and I told him—no, because if we start comparing troop numbers, they will always poke their finger at the fact that these are construction troops, and we will insist that they are not. Therefore, officially we speak about 500 thousand.

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Yazov. In accordance with the decision of the Defense Council taken on 9 November [1988], the Ministry of Defense has already worked out the plans for withdrawal of troops from the GDR, CSSR, HPR [Hungarian People's Republic] and PPR [Polish People's Republic].

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I believe we are ready to report to the Defense Council on our plans to implement those proposals that have been publicized at United Nations.

The Ministry of Defense does not object to publicity on the issues of military build-up in the Supreme Soviet. But according to the Constitution the Defense Council approves, so I believe that before moving them to the Commission of the Supreme Council, all the issues should be considered at the Defense Council. I do not know why Cde. Shevardnadze disagrees with this. Before Mikhail Sergeevich [Gorbachev] presented these proposals at the United Nations, this issue had been considered by the

Defense Council and over here, in the Politburo. How could it have been otherwise? The Americans do not open [up] everything for us either. What we really learn from them we cannot buy for any money in the world. And why should we pass everything right away through the Commission of the Supreme Soviet? Today the Commission of the Supreme Soviet includes a very broad group [of people]. And not everybody should know everything.

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Shevardnadze. For instance, in Angola.

Gorbachev. Yes. But there the budget and everything is different. We are talking about another story. If we take this [*glasnost* approach] now, then [people] will tell us: your proposal is rubbish, you should cut your military expenditures by three-fourths. How do we go about it, comrades? First, in our plans we build in military expenses twice as large as the growth of national income, then our national income turns out to be going down the tubes, but we stick to our military plans. So you should [be able to] figure out

[prikinte] what is going on here. For that reason we should be patient for a little bit longer. But you are all right—we will have to speak about it. Meanwhile only in a political sense.[...] By the time of 13th Five-Year Plan, Yuri Dmitrievich [Masliukov] we will implement all these decisions and will have something to say. Then our expenditures on this article [defense] will be somewhat closer to the American expenditures.

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[Source: Center for the Storage of Contemporary Documentation (TsKhSD), Moscow, fond 89, perechen' 42, dokument 24. Translated by Vladislav Zubok.]

**Minutes of the Meeting of the Politburo of the
Central Committee of the Communist Party
of the Soviet Union (CPSU CC)**

27-28 December 1988

(Excerpts)

Top Secret

Single copy

(Draft record)

Meeting of the Politburo of the CC CPSU

27-28 December 1988

Chaired: Cde. M.S. GORBACHEV

Present: Cdes. V.I. Vorotnikov, L.N. Zaikov, E.K. Ligachev, V.A. Medvedev, V.P. Nikonov, N.I. Ryzhkov, N.N. Sliunkov, V.M. Chebrikov, E.A. Shevardnadze, A.N. Yakovlev, A.P. Biriukova, A.V. Vlasov, A.I. Lukianov, Yu. D. Masliukov, G.P. Razumovskii, Yu.F. Soloviev, N.V. Talyzin, D.T. Yazov.

1. About practical implementation and practical support [*obespechenii*] of the results of the visit of Cde. M.S. Gorbachev to the U.N.

Gorbachev. [...] We can state that our initiatives pulled the rug [out] from under the feet of those who have been prattling, and not without success, that new political thinking is just about words. The Soviet Union, they said, should still provide evidence. There was plenty of talk, many nice words, but not a single tank is withdrawn, not a single cannon. Therefore the unilateral reduction left a huge impression, and, one should admit, created an entirely different background for perceptions of our policies and the Soviet Union as a whole.

[...] Such impressive positive shifts created among the conservative part of the US political elite, and not only in the US, concern, anxiety and even fear. Thatcher also shares some of it. This breeds considerations of another kind, the essence of which is—to lower expectations, to sow doubts, even suspicions. Behind it is the plot to stop the process of erosion [and], disintegration of the foundation of the “Cold War.” That is the crux of the matter. We are proposing and willing to build a new world, to destroy the old basis. Those who oppose it are in the minority, but these circles are very influential.

In the classified information which we receive they speak directly: we cannot allow the Soviet Union to seize the initiative and lead the entire world. [...]

What kind of policy will the US conduct with regard to us? There are several very interesting and serious versions. [...]

Here is one: changes in the policy of the USSR are caused by the profound crisis of communism and socialism and what is happening in the socialist world and the Soviet Union is allegedly a departure from these ideas. In other words we are dismantling socialism with our *perestroika* and renouncing communist goals. This version is used to devalue our peace initiatives. These are just forced steps, so they say, they do not have another option [*im devatsia nekuda*]. Well, there is some grain of realism in this, but only

to a degree. We had something different in mind when we formulated our policy. Of course, we considered internal needs as well.

On the basis of this version comes the conclusion that the United States should do nothing on its part to consolidate positive shifts in international relations. The Soviet Union as well as other socialist countries, so they say have no way out. [The USSR] will give up its positions step by step. This is serious, comrades. The "Washington Times" writes about it. And the "Heritage Foundation" prepared recommendations for the future Bush administration along these lines.

And here is the viewpoint of liberal circles: The USSR is not renouncing socialism, instead it is rescuing it, as President [Franklin D.] Roosevelt once rescued American capitalism through the New Deal. They remind us that capitalism, in order to solve its problems, many times borrowed socialist ideas of planning, state regulation, social programs based on the principle of more social fairness. So they do not want to allow the Right to play on their version and to devalue our peace initiatives. [...]

If this [conservative] version prevails, it will have a serious political effect. Incidentally, some elements of this concept are present in the thinking of [President-elect George H.W.] Bush. As if they are passing from Reagan to Bush. They are present in Western Europe: they say that under [US President Ronald] Reagan the United States has built up its military potential, activated their support to freedom fighters in various regions, and thereby convinced the Soviet Union that expansionist policy has no future. Some Europeans also want to consider the source of change of Soviet policy as American power.

This seems to be the most influential current. In essence it is close to the official viewpoint. Its danger [*vred*] is obvious, since, if it takes root and becomes the foundation of the policy of the future administration, it will contribute to the arms race and to military interference by the US in other countries. I am now following these things very closely. [...]

Now we should work out a longer-term plan of practical measures to implement the announced concept [at the UN]. On this issue the Politburo has received considerations from departments of the CC, the Foreign Ministry, the Ministry of Defense, and the Committee of State Security [KGB]. They provide a program of actions for the near and distant future. Perhaps this is still a first draft. We should pull our heads together and give it time.[...]

In what was discussed during the days of my stay in New York, the major issue was about the future of *perestroika*. And this I would like to emphasize before the Politburo. Could there be a reverse? Incidentally, this is the object of most intense speculation among the Far Right. [...] And if you analyze the content of recorded foreign broadcasts [by a special service called *radioperekhvat*] in languages of our country on all foreign stations, the emphasis is clearly on the difficulties of *perestroika*, on growing obstacles to the process in the economy, in relations among the nationalities, in the process of democratization and *glasnost*, etc.

When I had to stay in isolation [during the trip], I tried during those twelve days, day by day, to analyze and systematize the material on this score and to give my assessment. [Radio voices] are hammering away at the Soviet audience that *perestroika* is losing ground, grinding to a halt, that it has not given anything to the people, that in the leadership and the party chaos reigns, that the country is sliding toward chaos. And no

matter what the leadership would undertake, it sooner or later will end up in a trap. And [that] the future of the present leadership hangs by a thread. To be frank, they say that Gorbachev is living through his last days. According to the most optimistic forecasts, he can have a year, a year and a half. True, Vladimir Alexandrovich [Kryuchkov]?

Kryuchkov. [Chairman of the KGB] People say many things.

Gorbachev. You do not want to speak up. It is so. I should not say that we are very surprised by all this. I do not want to be excessively cheerful [*izlishnee bodriachestvo*], but if they are upset, if they try to make these forecasts, it means that they are afraid of our *perestroika*. [...]

Of course, it is still premature to draw serious conclusions about the policy of the future administration, but something can be said on the basis of contacts and some information. First, it is hard to expect that this administration will aggravate relations with the USSR or will get involved in some risky international adventure [*avantiura*] that can undermine these relations. There seems to be solid ground for saying this. On the other hand, Comrades, I believe with full certainty that the administration is not ready for a new serious turn in relations with the USSR which would correspond to the steps our side has undertaken. At least such is the picture today. So they say: we stay prudent, we will not hurry.

Still, at the last moment, when I managed to break away from Reagan [*otorvatsia ot Reigana*] I spoke to Bush about this indecisiveness. He snapped back: you must understand my position. I can not, according to American tradition, step up front until a formal transfer of power has taken place. This I understand, no question about it. We will have understanding. And he assured me—there will be continuity. He believes we should build on what has been achieved, and he will make his own contribution.

All that we have received through different channels says that, from their side, they will add to our efforts to develop our relations.

We should take into account that Bush is a very cautious politician. They say his idiosyncratic feature is the “natural caution” of Bush. It is inside him. We should see it. And what can make Bush act? Only [a threat] of the loss of prestige for the administration. So we need [these sort of] circumstances which we have now created by our initiatives to promote this process.

The mood of the present administration mostly reflects centrist sentiments in political circles of the US and Bush himself says: I am in the center. Most of those who today turn out to be in Bush’s team are people who in America are called traditionalists. These people were brought up in the years of the Cold War and still do not have any foreign policy alternative to the traditional post-war course of the United States with all its zigzags to the Right, to the Left, even with its risky adventures. And we should understand it. And much will depend on how we act. I think that they [in the US] are still concerned lest they might be on the losing side, nothing more. Big breakthroughs can hardly be expected. We should produce smart policy.

[Georgi] Arbatov has just shared with the following ideas. They [the Americans] have suddenly sent a trial balloon: we are not ready, let’s wait, we will see. In general, they will drag their feet, they want to break the wave that has been created by our initiatives. In response they heard that, of course, we could wait because we have much to do in other directions—Europe, Asia, Latin America. Then they say: Well, you misunderstood us.

So we should have a thoughtful, dynamic, practical policy. We cannot allow the future administration to take a protracted time out and slow down the tempo of our political offensive.[...]

Shevardnadze. [...] There is a draft resolution [on Point 1 of the Politburo agenda]. Of course, I do not consider it a final draft. We will have to work on it.[...]

It is not true that the draft [*zapiska*] has not been cleared with the Ministry of Defense. The reasons are well known: comrades were not in place, only Comrade Lobov was present and all these issues, all these points we agreed upon with him. We went to him, obtained his signature, etc. But this is not so important. I fear another thing. What, for instance, does the Ministry of Defense propose in its report? To present data to the Supreme Soviet only after the discussion by the Defense Council and the Politburo, etc. Should we do it, if we are getting ready for a new Supreme Soviet with a new status, new rights, new content and forms of its work? I believe it should not be done.

I have serious reservations about a proposal that the Supreme Soviet receive information only about the main lines of military build-up, and not the [actual] plans of this build-up as the draft suggests. This may result in the absence of any details in discussion of this issue by the Supreme Soviet and in the same negative consequences we have already spoken about. Specific plans will continue to be adopted and implemented in secrecy [*v zakritom poriadke*] without the Supreme Soviet [s' approval]. We should not let this happen. It is absolutely unclear how the Supreme Soviet, without information about specific plans, will be able to consider seriously and approve defense expenditures. This is a very serious issue. It is also hard to understand the reasons for the objection against this clause of the [Foreign Ministry's Politburo draft resolution] where it says about a presentation for a plan and schedule of withdrawal of our troops from the territories of Allies and about its discussion with the friends.

As far as I know, a specific schedule of withdrawal has not been discussed at the Committee of Ministers of Defense [of the Warsaw Pact]. We should have such plans, to agree on them with the allies and to announce them publicly so that everybody knows about our firm intention to carry out what was stated at the United Nations, in a systematic, purposeful and orderly way. Otherwise, if everything is to be decided in a usual business order [*v rabochem poriadke*], as comrades [from the Ministry of Defense] write, we will become a target for allegations that we are trying to sidetrack the issue of withdrawal [from Eastern Europe] and troop restructuring [*pereformirovanie*] [and] to do everything contrary to what was announced from the pulpit of the General Assembly.

The following issue [in the proposals of the Ministry of Defense] is in direct contradiction to what was said at the [UN] session and to the clause of the [Foreign Ministry] draft resolution. I have in mind the formula of the Ministry of Defense that [Soviet] forces that will stay on the territory of the socialist countries after [unilateral] cuts should adopt a more, I stress, more defensive posture. These are just words but they have significance in principle. Cde. Gorbachev spoke about giving these forces a different, unequivocally defensive structure. An important and big difference. We will be caught by hand on every, so to say, detail. And now they tell us to speak not about structure, but about some kind of abstract direction. Behind this difference in terminology stands various methods of implementation of the General Secretary's address. In practice we should act in accordance with the speech at the U.N., so that will deeds would not diverge from the words.

I cannot agree either with the way the draft of the Ministry of Defense treats the issues of *glasnost* and openness, which are today of principled importance, of highest importance. When we carry out our unilateral steps, *glasnost* and openness would be maximized, in my opinion. Otherwise the desired effect will be lost, and, it seems to me, our policy will sustain a propaganda defeat. Our opponents will not hesitate to take us up on this and to sow doubts [to the effect] that the declared steps are not implemented in full.

[The military] proposes not maximum, but a permissible openness. What permissible openness means is not clear. Even more important [is] that even this permissible *glasnost* and openness is suggested to be applied only to the withdrawal of our troops from the territory of the Allies. As to the reduction measures on our territory, apparently no *glasnost* is permitted. This is, probably, wrong as well.

In general, my conclusion is that the amendments [to the Foreign Ministry draft proposed in the Ministry of Defense's] draft resolution, in particular to the military-political section, are designed not to allow genuine *glasnost* and openness. And I still believe that these issues are of great importance.

In conclusion, Mikhail Sergeevich [Gorbachev], several words. You spoke about some informational reports... They want us to be nervous. And look at them, they are serious people, serious politicians...

Gorbachev. Yesterday in the morning [US Ambassador Jack] Matlock asked for a meeting with [Alexander] Yakovlev and arrived. He listened to a broadcast from Leningrad, engineered [*inspirirovannuiu*] by Comrade Soloviev [first secretary of the Leningrad Party Organization]. During this program chairman of the GDR government said that one should keep in mind the plots of imperialist intelligence services and their subversive activities against *perestroika*. Well, Matlock then said: "I have a special request from my leadership, both the current and the future one, to declare that we support *perestroika*."

Shevardnadze. You know, sometimes we help ourselves to blow up some foreign authorities. We found an analysis of this guy [former National Security Adviser Henry] Kissinger. Look what remained of his theory after your speech.

Gorbachev. Nothing remained.

Shevardnadze. If one says, another, second, third, we should not take it as absolute wisdom. I think we should treat it more seriously.

Gorbachev. We are used to the fact, that if, in our country, someone speaks up, then it is necessarily an official viewpoint. And there they just talk [*boltaiut*], you see. [...]

Gorbachev. When we discussed [alternative military service] at the Defense Council, and even considered it in the Politburo, we spoke about reductions of troops by five hundred thousand. Then, in order to resolve the issue [relating to the drafting of] students, we said: add to these five hundred another hundred thousand, to remove the issue of the enlistment of students, but let's continue talking everywhere about five hundred thousand. These five hundred [thousand] are straight army troops, and the one hundred [thousand] are construction troops. Eduard Amvrosievich [Shevardnadze] would like to announce the figure six hundred thousand, and I told him—no, because if we start comparing troop numbers, they will always poke their finger at the fact that these are

construction troops, and we will insist that they are not. Therefore, officially we speak about 500 thousand.

Yakovlev. Yesterday I met with Matlock. He told me that Bush is more professional, better informed, but at the same time is more cautious. He tried to convince me that he always took part in the preparation of specific decisions, [that he] was interested in details, [that] knew many, that is: he cast the new president in the best possible light.

What else should we keep in mind in terms of putting pressure on the Americans? They are very afraid of our European and Pacific policies. They would not like to [have to] jump on [an already] departing train, a runaway train no less. They are used to being in the driver's seat. They are upset by our active foreign policy in other regions. [...]

Most importantly, Mikhail Sergeevich [Gorbachev], you spoke many times about it, is the disappearance of the enemy image. If we continue to advance in this direction and carry out this business, we will ultimately pull the carpet from under the feet of the military-industrial complex [of the United States]. Of course, the Americans will be forced to change their approaches radically.

Yazov. In accordance with the decision of the Defense Council taken on 9 November [1988], the Ministry of Defense has already worked out the plans for withdrawal of troops from the GDR, CSSR, HPR [Hungarian People's Republic] and PPR [Polish People's Republic].

After your speech at the United Nations I attended a Party conference of the Group of Soviet Forces in Germany. There was not a single question or provocative remark. Fourteen people spoke, all with approval. On Saturday I was at the conference in Kiev district of Moscow. There was a question: "Would the withdrawal affect preparedness for defense?" I answered. There were no more questions; everyone reacted with understanding. The entire armed forces of the country regard this with understanding. In the [session of the] Committee of the Defense Ministers that was held in Sofia, all ministers took it with understanding.

I believe we are ready to report to the Defense Council on our plans to implement those proposals that have been publicized at United Nations.

The Ministry of Defense does not object to publicity on the issues of military build-up in the Supreme Soviet. But according to the Constitution the Defense Council approves, so I believe that before moving them to the Commission of the Supreme Council, all the issues should be considered at the Defense Council. I do not know why Cde. Shevardnadze disagrees with this. Before Mikhail Sergeevich [Gorbachev] presented these proposals at the United Nations, this issue had been considered by the Defense Council and over here, in the Politburo. How could it have been otherwise? The Americans do not open [up] everything for us either. What we really learn from them we cannot buy for any money in the world. And why should we pass everything right away through the Commission of the Supreme Soviet? Today the Commission of the Supreme Soviet includes a very broad group [of people]. And not everybody should know everything.

Gorbachev. I think this is a misunderstanding.[...] There are many things that the Americans consider behind closed doors.

Yazov. Absolutely true.

Gorbachev. There are things that the Congress does not even consider. They can be done at the discretion of the President and the National Security Council.

Yazov. Now, on the formula about defensive direction, in his speech Mikhail Sergeevich [Gorbachev] really has mentioned cuts of 10 thousand tanks. In doing this, we have to touch on all the troops that are located in the Group of Soviet Forces in Germany. We have to include our tank divisions [in the reduction]. There are motorized regiments in tank divisions. We intend to preserve these motorized regiments. And to remove tank regiments from the tank divisions that stay in Germany, so that more tanks could be withdrawn. In this situation should we really reveal the entire structure only because we want more *glasnost*?

I believe that this is the prerogative of those countries that provide their territory for our troops. In any case, we will reveal what can be revealed, but it is not necessary to go all the way.

As to the schedule for withdrawal, we are ready to make a report about it. We propose to withdraw three divisions from Eastern Europe during this year and three divisions next year.

As to the part concerning the USSR and Mongolia, we are also prepared to report to the Defense Council on the schedule.

Ligachev. I would like to mention two or three circumstances...In a word, *perestroika* in international relations is very substantial. By the way it does not lose its class character, which was stressed by Mikhail Sergeevich [Gorbachev] in his report at the 19th Party Conference. At the same time we spoke, and justifiably so, about the priority of common human values, common human interests. I believe that if it were not for common interests of the countries that belong to different social-economic systems, there would be no unity in actions. A common interest exists apparently in the following directions. The huge burden of military budgets. It is felt by the world of socialism as well as by the world of capitalism. Issues related to the survival of humanity, ecological problems have become burning issues. All this, taken together, and above all our policy of initiatives, have led to some changes for the better.[...]

Foreign policy is a very large complex of issues. And most important among them, cardinal, is disarmament.[...] We need disarmament most of all. We carried this burden, with relation to the military budget, with the result that in the economic area we could hardly solve anything important.[...]

But this does not mean that we should weaken the defense preparedness of the country. We have enough ways, approaches, and means to reduce the excessively large military expenditures and to use rationally, pragmatically the means for strengthening the defense readiness of the country. We should tell this to the party, [and] to the party activists. Today, when the world has already begun to disarm, slowly but surely, in the final analysis, the power of the state will be determined not by military might, but by a strong economy and by political cohesion of society.

Vorotnikov. [...] I would mention only one point. You, Mikhail Sergeevich [Gorbachev] in your speech have emphasized the ambiguous approach to *perestroika* and the reaction by the capitalist circles, including the United States. But even in the socialist countries we run into serious problems.

Maybe in our draft resolution we should formulate directions of our policy towards the socialist commonwealth after all? Indeed, there is nothing in the draft, beside

[the point about] telebridges that should be arranged together with socialist journalists. I consider the situation in a number of socialist countries so complicated [*neprostaia*] that we should in one or another document clarify our thinking. It flows from your speech.

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[...] A lot of work should be done on the issue of our [military] grouping in Eastern Europe. We should do it in a systematic way [*planomerno*]. I know that all these proposals are being prepared for the Defense Council. We agreed to hold it in early January and to discuss all these issues. [...]

[...] See that younger officers do not develop a [negative] mood: is it worth continuing military service, continuing to be in the army. This should be prevented, comrades. ... A country like ours cannot live without [an army]. Everything depends on many factors. I believe that whatever happens we should modernize the army. Incidentally, the army is needed for the maintenance of internal stability. This is an important tool in every sense. That is it.

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