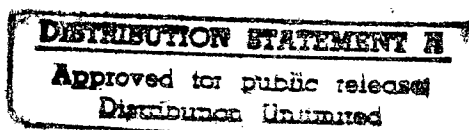




# ***JPRS Report***



# **Soviet Union**

## ***International Affairs***

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# Soviet Union

## International Affairs

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15 November 1991

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### Problems in MFA Training Institutions

92UF0118B Moscow IZVESTIYA in Russian 19 Oct 91  
Union Edition p 10

[Article by V. Sirotkin, professor of the USSR Ministry of Foreign Affairs Diplomatic Academy: "You Cannot Count on a Self-Educated Diplomat"]

[Text] The post-August wave of breaking down the old structures of the USSR MID [Ministry of Foreign Affairs] reached MGIMO [Moscow State Institute of International Relations] and the Diplomatic Academy, two of the main centers of training and retraining of diplomatic cadres in the country.

The new minister of foreign affairs, B. Pankin, announced publicly that the old system (party recruitment and "neighbors" from the KGB and GRU [Main Intelligence Directorate]) for training and appointing USSR MID cadres is hopelessly outdated.

But in the process of fair cadre perestroyka, one dangerous trend of Neobolshevism was clearly seen: throwing out the baby with the bath water, dividing the legacy of the CPSU Central Committee and the Union structures.

In light of the sovereignization of the republic ministries of foreign affairs, their "older brother" the Union MID is clearly reducing the sphere where its cadres are used (there is talk of by 12-15 percent), and hence, allocations for their retraining. This has a direct effect on the fate of the Academy, which was shown clearly by the discussion of the concept of its future development at the Academy Learned Council just before the collegium of the USSR MID, where the fate of the Diplomatic Academy was to be decided for good. Three viewpoints were clearly identified in the rectorate and the professor and teacher staff. Some, seeing the ease with which the capital's OMON occuppies and seals off other academies (social sciences and economics), are prepared to throw themselves under the heavy hand of the Mayor of Moscow by renaming the academy the "Moscow Diplomatic Academy." Others are urgently ready to "devote themselves" to the RSFSR MID, putting the word "Russian" on their name. Still others, after hearing that the USSR MID is handing over "subsidiary" branches, the Higher Foreign Language Courses, typist and stenographer courses, and the Scientific Coordinating Center, to the Diplomatic Academy on an emergency basis hope to outlast this latest reorganization too.

Allow me to express my personal opinion in this connection based on the experience of the work of both MGIMO and the Diplomatic Academy. All these disputes on subordination derive from the main problem—whether we are preserving a unified economic space and its Union elements, unified management of the army and navy, atomic power engineering, railway transport, and Union representation abroad; or breaking up, like Austro-Hungary after World War I. The variant of all-Union diplomacy seems preferable to me personally.

As is preservation of MGIMO and the Diplomatic Academy as a two-stage cycle for training and retraining Union and republic diplomats, including ambassadors. And for ambassadors it should be on a competitive basis, with mandatory exams in conversational knowledge of at least one foreign language.

And in the future we should plan to combine MGIMO and the Diplomatic Academy, like Harvard in the United States, into a single training center for diplomats with a beginning stage of instruction (lyceum), advanced secondary school (college), a VUZ (university), and an academy (graduate study with defense of a candidate's degree). This center could have its own branches in all sovereign states of the former USSR.

Under all the variants MGIMO and the Diplomatic Academy should have independent status as educational institutions with their own ruble and hard currency accounts and should be subordinate only to the Council of Ministers of Foreign Affairs of the Union and the republics. And only in this way can we preserve the experience in teaching cadres which we have accumulated, find optimal satisfaction of the interests of the Center and the republics, and join the European and world system of training diplomats.

### 'Jane's' Said Pessimistic on World Impact of Soviet Events

92UF0103A Moscow PRAVDA in Russian 21 Oct 91  
p 5

[Article by A. Lyutyy, personal correspondent (London): "Jane's' View of the World; No Threat of Unemployment for Analysts of Military-Political Puzzles"]

[Text] *If the political and economic situation in the USSR continues to deteriorate, we can expect serious social upheavals or a change of regime in Moscow next fall. This is the opinion of Henry Dodds, the chief editor of the monthly JANE'S INTELLIGENCE REVIEW, one of the most authoritative publications analyzing the military-political and economic situation in our country.*

We will return to Dodds' forecast, but we should begin by taking a look at the whole family of "Jane's" publications. It includes news bulletins describing the technical characteristics and analyzing the state of various weapons systems in the world, comparative military potential, and the structures of military blocs. It all began in the last decade of the last century when Fred Jane, the son of a British clergyman, amused himself by sketching the warships of Her Majesty's Navy. The hobby gradually turned into a professional career, and in 1897 Jane published the first collection of drawings of "All the World's Fighting Ships" and descriptions of weapons systems. The Englishman became such an esteemed expert that the Russian and Japanese navies also began using his services as an adviser.

The tradition of compiling these works continued after his death in 1916. The bulletins acquired the name

"Jane's," which became a unique seal of quality. Until recently they were categorized as forbidden literature in our country. Was it because they provided an accurate description of the strength of the military-industrial complex instead of a distorted one? Here is an interesting fact: When members of the "Jane's" editorial staff recently came to the USSR and were invited to take a look at the SU-27 fighter plane, it turned out that the parameters cited in the magazine diverged from the plane's actual dimensions by only a few millimeters.

Where does "Jane's" get its information? We know that it has sources in the Western intelligence community. It has around 60 staff and free-lance correspondents throughout the world. All specialized literature is carefully processed and analyzed. All published data have been checked and rechecked rigorously. "Jane's" has subscribers in 143 countries, and its most avid readers are in defense ministries.

The editors in "Jane's" headquarters in the capital suburb of Colesdon expressed their views of today's world and the trends in its development, with particular emphasis on the military-political aspect. Here are some of the interesting observations that were made during the conversation.

According to "Jane's" reports, the world spends around a million and a half dollars on military needs each minute. Last year world military expenditures exceeded 795 billion dollars. The experts from "Jane's" anticipate a reduction of up to 25 percent in the military expenditures of Europe and America—the United States—in the next 3 years, but they also predict an increase in the proportional expenditures of the Asian and Pacific Rim countries. India, Iraq, Japan, Saudi Arabia, and Syria will continue to be the main importers of weapons. Syria, which imported weapons worth around 6 billion dollars between 1985 and 1989, arouses particular concern because of its offer of high salaries to leading Soviet scientists with experience in developing the most modern weapons systems, including nuclear systems. The "Jane's" editors' data suggests that the Soviet "brain drain" has already begun.

The "Jane's" editors have reached the disturbing conclusion that, in spite of the scales of the arms reductions undertaken by the USSR and the United States, the world will not become a safer place. Third World countries, which are building up their military potential and stepping up programs for the development of nuclear weapons, are posing an increasingly serious threat. The weakened Soviet Union is no longer capable of preventing their nuclear arms race effectively, and if "third" states should acquire their own Werner von Brauns who speak Russian, events could take a tragic turn.

The experts from "Jane's" believe that the Middle East, Eastern Europe, and Asia will become a zone of heightened danger in the next few years.

What does the previously mentioned chief editor of JANE'S INTELLIGENCE REVIEW, Henry Dodds, think about the situation in the USSR?

"Gallop inflation, economic collapse, and the paralysis of authority are creating a situation similar in some respects to the one in Germany in the early 1930s. Social collapse is probable in a state where the ideological foundations and moral guidelines have been shattered. This could foster the necessary conditions for the emergence of a strong leader. The crucial moment, in my opinion, will come at approximately this time next fall."

"Could you elaborate on your point of view?"

"The next sowing campaign is almost certain to be worse than the last, and the harvest will be even smaller. The food crisis will grow more acute when republics keep their agricultural products within their own boundaries. This winter the West will do everything within its power to prevent hunger, but next year the West's enthusiasm might subside. It is then that a change of political regime will be possible, at the height of the public indignation, dissatisfaction, and anarchy."

The editors of "Jane's," just as, incidentally, those of other authoritative publications on world politics, are puzzled by the indecision and confusion that have prevailed in matters connected with economic reform in the USSR since the events in August. Immediate steps must be taken to curb inflation, stabilize finances, and coordinate marketing strategy with the republics.

The editors of "Jane's" are inclined to agree with the British foreign ministry officials who expect from 3 million to 8 million economic emigrants from the USSR in the next few years. Of course, the overwhelming majority will move first to neighboring countries, such as Poland, but Poland is in a state of crisis itself: The demographic situation is such that people reaching the age of 18 are expected to augment the labor force by 30 percent in the next few years. For the sake of comparison, the rate of increase in the United States and USSR will be only 13 percent. What can the Poles do with this surplus manpower, particularly if they have to deal with an increasing flow of unskilled workers from the USSR? Should they all move West en masse? People in London and other capitals shudder at the prospect, although they are trying to find a way of assisting Eastern Europe within the European Community framework.

...Regrettably, the world will not be tranquil as it moves from this century into the next. It will be just the opposite. This is why unemployment is no threat to the "Jane's" analysts who delve into all of the details of the military-political problems assailing our planet.

### Signing Pacts on Refugees Urged

92UF0148A Moscow ROSSIYA in Russian No 39,  
2-8 Oct 91 p 2

[Article by Sergey Shashmin: "Will We Flee to the West?: On the Benefit of Signing Certain International Agreements"]

[Text] Of course, we will flee. Out of hunger. Law professor G. Zadorozhnyy is 100-percent certain of that. According to estimates of Western specialists, 30 million refugees will dash to Europe from our former Union because of hunger. Zadorozhnyy's prognosis is even gloomier: 50-60 million hungry and desperate Soviet people are capable ultimately of bringing European civilization to ruin. And no cordons can stop them. This variant of the future development of events would possibly make some of the participants in the international scientific practice conference on problems of national minorities and refugees in CSCE [Conference on Security and Cooperation in Europe] countries feel somewhat impotent. But personally other associations came into my head. Let us recall last summer and the Albanian refugees in Italy. The Italians sent them back without any ceremony. The point is that Italy at one time deemed it necessary to sign the 1951 Geneva Convention on the Status of Refugees, and later to join the 1967 New York Protocol regarding this status. Most likely the Albanian leadership never had any such intention. From the standpoint of international law, this meant that on this matter Italy had absolutely no international obligations to Albania. And since this was the case, they did whatever they wanted with the Albanian refugees.

I am afraid that the same thing may happen to us if we flee. For not the former USSR and certainly not the sovereign states which were formed on its territory participate in international agreements which resolve (even to just a small degree) the problem of refugees. Incidentally, if some of my esteemed fellow countrymen knew about this, they would hardly try in all seriousness and with enviable persistence to make the representatives of the Administration of the UN High Commissioner on Refugee Affairs and the scholars from the European human rights institutions understand that our emigrants all the same meet universal standards and are worthy of the international status of refugees.

The international-legal situation is not taking shape to our benefit at the present time. The Russian government already has a plan of action in case of emergency circumstances involving aggravation of the problem of refugees. I think that will hardly reassure anyone.

Western scholars proposed including a recommendation addressed to all CSCE participant states in the Conference's final document: immediately join international documents which regulate matters of the status of refugees. The only question is who will sign these documents for us. For the world does not yet recognize most of the newly born sovereign states as fullfledged subjects of

international law. Consequently, we must seek to resolve the problem of our emigrants on the interrepublic level first.

Obviously, it would be useful for the former Union republics to first sign an interrepublic Convention on the Status of Refugees in which the signatories would offer refugees real guarantees and obligations.

### Strategic Studies Institute Created

92UF0118A Moscow IZVESTIYA in Russian  
19 Oct Union Edition p 7

[Article by A. Portanskiy and I. Surkov: "Now We Have a Strategic Studies Institute Too"]

[Text] Several days ago the National Security and Strategic Studies Institute (INBSI) was created in Moscow with the rights of an independent nongovernmental organization. S. Blagovolin, doctor of economic sciences and head of the department of military-economic and military-political problems at the USSR Academy of Sciences' IMEMO [Institute of World Economics and International Relations], was elected its president.

One of the priority tasks of INBSI will be to formulate a conception of the country's security under fundamentally new external and internal conditions. Within the framework of this task, substantial attention will be devoted to searching for ways to carry out the conversion of military production in the country most sensibly, a problem which before our eyes is becoming one of the most acute sore spots not only of our economy but of the entire domestic situation. Judging by everything, the Institute has rather good potential to work on these priorities—among its founders are such well-known experts in the field of international and military problems as G. Kuladze, Russian deputy minister of foreign Affairs, V. Shlykov, deputy chairman of Russia's State Committee for Defense, N. Chaldymov, the president of the Army and Society Association, A. Dynkin, IMEMO deputy director, and others.

Also joining the Institute as founders are such prominent natural scientists as academicians B. Keylis-Borok and Yu. Osipyan, corresponding member of VASKhNIL [All-Union Academy of Agricultural Sciences imeni V. I. Lenin] K. Skryabin, and some others. Their presence among the creators of INBSI is the result of the fact that the Institute intends to devote special attention to analyzing the impact of "gaps" in science and technology on the situation in the world and seeking ways to prevent ecological disasters (like Chernobyl) and organizing joint actions of the world community to clean up the consequences of them.

As a social organization, the Institute considers some of its main functions to be developing the best humanist traditions of Russian science, restoring and strengthening moral principles in our lives, participating in training a new generation of specialists, and, finally, carrying out charitable activities. As for the principles of

work organization, the INBSI founders firmly intend to avoid creating any of the rigid, traditional structures that resemble the familiar operating scheme of absolutely everything in our country. Maximum flexibility, the ability to react quickly to any newly arising situation, is the principle of activity which is taken as the foundation.

The Institute intends to maintain ties with scientific centers and social organizations both within the country and abroad. To all appearances, at home close relations should be developed with IMEMO, the Scientific-Industrial Union, the Army and Society Association, the Foreign Policy Association, and other partners.

What seems the most important thing in the future activity of the Institute to its president?

"The most important thing is perhaps to be really independent," said S. Ye. Blagovolin, answering the question posed. "We do not want to be associated with any particular political parties, movements, or personalities. The main thing is common sense, maximum competency, and honesty. We want what is done at INBSI to have a guarantee of quality, so to speak, and be trusted both in our country and abroad."

One of the problems which we are now encountering in the country is the priority of immediate political interests over professionalism, over purposefulness, and even over the country's long-term interests. And, if we manage to resolve this problem even to a small degree, believe that everything was not undertaken in vain. We will support the development of the democratic process, the country's national renewal, and effective, purposeful domestic and foreign policy able to ensure our active and positive participation in the life of the world community. And, of course, the development of all-encompassing cooperation with the West, including in the sphere of security and military matters. Without that cooperation we will not get out of the mire into which we fell at a certain point."

#### **IZVESTIYA Expedition to KAL-007 Recounted**

*92UF0115A Moscow IZVESTIYA in Russian 24 Oct 91  
Union Edition p 6*

[Report by IZVESTIYA special correspondent Sergey Taranov: "IZVESTIYA Expedition Found the Boeing-747; Recovery of Material Evidence Underway: Chronicle of the First Submersion Near Moneron Island"]

[Text]On October 22, at 0600 Sakhalin time, the search vessel *Gidronavt* raised anchor and set course for the area of the Boeing crash site. Water chopiness 2, wind up to 6 meters per second. These conditions made the first submersion of the Tinro-2 apparatus possible.

Thus, at 0800 we are on the smooth surface of the Tatarskiy Proliv. The exploration of the chosen spot begins. The search area is three square miles. Our vessel is moving on a spiral, a continuously narrowing circle. Specialists get their bearings from the depth: It is known

for a fact that the giant aircraft's debris should be resting at a depth of 176-178 meters.

The area we are in now was chosen by Captain Boris Bass. This very experienced seaman is now using the records he made in his diary eight years ago, during those days when, under the cover of great secrecy, the search for the downed Boeing was being conducted here—by Soviet, American, and Japanese ships. It was a miracle that he managed to keep his records: Special services later confiscated all and any documents from the participants in the secret operation.

At 1210, Tinro-2 is finally lowered into the water. On board are Mikhail Girs and Yuriy Sidorenko. In 15 minutes the Tinro-2 pilots reach the bottom. It is flat here; not too many fish. The visibility, however, is incredible: 22 meters! Under normal conditions it does not go beyond 12. A hopeful beginning.

All the interested parties have gathered on the bridge to listen to the conversation with the Tinro-2. Tension is high; the people want something close to a miracle—immediate and effective results. But...

1323. Sidorenko reports: I see a piece of cloth. Tinro-2 slows down. The cloth is picked up by the manipulator arm and the submersible keeps moving.

1327. See a beer can.

1402. Came across an object initially believed to be a sweater. Upon inspection, turned out to be a piece of cloth 2 by 1 meters in size.

1415. One more large piece of cloth. Girs says on the radio: This one has nothing to do with the downed aircraft. Actually, other things we have seen could turn out to be not relevant to the Boeing. Why the doubts? This is a lively maritime area, and it is quite customary for us to dump all kind of garbage overboard...

A white woman's shoe (without a heel), spotted at 1427, probably did belong to a Boeing passenger. This shoe was discovered right on the imaginary border between the northern and the southern parts of the search area. The Tinro-2 immediately changes course 180 degrees. Immediately, "hotter" items start to show up. Finally, the pilots see an orange life vest in the search lights. A report from below: The lettering on the vest is in English!

The vest, naturally, is also picked up by the manipulator arm.

At 1520 the most important news arrives: There is a large—about 1 by 1.5 meters—piece of aircraft at the bottom! A little further on a scattering of small metallic objects. This means that the task is accomplished: The area of Boeing debris has been identified on the first submersion. A buoy is set above it, and now the success of the mission depends entirely on the weather.

...The life vest is brought to the surface. On the deck it is examined attentively: It has the flying "crane" of the

South Korean airline KAL on it. There is no more doubt, since there is another vest, just like this one, in our KAL-007 archives in the editorial offices—this one brought up by divers in the fall of 1983.

The expedition continues.

We are now impatiently waiting for the second submer-  
sion...



**Economist Discusses Parameters of Winter Food Aid***92UF0099A Moscow SOVETSKAYA ROSSIYA  
in Russian 16 Oct 91 p 3*

[Article by O. Cherkovets, candidate of economic sciences: "Three Loaves for the Winter"]

[Text] It was recently announced that the ministers of economics and finances of EEC countries, meeting in Luxembourg, had decided to grant the Soviet Union loans for food purchases, totaling about \$1.5 billion. At the same time, Japan reported that it was giving us emergency aid of \$2.5 billion. It is true that only \$500 million will go to pay for food procurements and medicine. Therefore, we were given about \$2 billion for food. Hurray! Are we rescued?...

Let us try to understand, without emotions, strictly on the basis of figures: what is \$2 billion for a country of almost 300 million people? It amounts to \$7 per capita. This is precisely three long loaves of bread per person, including the cost of transportation. Well, this will come in handy in the barren shelves of bread stores! The trouble is that those same three conventional long loaves will have to last us the entire winter and that we are still one and a half months away from the winter....

Let us forget the bread and take up another system of computations used in global practices: on the basis of a conventional food "basket," which includes average norms of basic food staple: butter, milk, grain, flour, meat, and so on. We can be helped in this by an article which came out in one of the September issues of the British newspaper FINANCIAL TIMES.

Let me recall the gist of it. At that time, one month ago, the initial study was made of how is the credit already granted by the European Community of about \$300 million being used. The newspaper reported that this involved shipping 84,000 tons of foodstuffs. A simple calculation would show that this would amount to 300 grams (almost) per person! Another calculation would reveal that, according to the suggestions made by British specialists, the result will be that new loans would supply us with goods amounting to about two kilograms and 200 grams per person. This, judging by all available information, is the final word of the West (and the East, if we include Japan): the answer to the question recently asked by President M. Gorbachev, who had estimated that \$10.2 billion would be required to purchase the necessary food, was the answer given by the Western experts, according to which the USSR was not facing an immediate threat of hunger, which would justify the granting of such a loan. One can understand the business people in the West: why should they risk their billions in paying for the absolute inability to provide any management, including economic, on the part of our specialists in meetings and strikes?

Let us return to the FINANCIAL TIMES article. It reported that out of this stipulated amount of food,

totaling 84,000 tons, for which credits had been appropriated, so far only 5,000 had been shipped to us. This is a familiar and an alarming symptom! We are well aware of the difficulties currently experienced by our transportation system. It turns out, however, that there is more to it. The "secret" is that bigger loans were approved by the governments of the Common Market countries, based on the "triangle" principle, i.e., the purchasing of food from the Eastern European countries, the former CEMA members, who are currently experiencing major difficulties in marketing their goods, because of elimination of the previously guaranteed market within the framework of CEMA. It is precisely such food that will be shipped to the Soviet Union, while the balance will come from EEC reserves. Therefore, the Western countries solve two problems simultaneously: they provide a financial injection simultaneously to two recipients. It is only one of them that will have to pay for such loans, i.e., our own country.

Here is, in my view, another important detail. The press reported that the members of the Community intended to make a decision on supplying Albania with 100,000 tons of food for the autumn and the winter. Albania itself had raised the question of monthly deliveries of 5,000 tons, mainly grain and flour. This was for the Albanian population of three million! To supply our country in the same proportion would have required as much as 10 million tons of prime necessity foodstuffs. Hardly anyone is burning with the desire or, in general, able to ensure such procurements. Furthermore, should we rely on tips? Any country which has even a little bit of respect for itself, our country most of all, as ancient and relatively modern history proves, has a more reliable prescription for ensuring its food: to work normally instead of engaging in self-destruction. In that case we would not have to shame ourselves by begging for charity around the world.

**World Bank Official Cited on Aid to USSR***92UF0109A Moscow SELSKAYA ZHIZN in Russian  
25 Oct 91 p 3*

[Article by V. Yegorov, TASS correspondent (Tokyo): "The World Bank Offers a Helping Hand"]

[Text] The World Bank plans to offer the Soviet Union all-round assistance in economic reconstruction in the near future, including a program of technical aid and some financial support. This was announced on Wednesday by M. Kureshi, an official of the prestigious international financial organization, when he came to Tokyo after attending a series of conferences in Bangkok.

The program of technical aid, he stressed, will include consultations with the Soviet side on such exceedingly important matters as intergovernmental financial relations, the payment of debts, trade policy, the liberalization of prices, the development of the private sector, the construction of a legal framework for foreign investment, and the modernization of agriculture and power

engineering. He said the work on the program would begin after an official agreement, scheduled to be signed in the beginning of November, has been concluded with the USSR. In addition to offering direct technical assistance, he said, the World Bank plans to open an office in Moscow, marking the "beginning of this organization's active efforts to aid the Soviet leadership in economic restructuring."

In reference to certain problems in connection with the offer of financial support, he said: "The USSR as a whole is not as poor as some developing countries. Nevertheless, it does need to have the payments on its debts deferred until an effective production system has been restored." He said the exact details of the possible deferment would be discussed during the upcoming Moscow meeting of representatives from seven leading Western industrial countries.

#### **University Publishes Register of Goods, Services**

92UF0119A Moscow IZVESTIYA in Russian 19 Oct 91  
Union Edition p 2

[Article by V. Romanyuk: "There Is a Register of Goods, But as for the Goods..."]

[Text] On Thursday, 17 October, the presentation was made of a three-volume annual reference book for enterprises which produce goods and services in the USSR; it was published for the first time in our country. A creative group of the Russian-American University prepared it. All I managed to do was to hold these heavy, dark green, extremely well printed large-format books in my hands: the register costs 5,000 rubles [R] (500 dollars in hard currency).

At first glance it is a worthless pursuit, given our devastated market, to inform people about what is produced and where. But the president of the Russian-American University, A. Podberezkin, who gave the presentation, did not agree with this statement of the matter. At a time when horizontal ties have been ruptured in the country and vertical ones have ceased to exist altogether, an annual register of the Russian-American University press of 28,000 enterprises, including those under conversion, becomes a useful aid for those who want to enter the market independently. The register has 68,000 entries of goods and services classified under 1,800 headings. The distribution system and the methods for finding information in the register are similar to the best world publications of this type. An electronic register may also be used; that allows the search to be done rapidly by regions, postal indexes, or types of output.

For all that, the compilers of the register lamented that our entrepreneurs are not used to existing in an information environment. When the information was being gathered for the register, many people announced that they did not need advertising since they were monopolists, and others demanded payment for the information they provided; while in the world everything usually happens in just the opposite way.

With annual update, the register acquires additional valuable qualities. University president A. Podberezkin was even asked whether the Russian-American University could assume the functions of an international broker itself, the only difference being that it would take 5 percent rather than 2 percent for intermediary services, but on the other hand it would realize deals in 2 weeks rather than 6 months. The president assured people that was altogether possible. Let us note that the register is only 1 of 40 programs being carried out within the framework of the Russian-American University (RAU). One of them, "The Entrepreneur," attracted special interest. It includes a study of the problems of strategic choice, aid to businessmen, training of cadres for the market, marketing, and solving ecological problems. And the program "Domestic Conflicts" is focused on studying acute conflict situations in the USSR and predicting trends and the interaction of these situations with the regional surroundings. This program combines 176 expert observers from various regions of the country. The original variant for conversion was proposed by a group of RAU experts. Unlike the representatives of the VPK [military-industrial complex], who require that weapons worth R3 billion be destroyed in order to manufacture equipment, the RAU specialists offer technologies where the weapons are destroyed and simultaneously the valuable components are utilized. A program which was costly is becoming profitable.

#### **Conference of Entrepreneurs Attended by Thatcher, East Europe**

92UF0136A Moscow RABOCHAYA TRIBUNA  
in Russian 26 Oct p 2

[Article by Nataliya Korkonosenko: "Only the Scent of Perfume Remains from Meetings with Margaret Thatcher"]

[Text] The West in the Role of Our Rescuer

A forum of entrepreneurs from countries in Central and Eastern Europe, "Eastern Express in the World Economy," where about 500 business and political leaders gathered, including A. Rutskoy, K. Prunskene, and Academician S. Shatalin, closed the day before yesterday in St. Petersburg. Of course, Margaret Thatcher was passenger number one on the "Eastern Express."

Mrs. Thatcher was wearing lilac. The two flights of carpeted main staircase of Mariinskiy Palace were overcome swiftly and easily under the flashes of cameras, and the escort of the city's primary officials, in sports clothes, obviously ceded to their guest. She is accustomed to running, and even during this little victory she displays labor and self-control, self-control and labor. She is accustomed to the applause of the business and political world, and when about a hundred irreproachable men stood up, greeting her with an ovation as she appeared in the White Hall, Margaret Thatcher, having taken a seat next to Mayor Sobchak, "removed" her dazzling smile

and made an impatient gesture with her hand: We are working, gentlemen, we are working.

Indeed, this was she, the most outstanding woman of the last quarter century. And she wished to speak to those who are first in the business world "of these unpredictable Russians," which is being shaken by political cataclysms. She was offered a choice of four roundtables in different ends of the city. Thatcher chose precisely this auditorium.

At the Tavricheskiy meeting, she gave a programmatic speech. There cannot be political freedom for the individual without granting every person economic freedom. Its foundation is private property. In general, praise of private property was the refrain throughout the entire report. Today they awaited practical advice from her. And, it must be admitted, they also hoped for credits and subsidies from the West.

In splendid "king's English", the guest said:

"It is not easy to convert to a new economic system. Three conditions are necessary for this: hard currency, i.e., strengthening the banking system; political stability; and free enterprise, which is based on 'working' laws. The rest is the business of the entrepreneurs. Nobody is asking you to do that which no one has ever done before. It suffices for you just to repeat that which already works well in the West.

Several similar sentences were added, such as: "In order to excel, you must believe in yourself," "Problems exist in order to be solved," etc. Not a word was said about the British "know-how" fund of 50 million pounds, established to support small- and mid-sized businesses in our country: The English minister of employment, who recently visited St. Petersburg, spoke of this, and Thatcher had to have known about it.

Several disheartened businessmen tried to take the initiative and rouse the unfeigned interest of their lofty guest. Really, the flower of Russian enterprise, gripped by problems, had gathered in the hall.

However, neither the latent drama of the problems being discussed, nor the irreproachable arguments of the speakers, nor even the fairly good English in which several of them addressed Mrs. Thatcher directly, were able to penetrate the armor of the lofty guest's equable, courteous attention. One of the St. Petersburg businessmen offered her an honorary membership in the association of Russian entrepreneurs: And then, they say, we will see... However, even this proposal hung in the air. Later, the merchants guessed: Either the traditional English reserve is telling here, or Thatcher came with some other kind of motive, besides establishing informal contacts with our businessmen. Perhaps this was simply a pleasant stroll through St. Petersburg, a little autumn elegy with a departure on a snow-white cutter on the Bay of Finland and a look at St. Petersburg's forts.

Too bad. Too bad that only the intangible aroma of expensive perfumes and a couple of broken illusions remained from this meeting.

### Speculation on Future of CIA Under Gates

92UF0152A Moscow NEDELYA in Russian No 40,  
30 Sep-6 Oct 91 p 14

[Article by IZVESTIYA correspondent Aleksandr Shalnev: "Perestroyka in the CIA—What Are Things Like for Others?"]

[Text] American reporters are great vipers, for all that! Here is a quotation from TIME: "But life could turn out far worse for the Central Intelligence Agency. But incensed crowds are not gathering at its headquarters in Langley, and no one is attempting to pull down a statue of William Donovan, nicknamed 'Wild Bill,' the founder of the CIA." Not gathering, not attempting—this is true, although I have to mention that, as much as one might so desire, this is very difficult: The approaches to CIA Headquarters do not afford such freedom of action as Lubyanskaya Square—you would not make your way through.

Of course, life for the CIA is not now as bad as for the KGB, measured by our realities, but measured by things American, it will be clear that the Central Intelligence Agency has entered upon hard times.

There are no demonstrations, no monuments are being demolished, and there are no pungent expository articles containing the confessions of retired CIA personnel but demands are being heard for the elimination of the CIA or an appreciable reduction in its budget and its most substantial reorganization.

The reasons for the demands are partly the same which guided George Bush when he recently announced his disarmament initiatives: It is no longer the same Soviet Union that we need to continue spending billions and billions of dollars on an intelligence struggle with it; the threat to the national security of the United States emanates not from Moscow but from the strong trade and economic and scientific-technical pressure of Japan and from every conceivable little third world caesar, armed to the teeth and totally unpredictable in their policy.

But like Bush, who could have displayed, but did not, an even more radical initiative, sharply limiting, for example, the program for B-2 stealth bombers or sea-launched strategic missiles, so also the U.S. intelligence community, joining forces with dozens of departments—the CIA, the National Security Agency, the Defense Intelligence Agency and so forth—is not prepared and does not want to completely cross off its lists the one who has been called the "main enemy."

The visit of Secretary of State James Baker to the Lubyanka for a meeting with KGB Chairman Vadim Bakatin is, of course, something from the realm of fantasy. But I am not sure that our foreign minister, Boris Pankin, has received an invitation to visit Langley, taking with him a strong group of reporters and cameramen. Had such come, he would surely have gone.

There would have been time: The minister has now, for all that, spent almost two weeks in America.

And, then: How can the CIA overlook its main, albeit former, enemy if the United States has to keep a sharp look-out even when it comes to those who are considered close allies. Literally a couple of weeks ago Pierre Marion, former leader of French intelligence, acknowledged in a television interview that his department spied—and, it has to be assumed, continues to spy—on American corporations, stealing secrets from IBM, Texas Instruments, and other of America's industrial giants.

It is extremely unlikely that the idea of Senator Patrick Moynihan, who has proposed that the CIA be closed down, will be supported and implemented, but there will have to be a reorganization of Central Intelligence. It is this, by all accounts, with which the activity of Robert Gates, the new director of the CIA who is nominally in charge of all the other intelligence departments also, will begin.

When this report was being prepared, the Senate Intelligence Committee had only just resumed hearings on Gates' confirmation as director of Central Intelligence. But only something unusually outrageous could bar the way to Gates, for whom President George Bush is lobbying most actively.

A significant detail: Everyone, supporters and opponents of Gates, ranks one of the new CIA director's main merits the fact that he is a Soviet specialist by education and specialization. In the times in which we are living, supporters and opponents say, Gates' training as a Sovietologist is exceptionally important. Ray Cline, former deputy director of the CIA, told Gates, "You are exceptionally fortunate: In the present situation a Soviet expert is just what is needed in the director's office." Gates, Cline added, was not about to argue.

There are Soviet specialists and Soviet specialists, just as there are America specialists and America specialists, come to that. One and the same event enjoys directly opposite evaluations. Gates is of the category of Sovietologists who, crudely speaking, have never seen anything good in anything that has happened in our country. He has landed in trouble for this—publicly and repeatedly. First George Shultz and then James Baker, who replaced Shultz as secretary of state, gave Gates, to speak in our diplomatic language, a strict dressing-down for his speeches containing doubts as to the dependability and longevity of the restructuring processes in the USSR.

An example from this same category: At negotiations in the Kremlin with an American delegation which included Gates, Mikhail Gorbachev asked to be shown this person specially. Our leader explained his request approximately this way: I want to see the person who, together with his sympathizers, aims at undermining perestroyka.

Gates himself is inclined to explain this "quirk" by his natural pessimism, saying—without overly hinting at a joke—that "whenever I see flowers, I start to think of a funeral."

Whether because of his nature or not, Gates was, if one goes into it a little more closely, right: The August events showed that our country was not that far from a return to the times about the likelihood of whose recurrence he had often warned, receiving for this one reprimand after another.

Opponents of the new director of the CIA put down to his discredit his pessimism and disbelief in the changes in the Soviet Union and express doubt that Gates will be totally objective in the information with which his department supplies America's top political leadership. Our doubts, his opponents say, are justified: We have information confirming that when Gates was No. 2 in the CIA—this was in Reagan's time—he doctored intelligence analyses and briefings which went to the White House and other high departments to fit his sentiments and imparted to them a content which would be, from his viewpoint, entirely satisfactory to the top leadership.

I would recall that the top leadership in those years was Reagan, whose vision of the Soviet Union was accommodated in two words—"evil empire." Whatever did not correspond to these two words was expunged from the intelligence summaries.

Gates has to be given his due: He has acknowledged at the Senate confirmation hearings the "dubious value" of a considerable amount of the information which went to the country's political leadership. It cannot be ruled out that Gates was simply being crafty, remembering a most well-known rule which has been repeatedly put to the test successfully on Capitol Hill: an acknowledgment of mistakes and repentance soften senators' hearts.

According to Senator David Boren, chairman of the Intelligence Committee, the part of Gates' testimony in which he acknowledged past errors and sought forgiveness for them was the "strongest".

But this acknowledgment by the director of the CIA presupposes that he will now be required to be guided in his activity solely by the principle of objectivity and a renunciation of any attempts to doctor intelligence summaries to fit the mood prevailing in the highest echelons of political power. Any deviation from this rule would threaten him with potentially most serious trouble: The intelligence committees—Senate and House—would undoubtedly begin to display increased captiousness toward the product of the department in Langley.

Can the CIA restructure itself? Aside from general and, therefore, very nebulous ideas, Gates himself has yet to say anything about how he sees the CIA and the intelligence community as a whole. It remains as yet, therefore, merely to build assumptions. It cannot be ruled out that

the ranks of CIA employees—they number approximately 20,000—will be compressed somewhat, at the expense, by all accounts, of counterintelligence primarily.

It is doubtful, however, that there will be serious cuts in overseas agents: Gates is known to be a very active supporter of the idea of the superiority of "human intelligence" to "electronic intelligence," that is, the superiority of agents working "in the field" to spy satellites. As former CIA employee George Carver put it, expressing quite accurately the opinion of Gates himself, "you cannot make out the mood of people talking in the bazaar from a satellite operating at an altitude of 100 miles."

And specialists see as the main reason why they were unable to make out Saddam Husayn's intentions toward Kuwait in good time precisely the fact that the intelligence departments were unable to learn the "mood of the bazaar"....

On the other hand, in November 1982, immediately following the death of Brezhnev, the CIA predicted that the leader would be Andropov, and somewhat later, Gorbachev. The forecast was contained in a memo which Bill Casey, director of the CIA at that time, sent President Reagan.

Excellent sources of information? It cannot be ruled out. Although simple observation cannot be ruled out either. Dusko Doder, who once worked in Moscow as a correspondent for the WASHINGTON POST, beat the CIA in reporting Andropov's death: he simply figured it out by having stood for several hours in Staraya Square in front of the Central Committee building and having observed the unusual flurry of cars at that late hour on a night in February. Dusko told me later that the CIA had made known to him its irritation at his pushiness.

I recall, incidentally, that we were talking about this at a table at which two CIA employees were sitting also: it was such that they appeared to me when they took a seat near us in the lobby of a conference held several years ago in Austin, Texas. "Hello, we are from the CIA," they said quite simply and gave their names, which I do not remember inasmuch as I immediately become somewhat perturbed.

It was only subsequently that I thought: What was there to be perturbed at? The CIA does, in fact, operate comparatively openly. Not, naturally, in the sense that secret operations are carried out before the eyes of a respectable audience. But, for example, attempts to recruit students are made perfectly openly: Announcements are made to the effect that on such-and-such a day, at such-and-such an hour you can come to a stated venue and learn what you could expect if you went to work in the CIA. We need, the notices usually say, smart, expert, and educated people. But with education there is a problem. The essence of it, in the words of Vasilii Ivanovich Chapayev, is that "people do not know languages." The CIA, for example, had no employees in

Iraq who spoke Arabic. Otherwise Husayn's invasion of Iraq could have been predicted.

The Iraq situation was, as far as can be gleaned from press reports, no exception: The CIA is experiencing a shortage of "career linguists" in many other countries also. It is not fortuitous that the Senate is discussing in earnest the question of the appropriation of approximately \$180 million, which would make it possible to expand the program of foreign language training in American colleges, programs geared to the possibility of the subsequent use of graduates in intelligence work.

Speaking of the changes which, by all accounts, will be inevitable in the CIA with the advent of Gates, specialists are also mentioning the possibility of a serious revision of the lists of agents. The reason for this is the fact that, as a study of the files seized in the Stasi following the collapse of the GDR has shown, many of the agents who had been recruited by the Americans were "doubles"—that is, they worked for both sides. The same thing is also happening with Cuban agents, according to NEWSWEEK.

But all this is as yet merely conjecture. It is clear only that, having been in existence for 44 years, the CIA is, most likely, entering the most critical phase of its existence. Although the statue of "Wild Bill" does not have to be pulled down for this....

#### **Washington Report on Emergency Food Aid**

92UF0131A Moscow PRAVDA in Russian 25 Oct 91  
p 5

[Article by V. Gan: "With Creaking and Gnashing, But..."]

[Text] The White House has received an official Soviet request to grant our country extraordinary food aid. As reported, the appeal to the administration consists of 300 pages. Commenting on the Soviet request, President Bush firmly announced that "no one in the Soviet Union will go hungry this winter."

It is assumed that the presidents of the USSR and U.S. will discuss Moscow's request in detail at their meeting in Madrid next week before the start of the conference on world political regulation in the Near East.

Bush's statement was one link in a chain of fairly sympathetic declarations by representatives of the U.S. and the West with regard to our burning troubles. For the first time, a highly-placed official of the ministry of finances has just publicized the intention of the seven leading Western states to meet the Soviet Union half way on the issue of paying our foreign debt, which is estimated at roughly 70 billion dollars.

Speaking at hearings in the Senate Finance Committee, the U.S. deputy minister of finances, D. Malford, said that the "seven" is now examining the possibility of deferring Soviet payments on credits and debt obligations for 6-12 months. Since, in the opinion of specialists, even this step may not be enough, the question of granting the Union a so-called "bridge loan," which would be guaranteed by Soviet gold reserves, is also being studied by way of extraordinary procedure. Such a loan in addition to the deferment of payments would give us a time-out to catch our wind, which, as Malford said, is necessary so that we "will be able to look into the situation that has taken shape."

In his words, the Union owes the United States 2.5-2.8 billion dollars and "probably less than 300 million dollars" to American banks. These figures are considered small for a country of such dimensions as ours. However, this is just what we owe to the U.S. According to the data of American banking sources, the sum total of Soviet debt payments in the last 3 months of this year comprises up to 10 billion dollars overall. Our country obviously cannot cover such a sum, having in mind the sharp reduction of our gold and hard currency reserves and the dramatic decline of export receipts. The deferment of payments, which the "seven" is thinking about now, will enable the Soviet Union to retain its current status of solvency in regard to Western states. It would be another matter, if we were unilaterally to announce a refusal to pay debts, a moratorium on fulfillment of debt obligations. In such a case, all foreign credits still going to the USSR would be halted...

The process of integrating the Soviet economy into the world financial and economic system is occurring one way or another, it seems. With creaking and gnashing, yet it is nonetheless happening. Understandably, we would hardly wish to integrate with it in the role of a poor step-daughter. However, as they say, there is not much fat here.

**Question of CPSU Currency Deposits in West Explored***92UF0111A Moscow PRAVDA in Russian 24 Oct 91  
p 4*

[A. Lyutyy article: "Were There Secret Deposits? THE SUNDAY TIMES on the CPSU Billions in the West"]

[Text] London—It seems that the secret of the CPSU's currency deposits supposedly placed in accounts in Western banks is beginning increasingly to intrigue the mass media, city experts, and government officials here. At least, materials on this matter are being carried in the press quite regularly. Some say that in terms of its own intrigues, the scandal about CPSU money may eclipse the story of the recent collapse of the Bank of Credit and Commerce International, which, it turned out, had connections with various kinds of terrorists and crooks.

Last Sunday the solid THE SUNDAY TIMES published a long article entitled "The Reds Transferred Billions to the West on the Eve of the Putsch." The article says that one official who is a close aide to Boris Yeltsin "provided the first official confirmation to THE SUNDAY TIMES that it may be one of the largest secret operations in banking history." What is meant by this is that "highly placed associates of the CPSU transferred billions of dollars in cash and property to the accounts of banks in the West not long before the coup directed against Mikhail Gorbachev by those supporting a hard line." The money, the newspaper writes, referring to persons close to the matter, was exported by various channels, "from suitcases stuffed with cash to the export of gold bars." It is also being suggested that enormous sums of rubles were converted to hard currency.

The newspaper cites very diverse figures and guesses about the money that disappeared. One opinion is that the operations to transfer the money started soon after M. Gorbachev rose to power but reached apogee immediately before the putsch, partly as insurance against its failure and partly in connection with the need to support the coup with imported goods. It is the opinion of some politicians, THE SUNDAY TIMES notes, that up to \$180 billion were moved abroad; this is about one-third of the country's domestic GNP. Testimony is presented from Soviet journalists that some of the party's money was used to build dachas on the banks of the Lazure River in the south of France, and that currency assets have been dispersed among roughly 7,000 accounts in West Europe, including banks in Switzerland, and also in the French cities of Lyons and Marseilles, which are well-known for their communist traditions. Moreover, money has allegedly been deposited in banks in Ecuador, Uruguay, Cuba, Nicaragua and certain countries in the Near East.

Well, these are very serious charges. And it is not easy to wave them aside. The more so since the suicides of party officials who had direct access to hard currency can serve only to increase people's suspicions. On the other hand, however, hard proof of any crime is needed. And this,

THE SUNDAY TIMES writes, is still "not at hand." "Experienced people involved in the investigation," the newspaper adds, "admit that it is quite difficult to take the matter seriously." Mikhail Gurtovoy, a 44-year-old reporter for MOSKOVSKIYE NOVOSTI says this: "The people who telephone me most often are psychiatrists, who are asking us to stop writing about the vanished party funds. Their mentally ill patients are claiming that they know where they have been hidden. Like everything in our country, this story is becoming a farce."

The newspaper does not exclude the possibility of political games being played on the subject of the party billions. "Radical politicians," it writes, "are suspected of deliberately heating up the situation. Under conditions in which Russia's hard currency and gold reserves are at a record low level, it is important for the new government to find a scapegoat. Yeltsin may be forgiven for the country's problems if they can be ascribed to the abuses of the former leaders."

In this state we have become accustomed, not without justification, to believing foreigners more than our own politicians and lawyers. THE SUNDAY TIMES also offers testimony from a foreigner. "One American businessman who has close financial contacts with Moscow," it writes, "has calculated that during the first six months of this year between \$10 billion and \$30 billion were transferred to accounts in foreign banks." "If the European banks will cooperate with the Russian Government they will find that a crime has been committed," the American said. "I cannot enlarge on that."

But will the banks cooperate? It is common knowledge that some time ago the Russian Government approached a number of foreign governments with a request to freeze CPSU holdings that may be found in bank accounts. In the city of London and in other financial centers in Europe this request has evoked comment to the effect that in Moscow they do not have a clear-cut idea of the mechanics involved in the operations of banks in the West and their relationship with governments. First, private banks do not disclose information about their clients. They may make an exception to this only if in their relationships with their clients there is hard evidence of violation of laws. The banks have not yet received any such hard evidence.

Second, it is necessary to resolve a mass of other legal questions. For example, who can be the owner of money belonging to the CPSU, which no longer exists? Who is the legal successor? Does this money belong to the republic, the center, or private persons? In any event, in the words of one West German diplomat, "we are talking here about the holdings of a party, not a government, and that means that we are perhaps unable to resolve such questions at the intergovernmental level."

It is not yet clear whether our side will present incontrovertible evidence that a crime has been committed. THE SUNDAY TIMES believes that throwing light on the history of the party hard currency may involve Mikhail

Gorbachev himself. On the other hand, however, the newspaper adds, "it is the opinion of some former Communists that even Gorbachev does not know what actually happened, and that the truth may never surface."

### **Implications of Creating 'European Army' Evaluated**

92UF0155A Moscow PRAVDA in Russian 30 Oct 91  
p 5

[Article by V. Bolshakov: "Stand in One Rank: Debates on the Creation of a 'European Army'"]

[Text] Recently the initiative of the President of France, F. Mitterand and the Chancellor of the FRG H. Kohl to create a "European army" on the base of the Franco-German brigade created in 1990 caused a notable political storm on both sides of the Atlantic Ocean.

It would seem that the reasoning of the leaders of the two leading European states is completely logical; an economic alliance of the 12 countries of the EEC [European Economic Community] is impossible without a political alliance, and a political alliance is nothing but an empty sound without a military alliance concluded precisely within the framework of the 12. But nonetheless the proposal to create a system of defense separate from NATO under the aegis of the West European Alliance (9 of the 12 EEC countries belong to it) was adamantly opposed both in the United States and in a number of capitals of the European Community itself. Even in France and Germany this plan has quite a few opponents.

Debates concerning it will obviously be more intense the closer the meeting of the Common Market member countries in Maastricht (9-10 December of this year), where the intent is to finally sign all the necessary documents to form a "unified Europe," a political and economic alliance of the 12 EEC member countries. One can already speak now of the actual joining to this Europe of the 12 and 7 member countries of the European Free Trade Association [EFTA], as well as Switzerland, which a few days ago declared it had joined the unified European economic space. In this light the plans of military integration of the 12 take on a new dimension.

This is also quite important to the security of our country. For essentially we are speaking of the restructuring of the present system of West European defense.

PRAVDA has already reported how this looks in the proposal of H. Kohl and F. Mitterand. But I will allow myself to recall certain details. According to the plan of the leaders of the FRG and France, the West European Alliance [WEA] becomes a fully empowered participant in the process of European integration. Those countries of the EEC which now are part of NATO also join it. Neutral states are offered the status of observers in the WEA. This alliance is completely integrated into the

European Community and becomes a defense component of it. However, as the chairman of the WEA assembly R. Pontillon emphasized in his recent statement, this does not mean replacing NATO with a new defense alliance of European countries under the aegis of the WEA, but making this new alliance the "European bulwark of NATO." The reasoning of Mitterand and Kohl on the "transparency," in other words, the "openness," of the future "European army" in terms of adopting military decisions jointly with NATO is also maintained in the same key.

However, there is a great deal that is unclear in this reasoning. Will the planned Franco-German corps be removed from NATO? Will the "European army," which is to number 100,000 people, be under the command of the WEA or in the NATO command structure? Judging from everything, it is not clear even to NATO General Secretary Manfred Werner, who, although well-disposed toward the idea of creating European forces able to increase the range of actions of the North Atlantic Alliance, still decisively favors their staying under NATO command. Essentially Werner repeated the "compromise initiative" which Italy and Great Britain supported at the last session of the WEA assembly—the creation of an independent system of European defense, but in cooperation with NATO.

Across the ocean the reception of the new Franco-German initiative was more than cool. President Bush decisively failed to support it. A whole series of articles appeared in the American press in support of NATO and with accusations against France, above all that for a long time it has been trying to "lessen the United States' role in Europe" and "limit American influence." The press and U.S. officials speak of Paris's desire to take the commanding role in Europe away from Washington and so realize de Gaulle's long-time dream. Here France's desire to preserve its independence from NATO is again being held against it.

People in London also expressed their concern over the possibility of a weakened North Atlantic Alliance as a result of the creation of a separate "European army" and its transfer to WEA command. There is the danger, as Great Britain's Foreign Affairs Secretary Douglas Hurd emphasized, that NATO will be duplicated.

Doubts as to the advisability of creating a "European army" have also arisen among the opposition in the FRG. F. Mitterand and H. Kohl have been accused of "putting the horse before the cart by making military cooperation the motor of European unification." The FRG opposition also believes that the Franco-German initiative will lead to the creation of "European forces of intervention."

This type of fear is not without reason. The NATO general secretary himself, Werner, hints that the NATO members would not be against using European forces in places where the Atlantic Alliance cannot act because of its status. Does that not mean Yugoslavia in this case? Or



some other hot spots? For it is frequently hinted that European "forces of intervention" may also be needed to settle the conflicts on the territory of the Soviet Union. These types of plans are without a doubt dangerous. And, despite the fact there is a grain of rationality in the very idea of military integration of Europe, if this rationality means the idea of military cooperation in Europe developed within the CSCE framework, the idea of creating a separate "European army" and essentially yet another addition to NATO can hardly be considered a promising cause. In any case the debates on this are now continuing at all levels, and the decision which is to be made in Maastricht and only that will put an end to them.

While the issue was being typed...

London, 29. (TASS) The member countries of the European Community should not create a "European army" which would assume certain functions now performed by NATO since that might cause the North Atlantic Alliance to "split." NATO General Secretary Manfred Werner gave this warning in an interview published today in the newspaper TIMES.

#### **USSR Participates in Conference of European Information Ministers**

92UF0070A Moscow IZVESTIYA in Russian 10 Oct 91  
Union Edition p 4

[Report by Yu. Kovalenko: "The Press in Conditions of the Market: The European Conference of Ministers of Information Opens in Nicosia"]

[Text] What kind of a future awaits mass information in Europe in the 1990s? The European Conference of Ministers of Information, which was organized by the Council of Europe (CE) and began its work in the capital of Cyprus, Nicosia, is dedicated to seeking an answer to this difficult question. Representatives of almost all countries of the Old Continent, including the Soviet Union and other East European states which have the status of "special invitees" at the CE, are participating in it. Minister of the Press and Mass Information of Russia M. Poltoranyan heads our delegation.

Two basic issues are on the agenda of the meeting which the president of Cyprus, G. Vassiliou, opened: the mass information media and political and cultural pluralism, and new paths to opportunities for information in Europe.

It is precisely the economic factor which is of decisive significance for press, radio, and television today, the conference emphasizes. They have become an industry which, given the most acute competition, should receive profits, fight for markets, and use the latest technology. And in these conditions it is difficult to combine "service" to pluralism with economic effectiveness.

The continuing process of monopolization of the press and concentration of publications in certain hands and

the disappearance of many newspapers have become another negative feature. So the state, the ministers note in their statements, should help to ensure that the mass information media have the opportunity to reflect diverse political opinions and cultural characteristics on the national, religious, and local levels. In a number of countries governments grant subsidies to organs of different orientations.

The East European countries face altogether different problems. The report by the representative of Poland speaks of the low professional level of journalists, the low level of technical equipment of publications, ineffective management, the lack of legislation, and so on. And here many people hope for help from the West, both financial and intellectual. Ideas are being promoted for creating structures of cooperation, in training of journalists, in deliveries of equipment, and in joint publication of programs and newspapers.

The general opinion is that the Council of Europe should participate in creating these structures. The Council of Europe has adopted such important documents (in our country they remain altogether unknown) as the declaration of freedom of speech and information (1982), the European convention on television without borders (1989), and a whole series of legislative enactments by which all "civilized" Europe is guided and which it would not hurt us to bear in mind.

#### **Austrian Chancellor: Vienna To Deal With Center**

92UF0107A Moscow NEZAVISIMAYA GAZETA  
in Russian 9 Oct 91 p 4

[Interview with Franz Vranitzky, federal chancellor of the Republic of Austria, by NEZAVISIMAYA GAZETA correspondent Yuriy Sigov; place and date not given: "A State Can Exist Only By Cooperating With Others"]

[Text] Vienna-Moscow—[Sigov] Mr. Chancellor, what is the attitude of ordinary people and politicians in Austria toward the Soviet Union following the dramatic August events which occurred in our country?

[Vranitzky] Ordinary Austrians have always viewed the USSR with great affection. True, the majority of them do not have a very good grasp of your internal problems. For the majority of them the Soviet Union means mainly Russians and, in addition, the Baltic republics. Gorbachev is for them the father of Soviet perestroika, and he is respected by ordinary Austrians not so much for the changes which have led to radical reforms in the Soviet Union as for the tearing down of the "iron curtain" which existed for many years in East Europe.

As far as Austrian politicians are concerned, they are interested in the USSR primarily as a potential stable trading and economic partner. True, as a result now of the irreversible processes occurring in the political sphere your country will, evidently, be unable to stabilize its economy for a long time to come. And this, in turn,

will have a negative effect on our businessmen's trade with your organizations, mainly in the republics.

At the same time, however, political circles in Austria are in sympathy with your reforms, support them, and believe in them, particularly following the victory of the forces of democracy in the USSR.

[Sigov] Some people are of the opinion that some Western countries are supporting the Soviet perestroika from a feeling of "historical gratitude," so to speak. Finland, it is said, is "grateful" for the fact that it was given independence in 1917, the FRG, for the fact that the "go-ahead" was given for German unification. Perhaps Austria also supports our reforms as a "mark of gratitude," remembering the role which the USSR performed in the signing in 1955 of the State Treaty which restored Austria's independence?

[Vranitzky] Our good relations with the USSR are, your internal problems today notwithstanding, by no means gratitude for the past. After the war, we paid the Soviet Union reparations and have since then had normal interstate contacts with you. Yes, supplies from the USSR of oil and gas are important for us, but this is no reason for us to abandon, for example, our political principles in deference to commercial interests.

Please understand that a situation has taken shape in the world today whereby each state can exist only by cooperating with others. There is no such concept as it being profitable to maintain relations with this country, and not with this. We all live in such a small and interdependent world that only by joint efforts can we solve the problems confronting us.

[Mikhaylov] For many years Austria was likened to a bridge between the East and West blocs. Do the Austrians intend to continue to live "on the bridge" under the present conditions following the destruction of the "iron curtain" in Europe?

[Vranitzky] Austria was traditionally in an intermediate position between the capitalist West and socialist East. Yes, from the commercial standpoint this was beneficial—we traded actively with both. And in the political plane Austria performed the role of "regulating center" in Europe, which helped solve problems of the confrontation of the two rival blocs.

Now, however, there really has been a cardinal change in the situation, and we have yet to decide what place we occupy in the all-European process. The government's main task, it seems to me, is to ensure that Austria's citizens, regardless of the change in the international situation, live well, as before, and be happy in a human sense. Strictly speaking, it is not important to the man in the street what the system in which he lives is called as long as it provides him with decent living conditions.

[Mikhaylov] What is your attitude toward the disintegration processes currently occurring in the USSR? It is no longer now a question of whom Austria will deal with—

the center or the republics—but with which independent states situated on the territory of the Soviet Union?

[Vranitzky] Austria is building its present political and economic relations with the Soviet Union on the bottom line of relations with the "political center," which is associated in the West with President Gorbachev and the republics. The proclamation by individual republics of the USSR of their independence and sovereignty (with the exception of the Baltics) is your country's internal affair. Austria will, however, endeavor under these conditions to maintain a balanced approach and fidelity to its political principles.

As far as our positions in the international arena are concerned, Austria today aspires to participate more actively primarily in the life of the European Community. And this is understandable. The Berlin Wall has been torn down, the "iron curtain" between East and West has been destroyed, the "cold war" is over. What, then, is required of us politicians? That we destroy in Europe and throughout the world also all other barriers impeding people's normal life: economic inequality, poverty, and environmental pollution. I believe that this is entirely within the capabilities of all states of the world jointly, regardless of their ideological orientation.

#### **German Red Cross Aid Hindered by Bureaucratic Obstacles**

*92UF0135A Moscow IZVESTIYA in Russian 26 Oct 91 Union Edition p 2*

[Article by Ye. Bovkun: "Humanitarian Aid: We Asked for It Ourselves, But We Do Not Want To Accept It!"]

[Text] I recall that quite recently I. Silayev, and then Yu. Luzhkov, tried to reach agreement in Brussels on the European Community's allocating money for such purposes. Other politicians of ours who came to the West asked for help in surviving the difficult winter too.

"We have a 310-page list of addresses of end consumers in the cities of Russia, the Ukraine, and Belorussia, hospitals, homes for handicapped people or elderly, orphanages, and families with many children," the coordinator of German Red Cross humanitarian aid to the Soviet Union, Bernd Hausman, says to me. "We have already concluded contracts with transport firms to haul the freight from Ireland, England, Spain, and other countries to the Soviet border. Warehouses in Hungary and Brest are prepared to hold the products on an intermediary basis. Getting them there poses no difficulty. But then some annoying confusion begins."

The volume of humanitarian aid coordinated by the Red Cross now totals about 20,000 tons of scarce essentials. Another German organization, Lazarus Werk, has approximately the same amount. But all this, not counting small batches, lies unmoved. Why?

Initially it was proposed that the expeditors of Lazarus and the Red Cross deliver the containers from one end to

the other—from the producer directly to the consumer, and their labor would be paid in hard currency from the Common Market treasury. But in June of this year the USSR representative at the European Community Voronin proposed a “simpler” variant: the Soviet side would assume expenses (in rubles naturally) involving transport, storage, and distribution of freight on its own territory.

So that is how it all began. First, a proprietor cannot be found: the Union and republic bureaucrats cannot agree on whom to pay. Secondly, there just is no money.

“The Soviet government intended to set up a special fund from capital earned from the sale of 10,000 tons of powdered milk. The money was supposed to have been distributed among different ministries and placed in accounts from which the labor of drivers and shipping laborers was to be paid,” notes B. Hausman.

But that is a riddle for the German Red Cross. In early October B. Hausman flew specially to Moscow to resolve the issue of payment in rubles. He called the Prime Minister at the Secretariat, but Silayev was no longer there, and the rest had supposedly not heard of any humanitarian aid and were not prepared to receive the German guest.

So he went off to his own. Even the German Embassy in Moscow could not help. The armor of Soviet bureaucratism proved to be unbreachable.

Hausman found more attention in the Ukraine where he went immediately from Moscow. Deputy Premier Komissarenko not only received the guest right away and invited him to a talk of the German general consul in Kiev and the president of the Ukrainian Red Cross, but even promised that if the Soviet Government did not fulfill the agreement on payment, the Ukraine itself would pay for the transportation, storage, and distribution of its share of the humanitarian aid.

Belorussia showed the same readiness for dialog. True, it did not get further than verbal pronouncements: neither the central nor the republic authorities had yet offered a specific solution to the problem.

Only A. Sobchak, who had been to the FRG and knew the state of affairs, managed through the municipality to bring part of the humanitarian aid freight intended for the needy in the city on the Neva from the St. Petersburg port. The other cities, Moscow, Kaluga, Bryansk, and others will have to wait.

The excerpts from the correspondence between the representatives of Lazarus Werk in St. Petersburg and the leader of this organization in Germany which fell into my hands clearly reflect the drama of the situation.

September 9, 1991. Watke to Pokolm. “We had a talk with N. F. Kuzmin (the representative of Soyuzvneshttrans). We asked Mr. Zhukov in Moscow (I did not manage to figure out this bureaucrat’s post) to authorize payment in rubles, but without success. True, there has

been no final refusal. But without authorization for payment, we cannot send the consignments. What will happen to the containers in Leningrad? I am no longer confident that the expenses will be reimbursed. I will send one more telex to Zhukov.”

September 10, 1991. Watke to Pokolm again. “I am notifying you of the first eight containers from Ireland for Sestroretsk. The customs officers assert that they contain pressed meat (blocks) rather than canned. I ask you to verify.”

12 October 91. Neubauer to Watke. “The answer came from Ireland. There is cooked meat in the cans. If the customs officers do not believe us, let them open them and find out for themselves.”

The same day. Watke to Huert (FRG). “Not one container has been sent to Moscow yet. Zhukov notified us that the Russian transport workers also refuse to haul them. The representative of the shipping firm from Dormagen (FRG) helped substantially; he is hauling the Irish meat. Mr. Damm and Mr. Geldner met with great difficulty getting Soyuzvneshttrans to haul two containers to Moscow: at least there was something for television to film.”

And here are excerpts from the letter of the head of Lazarus Werk to the Soviet Embassy to the FRG on 23 October 1991.

“Three consignments for Novgorod are ready. A ferry will leave from Lubeck with them on 31 October. There are another 200 containers for the Soviet Union in Rotterdam now. Eighty containers have piled up in St. Petersburg. As we were informed from there, no one is responsible for their further transportation.”

So who or what is holding back the delivery of food aid from abroad to the children, sick people, and elderly? Above all the Union and republic bureaucrats who are absorbed in political rivalry to the detriment of their own direct duties. B. Hausman takes an understanding attitude toward the fact that the administrative structures have not yet developed: new people occupy official offices in the Union and Russian governments, the central commission on foreign humanitarian aid, and other institutions. But there is little consolation in that. There is no response in places where it would seem to be natural. On 8 October, soon after returning from Moscow, Hausman sent a letter to Rutskoy. He did not receive an answer.

A second stumbling block is the bosses of the port and other warehouses on the USSR border. Feeling self-reliant and independent, they reason that since the freight is foreign, they should be paid for its storage in hard currency rather than rubles. They in fact demand dollars and marks from the hospitals and homes and orphanages, which have small treasuries. The Red Cross does not have the money either; whether Russian or German, it is poor as a church mouse.

But for now the European Community is acting on the assumption that the agreement with the Soviet Government is of an international-legal nature and should be observed.

### **FRG Said To Prefer Giving Aid to Admitting Volga Germans**

92UF0130A Moscow PRAVDA in Russian 26 Oct 91  
p 5

[Article by PRAVDA correspondent A. Stepanov: "Volga, Volga, Mother Volga: There Is No Such Thing As a Republic of the Volga Germans, But Bonn Is Already Prepared To Help It"]

[Text] The subject of Soviet Germans is still one being covered by the German newspapers. True, they rarely write about cultural problems in connection with the prospective restoration of a German republic on the Volga, and when they do they write little enough. To make up for this they often emphasize that Yeltsin has made a firm promise that finally the Soviet Germans will have their own state. And here, are they not perhaps hoping that they will remain there and stop resettling on the land abandoned at one time by their ancestors?

True, as before there are no obstacles against ethnic Germans emigrating to Germany. But this is the approach that predominates in public opinion: They may be Germans, but better they remain in Russia, Kazakhstan, or wherever they happen to be. And Bonn is quite ready to underpin those hopes with massive material aid.

The plan is this. At the first stage supplies of foodstuffs and goods will be organized. During the second stage there will be funding for housing construction. At the third stage, there will be aid in setting up an industrial infrastructure. According to Minister for the Interior Wolfgang Schauble, by 1991 the FRG may allocate 100 million marks. Further aid will depend on "what interest the Soviet Germans show in resettling on the Volga." Nevertheless, it is being proposed that before 1995, some 100 million will be provided annually as part of the budget allocations that will be spent in Germany on immigrants.

By the way, we note that from 1 January of next year it is proposed that entry into the FRG will be considerably tightened. All those seeking asylum in Germany will be sent to special assembly points and camps. In the past they used to have to undergo prolonged investigation lasting a year or more, in administration courts. Now everything will be decided quickly—an answer will be given in six weeks. Naturally the majority will be sent back where they came from because they fled not because of political disorders but because of poverty. For those fellow countrymen who have decided to settle for a piece of the "German pie," I can report that they have no chance of obtaining this status: It is considered that political persecution in our country has been ended.

I also note that what has been said above does not apply to Soviet Germans, and they are allowed to travel. But in Bonn they are still emphasizing that they would do better to stay of the banks of "Mother Volga."

### **FRG Report on Politicians and Entrepreneurs Congress**

92UF0156A Moscow IZVESTIYA in Russian 30 Oct 91  
Union Edition p 5

[Article by A. Druzenko: "Compost and Asphalt: Notes on the Politicians and Entrepreneurs Congress in Wolfsburg (FRG)"]

[Text] In September of last year the first congress convened by the organization of "International Partnership and Initiative" was held right here in Wolfsburg. The issue put on the agenda, "Europe and the World at a Turning Point," I recall, aroused great interest and even enthusiasm among the prominent politicians, economists, and entrepreneurs. The second congress, which ended last Saturday, attracted perhaps as much attention, but the enthusiasm among most of the participants, judging from everything, had diminished somewhat.

Political stresses do not create the best ground for economic partnership, but that was precisely the main thing, the real potential for Western countries to promote the economic transformations in the countries of East Europe, that the participants in the congress worked on. It seems to me that in principle the dialog of the West and the East at this stage is still full of innuendoes, and the meeting confirmed that.

The representatives of the collapsed socialist camp gave more or less brief reports on the work done to change to a market economy. Each one, naturally, tried to seem convincing, but by no means was that always successful, especially when the subject of achievements was touched upon. The difficulties were something else again: those parts of the reports were as a rule very well documented.

The CSFR [Czech and Slovak Federal Republic] minister of finances, Vaclav Klaus, above all emphasized that in Czechoslovakia positive experience had already been accumulated in changing to the market and that the rise in the country's inflation finally came to a halt recently; but this thesis was nothing compared with others which presented all the complexity of the problems related, say, to liberalization of prices and privatization. The Polish minister of industry Henryk Bochniaz did not fail to mention the pioneering role of his country ("we started shock therapy 2 years ago") and also enumerated the pluses (inflation was stopped, entrepreneurship is flourishing, the store shelves are full, and 80 percent of the wholesale trade falls to the private sector), but the list of minuses (drop in production, growth in unemployment, difficulties in privatization, especially in large industrial enterprises, and so on) made more of an impression.

The chairman of the antimonopoly committee of Russia, V. Chernogorodskiy, in speaking of the authority of the Russian President, the resolve to carry out fundamental reforms, and the majority's support of this course, tried to introduce a propaganda point in his report. But the audience, it appeared, was still more interested in what was happening in the huge geopolitical and economic space which until recently was called the Soviet Union (at the last congress to be exact).

I must mention that the representatives of Western business circles in Wolfsburg did not receive the main information on this score. Meanwhile, they were waiting here for our authority figures and talked of the possible arrival of Yeltsin, E. Shevardnadze, and N. Petrakov, but... Of course, one may speak of valid reasons, and they most likely exist. But it must certainly be taken into account that without an intensive dialog it is difficult to count on serious aid (rather than crumbs) from the West. Especially since it seems to me we are now dealing with an obvious outbreak of failure by them to understand our concerns (they used to ask about the essence of perestroika, but now they ask about the fate of the former first socialist power in the world).

As for the level of "market development" in the economies of the countries of East Europe, judging from the debates in Wolfsburg, the captains of Western business have different opinions. The former GDR, which has the best chances and potential with aid of its fellow countrymen to rapidly join the generally accepted framework of the Western economy, is undoubtedly way ahead of the competition. Then comes the "progressive" group—Hungary, Poland, and Czechoslovakia, which have already developed a fairly strong base for changing to the market. And, finally, the "backward" ones—Bulgaria, Romania, and the Soviet Union, where the situation remains uncertain and judging from everything there are more obstacles on the path to a market economy than favorable circumstances. In the words of the chairman of the observer council of "Deutsche bank," F.-W. Kristians, there is already "compost" in the economic soil of Hungary, Poland, and Czechoslovakia, and if seed is thrown there it will most likely grow, while this will not happen in the Soviet Union because there is asphalt instead of soil there. The ex-chancellor of the FRG, Helmut Schmidt, believes that we need at least 50 years to rid ourselves of the former economic system. In his opinion, this task will demand the efforts of two generations, the first, which will really want to do it, and the second, which will.

The deputy chairman of the Commission of European Communities, Martin Bangeman, is skeptical about the prospects for the East European countries to join the European Community until, first, the problems of the convertibility of national currencies are resolved and, secondly, the appropriate level of economic development is achieved, as occurred, say, in Greece or Portugal when they joined the Community. In Bangeman's view,

the chances of once again Hungary, Poland, and Czechoslovakia, and possibly the Baltic states are more realistic, while our prospects are clouded.

But the report by the manager of the International Financial and Economic Research Institute from Bad-Homburg, Reiner Rau, was perhaps the most pessimistic in this sense. He defined the condition of the economies of the former socialist countries as progressive depression and confirmed this with a whole bundle of figures and arguments. Mr. Rau's prognosis, which assumes that by the year 2000 gross national product per capita will be less than in 1989 in the USSR (the name, you understand, may be changed by that time), Bulgaria, and Romania, is even gloomier. I will not comment on this prognosis, it deserves a special discussion; but the unanimity with which the representatives of East Europe who spoke at the congress (both the market "progressives" and the backward ones) appealed for help looked like a kind of remotely indirect confirmation.

But what followed in response? Alas, the politicians more often "wandered off" into philosophy and reflected on how complex and crucial it was for the peoples of the former socialist countries today to live in conditions of the freedom obtained and warned against getting excessively absorbed in the new dogma which the market economy is becoming and mentioned its imperfections and ever worsening problems, above all the ethics system (as the chairman of the "Club of Rome," Ricardo Diez-Hohleintner, noted, the ideological wall was destroyed in Berlin, but it will be much more difficult to destroy the wall separating the poor and the rich). The business representatives also stated some general considerations, focusing on those obstacles which they encounter in the East European sector. That makes caution and even suspicion understandable, as well as the clearly-sounded idea of "strategically small steps."

The general feeling was that despite all the diverse theoretical views regarding possible Western aid to the East, the lack of any strategic program is obvious. So the hope was also expressed that the next Wolfsburg congress might discuss not a "Marshall plan," but specifically a plan of realistic actions.

That is in the future, but for now the organizers shrouded the subject of discussion on the first day of the congress in the form of a delicate question—"Trade and Investment in Europe. An Illusion of Rapid Prosperity?" And I must say directly that as regards our economic space, it sounded affirmative. For now it is in fact an illusion. So if a conclusion is drawn from the Wolfsburg meeting, one may allude to a well-known literary hero and say that people abroad will help, but we must rely on ourselves.

### **Attempt to Ship Former GDR Tanks to Israel Noted**

924P0022A Moscow PRAVDA in Russian 31 Oct 91 p 4

[Article by PRAVDA correspondent A. Stepanov: "Germany Gave Israel a Gift of... Tanks: One Intelligence Service Wanted To Do Another a Favor. However, This Turned Out To Be a Diservice"]

[Text] Berlin—A quite old episode involving an attempt to "export" Soviet tanks made by intrepid businessmen from ANT [Automation, Science, and Technology] who promised to flood our market, which is still failing to be born, with imported goods must have been lost altogether in an unending stream of denunciations, scandals, and political recriminations.

This time around, a scandal broke out in Hamburg and Bonn. You would ask me: What do these two events have in common? I will answer: The main "characters" are our tanks which, as the song goes, have strong armor.

We may only guess what emotions overcame the officers of the Hamburg port police when they found tanks, to be sure, with partially dismantled guns, on board the Israeli freighter Palma II instead of the farm equipment indicated in the documents. There were not just one or two of them but 14! Was this smugglers' mischief? No, things were somewhat more complicated.

The combat vehicles used to belong to the National People's Army of the GDR. After the reunification of Germany they were taken over by the Bundeswehr. The latter put them at the disposal of none other than the German secret service, the Bundesnachrichtendienst (BND). Therefore, there is absolute clarity as to the sender. What about the recipient? It was also discovered immediately. The Israeli intelligence service, Mossad, turned out to be the recipient. The tanks were to be provided to it for "military technical testing." After all, such materiel is in service in Arab armies. Indeed, why should two friendly intelligence services not do each other mutual favors?

One thing remains unclear: Why should a state organization, which is what the BND is, not do everything above-board? Why the naive ruse of "farm equipment?" In the process, other not quite pleasant points also began to come to light. It turned out that the head of the BND, Konrad Pornze, knew nothing about this matter, and neither did the coordinator of all secret services in the federal government Lutz Schtavenhagen. The Federal Security Council, with whose permission such actions are usually undertaken, was also kept in the dark.

Of course, the easiest way is to find "fall guys" in the second echelon of BND functionaries. However, this smacks much too much of trying to sink the truth in the water of the port of Hamburg. However, it cannot be ruled out that German intelligence simply fell victim to overcaution. The custom of shrouding their actions in secrecy did them a disservice.

### **Ukrainian-German Consortium to Rehouse Chernobyl Victims**

PM0511120191 Moscow ROSSIYSKAYA GAZETA in Russian 31 Oct 91 p 8

[Unattributed report: "Ukrainian-German Consortium in Kiev"]

[Text] The Ukrainian Cabinet of Ministers has adopted the proposal of the "Vostokukrintergazstroy" and "Zapadukrintergazstroy" trusts and the German firm "Gabek" [as transliterated] on the creation of the "Chernobylgabekinterstroy" Ukrainian-German consortium.

It will construct "turnkey" settlements for resettling inhabitants from the regions affected by the accident at the Chernobyl nuclear electric power station and will provide gas supplies for rural population centers.

### **Turkish Ambassador Advocates Turkish-Black Sea Region Cooperation**

92UF0112A Moscow NEZAVISIMAYA GAZETA in Russian 9 Oct 91 pp 1, 3

[Interview with Volkan Vural, ambassador extraordinary and plenipotentiary of the Republic of Turkey in the USSR, by Aydyn Mekhtiyev; place and date not given: "We Are Content With the Republics' Aspiration to Cooperation"]

[Text] [Mekhtiyev] Mr. Ambassador, what place is assigned the Soviet republics within the framework of the concept of the cooperation of the Black Sea countries advanced earlier by Turkish President Turgut Ozal?

[Vural] The essence of this concept is that countries which have an outlet to the Black Sea or are located in this region will create the conditions for the free development of trade and the free movement of goods and their citizens. Joint banks for business people investing their capital in this region will be established. Provision will also be made for a number of other measures for the integration of the economy of the Black Sea countries. In putting forward this plan, President Turgut Ozal proceeded from the fact that its realization would make it possible to raise the level of economic development of the countries of the region. Of the Soviet republics, interest in this plan has been displayed by Azerbaijan, Armenia, Georgia, Moldavia, the Ukraine, and Russia. Naturally, the Turkish Republic is very content with these republics' desire for cooperation.

[Mekhtiyev] I would like to ask several questions connected with the Transcaucasus region. What are the prospects of Turkey's relations with Azerbaijan and Armenia?

[Vural] There are undoubtedly kindred historical and cultural relations between Turkey and Azerbaijan. In recent years relations between us have become even warmer. Azerbaijan's proclamation of its independence makes one further contribution to the relations of the

two countries. Within the framework of this decision, Azerbaijan will become the proprietor of its resources and will be able to do business with the countries which it itself prefers.

[Mekhtiyev] What are the prospects for Turkey's recognition of Azerbaijan's independence?

[Vural] We have received with understanding and respect the fact of the proclamation of Azerbaijan's independence. But neither Azerbaijan nor the other republics that have declared independence have yet requested recognition from the Turkish Republic. We believe that after the republics of the Soviets have defined relations among themselves in the form of an agreement on the future of the Union there could be a start on discussion on the part of other countries of the question of the recognition of Azerbaijan and the other republics that have declared independence. In this case Turkey also would make the appropriate decision.

[Mekhtiyev] How are Turkey's relations with another Transcaucasian republic—Armenia—shaping up?

[Vural] The following factor is an obstacle to an improvement in relations between us. Armenia's leaders have declared repeatedly in verbal form that they have no territorial claims on Turkey. But this is insufficient. We would like the Armenian parliament to rescind the decision containing territorial claims on Turkey which was adopted earlier (he refers to a resolution of the Armenian SSR Supreme Soviet on the need for a revision of the Treaty of Kars between Soviet Russia and Turkey signed in 1920 which was passed in 1988—A.M.). In addition, the Armenian parliament should adopt an official statement on the absence of territorial claims on Turkey. Then Armenia's relations with Turkey and other neighboring countries would enjoy new development. If, however, Armenia makes territorial claims on the Turkish Republic for all that, this will have a negative effect on our relations. Turkey has no intention of ceding part of its territory to anyone.

[Mekhtiyev] How do you evaluate the results of the Yeltsin-Nazarbayev Transcaucasus mission?

[Vural] We viewed this visit with great satisfaction. And during his visit to Turkey President Nazarbayev provided the Turkish leadership with detailed information on this. We supported the results of this mediating mission.

[Mekhtiyev] But the points of the communique which was reached are not being observed. Do you not think that the Karabakh problem should move to the international level?

[Vural] The Karabakh problem is ceasing to be an internal matter of the USSR, and other countries are displaying an interest in the solution of this question. We would like Armenia and Azerbaijan, however, to resolve the Karabakh problem without the intervention of a third force. Two points are important here. The first is

the fact that Karabakh is undoubtedly historical territory of Azerbaijan, and this is a real fact. A revision of borders in this connection would not seem possible. Second, the Armenians living in Karabakh constitute a majority and have the right to the free development of their culture and all their rights provided that they comply with the laws of the country whose citizens they are. Turkey is prepared, if necessary, to make its contribution to assist in the solution of the Karabakh problem.

[Mekhtiyev] How do you evaluate Yeltsin's proposal concerning the enlistment of UN forces for a solution of the problem of the NKAO?

[Vural] UN forces are currently maintaining stability in many regions of the world, but in this case we do not see the need for the enlistment of UN forces for a solution of the Karabakh problem.

[Mekhtiyev] Tumultuous events are occurring today not only in the Transcaucasus but in the Balkans also. What is your attitude toward the fact the Republic of Macedonia has declared its independence?

[Vural] As you know, Turks live in Macedonia, and we cannot be apathetic as to their fate and as to how Yugoslavia's federal leadership treats observance of their religious and cultural values. Nor is Macedonia's independence decision a matter of indifference to us. At the same time this cannot be seen as Turkey's interference in Yugoslavia's internal affairs.

[Mekhtiyev] How are the Turkish Republic's relations with Greece developing?

[Vural] There are problems in relations between the two countries. In Turkey the national minorities have complete freedom in the realization of their rights, and we do not interfere in either their national or religious rights. They have churches and shrines. The rights of Muslims, of Turks in particular, living in Greece, however, are violated. Their religion and national traditions are not respected. There have been instances of a forcible change of Turks' names. We consider this an unworthy policy. We would therefore like Greece, on the basis of the Lausanne and other international agreements, to observe the rights of national minorities.

Another problem is the fact that Greece is putting forward demands which we categorically reject. Particularly on the Cyprus problem. Greece continues to believe that the Turkish community of Cyprus is a minority. Greece would like to subordinate Cyprus to its influence. We, naturally, cannot permit this and would like Cyprus to develop as an independent state.



### Investigation of 1981 Submarine Incident in Sweden

92UM0067A Moscow KRASNAYA ZVEZDA in Russian  
25 Oct 91 First Edition p 3

[Article for KRASNAYA ZVEZDA by TASS correspondent D. Gorokhov: "The Drama That Shook Sweden: But Was There Justification for This?"]

[Text] Stockholm—Commander Karl Andersson suggested instructing an independent commission to study the documents pertaining to the circumstances surrounding the appearance in October 1981 of a Soviet submarine in the "special region" of Swedish territorial waters. A decade after the incident, which the press called the "drama that shook Sweden," the naval officer in charge of the interrogations of the U-137 crew (that is what the Swedish press called it) in an interview with journalists raised doubts about the official Swedish view of the events of those days.

The commander does not think it very likely that the Soviet seamen entered the skerries deliberately. That was done by mistake, he said in an interview with the newspaper GOTEBORGS-POSTEN.

"A foreign submarine in the skerries"—that signal to the coast guard service 10 years ago did not come from a guard boat or helicopter. The foreign submarine at the entrance to the Gose-fjord in the Swedish "closed zone" approximately 15 kilometers southeast of Karlskrona on the morning of 28 October 1981 was discovered by a fisherman. The chief of staff of the "South" base of the Swedish Armed Forces, Karl Andersson, who arrived at the scene of the incident in a cutter, recognized the transgressor as a Soviet submarine.

The U-137 had gotten stuck in Gose-fjord the previous evening and had spent a half day trying in vain to dislodge itself from the shoals. The next day the incident became the subject of emergency diplomatic contacts between the two capitals.

Moscow explained: The ship was conducting an ordinary training excursion in the Baltic. Because of the malfunctioning of the navigation instruments, what with the poor visibility, it strayed from its course. The Swedes did not believe these explanations. Stockholm advanced four conditions: Moscow would apologize, Sweden would interrogate the captain, it would provide for removing the ship from the shoal, and the Soviets would reimburse them for that.

Moscow authorities quickly agreed to meet the first three conditions, including making the apology. But they refused to let the Swedes interrogate the ship's commander, Gushin. Finally, on 2 November, under a continuous barrage of camera flashes he was forced to set out for the ship Vestervik to meet with Commander Andersson. Subsequent interrogations were conducted on board the submarine.

True, the commander himself still had his doubts. The submarine crew was nothing like the elite detachment of professional intelligence officers. The equipment, to whose disrepair the Soviet sailors had referred, was from the 1950's by Swedish standards. When Andersson in his report to his superiors allowed the possibility that the U-137 could have ended up in the skerries by accident, they lectured him in an irritated tone.

At a press conference in connection with the incident in Gose-fjord nobody asked the commander to give his own opinion, and his conscience was clear. But the doubts became stronger: A number of local residents indicated that on 27 October—not long before the submarine ran aground—they had heard a strange noise. It had even caught the attention of Karl Andersson, who was on duty at the base that evening. But at that time he had assumed that the noise had probably come from the engine of the patrol helicopter.

Now the commander had come to this conclusion: "The submarine was proceeding under the water using a diesel engine, but anyone who wanted to take cover in the skerries and not be noticed would not be likely to do that." The last testimony came from the pastor Mats Krombe, who gave the precise time when he heard the noise. "The pastor called me. His observations backed up the Russian version," said K. Andersson.

The Swedish Armed Forces sounded the alarm again in 1982: They had seen a foreign submarine in the bay of Hors-fjord. Searches produced no result, but a couple of months later the official commission asserted in its report that this time too the transgressor was the USSR. After that the hunt for submarines continued for many a year.

How do military personnel, politicians, and diplomats today evaluate the events of those years? "After the U-137, never once was it established to which country the submarines belonged, but the Swedes still thought that Soviet submarines were operating in the skerries... The boundary between knowledge and assumption was somewhat erased," notes Bjorn Eklind, who in the fall of 1981 was the deputy chief of the intelligence division of the defense staff.

"We will never be 100 percent certain as to whether this transgression was intentional," thinks former foreign affairs minister Ula Ulsten, who at the same time was convinced that the Swedish reaction was adequate. "The Soviet archives can provide the answer," thinks Leif Leifland, who held the post of general secretary of the Ministry of Foreign Affairs. "I hope that the submarine commander Gushin and his assistant Besedin will have an opportunity to meet with Swedish representatives."



## Swedish Monitoring of Military Communications Alleged

### Swedish Media Cited

92UF0137A Moscow IZVESTIYA in Russian 26 Oct 91  
Union Edition p 5

[Article by IZVESTIYA correspondent M. Zubko: "The Swedes Are Peeping, Too..."]

[Text] Stockholm—The Swedish press is vigorously commenting on a report on the Stockholm radio program "Echo of the Day" about electronic intelligence being gathered on a part of Soviet territory, in particular, the area of St. Petersburg, from the attic rooms of the Swedish embassy building in Helsinki.

...When we say that the Swedish security service suddenly accuses some employees of Soviet offices of actions incompatible with their official status, that is, espionage, and that the authorities of the country come out against the illegal operations of the former KGB in Sweden, we should hardly ignore the other aspect of the issue: The Swedes also engage in intelligence activities against our country.

For example, in recent months they have been writing increasingly often about the fate of the crew of the Swedish DC-3 which was downed over the Baltic area in June 1952. Indeed, it is necessary to clarify the fate of the pilots, but it is hardly worthwhile to forget that they were engaged in getting a fix on the radio signals of military installations in Soviet territory on assignment for the special services of the United States, i.e., in espionage.

Many Swedish newspapers, in particular DAGENS NYHETER and AFTONBLADET, have repeatedly cited eyewitness accounts to the effect that the cooperation between the U.S. and Swedish intelligence services in spying on the USSR has continued throughout the postwar years, and still continues.

The newspaper SVENSKA DAGBLADET cited the following fact: The Swedish ship Orion, which "monitors" the territory of our country for hundreds of kilometers and also tracks the signals of the Soviet Navy using state-of-the-art electronic equipment, cruises in the

Baltic Sea on a regular basis. The newspapers have also reported that the Swedes have infiltrated their agents into the Baltic republics.

In general, the facts are many. The building of the Swedish embassy in the capital of Finland has now ended up in the field of vision of the Swedish public. The largest Stockholm newspaper EKSPRESSEN took "another stab" at the topic picked up by the program "Echo of the Day." For example, it managed to find out that "chancellery employee" Ote Karlsson handles electronic intelligence regarding Soviet territory at the embassy.

EKSPRESSEN attempted to get comments on this account from a number of individuals privy to this information. However, it understandably encountered obvious reluctance to say anything.

### Data Said Shared With NATO States

92UF0137B Moscow SOVETSKAYA ROSSIYA  
in Russian 26 Oct 91 p 5

[IAN report: "Radio Ears of the Embassy"]

[Text] As Swedish radio reports, a radioelectronic intelligence listening post has existed on the upper floors of the Swedish embassy in Helsinki since the mid-1960's which monitors the airwaves, thus collecting information on the activity of Soviet military districts in the Baltic area and Leningrad Oblast. The capital of Finland attracted the attention of the special services of the Swedish Ministry of Defense due to its geographical proximity to Soviet territory. The Finnish authorities were also aware of the presence of the radioelectronic "ears" in the Swedish embassy. In general, operations of this nature are not unusual for many countries. However, in this case the noteworthy circumstance turned out to be that the military radio intelligence of a neutral Sweden shared and, apparently, still shares information with colleagues from countries that are far from neutral—the United States, Great Britain, and Norway. The Swedish ambassador to Finland, Knut Thyberg, and the head of radio surveillance of the Swedish armed forces refused to comment on this report in a conversation with Krister Larsson, a reporter of the Stockholm civilian radio station.

### Roundtable on Changes in Region, Soviet Goals

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pp 146-158

[Roundtable discussion by scientific associates from International Economic and Political Research Institute of USSR Academy of Sciences: "From Eastern Europe to the United Europe"]

[Text] *Eastern Europe has been assigned priority in Soviet foreign policy throughout the postwar period, and there has always been close interaction in the most diverse spheres of intergovernmental relations. This is no longer the case today. The appearance of new realities requires the thorough investigation of processes in the East European countries that might be educative for the Soviet society during its difficult transition to market relations. Today we are all in the same boat which has run aground, but we all have different chances of getting out.*

*The effects of the changes in the East European countries on the Soviet Union and some aspects of USSR foreign policy in the region were the topic of a MEZHDUNARODNAYA ZHIZN roundtable attended by scientific associates from the International Economic and Political Research Institute (IMEPI) of the USSR Academy of Sciences:*

*O.T. Bogomolov—academician and IMEPI director;*

*O.P. Bibikova—candidate of historical sciences and scientific associate at IMEPI;*

*N.I. Bukharin—candidate of historical sciences and head of IMEPI Polish Sector;*

*A.V. Vakhrameyev—candidate of historical sciences and senior scientific associate at IMEPI;*

*Ye.D. Volkova—candidate of historical sciences and lead scientific associate at IMEPI;*

*M.N. Korobkin—candidate of historical sciences and scientific associate at IMEPI;*

*A.A. Muradyan—doctor of historical sciences and lead scientific associate at IMEPI;*

*I.I. Orlik—professor, doctor of historical sciences, and chief scientific associate at IMEPI;*

*I.F. Selivanova—candidate of historical sciences and scientific associate at IMEPI;*

*B.A. Shmelev—professor, doctor of historical sciences, and head of IMEPI International Relations Department;*

*A.A. Yazkova—professor, doctor of historical sciences, and head of IMEPI Sector on General Problems of International Relations.*

[O.T. Bogomolov] Three years ago, soon after the new leadership took charge of the Hungarian Socialist

Workers' Party in Hungary, someone asked me a puzzling question at a press conference in the press center of the Ministry of Foreign Affairs in Moscow. My reply caused quite a stir in the world press. The correspondent from an English newspaper—I think it was THE GUARDIAN—asked me whether the Soviet Union's security interests would be hurt if, for instance, Hungary would withdraw from the Warsaw Pact and become a neutral country. I replied that this would not pose a threat to the Soviet Union's strategic interests or to its security because some of our other neighbors were neutral states. In fact, good-neighbor relations with neutral states were one of the factors contributing to our security.

My reply to the question had particularly strong repercussions in Hungary and other countries because the interpretation was much broader than what I had actually said. It was as if people assumed that there would be a complete change soon not only in Hungary's foreign policy, but also in its social structure, and that this would not pose a threat to the Soviet Union—i.e., that the Soviet Union would not intervene as it had in Czechoslovakia in 1968, would not use armed force, etc. For the previous Hungarian leadership, however, it was important to preserve the element of unpredictability in Soviet behavior or even to imply that intervention was possible.

[Shmelev] I could agree with what Oleg Timofeyevich said, but this is, after all, the first time in 45 years that we have had no allies. The Warsaw Pact and NATO did represent the basis of European stability. There was a balance of interests and there was a procedure for negotiations between the blocs. In short, there was stability. Now the situation has changed. The element of unpredictability is much stronger in the development of European security. Anti-Soviet feelings are growing stronger in the countries which were once our allies. Our relationship with Western Europe is not completely clear. Common human interests and interdependence are certainly a good thing, but is it not likely that the interests of the USSR, or of the future governmental structure which takes its place, will conflict with the interests of the European states on this new basis?

[Bogomolov] For a long time, for 5 or maybe even 10 years, we in the institute have been substantiating the belief that the preservation of the postwar status quo in Europe no longer corresponds to the security interests of the Soviet Union and stability on the European continent. This is not stability in the sense of a lack of change in all of the postwar realities, but a situation in which there are no conflicts, no internal insecurity, etc. The arguments in favor of this state of affairs were the following: The temporary or permanent presence of Soviet troops in several states, primarily the German Democratic Republic, Czechoslovakia, and Poland, was one of the factors perpetuating the obsolete and discredited political and economic structures that were essentially leading the people of these countries into a blind alley. In fact, subsequent events in the perestroika years

confirmed this: Our troops were frequently used precisely by the forces that did not wish to leave the historical stage, as a last trump card in an essentially foreordained game. When a decisive change of leadership did become possible in, for instance, the German Democratic Republic, it occurred because the public in the GDR finally realized that the Soviet troops would not interfere in internal affairs as the previous leadership had wanted them to do. The troops stayed in their barracks. Therefore, the presence of these troops and the policy they represented were a counterproductive factor which deterred progress and, consequently, led to the accumulation of the elements for a future explosion. In the second place, this gave rise to anti-Soviet feelings, because the presence of foreign military subunits does not arouse any particular feelings of affection in any nationality in a time of peace. The presence of our troops, especially the large contingents and groups, clearly conflicted, in my opinion, with the slogans and theories we proclaimed at the start of perestroika with regard to freedom of choice, the recognition of sovereignty, the renunciation of internationalism, etc. As soon as we made the move to a new military strategy and began discussing a defensive doctrine, this presence became senseless, because neutral states, or the states on our western borders with which we have good-neighbor relations, represent a factor contributing to our security and an additional factor capable of reinforcing the defensive doctrine we proclaimed. The bloc structure in Europe itself is becoming increasingly anachronistic in connection with the new political thinking and its achievements. Certain elements of Europe-wide cooperation and possibilities for the development of Europe-wide structures are growing stronger, and theories of collective European security have been proposed. All of this necessitated a reassessment of our earlier beliefs about security.

Now I want to say something about the political consequences. It seems to me that our foreign policy reaction to the anti-totalitarian and anti-communistic revolutions in Eastern Europe was not commensurate with the essence of these changes. Our old structures—and I am referring to the party and military-industrial establishment—viewed these revolutions with a great deal of suspicion and apprehension. Furthermore, it seems to me that they sometimes undertook deliberate displays of sympathy for the old discredited officials instead of supporting the new leaders, who had been elected in more or less free elections by the people.

I am also disturbed by the loss of interest in this group of countries, which was regarded just yesterday as a priority field of Soviet foreign policy. These countries were assigned a special place in our foreign policy, but today everything has changed suddenly. It is as if people have already forgotten that we still have to live with them for many years.

The collapse of the Soviet economy is putting the countries of Eastern Europe on the verge of severe economic crisis. This, however, is not the only way in which our

country is affecting the state of the economy there. There are also the sad consequences of our paternalistic practices—everything we probably should have acknowledged in order to pave the way for new relationships. I simply cannot understand, however, why we are so quick to ignore the fact that these countries will always be our neighbors and that many of the people there have been to the USSR, have personal relationships with Soviet citizens, and speak Russian. In other words, we have the basis for not merely good relations, but for a special relationship in the future because of our common destiny. I see no reason whatsoever for the attempts to leave these countries completely on their own and force them to turn to the West. We must balance our foreign policy interests so that we will not concentrate only on major global issues and on the Soviet Union's relations with the leading Western countries, primarily the United States, while ignoring the importance of preserving all of the sound elements of our economic and political ties with this group of countries.

[Korobkin] I agree that the USSR's security was not jeopardized by the revolutions in Eastern Europe. It seems to me that this is the kind of "loss" that can only be applauded. In the first place, in order to secure its influence in this zone, the USSR had to keep more than half a million soldiers and huge quantities of military equipment there, and this naturally cost a great deal of money and put an additional burden on our ailing economy. In the second place, although the Soviet Union "commanded" the zone for all of the postwar years, it was unable, even with the aid of CEMA, to achieve effective, mutually beneficial, and productive cooperation with the East European countries. In other words, it was unable to reap the benefits of the obvious geostrategic advantages.

The changes in Eastern Europe, which many in the Soviet Union regard as losses or as "retreat without battle," might appear to be this on the surface, but a "dignified retreat" was also possible. Unfortunately, at some time in late 1988 or early 1989 we missed a good opportunity to begin the voluntary, unilateral, planned (most probably sequential), and complete withdrawal of Soviet troops from Eastern Europe. At that time the USSR could have set the acceptable dates and terms of this withdrawal itself. Now, however, we can only reap the bitter fruits of our nearsighted leadership. These losses, however, are more likely to be moral and psychological than military-political.

[Shmelev] I would like to discuss the situation in Central and Eastern Europe in greater detail. The democratic, anti-totalitarian, anti-communist revolutions in the East European countries were the logical result of the preceding stage in the development of these countries, which were unable to resolve the pervasive crisis engulfing them. The model of a planned, non-commercial economy with state regulation of political, economic, ideological and other spheres of social life turned out to be ineffective and could not adapt quickly

to meet the demands of the scientific-technical revolution. Economic conditions deteriorated rapidly, and the effectiveness of social production declined. The increasingly severe sociopolitical and economic conflicts could not be resolved by reforming existing economic and political structures. The ruling communist parties had to keep changing their tactics under pressure from the popular masses but could not keep the situation under control and gave up their power to the non-communist or anti-communist mass organizations and movements that gradually turned into political parties. The new political forces, which were anti-communistic by their very nature, announced their plans to build a society with political and economic mechanisms similar to those in Western Europe.

The quick and peaceful nature of the revolutionary changes in Eastern Europe (with the exception of Romania) was due largely to two factors: first of all, the fact that the totalitarian regimes were of relatively short duration (just over 40 years) and were unable to complete the creation of the new individual with a totalitarian frame of mind, the depoliticized and lumpenized individual; second, the existence of a relatively influential middle class, represented by the intelligentsia and clergy.

[Vakhrameyev] Do you think these countries could return to the earlier pattern of development without the bureaucratism, to socialism with a "human face"?

[Shmelev] No, I do not. The sociopolitical changes in Eastern Europe are irreversible. The communist parties have lost their political influence and are not playing the decisive role in politics in these countries today, and apparently will not be playing it in the future either. The communist parties in some countries have either turned into social democratic parties or have been dissolved. The nascent social democratic movement still has little influence in the political struggle in these countries. Parties and movements right of center, upholding the ideals of neoconservatism, are occupying the most prominent positions. These are the parties that will be solving problems in the near future in connection with the restructuring of the economy, the introduction of market relations, and the development of new political mechanisms for the establishment of democracy. This is part of the historical process of liberalizing economic relations.

The revolutions in the East European countries occurred under the influence and as a result of the policy of perestroika in the USSR. The ideas of perestroika had a tremendous impact on the political-moral atmosphere in the region and strengthened the position of the officials in the ruling Marxist-Leninist parties who believed that the reform of existing political and economic structures was the necessary and unavoidable way of preventing the collapse of the whole sociopolitical system. It was impossible, however, to save something that had been destined for inevitable failure. This is why the reformist leaders and communist parties were removed from governments as a result of the free expression of public will.

[Vakhrameyev] In principle, I can agree with what you have said, but it seems that the Soviet Union could have stopped these revolutions in Eastern Europe. And things would not have been worse as a result. In any case, the civil war in Yugoslavia would certainly have been prevented.

[Shmelev] The Soviet Union could not have prevented this process. Its attempt to do this would have meant a confrontation with the broad popular masses in these countries, colossal expenditures to keep the bankrupt regimes afloat, the exacerbation of relations with the West, the derailment of detente, the escalation of tension in international relations, and a new round of the arms race. From the economic standpoint, the USSR was incapable of maintaining these regimes any longer and surviving a new round of the arms race. From the political standpoint, this confrontation would have resulted in the derailment of perestroika, the deterioration of democracy, and the consolidation of totalitarianism, which would have led the country into an inevitable catastrophe with much graver consequences than the present ones.

As for your comments on Yugoslavia, I would not agree with them. The crisis in Yugoslavia was exacerbated not by the revolutions in Eastern Europe, but by the complete collapse of the theory and practice of the socialist self-management with which they had been experimenting in that country for several decades. In essence, the political and economic system in Yugoslavia did not differ in any fundamental way from the existing systems in the East European countries and the USSR. There was the same monopoly on power by the League of Communists, the suppression of all types of opposition, and public ownership of the means of production. Yugoslavia is undergoing the painful and agonizing transition to a post-totalitarian society, which will lead to the creation of a new political and economic system and a new form of government. The fact that the revolutions in Eastern Europe accelerated this process is a different matter. In fact, experts were discussing the possibility of a civil war in Yugoslavia long ago.

[Orlik] I want to support the opinion expressed here, that the East European countries are not assigned the same priority as before in our foreign policy. This could be connected with a misunderstanding of the essence of the processes occurring there. Unfortunately, the USSR Ministry of Foreign Affairs survey of foreign policy and diplomatic activity in Issue No 3 of MEZHODUNARODNAYA ZHIZN for 1991 did not provide a sufficiently complete and objective assessment of the revolutions in the East European countries and the present internal situation there and, what is most important, did not discuss the international political implications of the East European revolutions for the Soviet Union and its foreign policy. Without this, it is extremely difficult to define the short-term objectives and long-term guidelines of Soviet foreign policy and Foreign Ministry activities in relations with the states of Eastern Europe.

The Soviet factor played the main role, if not the decisive one, in the development of processes of renewal in Eastern Europe. Although the importance of this factor declined considerably after the revolutions, it is nevertheless in the interest of the Soviet Union and its East European partners to continue and intensify mutual cooperation for several objective reasons. This is why we must begin elaborating new principles, and perhaps even **a whole theory of USSR foreign policy toward East European countries** with a view to the common features of their postwar development and the distinctive features of their emergence from the severe crisis.

This theory does not exist today. Furthermore, it essentially did not exist in the past either, and this is why our policy toward the neighboring states of Eastern Europe was inconsistent.

[Bibikova] Igor Ivanovich, now that you have mentioned the absence of an integral theory of Soviet foreign policy toward the East European countries, I would like to hear what you mean by this.

[Orlik] When I say theory, I mean a precise definition of the goals of our policy in the region and the means of attaining them. This would require a more or less precise understanding of the effects of the East European revolutions on the Soviet Union. They can be summarized as the following:

From the standpoint of Soviet foreign policy strategy, the situation in post-revolutionary Eastern Europe is better for the Soviet Union because it relieves it of the heavy burden of "maintaining order" (in all spheres of life) in the countries of our former allies;

At the same time, the instability and explosive nature of the socioeconomic and political processes create several difficulties in the establishment of genuine good-neighbor relations and cooperation with our neighbors;

The earlier contradictions that were submerged deep within our relations under strong pressure from the Soviet Union are now becoming increasingly apparent. In the near future this could affect our relations with Romania and then with Hungary, Poland, and Czechoslovakia;

The East European revolutions influenced the nature of the USSR's participation in the all-European process. The Soviet Union effectively lost allies and acquired rivals, striving to "enter Europe" separately and independently;

The changes in Eastern Europe created new and more favorable conditions for the development of the Soviet Union's relations with the West, especially with the United States and the unified Germany. In this area, just as in the all-European process, the USSR's East European neighbors are now its rivals and are striving to surpass the Soviet Union in all areas of cooperation with the Western powers;

The USSR's new relations with Eastern Europe following the revolutions of 1989 will also affect the Third World by creating the necessary conditions for the reassessment of the principles of Soviet foreign policy toward many Asian and African countries. This process has already begun;

The East European revolutions affected domestic politics and inter-ethnic relations in the Soviet Union, primarily in the Baltic republics and Moldavia, and this gave rise to several complex international problems for Soviet foreign policy.

These are some of the ways in which the East European revolutions affected the USSR. They created new difficulties for our country and complicated the USSR's international activities. From the standpoint of our national security, however, they also created new and better conditions for the development of cooperation with the countries of Eastern Europe and eliminated some of the difficult problems affecting the Soviet Union's relations with the West. These favorable conditions can only be used effectively after political and economic conditions have been stabilized in the USSR.

[Muradyan] As far as I can see, most of the participants in our discussion are inclined to use the definition of "USSR national security" provided in the USSR Ministry of Foreign Affairs survey published in Issue No 3 of MEZH DUNARODNAYA ZHIZN. As an official definition, it is applicable in discussions in which the participants agree on a common approach to the more fundamental social concepts lying at its basis, such as "external and internal threats," "resistance of unfavorable outside influences," and "all-round progress of society and its citizens." If the "progress of society" is associated with the establishment and consolidation of liberal democracy and private property in our country as the prevailing social institutions, the entire system of national security must be analyzed from this particular vantage point. In this case, the positive assessment of the social changes in Eastern Europe as progressive revolutions, as the desired triumph of kindred sociopolitical forces, must be extended to the entire group of security and foreign policy issues in this region.

If this is the case, then how can we speak of geopolitical "damage" and geostrategic "losses"? On the contrary, it would be logical to commend the efforts of the East European states to join the process of West European economic and military-political integration because this will strengthen the West European "center of social progress," on which we will also rely, as a kindred social force, in the struggle against totalitarian tendencies. Furthermore, we should reassess our view of the NATO structures and begin regarding NATO as an institution reinforcing stability and security in Europe, and draw all of the appropriate conclusions with regard to our own security policy in Europe.

If, however, the term "progress of society" is given a different interpretation, if it is associated with a socialist

future, then the entire group of security issues must be viewed from a different standpoint. In this case the "resistance of unfavorable outside influences" will presuppose the planning of foreign policy measures to secure mutually beneficial interaction with Western and Eastern Europe in all spheres and lower the level of military confrontation while keeping our thinking and policy focused clearly on our insistence that ours is a different type of society, following its own pattern of development, but within the mainstream of civilization.

In short, the thesis of the materialistic social theory, that foreign policy is part of the superstructure, is still relevant in this case. The guidelines, nature, and methods of foreign policy (including national security policy) are defined in relation to the basic issue—i.e., the issue of the nature of the social order. It is this that has to be decided before we discuss more specific foreign policy topics. The problem, however, is that it is not that easy to decide. The society is being polarized, the present struggle in the academic community and in the public arena is over this precise issue, and there is no end in sight. For this reason, some might wish to accept a third, compromise approach to national security, putting the emphasis on the "national" aspect of the issue and temporarily assigning secondary importance to the "social" aspect. In our specific case this approach would mean the assignment of priority in our country's security policy to the preservation of governmental and territorial integrity. All other foreign policy issues should be assessed with a view to the importance of this goal.

[Vakhrameyev] I agree with Comrade Muradyan on this matter. It is true that we cannot arrive at a precise understanding of the effects of the revolutions in Eastern Europe on our country's security without answering this question. We see some indication of this in the survey of the USSR Ministry of Foreign Affairs. This is a serious analytical document, especially the part discussing the national security concerns of the Soviet Union. The new way of formulating these concerns, the realistic approach to their substantiation, and the emphasis on action based less on the largely abstract principles of the "new thinking" than on the national-state interests of the Soviet Union, are all striking.

Unfortunately, the survey does not analyze the nature and initial results of the popular democratic, anti-totalitarian and anti-communist revolutions in Central and Southeastern Europe or describe the basic guidelines of domestic and foreign policy in these countries. Without this kind of analysis, we cannot understand the distinctive features of the Soviet Union's relations with each of the states in the region.

The survey does not analyze the mistakes and omissions the Soviet Union committed in relations with Central and Southeastern Europe during the years of perestroika as well as during the period of "stagnation."

As for the USSR's bilateral relations with the Central and Southeastern European countries, after frankly

admitting that the earlier treaties on friendship, cooperation, and mutual assistance, with their excessive ideological thrust, aimed at confrontation in Europe and in the rest of the world, are obsolete, the authors of the survey say nothing about the difficulties and obstacles that came to light when the survey was being prepared for publication and that could prevent the drafting of new treaties. The main difficulty is the Soviet Union's insistence on the inclusion of an article prohibiting the parties to these treaties from joining hostile military-political alliances and allowing their territory to be used for the deployment of foreign troops and foreign military bases. The USSR's former allies do not accept this demand because they feel it shows a lack of respect for their sovereignty and represents an updated version of the notorious "Brezhnev doctrine." It seems to me that we could agree with the spokesmen for the Central and Southeastern European countries and remove this article from the draft treaties because, as the survey correctly points out, NATO has no desire to accept the countries of Central and Southeastern Europe as full-fledged members of the North Atlantic alliance, not only because the NATO bloc does not want to complicate its relations with the Soviet Union, but also and primarily because the countries of Central and Southeastern Europe are simply unnecessary to the North Atlantic bloc and the EC, at least at this time, because of their undermined economies, mounting social tension, and increasingly severe inter-ethnic and national-territorial conflicts.

Finally, the survey does not discuss the foreign policy activity of the neighbors of the countries of Central and Southeastern Europe, especially Russia. This activity was being developed actively at the time the survey was being compiled, and it requires separate analysis. Above all, it will be necessary to consider the delineation of the functions of the foreign ministries of the USSR and the republics pursuing an autonomous foreign policy in relations with neighbors.

Unfortunately, a discerning analysis of the USSR Ministry of Foreign Affairs survey also confirms the lack of a theory of Soviet relations with the countries of Central and Southeastern Europe and the consequent need for joint efforts by science and practice to elaborate this kind of theory and plan ways of implementing it.

[Shmelev] The people who have stated the need to elaborate a theory of USSR relations with the East European countries are absolutely right to bring up this matter, but can the theory be elaborated now, while many of the political processes in the region and in our country are still going on? Will our efforts to build a real policy out of abstract ideas trap us in the end? Would it not be better to discuss the general parameters of Soviet East European policy?

[Bukharin] I would not agree with this. Our discussion has included some interesting generalizations and conclusions that could serve as the basis for our foreign policy strategy in Eastern Europe. I would like to discuss

some of these generalizations in more specific terms, using Poland as an example.

Today Poland associates the establishment and guarantee of its national security with the development of the all-European process, the creation of a system of European security, and the intensification of integration with Western Europe.

It has withdrawn *de facto* from its military-political alliance with the USSR and has a distinct West-oriented foreign policy and will strive for the development of a new equal partnership with the Soviet Union in the future. Poland has consistently advocated the dissolution of the Warsaw Pact. In its opinion, the Warsaw Pact should be replaced by bilateral treaties between its members, and these could become one of the elements of the new European security system.

In addition, however, there are the forces in Poland that associate the creation of this system with NATO instead of the Helsinki process. Nevertheless, Polish officials, especially Foreign Minister K. Skubiszewski, have repeatedly said that Poland's membership in this military bloc is not on the agenda.

According to our Western neighbor, the strategic resolution of its own national security problems and the rectification of its unfavorable geopolitical status will depend first on association with the European Community and then on complete membership in it.

After the Republic of Poland and the FRG signed the treaty confirming the immutability of the existing Polish-German border in November 1990, the issue of guarantees of Poland's western border was finally resolved. Some Polish politicians feel that the centuries-old image of Poland's chief enemy should be sent to the museum, and that the Poles and Germans should see each other as partners in the security sphere.

Now that the problem of the western border has been solved, the Poles view their eastern border with some anxiety. This anxiety is connected with the unstable situation in the Soviet Union and the possibility of its collapse. This could lead, on the one hand, to a takeover by conservative forces and, on the other, to the emergence of new states which might claim part of Poland's territory. This is why sensible politicians in Poland feel that its Eastern policy must not under any circumstances be aimed at destabilizing the USSR. It must promote the development of relations with the center and with the sovereign republics.

Poland's new two-tiered Eastern policy takes changing Soviet realities into account and allows for the more effective realization of national-state interests. In general, the gradual development of Soviet-Polish good-neighbor relations based on the new principles should guarantee Poland's security in the east as well.

The majority of Polish politicians are inclined to believe that no one poses a military threat to Poland at this time

or will do so in the near future and that its level of external security is quite high. Risks are more likely to be connected with internal destabilization.

[Bibikova] People here have said that we do not have a theory of relations with our East European neighbors. In my opinion, we had one which remained relevant until recently. Since Stalin's day, we have been treating neighboring countries as buffer states designed to guard us against our enemy—capitalism.

We did not give up Stalin's theory of relations with neighboring states for a long time. The very maintenance of the system we imposed on the East European countries could be viewed as the theory of USSR relations with this group of countries.

[Shmelev] The collapse of the bloc security structures in Europe formulated the question of European security in a new way: What should it represent and what should its purpose be? The old "bloc" theory of European security, to which the USSR and Eastern Europe adhered, was based on the need to maintain military-strategic parity between NATO and the Warsaw Pact and the prolonged coexistence of the two sociopolitical systems. European security was based on the assumption that the division of Europe into two blocs and two systems would last a long time and that neither should undermine the other's positions. The earlier bloc structure of European security was distinguished by a recognition of the major role played by the USSR in Eastern Europe and the United States in Western Europe. All real or imagined attempts to undermine this role were viewed as attempts to undermine European security. One of the distinctive features of the old "bloc" structure of European security was the tendency to deal "from a position of strength." The policy based on the principles of the new political thinking made substantial corrections in the USSR's interpretation of European security. The emphasis was shifted from confrontation to cooperation between the two parts of Europe and the two blocs, and dealing "from a position of strength" was gradually replaced by a policy aimed at achieving a balance of interests. The policy based on the principles of the new political thinking essentially left the structure of European security unchanged, however, because it assumed the need for the continued coexistence of the two blocs and the two systems in the foreseeable future.

The revolutions in Eastern Europe demolished the entire concept and necessitated the creation of a fundamentally new European security structure with a corresponding definition of its purpose. European security could be defined as a state of relations between all European states and European peoples in which each has the best possible prerequisites for its own economic, social, cultural, and other development. It could be based on close interaction by all of the European states in the political, economic, cultural, and military spheres. From this standpoint, it could be called collective security. As for the structure of European security, it could be made up of the mechanisms created within the framework of the



CSCE process and the existing West European institutions of economic, political, and social cooperation. These would include NATO, the Common Market, the European Parliament, the Council of Europe, the European Bank for Reconstruction and Development, and others. The USSR and the East European countries have begun storming these organizations with the aim of membership in them or association with them.

[Volkova] I still have skeptical feelings about NATO as one of the structures of Europe-wide security. It has other goals and another sphere of activity.

[Shmelev] The most important questions connected with European security include the question of NATO's role under the new conditions in Europe. NATO no longer has a probable adversary in Europe. Neither the NATO countries nor the Soviet Union regard one another as the enemy. The withdrawal of Soviet troops from Eastern Europe will create something like a buffer zone between NATO troops and Soviet armed forces.

The leaders of the NATO countries have had a negative response to the requests and plans of East European countries for "association" with NATO, explaining their reaction as a result of their reluctance to become involved in a confrontation with the USSR. Another reason for their negative reaction is connected with their hope of escaping responsibility for the development of relations between the East European countries themselves and for the domestic political situation in these countries. They will not be able to evade this responsibility, however, and they know this. Yugoslavia, where the mounting danger of civil war is quite discernible, is a clear illustration of this. Instability in Central and South-eastern Europe is certain to affect Europe-wide security, and people in the West are also fully aware of this. Obviously, NATO will gradually take more responsibility for the development of the situation in this part of Europe and gradually turn into a Europe-wide security structure.

The association of the USSR's former allies with NATO in various forms will not pose a direct threat to its national security as long as the USSR continues to pursue a policy aimed at democratization and the demolition of totalitarian structures within the country and at inclusion in the European processes of political, economic, cultural, and other exchanges. The Soviet Union must define its relationship to NATO and arrange for informal cooperation with this military-political organization.

The interests of Soviet national security could be threatened if the former Warsaw Pact countries begin cooperating with NATO while the Soviet Union remains detached. This would complicate the inclusion of the USSR in Europe-wide processes and could even set it in opposition to all of Europe.

[Yazkova] In contrast to many of my colleagues, I have doubts about the possibility of using NATO as the basis of European security in the foreseeable future, even if it

should undergo some of the changes discussed here. In my opinion, it would be more realistic for the East European countries to begin forming subregional groups, which could help in strengthening European security by becoming part of the Europe-wide process. After the fundamental changes in the East European countries, we witnessed more active subregional cooperation in Central Europe and the Balkans as a unique form of interaction during the period of transition from the past to the future. This kind of cooperation has several advantages for its participants: It fits into the present transition stage in their history while promoting stronger ties between East and West European states and creating additional tangible structures for the Europe-wide process.

I want to direct special attention to some of the already functioning subregional groups.

The cooperation by the Balkan countries acquired organizational form in February 1988. Economic ties on a bilateral and multilateral basis have been increasingly important during the current stage of interaction by Balkan countries.

**Subregional forms of cooperation in Central Europe and the Adriatic zone** appear quite promising. They include the Alps-Adriatic group, uniting territories of five European states—Italy, Austria, Yugoslavia (Croatia and Slovenia), the FRG (Bavaria), and Hungary—with an interest in specific forms of cooperation. This association is directly related to the "Adriatic Initiative"—a form of Yugoslav-Italian interaction in which Greece and Albania have also shown some interest. The Alps-Adriatic group is an extremely interesting example of interaction by certain territories and regions of different states.

The most notable of the subregional groups is the **Danube-Adriatic Association**—also known as the "Pentagonal" because of the number of countries belonging to it: Italy, Austria, Hungary, Yugoslavia, and Czechoslovakia. Poland joined the group at a recent convention in Dubrovnik (July 1991).

The "**Trilateral Initiative**" is an attempt at subregional interaction by Central European countries—Poland, Czechoslovakia, and Hungary. This attempt had clear political overtones from the very beginning because it presupposed the creation of economic and political structures in the most highly developed states in Central Europe for the quickest possible incorporation of all-European mechanisms in this region, such as the consolidation of security and stability, the coordination of efforts to establish ties with the European Community and the Council of Europe, and agreement on a common policy line in relations with the USSR and the then extant CEMA and Warsaw Pact.

[Shmelev] Most of the groups you listed have an obvious economic purpose. How much influence do you think they will have in regional politics?



[Yazkova] I think it will be appreciable. The Yugoslav crisis, as you know, promoted more active political consultations within the "Pentagonal" framework. By the same token, Balkan cooperation will probably help Yugoslavia achieve the necessary stabilization of its relations with its neighbors.

As for the Soviet Union, its future role in Central and Eastern Europe and in relations with existing or new subregional groups there is not clear yet. Priority could be assigned to a variety of fields of cooperation. The Soviet Union could cooperate in the resolution of several practical problems, primarily in the ecological sphere, with the group of Balkan countries, especially if Turkey's proposal to extend the Balkan zone to the Black Sea region wins approval. We could join Bulgaria in working on several specialized (Black Sea) projects of the Danube-Adriatic Association, as the Italian representative suggested at the meeting in Venice.

[Selivanova] The internal instability in the USSR and the tenacious extremist view of Eastern Europe as a vassal territory are certain to provoke a new flare-up of regionalism in the East European countries and strengthen their determination to cooperate with European structures, primarily NATO, and strive for maximum integration.

Would this process be dangerous for the USSR in particular and for European cooperation in general? I do not think so, because the new alliances and groups, representing an intermediate stage along the way to Europe-wide integration, would represent factors of stability and assist in solving problems and surmounting differences of opinion among their members.

It appears that the only thing the USSR should do at this time is to seek opportunities for cooperation, and even affiliation, with new and existing regional groups.

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### **Implications of EC-EFTA Agreement Viewed**

92UF0114A Moscow PRAVDA in Russian 24 Oct 91  
p 4

[Article by PRAVDA correspondent V. Peresada: "The Luxembourg Accord"]

[Text] Luxembourg, 23 October—This occurred when the situation was, it seemed, completely hopeless. Many of the journalists assembled on Monday in Luxembourg's Eurocentre had even transmitted for the morning editions of Tuesday's papers news of the latest failure of the negotiations on a "European economic space." Merely formal confirmation of the fact that a new round would be held some time hence was expected. And suddenly, long past midnight, the half-asleep press center, which had quieted down following many hours of bustle, was blasted by startling news: "They have reached agreement after all!"

This date—22 October—will, most likely, some day be put among the most memorable in the history of West Europe. After all, the meeting in Luxembourg, whose participants were the 12 countries of the European Economic Community (EEC) and the seven countries of the European Free Trade Association (EFTA), initiates economic integration on the continent of unprecedented proportions and reveals prospects for the appearance of a new quantity in the world economy.

Jacques Delors, who heads the European Communities Commission, the Common Market's executive body, is simply happy currently, I believe, as both politician and man. It is to him, the "generator" of many ideas of West European unity which have now been put into practice, that this idea also—tearing down the barriers between the EEC and EFTA—belongs. It arose, incidentally, under curious circumstances, about which Delors himself told me. After the 12 states had, on his initiative, adopted a policy of conversion of the EEC into a single market without internal borders, accusations showered forth from the camp of the Seven: a "fortress" inaccessible to others would be erected in West Europe. It was in response that Delors advanced the proposal concerning the integration of the two groupings, employing the term "European economic space" for the first time.

Members of EFTA (Austria, Iceland, Liechtenstein, Norway, Finland, Switzerland, and Sweden) are now essentially affiliating themselves with the single market without borders which the "Europe of the Twelve" is planning to create in 1992. It has been decided that the principles of this market—freedom of movement of capital, goods, manpower, and services—will be common for all 19 countries. It is not a question of a structural merger, it is true. Despite the desire of a majority of EFTA members to join the EEC, the latter does not intend enlarging its composition as yet, and the new tasks of the Twelve—currency-finance and political union—are intimidating the Seven somewhat by the prospect, unfamiliar to them, of a limitation of sovereignty. But it is EEC legislation on the future market which, having undergone negligible revisions, will be the basis of the interaction. As a result, it is anticipated, a single economic space should take shape also.

In order that this come about, the EFTA countries will have to insert in their legislation a mass of so-called "European directives" of the EEC, the overall text of which runs to 10,000 pages. It is planned to create a special court, which will monitor compliance with the legal enactments. Finally, the bilateral agreements in effect currently are to be replaced by a comprehensive treaty. The future date of birth of the "single European space" has been established also—1 January 1993—the same day as the internal market of the EEC.

Specifically, that is, in figures, its parameters are as follows. A framework of exceptionally favorable cooperation and exchange will encompass countries with a total population of 375 million and an annual GNP of the

order of \$5.7 trillion. This will be a giant "supermarket" representing 42 percent of world trade.

To say that the path toward the accord was difficult is to say nothing. It was exceptionally arduous. The major "Luxembourg Accord" was preceded by two years of most complex negotiations and several points of impasse, in the home stretch included. Granted a general political will to integration, problems connected with the painful process of grinding individual and group interests to fit the unprecedented conditions of a "single economic space" arose continually.

What, then, did some of the 19 "lock horns," as they say, adopting an absolutely implacable position? Nothing of the sort. Of course, the fighting was very tough, but no one abandoned the aspiration to compromise. And ultimately it was found on all the points of disagreement, including such serious ones as the problem of reciprocal fish catch and export quotas, the passage of truck transport from the EEC through the environmentally clean Alpine zone of Austria and Switzerland, and EFTA members' participation in the compulsory fund intended for assistance to the backward countries of the "European South," that is, EEC countries.

I am describing this in more or less detail, considering that we also are today creating here a new economic space. I will not make comparisons which are heartening or which induce gloomy reflection, the readers may do this for themselves. But I will quote something which Jacques Delors said to me: "Applied to any country, large or small, boundless rapture at sovereignty and an endeavor to fence oneself off from one's natural partners by customs houses, one's own currency, and other barriers has the appearance in our day of irrational economic nonsense inevitably leading to losses."

#### **Report on Havel Visit to U.S.**

92UF0133A Moscow IZVESTIYA in Russian 26 Oct 91  
Union Edition p 5

[A. Blinov report: "The United States and Czechoslovakia: Businesslike Discussions"]

[Text] Washington—The President of Czechoslovakia, Vaclav Havel, is in the United States on an official visit. In contrast to his first trip to Washington, which took place 18 months ago amidst ceremonial meetings and public speeches, this time Vaclav Havel has placed the emphasis on purely business matters.

Agreements on trade and investment that should allow greater access for American capital investment in Czechoslovakia's economy and Czechoslovakia's goods greater access to the American market have been signed. During talks in the White House V. Havel noted that the creation of a market economy in Czechoslovakia is taking place in a situation of marked difficulties, and there is a particular lack of foreign capital. The new agreements should improve the overall investment climate in the country.

The talks between U.S. President G. Bush and V. Havel in the White House also covered the discussion of political issues. In particular, the question of the planned referendum on the unity of Czechoslovakia was touched upon. According to American officials present at the talks, the President of the United States expressed the hope that Czechoslovakia's unity would be preserved. At the same time it was noted that "the choice lies with the people of the republic themselves."

According to press reports, during the course of the talks with G. Bush, V. Havel expressed himself in favor of maintaining the American presence in Europe as a "guarantee of security" on the European continent. At the same time he raised the question of the possibility of Czechoslovakia's "associate membership" in NATO. However, the American President noted that NATO would not be opening its "defensive umbrella" over that country.

According to an explanation from a State Department spokesman, NATO sees no need to admit Czechoslovakia to NATO, nor Poland or Hungary. Moreover, this step is impossible without a revision of the North Atlantic Treaty—the basis of NATO's existence. According to the assistant secretary in the U.S. Bureau of European and Canadian Affairs, Thomas Niles, the question of Czechoslovakia's associate membership "is not on the agenda at this time," and "in general is not regarded in NATO as something essential or desirable."

From the standpoint of the United States it would be adequate to establish "links" between NATO and Czechoslovakia, and Poland and Hungary, as proposed earlier by FRG Chancellor H. Kohl. This formula was put forward as a joint American-German proposal at the NATO summit this year in Rome. Here, the organizational formulation of "links" between NATO and the East European countries could be proposed to form a Council for North Atlantic Cooperation.

#### **Law Excluding Czechs With Past Intelligence Ties Assessed**

92UF0113A Moscow PRAVDA in Russian 25 Oct 91  
p 5

[Report by correspondent A. Krushinskiy: "The President's Demarche: The Conflict Surrounding 'Sunshine' Mania"]

[Text] Prague—The newspapers have carried the letter of V. Havel, president of the CSFR, to Federal Assembly Chairman A. Dubcek either in detail or in full.

This is not surprising: The document deals with the "topic of the day"—the subject that is currently on everyone's lips. In addition, it symbolizes the most serious conflict up to the present, perhaps, between the president and the highest legislative body of the CSFR. Judge for yourselves: Not two weeks had elapsed since the enactment of the new law before the head of state was raising the question of its replacement!

The subject of the conflict is the law "Certain Further Conditions for the Exercise of Certain Functions in State Bodies and Organizations of the CSFR, the Czech Republic and the Slovak Republic," popularly called here the "sunshine law." The president observes in his message that although this law is "unusual and special," the need for it is not in doubt. But in the form in which this law was enacted, it is, in the president's opinion, "highly problematical." V. Havel criticizes the wording adopted by the legislators from approximately the same positions as were mentioned two days ago in a PRAVDA commentary: He points to the insufficient reliability of the sources according to which records would be investigated and questions the "principle of collective guilt or collective responsibility" contained in the law. The letter also expresses doubts as to whether the realization of this law might not lead to new injustices and the violation of a number of generally accepted standards concerning human rights.

### Polish Election Results Analyzed

92UF0147A Moscow PRAVDA in Russian 31 Oct 91  
p 4

[Article by Mikhail Tretyakov: "The Choice Has Been Made: Leftists Are Taking the Top Positions"]

[Text] The results of the parliamentary elections in Poland which took place last Sunday are already becoming the property of history. But it seems to me that they will be at the center of attention of analysts and politicians for a long time yet, not only on the Visla, but also in our country and also in the former socialist countries.

The fact is that, despite numerous solid predictions, Polish leftist forces who united in a bloc scored a convincing victory in the elections, having lost by a total of 2.4 percent only to the undisputed leader—the Democratic Union headed by former Premier of Poland T. Mazowiecki. These results have become a real sensation, all the more so since the supporters of the socialist orientation had to conduct their campaign in a situation of a fierce anti-communist campaign that was unleashed by the right wing during pre-election frays.

Solidarity set the tone. Having violated the secret agreement that there would be no "witch hunts" against the representatives of the power structures of People's Poland, it began to publicly seek the punishment of former communists. And it is a question of the fates of millions of people. Reuters News Agency thinks that former National Security Advisor to the U.S. President Z. Brzezinski, who has unambiguously stated that the "Stalinists" must be held accountable, has exerted powerful pressure on the republic government to begin such a witch hunt. The matter has been reduced to the point that the leaders of the Republic of Poland Social-Democratic Party, that entered into a pre-election alliance of democratic leftist forces, has been accused... of suspicious ties with the Moscow coup leaders.

The right-wing forces have gone for broke, while calculating on compromising the leftists during the course of the pre-election campaign and to ultimately clash with them in the background of political life. But obviously, you already cannot move today's Polish voter with high-sounding political phrases or naked propaganda, no matter how sensational. Before voting, the Polish voter nevertheless glanced in his soup pot and, as they say, it was not so thick.

It is no secret that both pensioners, workers, and peasants who are demanding improved living conditions participated in protest marches to Warsaw and the Presidential Palace that shook Poland prior to the elections. While implementing a policy of radical economic reform since the Fall of 1989 which our neighbors across the Bug call "shock therapy," Poland is encountering ever increasing economic difficulties. In the opinion of a number of prominent Polish economists, including S. Kurovskiy, a member of the President's Consultative Council, the country's economy has retreated to the 1970's level and in certain sectors—to the 1960's level.

We must agree with this. Last year, the volume of industrial production in Poland dropped by 30 percent. This year—the slump is totaling another 16-18 percent. The army of unemployed is approaching two million people which totals approximately 10 percent of those employed and it exceeds 15 percent in many regions. The profitability of enterprises is declining and the indebtedness of insolvent plants and factories is growing. Agricultural production is declining as a result of the fact that retail prices are increasing much more slowly than the prices for farm equipment.

Privatization, or, more accurately if we call a spade a spade, the transfer of state enterprises into private hands, is seriously slipping. Yes and, in the opinion of representatives of Polish private initiative, such a step will not provide perceptible results today—raising the economic effectiveness of enterprises and their competitiveness.

All of this creates an atmosphere of distrust in society toward the state. People are angry about the collapse of hopes for improvement of their material well-being. Poles feel deceived. The promises that the authorities made at the end of 1989 that an era of general prosperity would arrive within six months to a year through radical restructuring of the economy from socialist to capitalist principles have not withstood the test of time. Hence also the serious defeat of the pro-presidential and pro-government parties in the elections. And Solidarity Trade Union, from which the current rulers of the country come, received two times less votes than the Union of Democratic Leftist Forces.

The Polish parliament election results require profound analysis. And we think that our deputies should seriously study them before they make a final decision on

choosing the socio-economic model of transformation, all the more so that the Polish shock therapy variant is being proposed to us.

### **Influence of Walesa's Entourage Pondered**

92UF0108A Moscow IZVESTIYA in Russian 22 Oct 91  
Union Edition p 6

[Article by correspondent L. Toporkov: "The Retinue Plays the King: About Those Who in the Belweder Surround Lech Walesa"]

[Text] Warsaw—It is said that the retinue plays the king. This is not only true in respect to monarchs, evidently. After all, leaders calling themselves democrats also pick a team in accordance with their own tastes, predilections, and ideas about people. Polish President Lech Walesa, who was elected to this office last year, formed his staff in the Belweder (the Belweder Palace—the president's residence—L.T.) as he wanted: To some extent his closest associates have become the mirror which reflects the figure of the president.

As is known, Lech Walesa was born of the environment of worker opposition to the totalitarian regime. An ordinary electrician, it is said, but with the mind and organizing aptitude of a gifted natural talent, he was spotted and supported by the members of the intelligentsia who had long since given notice of themselves as ideological opposition to the communist authorities. They gambled on him and were not mistaken. Lech Walesa, who headed the Solidarity movement, showed himself to be a vigorous, authoritative, and shrewd public leader. He was irreplaceable in the years of the demolition of the old political structures. But what kind of person is he now that Solidarity has come to power, when he himself, totally lacking in experience of administration not so much of the state but of a city or voivodship even, has become, as they say here, "first citizen of the country?"

This is why the public's interest in the present, "peaceful" Walesa and, of course, in his Belweder entourage is so natural. After all, when people speak of the president's executive office, they mean, of course, Walesa himself primarily.

It should be mentioned that the executive office is a big and complex organism. Some 507 persons work in the Belweder altogether, 165 of whom are specialists in this field or the other of policy, economics, law, and international relations. The small leadership of the executive office, on the other hand, consists of 16 ministers of state, deputy ministers, secretaries of state and undersecretaries. All the people are new, there being just one veteran—Jerzy Breitkopf, deputy chief of the executive office, who has worked in the Belweder since the 1950's.

Mieczyslaw Wachowski, secretary of state and director of the presidential cabinet, is called Lech Walesa's right hand. He is a man gifted with a native wit, about whom, as GAZETA WYBORCZA has written, it is true, little is

known: neither his age nor his educational background are known. Just one fact is, perhaps, indisputable: Wachowski was Walesa's personal chauffeur back at the time when he was head of Solidarity. He came to be irreplaceable for his boss. Walesa confides in him in all things, feels at ease with him and likes him, as a newspaper observes, quoting a Gdansk politician, for his audacity and for the fact that he did not suck up to him and even made jokes about his boss, permitting himself to address Walesa with familiarity. Wachowski knows his boss's weak points and plays on them, keeping him (once again I quote) in a state of tension and nervousness, for Walesa is good when he is focused and furious. At the same time Walesa can relax with Wachowski and not feel as constrained as in the company of experts.

Chauffeur Wachowski soon provided himself with the calling card "Assistant to Lech Walesa," although he continued to sit at the steering wheel. When the boss was interned, Wachowski helped Mrs. Danuta Walesa around the home. In his autobiography *Paths of Hope* Walesa names as the people closest to him at that time: Tadeusz Mazowiecki, Bronislaw Geremek, Arkadiusz Rybitcki and Mieczyslaw Wachowski.

Having become president, Walesa thought it necessary to bring with him his "adjutant" also. Secretary of State Wachowski is now present at the majority of discussions which Walesa conducts with a variety of people. He accompanies him on overseas trips, plays ping pong with him every day and participates in "working breakfasts."

One may read in the same GAZETA WYBORCZA: "Relations among the members of the president's staff became strained when Walesa appointed Wachowski secretary of state. It is said in the executive office that Walesa did not want this appointment at first but that Wachowski himself drew up the order and brought it to the president for signature. From this time on there has been open warfare between Wachowski and the executive office...."

And Wachowski, feeling his influence, has already begun displays of initiative. When, in July of this year, Walesa went to NATO headquarters in Brussels, Wachowski, taking aside Lech Kaczynski, minister of state for security and defense, took the text of the president's speech and with his own hand crossed out an important passage, in which Walesa spoke, in quite abrupt terms, about the need for an acceleration of the withdrawal of Soviet forces from Poland. A scandal erupted since the full text of the speech had already been distributed to correspondents, and they had transmitted it to their editorial offices. And Wachowski got away with this. Walesa would have immediately parted company with anyone else, as was the case with the intelligent and intellectual Jacek Merkel, a member of the Sejm.

Merkel had been a minister of state on the president's staff, and even earlier, the leader of his election campaign. A graduate of the Gdansk Polytechnical Institute, an engineer at the celebrated shipyards and a participant

in the strike movement on the coast, he was liked by Walesa, who saw Merkel as his successor as Solidarity chairman. This did not, however, come about, but Walesa did appoint Merkel the first leader of his executive office and subsequently minister of state for security and defense. But Merkel was too independent a thinker and he left the Belweder in connection with "exhaustion as a result of having run the president's election campaign and organized the president's executive office." But the parting was, as they say, temporary. A big political future is augured for him.

A prominent place on the president's staff is occupied by the twins Jaroslaw and Lech Kaczynski, lawyers by education. They replaced Merkel—one as leader of the executive office, the other, as minister of state for security and defense. They were close associates of Walesa in Gdansk even. He rebuked them jokingly, but before the whole country, saying that the brothers had done him "the dubious turn" of having expressed in their interviews the idea of the nomination of Walesa for the office of president of Poland. It seemed beyond any question to Walesa that the brothers would become part of the government. But Premier Mazowiecki declined their services even as mediators between him and Walesa. They became ministers, for all that, only in the Belweder.

With the arrival of the brothers in the Belweder and, in addition, of Slawomir Siwek, now J. Kaczynski's executive office deputy, the president's staff assumed a clearly expressed political coloration. Not surprisingly: J. Kaczynski is chairman of the Center Accord Party, and S. Siwek, member of the party leadership. This use of the president's administrative machinery for party interests is putting many people on their guard and troubling them. They are asking: Can party leaders who are Belweder staffers give the president objective advice? And is it altogether possible for government officials to be guided in their work by party interests?

Against the background of the assertiveness of certain ministers and secretaries the role of the president's political adviser with deputy minister rank, Arkadiusz Rybitcki, Walesa's speech-writer, is ostensibly somehow unremarkable. Like the majority of the president's associates, he comes from Gdansk and is a member of the celebrated "Gdansk assault force regulars" who "occupied" both the Belweder and Council of Ministers House on Aleje Ujazdowskie. Rybitcki has trodden the entire Solidarity path. As of the spring of 1981 he was head of the trade union association's press and information bureau. Rybitcki's family has long been close to Walesa's family, and the wives—Bozena and Danuta—are cordial friends. But the relations of the heads of these families have not always been cloudless. A frequenter of the Walesa home recounted how even the calm and quiet Rybitcki was forced to leave the Solidarity chairman in 1988: "Walesa had at that time purchased a villa on Porianki, but inasmuch as he has never known the difference between political and domestic functions, he

ordered Rybitcki to dig out the beds in the truck garden. Arkadiusz rebelled and left."

Rybitcki returned to Walesa only at the time of the election campaign. And once again headed the information bureau. He wrote with the help of several additional authors Lech Walesa's last book *Road to Freedom*.

The man who "goes to the people" most and who is also close to Walesa is his press spokesman Andrej Drzycinski. He organizes the news conferences, explains the president's words and has become, as people here joke, Walesa's "interpreter." For the chief has at times a propensity for speaking in such a way that his thoughts may be interpreted variously. "He did not mean to say that," "he was misunderstood," Drzycinski has to explain. A historian and journalist by profession, Drzycinski worked for a time on the Catholic newspaper SLOWO POWSZECHNE. GAZETA GDANSKA wrote about him: "A Catholic, he enjoys the confidence of Bishop Tadeusz Gocłowski, and Walesa sets great store by the good graces of the bishop of Gdansk." Drzycinski describes his philosophy of his relations with his boss as follows: "Lech Walesa, as a leader, is superb. When any employee comes to him with a question as to how to act on this matter or the other, he says: 'This is your field. Do it well, I will praise you, do not do it well, you can leave.'"

And, truly, some people do leave from time to time. It is said that the Kaczynski brothers and Siwek, who are unhappy with Wachowski's omnipotence, could tender their resignations at any moment. The president, it is rumored, is restraining them, saying that all will change after the parliamentary elections.

The president's staff cannot, naturally, become involved in the election campaign. But it seems that it lacks the spirit to control itself. At least those connected with the Center Accord Party. And four top officials of the executive office are members of the leadership of this party. Lech Walesa is trying to preserve his reputation as a man who stands above the parties. But that same Siwek continues to repeat time and again: "The executive office cannot be apolitical inasmuch as its business is politics."

Will the Belweder be depoliticized, as Walesa promises, or will the spirit of the Center Accord Party reside beneath its roof, as before? The picture will become clearer following the parliamentary elections, which will be held on 27 October.

#### **Soviet Citizens denied Entry at Polish Border Crossing**

92UF0128A Moscow *RABOCHAYA TRIBUNA*  
in Russian 26 Oct 91 p 3

[RABOCHAYA TRIBUNA press service report: "Again Sour Faces at the Polish Border"]

[Text] *Our correspondents explain a case of "congestion" at the entry into Poland.*

A couple of dozen people telephoned our editorial offices yesterday complaining about difficulties at the Soviet-Polish border in the region of Brest, saying that they had been refused entry into Poland. The essence of the problem is this: Fellow citizens traveling to Poland and in possession of all the necessary documents are being "turned back" at the border. In one case they say that the Polish authorities are refusing entry to everyone who does not have \$50 in cash for each day he intends to stay in the Republic of Poland. In another, they are saying that the crossing has been closed by the Soviet authorities for "sanitation reasons"...

We contacted competent officials in order to clarify the circumstances in which the "border of friendship" had been closed.

The Consul General of the Republic of Poland in Moscow, Mr. Michal Zhurowski:

"We have heard that there are difficulties at the border. I would like to say in a spirit of total responsibility that as far as the Polish authorities are concerned there are no changes in the procedure for crossing the border. As far as we are concerned, the border is open."

USSR Ministry of Foreign Affairs official, Vladimir Andreyevich Nestoyanov:

"We know nothing of any changes in the procedure for crossing the border. I suggest that you ask the USSR Customs Committee..."

Chief of the USSR Customs Committee Customs Control Department, Vladimir Anatolyevich Sidorov:

"There have been no instructions from us about changes in the procedure for crossing the border. Perhaps it is some initiative of the local authorities?..."

So, the circle is closed. It seems that something arbitrary is going on at the border. Some kind of local State Committee for the State of Emergency-ism, when lawlessness and neglect of us, Soviet citizens, again takes over from common sense, for the nth time.

Listen! Perhaps some mechanisms of power have been left in the country to handle the state border and bring clarity to the excesses taking place there! Someone, finally, will show respect to everyone and explain how much longer the offensive humiliation of our fellow countrymen continue?

We are prepared to present in future issues of RAB-OCHAYA TRIBUNA the word of all responsible (?) officials wishing to explain their position to the people on this heated subject.

### New Slovenian Currency Sharpens Economic Crisis

92UF0117A Moscow SOVETSKAYA ROSSIYA  
in Russian 25 Oct 91 p 3

[Article by TASS staff correspondent Yu. Kornilov: "The Tolar Is Far From Being the Dollar. Will Its Own Currency Help Slovenia?"]

[Text] Belgrade—Unfortunately, we are quite accustomed to such scenes, but they were seen for the first time in Ljubljana, the capital of Slovenia: crowds of people literally storming banks, noise, tears, and fainting fits... How could it have been otherwise? The parliament of Slovenia, which several days ago proclaimed its complete independence, simultaneously resolved to introduce in the republic its own currency, the tolar. Just two days were scheduled for the exchange of currency, and thousands of people were falling over themselves, stampeding to the banks to rescue their savings. Quite a few were not successful in accomplishing this salutary operation, and not only because of the lines, but also because the banks exchanged a relatively small amount, 20,000 dinars, at the one-to-one ratio. Rich people and businessmen attempted to transport cash to other republics. One enterprising character was apprehended with a suitcase full of dinars in the capital of Macedonia; another was stopped on the Serbian border: He stuffed a small truck with money which has suddenly turned into junk...

The word "tolar" (derived from the old "thaler") is consonant with the word "dollar." However, as the Yugoslav press notes sarcastically, this is perhaps the only similarity of the two currencies. The Slovenian economy, along with that of the country as a whole, has fallen on hard times. The foreign exchange reserves of the republic do not exceed 120 to 130 million marks which, as experts estimate, is "below the critical mark." In essence, the new monetary unit is not backed up by anything. Not surprisingly, it is recognized neither by other states nor international financial organizations. In the foreseeable future, the tolar clearly will not be an international monetary unit. However, this "surrogate of real money," as the Belgrade magazine VREME put it, is already performing one function quite successfully—that of undermining the unified economic space of Yugoslavia and the unified currency and financial system of the SFRY, and of fueling inflation which has engulfed the country. Yet another monetary unit, the "Croatian dinar," is to join these destructive efforts several months from now. The leadership of another republic of Yugoslavia, which has also proclaimed independence, has resolved to replace the current all-Yugoslav dinar with this currency in 1992.

In Belgrade, the decisions of Ljubljana and Zagreb to introduce their own currency, financial, and banking systems were interpreted as anticonstitutional and striking a serious blow at the economy of the country which has been undermined by war to begin with. The

SFRY Federal Executive Council (government) resolved to suspend monetary transactions with Slovenia. Four committees of the Federal Assembly (parliament) of Yugoslavia, which assembled for an urgent joint meeting, demanded that the government take more resolute measures aimed at "averting the impending financial and economic collapse—an immediate consequence of unilateral actions taken by Slovenia and Croatia."

While the government which, along with many other federal structures of the country, is paralyzed to a considerable degree and operates at half its capacity, "is studying the problem," another federal organ, the Board of Governors of the National Bank of Yugoslavia (NBY), which is the central bank of the SFRY, is trying to implement such measures. Fearing that Slovenia will "dump" its dinar reserves in other republics and will thus have this monetary unit depreciate even more, the Board demanded that the National Bank of Slovenia return 27 billion dinars to the federal treasury within one month, stressing that if this is not done, the above amount will be considered Ljubljana's debt which it will have to pay in hard currency. At the same time, the Board notified foreign banks in which Slovenia and Croatia have deposits that no payments should be made from the accounts belonging to Ljubljana and Zagreb because under the law, the NBY is the specific guarantor of this capital to foreign creditors. The IMF and other international financial organizations were officially notified that all financial obligations assumed in the last half year by Slovenia and Croatia cannot be regarded any longer as obligations of the federation which the NBY is responsible for discharging.

Dusan Vlatkovic, (chairman of the Board of Governors) of the National Bank of Yugoslavia, stated on the pages of POLITIKA: "The decisions made in Ljubljana and Zagreb were prepared by politicians rather than by economists and financiers, politicians who clearly have no idea of how serious the consequences of such steps may be, primarily for Croatia and Slovenia themselves."

### **Search Continues for Correspondents Missing in Yugoslavia**

92UF0104A Moscow IZVESTIYA in Russian 19 Oct 91  
Union Edition p 7

[Article by Ye. Vostrukhov, personal correspondent (Belgrade): "As Long as the Search Is Led by Dilettantes, It Will Be Difficult To Expect Success"]

[Text] Once again, we rode down the highway our comrades Viktor Nogin and Gennadiy Kurinnoy took on their trip. Once again, we cruised past deserted Croatian villages and closed roadside restaurants, hotels, and gas stations. The road was blocked more and more frequently by national guardsmen armed with submachine guns. They inspected all of our papers and searched our vehicle. It is true that all of them sympathized with us when they

learned the purpose of our trip and gave us advice on where we might look for our colleagues.

They must have passed this way on their way from Belgrade on 1 September. They must have driven past the towns of Slavonski-Brod, Nova-Gradiska, and Okucani. It is just a little over 100 kilometers to Zagreb from here. It was this part of the international highway that turned into a frontline on that Sunday—with barricades, steel hedgehogs, mortars, and machine gun nests. The highway overpasses bristled with gun barrels: All moving "enemy" targets were shot point-blank. Many unsuspecting travelers drove right into the thick of the battle that day....

Judging by what I know about the character of these men, I can assume that they did not try to get around the battlefield to interview people far removed from these events. It is more likely that they stepped on the gas and raced the blue Opel to the front. What happened to the journalists after that? Today we are only certain of one thing: They did not get to Zagreb that day (the Soviet correspondents did not stay in any of the city's hotels or show up at the consulate general). It is most probable that Viktor and Gennadiy's trip ended somewhere around Nova-Gradiska, Okucani, and Novska.

...Goyko Sherbula, TANYUG correspondent, handed me a pair of binoculars: "Okucani is over there." We were standing on the balcony of the news agency, on the top floor of what might be the tallest building in Bosanska-Gradiska, on the right bank of the Sava, bordering on Croatia. I could see the bridge across the river, which is still called "Fraternity and Unity," clearly through the binoculars. Tanks, armored personnel carriers, and artillery mounts filled the highway all the way to the point where it disappeared in a distant forest. Pillars of thick black smoke rose from the forest. The villages that had been bombed in the last raid were burning. Goyko's official title is already "war correspondent." He has helped us in every way possible in our search for our comrades. Sherbula has a good relationship and strong ties with civilian and military officials. His assistance has been most welcome, because most of us came here at our own risk, with good intentions but with no professional investigative experience whatsoever.

Yes, many people have joined the search, but the problem is that all of them, without exception, are dilettantes in this field, especially in this warlike atmosphere. Their courage is admirable and praiseworthy, but it is no substitute for specialized knowledge and experience. This is what V. Gorovoy, the head of search headquarters in the Soviet Embassy in Yugoslavia, said about this:

"At first we thought they would turn up in a week or two. It seemed impossible that they would disappear without a trace in Yugoslavia. It has been weeks, however, and we still have no reliable information. We are becoming more and more certain that this is a waste of effort and that our possibilities are limited. Another reason for this

is that we still do not have a mechanism to search for Soviet citizens missing abroad."

It is true that our state has never taken the trouble to search for Soviet citizens in trouble abroad: the people who disappeared while traveling on business or as tourists, who were taken prisoner while performing their "internationalist duties," and so forth. There has always been the conviction that a Soviet individual cannot "simply" disappear abroad. We only lose traitors and dissidents—in short, all types of people who betray the motherland. The KGB was the tried and tested mechanism for their return, but we never established an ordinary "civilian" search service. The state did not burden itself with secondary concerns. It is true that a news item published at the beginning of October reported that a new office of the USSR KGB would be opened specifically to find Soviet citizens missing for various reasons abroad. A telegram signed by USSR Ambassador to Yugoslavia V. Loginov was sent to the KGB leadership from Belgrade right away to request assistance in the search for the missing journalists. There

was no reply. It would be a pity if the new office should be forgotten in the new reorganization of the KGB structure.

Meanwhile, other agencies in the motherland do not seem overly concerned about the missing television journalists either. We feel grateful to Gorbachev: His personal message to the leaders of Yugoslavia and the republics had an impact. Other union governing bodies, however, kept silent and are still silent.

Today the people in the search headquarters in Belgrade decided that a competent legal investigation of the disappearance of V. Nogin and G. Kurinnoy would be essential. Obviously, only a scrupulous investigation and the intervention of experienced jurists can clear up the mystery. The Procuracy of the Soviet Union could show some initiative by proposing joint action with Yugoslav investigative agencies. This is completely legal: We should make use of the agreement our countries signed 30 years ago on legal assistance in civil, family, and criminal cases.



### **Cuban Communists Seen Effecting Only Minor Changes at Congress**

92UF0090 Moscow IZVESTIYA in Russian 18 Oct 91  
Union edition p 6

[Article by A. Kamorin: "Cuban Communists Decide to Defend Socialist Alternative to the Death"]

[Text] Havana—The 4th Congress of Cuban Communists, which was held over the last five days, concluded its work with the reelection of Fidel and Raul Castro to the posts of, respectively, Cuban CP first and second Central Committee secretaries.

Contrary to numerous predictions made by foreign analysts taking into consideration the difficult conditions Cuba finds itself in today, some of whom expected a split in the party, some—radical reforms similar to our restructuring, and some, the opposite—a harsh "tightening of the screws", the forum was conducted in a strikingly peaceful and organized manner. To the main question that all Cubans are being asked today: how will we overcome the difficulties and hardships, one simple answer was given—by continuing to make whatever sacrifices necessary to assure the country's survival under the existing system, and, in the extreme, by fighting to the death to defend the socialist alternative.

On the subject of specific results, the most innovative of these had to do with internal party life. The congress' resolutions in particular open the way into the party for a revolutionary-minded believer. We should also expect to see the introduction shortly of amendments to the republic's constitution that would remove references to atheism as a state ideology. In addition, a decision was made to cut back the party apparatus by eliminating the Central Committee secretariat and the institution of candidate members to elective organs, including the Politburo. The new members of the Central Committee have been instructed to begin compiling a draft for a new party Program.

Although Fidel Castro has called the existing political system in Cuba the most democratic in the world, congress delegates decided to democratize it even more. To this effect, propositions were made on changing election laws. If before, the rank-and-file Cuban voter had a direct vote only for deputies to the municipal assembly, who would go on to form the provincial and national legislative organs, then now, deputies on all levels would be elected by direct vote. Strict one-party rule and a lack of tolerance for any sort of agitation that could be considered anti-revolutionary would still be maintained. Specific principles governing the operations of the new elective system should be determined at the next session of the Cuban parliament.

In regard to economic issues, a discussion of which we have been awaiting with, most likely, the greatest interest, the congress' decisions turned out to be the least radical. Even the fanciful idea of reinstating the free peasant markets that were closed several years ago as

"vestiges of capitalism" did not pass. The only decision adopted was one that legalized certain types of individual labor (during time off from one's full-time job) under strict revolutionary supervision. The solution to the country's economic problems is seen by communists to be through the future implementation of priority programs advanced long ago by the Cuban leadership, first and foremost, a food program, towards which a proposal was made at the congress to plant all free patches of land, including city courtyards, vacant lots and even stadiums in vegetables and fruits. They also stress the development of foreign tourism, the attraction of foreign capital and the accelerated growth of science-intensive areas, primarily biotechnology and genetic engineering.

Taking into consideration the crisis situation in Cuba, the forum's final resolution gave the Communist Party Central Committee emergency powers allowing it to adopt any decisions necessary concerning the life of the party and the country. In this manner, the situation that already exists de facto on the island was confirmed on paper.

Not all of the congress' documents have yet been subjected to openness [glasnost], specifically, the resolution on foreign policy. And it should be extremely interesting. First of all, because discussions at the congress were distinctive in the extraordinarily militant tone used in connection with US imperialism, with which Cuba intends to "continue fighting to the last". Secondly, Fidel Castro's first speech at the congress dotted many i's regarding the local leadership's attitude towards events in the Soviet Union. Having expressed his appreciation for the aid given to Cuba by our country over thirty years, and having indicated that he had no wish to interfere in the domestic affairs of others, the Cuban leader nevertheless unambiguously condemned the move from the socialist alternative and the destruction of CPSU authority. Castro also spent a fair amount of time enumerating in detail incomplete deliveries of Soviet goods made to the island in the last year.

The recently concluded congress has already evoked many responses in the foreign press, in which the tone varies from ecstasy to disenchantment, depending on the publication's orientation. One of my western colleagues said in a conversation: "At the congress, the communists decided what to do with the country, and now the country needs to decide what to do with the communists."

### **Cuban Oppositionist on Prospect for Castro Regime**

92UF0098B Moscow IZVESTIYA in Russian  
21 Oct 91 Union Edition p 3

[Report by Vladimir Olgin on Moscow visit and news conference by Cuban oppositionist Carlos Montaner: "Forecast for Fidel"]

[Text] This week, a delegation of the Cuban Liberal Alliance, headed by its president Carlos Alberto Montaner, visited Moscow on the invitation of the Russian

parliament. The CLA, was founded as a political party in 1989, in Madrid, by a group of Cuban oppositionist emigres. During its visit, the CLA delegation held talks with members of the Russian and Union government, parliamentarians, scientists, and members of the intelligentsia. The main objectives of the visit, as Carlos Montaner said at the press conference for Soviet and foreign journalists, is to exchange information and views on the situation in Cuba and to strengthen the ties between the moderate Cuban opposition, which is striving to achieve a peaceful transition of its country to freedom, and the Russian democrats.

In addressing the journalists, the CLA president said in particular: "Possibly, the regime in Cuba will change shortly. However, the results of the latest Cuban Communist Party congress forces us to think, with a feeling of great concern, about the ways through which the present political crisis will be resolved. Unless a political solution is found and a direct dialogue is instituted with the Cuban people, and unless the Cubans themselves choose a model for their state and their own leaders, the method of violence is not excluded. The consequences of this would be horrible for the entire Cuban society.

"Hence our objective: to help to create conditions for a peaceful transition. This could be accomplished through a serious dialogue between the Castro government and democratic circles. In that sense we consider the Russian factor essential for us, for Russia remains Cuba's main commercial partner."

#### Visit, News Conference by Cuban Oppositionist

92UF0098A Moscow *RABOCHAYA TRIBUNA*  
in Russian 23 Oct 91 Single Edition p 3

[Discussion with Carlos Alberto Montaner, Cuban emigre oppositionist, with Yevg. Bay: "The Leader of the Liberal Wing of the Cuban Opposition Does Not Believe That Fidel Castro Would Share Franco's Fate"]

[Text] The noted Cuban opposition personality, representing the liberal wing of Cuban exiles, writer Carlos Alberto Montaner, is visiting Moscow, at the invitation of a group of people's deputies of the Russian Social Democratic Party. This week he was received by noted Russian political personalities, members of parliament, and representatives of the Russian Ministry of Foreign Affairs.

The meeting in Moscow, C.A. Montaner said in a talk with the correspondent of IZVESTIYA, became possible as a result of the development of powerful democratic structures in this country. The idea of this trip was conceived quite a while back, but it became possible only after last August's events. Until then, any contacts between political leaders in Moscow and the leaders of the Cuban opposition in exile were, to say the least, problematical, taking into consideration the nature of

relations between the Kremlin and Havana, and the influence enjoyed by the Cuban embassy in Moscow.

The Castro regime, Carlos Montaner believes, is nothing but a sad event in Cuban history. Unfortunately, for the last 30 years the repressive model which had previously existed in the USSR had been applied in Cuba. However, this does not presume in the least that the USSR bears any historical responsibility for the political and economic crisis which has broken out in recent years in Cuba. The positive aspect of relations between the two countries includes many cultural values. Hundreds of thousands of Cubans have been trained in the Soviet Union. In the opinion of my interlocutor, this has led to the establishment of special spiritual links which should not be denied but, conversely, comprehensively developed.

Unquestionably, Montaner says, the greatest reciprocal understanding that we found is with the Russian parliament. The White House is quite sharply criticizing Castro which, having denied his people any choice, has taken the country into an impasse, trying, one way or another, to blame the USSR for this. At the recently held Sixth Cuban Communist Party Congress, Castro attacked Gorbachev for the collapse of the communist movement and dedicated more than one hour of his speech to the fact that the USSR is not fulfilling its obligations which are to supply Cuba with all commodities, including pig cracklings. Under circumstances in which, despite its tremendous difficulties, Moscow is doing everything possible to ensure uninterrupted supplies to Cuba of the main power raw material—petroleum—while Castro is continuing to accuse it of all possible sins, this cannot fail to make the Russian parliamentarians indignant, C. Montaner pointed out. We, he said, found in Moscow perhaps the most critical parliament in the world concerning Castro.

The main reason for the crisis in Cuba, he emphasized, is the anti-people's position assumed by the Cuban leadership itself, which is categorically denying any opportunity for democratic development and conversion to a pluralistic society and a free economy. Recently, a noted Western political leader said, addressing Castro: "You still have the chance of becoming Cuba's Adolfo Suarez" (the first democratically elected head of the Spanish government after Franco, who put a firm end to the legacy of the totalitarian dictatorship—author). Castro remained silent for about a minute, as though considering this suggestion. He gave his answer the following day, on Havana's main square: worn-out slogans of "socialism or death," appeals to die but not to surrender to imperialism, etc.

Castro is not interested in the future of the nation. All that concerns him is the fate of the regime and he is doing everything possible to remain in power at any price. He would rather die in his bed, as a dictator, than hold real elections which could humiliate him.

However, Franco's fate does not await Fidel Castro, Carlos Alberto Montaner says. Montaner himself lived in Spain for many years. Franco was 80 years old, he had "rounded the corner," as the Spaniards say, and he indeed was waiting to die. What the 65-year old Castro is facing "around the corner" are powerful social upheavals, outbreaks of violence, street meetings, and shootings. All of this is bound to take place unless the Cubans are given the right to choose. The communist experiment in Cuba has no future any more than it had in any other country. It is only a question of how, with dignity and in peace, to bury the totalitarian model without resorting to violence.

Under such circumstances, what is the role of the democratic opposition?

To us, the representatives of the liberal wing of democratic Cuba, the center of the struggle is in the island itself and not abroad, Montaner said. I was tremendously pleased to note that the Russian parliamentarians are familiar with the names of our fighters for human rights, such as Gustavo Arcos, and Maria Cruz Varela. We are building a bridge to Cuba by defending the dissidents who are struggling for the democratization of the country under exceptionally difficult conditions. We are offering a path not of confrontation but of dialogue, of talks with Havana. A base must be set to enable the Cuban people to decide on their future themselves. Possibly the deepening economic crisis will force Castro to revise his positions, one way or another. The liberal alliance will continue to apply pressure on the Havana government. We enjoy the support not only of three powerful trends in international movements—the liberal, social democratic, and Christian democratic—but Moscow as well, Montaner went on to say, intends to support us. Here a public opinion is developing in favor of the Cuban opposition, not only among the democratic parliamentarians, but among the entire people.

### **Cuban Oppositionist Outlines Castro's Future Choices**

92UF0145A Moscow KOMSOMOLSKAYA PRAVDA  
in Russian 16 Oct 91 p 3

[Article by Carlos Alberto Montaner: "Do What You Like, Fidel!"]

[Text] *Delegates to the fourth forum of Cuba's Communists once again elected F. Castro first secretary of the Central Committee, entrusting to the Central Committee "special powers." What awaits Cuba is pondered by Carlos Alberto Montaner, well-known member of Cuba's opposition.*

Castro is confused and dispirited and oppressed. This is how my friends, who saw Castro following the failure of the Stalinist putsch in the USSR, described him. That was his last hope. He believed that a sharp turn to the right had to take place in Moscow. He was awaiting and expecting such a coup. Castro foresaw that, otherwise, Cuba's privileged economic relations with the USSR

would be broken off by 1992. And his regime needs at least five years to learn to manage without Soviet subsidies. The putschists could have afforded him such a postponement.

Why five years precisely? First, because of the dependence of the country's power system. Cuba needs to receive daily no fewer than 200,000 barrels of oil, of which half goes to generate electric power. In five years time oil consumption would have been reduced considerably since two units of a nuclear power station being built with Soviet assistance were to have been commissioned. Now these reactors will never be activated.

The second hope of salvation was the development of tourism. In order to survive the country must, reckoning in world market prices, import \$5 billion of goods and services a year. Cuba's exports barely amount to half this sum. The development of tourism was seen as the most natural way of balancing the budget. For three decades previously Castro, to avoid the penetration of "ideological contagion," had not, it is true, allowed an increase in the number of foreign tourists over and above 250,000 a year. This was the limit which his hard-working political police could handle. Now, however, he has to increase the number of tourists tenfold. But in order to achieve such growth he needs money and time. Five years, at least.

Castro's third hope, far less reasonable, was the development of an export-oriented biotechnology industry: the production of various vaccines, interferon and other products. But putting the emphasis on such exports is risky for two reasons: demand on the biotechnology market is unpredictable and the competition is great.

Now, however, Fidel Castro does not have a single chance of avoiding economic catastrophe.

How does Castro intend to extricate himself from this impasse? Those who have seen him recently say that he does not know. He has completely lost his capacity for getting his bearings and is building plans and changing them every 48 hours. But his choice is small, and he is limited to just three options. He is mostly attracted and intimidated simultaneously by the idea of the internationalization of the conflict in order as a result to achieve some multilateral agreement which would guarantee his survival. According to this scenario, he will before the withdrawal of Soviet forces from Cuba create a serious threat to the Americans at their base at Guantanamo and stage a mobilization for war in the country. Then he will warn the United States that, in the event of their attacking Cuba, military operations will immediately be carried to American territory, the tactics of terrorist actions being employed. He would not permit the withdrawal of Soviet forces and would demand the convening of the UN General Assembly in order for agreement to be reached there on Washington lifting the embargo on trade with Cuba and promising to withdraw

its military base from Guantanamo, and the Soviets undertaking to continue to supply Cuba with oil and purchase sugar from it.

Of course, this is an entirely insane plan. With the experience of the war in the Persian Gulf and on the threshold of a presidential election, Bush and the Pentagon would not waste time on peace negotiations with Castro. They would simply make mincemeat out of him. They would entrust a solution of the problem to super-accurate laser-guided missiles.

It is the second possible scenario of the development of events—the “zero option”—which we are currently observing on Cuba, increasingly seeing for ourselves that this option is impossible. Cubans take to the woods and reduce their consumption to the 19th century level. On the city streets the army distributes soup to the populace. The country forgets about the achievements of civilization and comforts.

Cuba is not Stalingrad, whose defenders heroically beat back an invasion from outside. The enemy on Cuba is internal—the boundless obtuseness of the system. The

system itself as such. It is possible that Cubans will not rise up against it—the fear which it has instilled is too great. But neither will they succumb to it. The people will opt for a path of peaceful resistance. I have reason to maintain this: several weeks ago the regime attempted to create in the cities volunteer squads of assassins which would, without the interference of the authorities, themselves mete out punishment directly on the street or in the workforce to anyone who showed discontent. There were practically no volunteers: even Fidelistas see the approach of the end of the revolution and are unwilling to compromise themselves to no purpose.

The final scenario, which Castro is studying and to which sometimes, literally for just an instant, it seems, he is ready to bow, is the democratization of society, as a result of which he would inevitably lose power.

The third path represents the sole rational solution, which could evoke in Castro only even greater revulsion. But he has not yet, apparently, renounced it entirely. Castro reminds me today of a player in a poker game who has decided to bluff right to the end.

**Commentator Views ROK-DPRK Talks, Nuclear Inspection***SK2810154891 Moscow Radio Moscow in Korean  
1100 GMT 25 Oct 91*

[From the "Focus on Asia" program]

[Text] The ROK and the DPRK have taken concessionary steps toward each other. The South and North have signed an agreement on their mutual willingness to bring an end to the (?confrontation) between them within the framework of the South-North premier-level talks held in Pyongyang. In the agreement, the two sides envision the drafting of a joint document on reconciliation, nonaggression, and economic cooperation into one joint document.

Concerning this, station commentator Oleg Alekseyev writes the following:

An effort to draft such a joint document will take a long time, as it is supposed to deal with every issue associated with all points of the South and North. Even so, the premier-level talks can be said to promise a breakthrough.

In particular, a DPRK decision announced on the final day of the Pyongyang talks provides enough of a reason to say this. The DPRK stated that it was willing to agree on the issue of signing a treaty between the South and North without associating it with the proposal for turning the Korean peninsula into a nuclear-free zone.

Pyongyang attaches great significance to turning the Korean peninsula into an area free from nuclear weapons. Pyongyang has long called for this, arguing that it is part of the region's military and political detente and that it is a measure designed to make relations between the South and North healthy. In the meantime, it is true that associating such a proposal with an agreement on nonaggression and economic cooperation has made the national goal difficult to fulfill.

Regional countries, including (?the ROK), have accepted the changes in Pyongyang as a [word indistinct] act and as a constructive attitude.

As stated by the DPRK Government spokesman in a news conference, the DPRK has taken into consideration Seoul's position before making such a decision.

From the beginning, Seoul has insisted that such an issue be discussed independently. The Seoul government spokesman said that his government agrees to discuss the issue of denuclearizing the Korean peninsula in separate meetings.

Pyongyang's proposal, which was advanced in the mid-1980's, for turning the Korean peninsula into a nuclear-free zone now has a chance of being realized. Very favorable conditions are in the making. The (?moves made by Washington) prompt me say this. According to

its arms reduction program, the United States is supposed to completely withdraw its nuclear weapons from the Korean peninsula.

However, another task must be fulfilled to ensure the creation of a credible nuclear-free zone in the region acceptable even to the international community. That is to say, the DPRK should place the nuclear facilities built in its territory under inspection by the International Atomic Energy Agency according to the Nuclear Non-Proliferation Treaty that it signed. Only then will the global misgivings that North Korea may be engaged in nuclear development dissipate.

I am convinced that the talks held in Pyongyang will create preconditions for the settlement of such an issue.

**Reopening of South-North Talks Discussed***SK2510100791 Moscow Radio Moscow in Korean  
0900 GMT 22 Oct 91*

[Igor (Bocharev) commentary]

[Text] Talks between North and South Korea are to be resumed after a hiatus. The fourth round of South-North premier-level talks will be held in Pyongyang.

Station commentator Igor (Bocharev) writes:

Practical preconditions for coordinating the question of South and North Korea can be said to be in the making for the first time since the war ended.

Over the past few months, the nature of relations between the DPRK and the ROK have changed. With the international recognition of the state systems of the North and South, their contradictions have assumed the nature of issues between states.

The DPRK and the ROK have become UN members. Now that they have become members of the international community with full rights, the two countries should abandon their stereotypical thinking, the legacy of the Cold War era, and bring themselves under the principle of recognized international relations.

The role the talks play in this is particularly important. Accordingly, the South-North talks to be held on the new conditions should be made to serve as a major instrument in coordinating the (?differences) between the two Korean states.

One of the most acute political issues in the South-North talks concerns the nuclear safeguards accord. The U.S. President's recent proposal for scrapping the strategic nuclear weapons and Washington's announcement that the withdrawal of U.S. nuclear weapons deployed in South Korea was being studied can be seen as the first practical step toward nuclear disarmament on the Korean peninsula.

Under the circumstances, it would be logical if Pyongyang signs the nuclear safeguards agreement with

the International Atomic Energy Agency [IAEA] and provides objective information on the nuclear facilities in (?its territory).

If and when the degree of confrontation is lowered, the economic exchanges between the South and North can be corrected. Economics and trade are areas in which mutual understanding can be easily reached, and that can goad them into political contact.

It is no secret that the DPRK and the ROK have long established trade ties via third countries. According to some data, during the first half of this year trade volume between the South and North reached \$78,300,000, an increase of nearly 20 times as compared to that of last year.

Taking into consideration some possible positive changes, the ROK has worked out a comprehensive plan for developing trade and economic relations with the DPRK. In this plan the ROK envisions a reconnection of the railroad between the South and North; joint South-North development of the natural resources buried in North Korea, including (?silver); the creation of free economic zones; and joint development of tourism.

Thus, there are reasons to believe that coordinating relations between the South and North and normalizing the situation on the Korean peninsula are now possible. Whether such an opportunity is grasped depends entirely on Seoul and Pyongyang.

#### **Allegation of German Aid to DPRK Nuclear Arms Program Cited**

924P0023A Moscow IZVESTIYA in Russian 5 Nov 91  
Union edition p 4

[IZVESTIYA Press Service item: "Pyongyang's Atom Bomb: German Companies Are Helping To Develop It"]

[Text] In recent months a considerable amount of material has appeared in several mass information outlets, dealing with the theme of international inspection of DPRK nuclear facilities. Pyongyang, we recall, decisively objects to such inspections; the West insists on international monitoring of nuclear facilities, fearing that North Korea is getting close to creating its own nuclear weapons. A polemic has flared up on this subject, and has already become a topic of discussion during the talks between the premiers of the North and South, which were recently held in Pyongyang.

What is in fact going on in a country, which until now has been largely closed to study? Will the DPRK really possess nuclear weapons in the near future? The German journal DER SPIEGEL, among others, tries to answer these questions in a report, published last Sunday, to the effect that several German companies are helping North Korea carry out work to develop nuclear weapons.

According to the journal, the information it has received is based on data from the BND intelligence service, prepared for the office of Chancellor H. Kohl.

At present the BND has information about the Leis Engineering GmbH company, which is supplying special types of steel to the DPRK. Such steel is used to produce containers in which radioactive materials are kept.

Representatives of the company have confirmed to DER SPIEGEL that such deliveries were in fact made at the end of last year and the beginning of this one. They were intended, they say, for the construction of a fertilizer factory.

According to published data, specialists suggest that there is now enough raw material in the DPRK to have two or three atom bombs in the middle of the 1990's. BND experts believe that the nuclear reactor in Yongbyon is intended not for civilian purposes, but is being used to produce plutonium needed for military purposes.

#### **ROK Envoy Views Korean Unity Issue, Ties with USSR**

92UF0144B Moscow KURANTY in Russian 3 Oct 91  
p 4

[Interview with Kong No-myong, Extraordinary and Plenipotentiary Ambassador of the Republic of Korea to the USSR, by Konstantin Eggert under the rubric "Politics"; date, place, and occasion not specified]

[Text] A year has passed since the day diplomatic relations were established between the Soviet Union and South Korea. In this connection the Extraordinary and Plenipotentiary Ambassador of the Republic of Korea to the USSR, Mr. Kong No-myong, gave an interview to the KURANTY correspondent. The Ambassador is convinced that for his homeland unity will begin with letters.

[Eggert] Your Excellency, several weeks ago North and South Korea were admitted as members in the United Nations. Does that not mean actual recognition by the international community of the split which occurred on the Korean Peninsula almost half a century ago?

[Kong No-myong] The existence of two states with absolutely different political and economic systems within a once-unified country is a real fact of today. However, it does not mean that the South Koreans consider those who live north of the 38th parallel foreigners. We are one people with a common history and culture. The country split only slightly more than 40 years ago. That is an instant as compared with the more than 1,000-year history of a unified Korea.

[Eggert] Do you believe in future unity?

[Kong No-myong] Needless to say not tomorrow or, say, the day after. It will be a long and difficult path. Do not forget, the specter of the bloody war of 1950-1953, which

cost 5 million dead and wounded, stands between North and South Korea. Such things do not happen and leave no trace.

[Eggert] How should overcoming the split start, in your opinion?

[Kong No-myong] With the simplest of things, with letters. Ten million Koreans in the south have or had relatives in the north. There has been no information about what happened to their close ones for almost 40 years. Many people, of course, have already died, but ultimately people have a right to know even that.

[Eggert] So there is no communication at all?

[Kong No-myong] Absolutely none. The KPDR [Korean People's Democratic Republic] lives in a state of virtually complete isolation from the Republic of Korea. Pyongyang's consenting to exchange private visits by relatives could be the next step. If they do not want to allow South Koreans to come to their country—we will agree to meet in the demilitarized zone! But then how can you talk about trade and cultural exchanges... Free movement of goods and people is an extremely important prerequisite for a peaceful and democratic solution to the problem of the division of Korea. In this regard we welcome the admission of the Korean People's Democratic Republic into the United Nations. By becoming a member of the world community, North Korea will have to deal with its opinion. Especially since Pyongyang needs financial-economic support very badly, and that is not being given now without compliance with certain conditions.

[Eggert] I am afraid that the Kim Il-song regime is worried about altogether different questions, in particular its nuclear program.

[Kong No-myong] North Korea joined the Treaty on Nonproliferation of Nuclear Weapons, but up to now it has not signed agreements on norms of security and international inspection, under the condition that it be admitted as a member of the United Nations. But no sooner had this been done than the next day Pyongyang made a new demand—the withdrawal of American nuclear weapons from South Korea.

[Eggert] If I am not mistaken, the United States never confirmed or denied their existence in the south.

[Kong No-myong] That is absolutely correct. Now, after President Bush decided to eliminate tactical nuclear weapons, and it is certainly clear that they are the ones which the American troops in my country may have, I cannot imagine the new pretexts North Korea will seek to avoid inspection.

[Eggert] But what do you think can be done?

[Kong No-myong] At this time we are counting on the aid of friendly states which, I hope, will be able to convince the leadership in Pyongyang to abandon this insanity.

[Eggert] A few days ago your minister of defense was talking about the possibility of a military action on the model of "Desert Storm."

[Kong No-myong] His words were interpreted inaccurately by the information agencies—he mentioned the possibility of "forced inspection," but nothing more.

[Eggert] Do Soviet military supplies to the KPDR affect the interrelations of Moscow and Seoul?

[Kong No-myong] We view this problem in the context of maintaining an overall balance of forces and military-political stability on the peninsula. A concrete approach is important here.

[Eggert] Diplomatic relations between our countries are only a year old. What are the most important events of this period, in your opinion?

[Kong No-myong] Without a doubt, the two summit meetings between presidents Gorbachev and No Tae-u. You do agree that it is not often that two entire "summits" occur within the framework of relations between states in such a short period of time.

[Eggert] What looks more attractive to your government now, cooperation with the republics or an orientation to those unifying structures which are being preserved in the new community?

[Kong No-myong] We are waiting to find out what final form the union of republics will take. We will use that as a basis to build our relations with you.

[Eggert] Which spheres of bilateral cooperation seem most promising to you?

[Kong No-myong] First, science-intensive equipment and industry. Your country has extremely rich intellectual potential in these fields, while our country has a great deal of experience in the practical realization of all kinds of development work. Secondly, South Korean businessmen would gladly take part in developing your natural resources. And, finally, we would simply like to use all the means we have to help ensure that new goods and services make the lives of your country's ordinary citizens easier and more joyous.

[End of interview]

When this interview was being prepared for print, the editorial office received the text of the speech by President No Tae-u at the session of the UN General Assembly. In it he sounded an appeal for developed countries to give all possible aid to those states which are changing from a planned economy to a free market and democracy, above all the USSR and East Europe. Speaking of the situation on the Korean Peninsula, President No made the following proposals:

—conclusion of a peace treaty between the KPDR and the ROK instead of the temporary truce which has been in effect since 1953;

- reduction of arms on both sides and development of measures of trust;
- establishment of free trade, information, and humanitarian exchanges.

### New Japanese Prime Minister Profiled

92UF0143A Moscow IZVESTIYA in Russian 29 Oct 91  
Union Edition p 4

[By S. Agafonov: "Miyazawa's 'Shining Hour'"]

[Text] Tokyo—As expected, the election of the chairman of the ruling Liberal Democratic Party has taken place in Japan without surprises, but with a fair deal of pomp, with the winner known in advance. Having mustered 58 percent of the vote, Kiichi Miyazawa has become the 15th chairman in party history.

Second place (24 percent of ballots) was taken by Michio Watanabe, who thereby secured the position of heir to the office of leader. Third place (18 percent of the vote) went to Hiroshi Mitsuzuka, whose future, given this share, is shrouded in mystery.

This Thursday at an official ceremony Miyazawa will become the holder of all the "command regalia" in the LDP and on 5 November at a session of parliament will assume the duties of prime minister of Japan.

In Japan's political world Kiichi Miyazawa is largely a unique figure. He is 72 years of age, but it is not, of course, a question of age but of the "stages of the great path" trodden by this outstanding man. A politician—this is the "family profession" for the Miyazawa clan—his father and grandfather were members of parliament, and now also his younger brother sits in the upper house, Kiichi himself entered the corridors of parliament as a deputy 38 years ago. This was preceded by graduation from the legal faculty of Tokyo University, work in the Ministry of Finance and many years of work as secretary and aide to such important figures of Japanese politics as former premiers Ikeda and Yoshida. Miyazawa has participated in practically all the important negotiations with the Americans as of the end of the 1940's, is fluent in English and maintains the most extensive overseas relations. In the years of his parliamentary career he has held 13 ministerial offices, of which none of his party colleagues can boast.

It is not only this, however, which is considered unique in Japan. Miyazawa stands out among other LDP figures by his active reluctance to become involved in the "dirty work," by which is implied a search for financial resources, indoctrination of the electorate, backstage measures and so forth. Miyazawa can permit himself this in respect to his family ties—he has family relations with the founder of one of Japan's biggest corporations, Bridgestone, and with the Aso family of coal magnates and is even distantly related to the imperial house through Prince Mikasa. In addition, he is close to a number of powerful organizations which dispose of huge

financial resources—to the Society of the Ram, for example, which is headed by the president of Kashima Kensetsu, the biggest construction corporation, to the Tall Tree Society, which is chaired by the president of Nippon Steel, and to a dozen other various societies which spare him trifling financial problems. But it is this fact and the emphatic aloofness from "what everyone does" which have engendered a keen dislike for Miyazawa within the LDP itself, which has been multiplied many times over by Miyazawa's erudition and his weakness for publicly demonstrating this erudition. In the years of his political career Miyazawa has repeatedly had to listen to charges of "fastidiousness," "showing off intellectually" and "arrogance in respect to his colleagues."

Miyazawa is frequently excoriated for his "excessive intellectuality" and "supercautiousness" and his innate indecisiveness. Boosters of the new LDP chairman and future premier brush aside these rebukes, but it is at the same time obvious that in intraparty contacts Miyazawa does not in fact exhibit "strong leadership."

The media also point to the strained relations between Miyazawa and the most important figures of the most powerful grouping in the LDP—the Takeshita faction. Considering that Miyazawa was successful at the elections thanks to the support precisely of this faction, it is undoubtedly a serious point, the more so in that the basis of the friction are not only personal but also political nuances—Miyazawa, say, is opposed to a revision of the constitution, but his opponents, in favor—and there are differences in the views on political reform and certain aspects of foreign policy. How these "knots" will be untied, time will tell, but they do not promise a peaceful life.

The new prime minister's program speech in parliament is scheduled for 8 November, and then much will become clear. Meanwhile, however, it remains to add the final touches to our familiarization with Miyazawa with a few further facts from his personal biography. Miyazawa, it is said, is one of the shortest Japanese premiers—he is 160 cm tall and weighs 57 kg—but despite this, according to police records, in 1959 he courageously beat off an attempted mugging. Miyazawa sits at the dining table just twice a day and goes without breakfast and in the morning takes long walks for exercise and is a golf enthusiast. In his younger years he liked to drink sake, but now he has switched to scotch and water, celebrating this switch quite frequently. The newspapers make particular mention of the fact that Miyazawa reads foreign publications in the parliamentary library—an unusual fact, by all accounts, since they write about it. In addition, he gave his daughter away in marriage to an American—an employee of the U.S. State Department. And Miyazawa's son is in business—the owner of a construction company.

Acquainting Japanese readers with the character of the new leader, local observers emphasize that for the first time in recent years Japan is acquiring an "intellectual



premier." This is not all that tactful, of course, in respect to his predecessors in this office, but this is what is being written....

### Environment Minister on Kurils, Seeks International Reserve

92WN0089B Moscow KOMSOMOLSKAYA PRAVDA  
in Russian 29 Oct 91 p 3

[Article by N. Vorontsov, USSR minister for the use of nature and environmental protection, RSFSR people's deputy: "Our Eared Seals Will Not Learn Japanese. A Look at the 'Edge of the Earth'"]

[Text] In the post-war years, the Kuril Islands became the front edge in a confrontation between two worlds. Only fishing enterprises were developed. Their closed nature and a shroud of secrecy interfered with the development of these territories.

Recently, there have been frequent references to how neglected the localities are in the South Kuril Islands, including the Golovnin settlement, Yuzhno-Kurilsk, and Malo-Kurilsk, as well as Kurilsk. Their desolate existence is compared with the prosperity of cities and settlements on the Japanese mainland. While not justifying in any way our indisputable economic and political miscalculations in developing the Far East, I would like to recall that the population of the South Kuril Islands and the administration of Sakhalin Oblast have actually lived under a sword of Damocles since 1954. The people do not know whether they are masters of this land or not; nor do they know what is going to be decided behind their backs. Their children were born there, and the first grandchildren of citizens of the Kuril Islands have now come along; nonetheless, everything has remained up in the air. From this standpoint, current protests by the Russian population of the Kuril Island and Sakhalin Oblast appear justified to me.

We mention how little has been invested in this region. But I would like to note that in the last 46 years, the South Kurils have been studied by Soviet scholars very profoundly (and at great expense!). I will quote only the most obvious examples.

The Biological and Soil Science Institute of the USSR Academy of Sciences Far Eastern Division has carried out a series of long-term expeditionary studies of the fauna and flora of these areas. This research became the foundation for developing environmental protection measures for the entire region. Soviet microbiologists have engaged in particularly interesting world-class studies. Soviet vulcanologists have studied such outstanding subjects as the Tyatya Volcano, the Mendeleyev Volcano, the Golovnin Volcano, and a number of other volcanoes on Kunashir.

Our hydrobiologists and marine biologists from the USSR Academy of Sciences Zoological Institute in Leningrad, the USSR Academy of Sciences Institute of Oceanology in Moscow, and the Institute of Marine

Biology of the USSR Academy of Sciences Far Eastern Division have studied the biology of the littoral zone of the South Kuril Islands and discovered hundreds of species which were new to science.

The South Kuril Islands and the Kuril Islands in general are a most important migratory route for the north-western area of the Pacific. The fate of a bird population numbering in the millions in the northwest Pacific area depends on the condition of environmental protection on the Kuril Islands. The Kuril Chain, in particular the South Kuril Islands, play a tremendous role as a location for the maturation and migration of the salmon of the Far East. More than 1 million tons of fish are caught annually in the vicinity of the South Kuril Islands (by comparison, all countries together catch 350,000 tons in the Baltic Sea).

Relevant conventions exist between the Soviet Union and Japan which, unfortunately, have been repeatedly violated by Japanese fishermen.

The ecologically-minded public has come out many times against the continuing extermination of whales by Japanese whalers in the oceans of the world. This process will hardly be stopped if the northern territories are handed over. Ringed seals procreate on the small islands of the Minor Kuril Chain; there are eared seal lies. Colonies of the most valuable fur animal, the "sea beaver," or sea otter, have been preserved along the shores of Iturup. Expeditions of the legendary research ship Vityaz in 1948 and 1949 offered an absolutely new look at the structure of the organic world in adjacent marine areas. It was here that Academician A. Ivanov discovered representatives of a new type of animal, pogonophora phylum. Studies by A. Ivanov, L. Zenkevich, P. Ushakov, G. Belyayev, and O. Kusakin have become contributions to a golden treasury of world science. New subsurface ranges, such as the Vavilov and Obruchev Mountains, and a number of other underwater heights, including those in the vicinity of the South Kuril Islands, were actually discovered during the Soviet period. The structure of the Kuril Trough, stretching to the east of the Kuril Chain, which is among the deepest in the world, has been studied in the most thorough manner; underground volcanoes were discovered near the shores of Kunashir and Iturup. Research by Soviet seismologists is highly significant. Manifestations of marine volcanic activity have been studied here, on the Kuril islands; earthquake centers were located, and a quite perfect tsunami warning service was created. When we say that nothing was invested in developing the South Kurils it is absolutely unfair. Indeed, the investment in the infrastructure of settlements was criminally small. However, the contribution of Soviet science to the study of the South Kuril Islands has been tremendous. This contribution could become the basis for the prosperity of this territory within Russia.

So, what is to be done about the issue of the "northern territories?" First, I am convinced that the South Kuril Islands—not only the Minor Kuril Chain, including the

islands of Shikotan, Polonskiy, Zelenyy, Yuriy, Anuchin, and Tanfilyev, but also Kunashir—should be turned into a demilitarized zone.

Second, this territory amounts to an absolutely unique natural complex. I believe that it would be feasible to urgently organize an international reserve together with an adjacent natural park and a recreation zone on the entire Minor Kuril Chain, in part of the areas on Kunashir and perhaps even Iturup. Apparently, in the process the Japanese side could allocate to the reserve one of the two northern capes of Hokkaido. This international reserve consisting of Japanese and Soviet parts should be open to researchers from these countries and the world community at large.

Third, it appears that joint Soviet-Japanese enterprises, particularly marine farms, could be opened in the territory of Kunashir and Iturup. It is obvious that the issue of using the biological resources of this zone wisely should be considered seriously. We should be mindful of the fact that tiny uninhabited islands, such as Yuriy, Anuchin, and Tanfilyev Islands, may play a very great role as sites for concentrations of bird nesting areas, lies of marine animals, and areas of fish maturation. All of these islands, even large ones like Kunashir and Iturup, appear to be small blots when you see them in Moscow on a small-scale map. Meanwhile, each one of them is comparable to the southern coast of the Crimea in terms of size and uniqueness.

The Soviet delegation made proposals to organize a joint reserve, incorporating the extreme northern areas of Hokkaido and the South Kuril Islands, at negotiations in Tokyo between the representatives of Soviet and Japanese environmental protection organs. Japanese researchers acknowledged the indisputable need to set up the reserve at this particular location. However, it was felt in the course of the negotiations that the Japanese environmental protection specialists were not free to pursue their interests. Big-time politics was making the people tense.

What will happen if the South Kuril Islands are handed over to Japan after all?

There is absolutely no doubt that a quite rapid economic development of these territories would begin which would be accompanied by the extermination of the richest biological resources. However, the main point is that there would be refugees. These would be the first Russian refugees from a territory belonging to the Russian Federation. We should bear in mind that refugees provide the nutritive environment for sustaining all forms of nationalism. Let us recall that the resettlement of the Ostsee Germans from the territory of the Baltic states, which began after the end of World War I, produced a stratum of migrants in Germany which became one of Hitler's social bases. A revision of state borders will set a precedent for possible subsequent claims against the Russian Federation and the Soviet Union.

Finally, several words about political dividends. Japanese politicians have succeeded in changing many years of monologue concerning the northern territories into a dialogue. Without doubt, this benefits detente. If the Japanese politicians succeed in ensuring the transfer of the northern territories to Japan, their names will forever go down in the history of their country. But is it not worthwhile for our political leaders, of both the country and Russia, to consider how the future generations will view the transfer of the South Kuril Islands to Japan?

### **FRG Views PRC's 'Third Way' Economic Development with Pessimism**

*92UF0132A Moscow IZVESTIYA in Russian 29 Oct 91  
Union edition p 4*

[Article by Ye. Bovkun: "Prominent German Expert Believes China's 'Third Way' Doomed to Fail"]

[Text] Judging by everything, the FRG government is beginning cautiously to change its policy with regard to China, at least in its economic aspect. It is presumed in Bonn that the two countries will exchange visits by highly-placed diplomats at the beginning of next year. Even now, the FRG is already lightening the sanctions announced by the EC after the bloody events in Beijing in 1989, approaching the development of relations with this country especially pragmatically.

In addition, the FRG is not building illusions regarding the Chinese economy's "third way." In this regard, a speech on economic issues by Matias Wiessman, an expert from the Christian Democrat faction, to the Chamber of Commerce and Industry in Dusseldorf deserves attention.

Substantiating the contradictory nature of the economic situation in China, this politician noted that liberalization has occurred in individual sectors of the centrally administrated economy since 1978, as a result of which it managed to conduct agrarian reform with the actual reprivatization of agriculture, to create small private enterprises, to weaken the grip of state administrative price-setting, and to establish special market zones for cooperation with foreign companies.

However, Wiessman remarked, the discrepancies between the state and market sectors of the economy continue to diverge. In the agrarian sector, China has achieved record harvests, has become less dependent on the import of food, and has even advanced to among one of the basic meat producers. Over the last 10 years the cooperative and private sectors became the "engine of growth" for the Chinese economy. Since 1979, 4 million cooperative and private small enterprises have sprung up in the country. A third of all food production is produced in this sector.

Nonetheless, the Christian-Democratic expert is certain, this does not give grounds for China to hope that the

successes of the private sector will substantially advance the state economy, which is still in the clutches of socialist planning.

Almost one-third of the state industrial enterprises are on the verge of bankruptcy, and another third are in need of an immediate clearing of finances. Even the enterprises counted among the well-to-do now receive fewer profits by half. Specialists estimate concealed unemployment in China at 200 million people. The combination of administrative and tariff import restrictions (including a ban on the import of certain products) has limited the flow of needed goods into the country. This policy has become one of the reasons for China's enormous trade deficit with regard to the EC, which amounts to 5.5 billion ecu.

The economy of China, M. Wiessman concludes, is suffering from the serious shortcomings of a planned economy, which intensifies uncertainty in the conduct of economic reforms. The West is welcoming the announcement of reforms and is revoking the sanctions, but it is not forgetting that the Chinese leadership's will for reforms is fettered by its aspiration to preserve the political status quo.

M. Wiessman expressed certainty that China will not find a way to enter into the world economic system with its socialist program. Only a market economy can provide the impetus for this. The experience of the 'third way' is doomed to fail. The longer China prolongs the fundamental restructuring of the planned economy into a market economy, the more the distance separating it from other states in the Asian economic space will increase. Political and economic freedom are two sides of the same coin.

### Results of Paris Cambodian Peace Conference Examined

92UF0144A Moscow IZVESTIYA in Russian 25 Oct 91  
Union Edition p 4

[Article by B. Vinogradov, Yu. Kovalenko, and A. Ostalskiy: "The Paris Conference on Cambodia Ended in Success"]

[Text] So, the event which everyone had awaited for a long time and toward which they had moved slowly, at times overcoming tormenting doubts and difficult barriers, has taken place. On the evening of 23 October a packet of documents on the all-encompassing political settlement of the Cambodian conflict was signed on Kleber Avenue.

The 19 participants in the international Paris Conference fixed their obligations to restore peace in Cambodia with a fountain pen and ratified a concrete plan to create a new, independent neutral state on the Indochinese Peninsula. This marks the beginning of an altogether different stage in the history not only of Southeast Asia, but of the entire Asian-Pacific region.

That is precisely how the significance of this document is being assessed by the world press and diplomats, clearly without fear of falling into exaggeration. It refers essentially to putting an end to the 50-year period of that unnatural condition in which the peoples of the largest region in the world have lived until now, the French newspaper LE FIGARO mentions in this connection. The newspaper calls the Cambodian conflict one of the most complex conflicts of contemporary times. The Paris Conference has opened a "clean page" on which lines on the new rules of the future regional order will be written.

But it would be wrong to say that an utterly enthusiastic tone is present in the wide stream of commentaries now going on. Columnists are trying even now to look ahead and predict, if only approximately, the course of future events both in Cambodia and around it. For the documents signed for now remain only noble statements, undoubtedly positive ones, but only intentions. This was also mentioned at the meeting of the "Big Five," the permanent members of the UN Security Council, which was held on the eve of the signing. The subject there was how to realize the provisions of the final documents developed collectively in practice. For now the issue of candidates for the post of special representative of the UN Secretary General, who will assume the exacting duties of heading UNCTAD, the provisional UN organ to govern Cambodia in the transitional period, has not been resolved.

A great deal will now depend on "those responsible for the triumph," the four Cambodian parties which were the direct participants in the conflict. Where, for example, are the guarantees, the newspaper LIBERATION asks, that during the transitional period they will precisely follow the plan formulated with their participation and reject the temptation to save weapons for future fights for power or wait until the UN observers leave the country and again begin to clarify relations among themselves and recall old debts and mutual insults? The 350,000 Cambodian refugees, whom Pol Pot supporters even now are trying to use as a reserve army of voters, driving them from the Thai camps across the border on an emergency basis, present a big problem.

The Khmer Rouge, who have added the definition "new" to their title, have really not changed one iota, experts on the Cambodian question believe. One of their leaders, the closest comrade in arms of Pol Pot, Ieng Sary, recently boasted to Western journalists that his people control 25 percent of all Cambodian villages. And, of course, they have not abandoned claims to power in Phnom Penh, and one may be sure that they will do everything they can to take revenge for past injuries.

It has been decided that the first detachment of UN "blue helmets," which will number 268,000 people and will begin preparing other international actions, will be sent to Phnom Penh in early November. France assumed

one-quarter of all the expenses to carry out the operations outlined, as well as material-technical support. Ahead lies the long tedious work of shaping the administrative structures, setting up contacts with the existing administration, breaking the iron grip of the fronts, finding the mine fields, and confiscating and destroying weapons.

The task which the United Nations must perform in this year or year and a half is unprecedented in scope, notes LIBERATION. Still remaining is a complex tangle of contradictions where the interests of many contiguous states and great powers are interwoven. Vietnam, which has formally paid in full on the "Cambodian account," now awaits reciprocal steps from the capitalist world and is counting on speedy removal of the economic embargo. Incidentally, the U.S. Secretary of State, J. Baker, who met with Nguyen Manh Cam, the SRV [Socialist Republic of Vietnam] minister of foreign affairs, here in Paris, announced that the main obstacle on the path to normalizing American-Vietnamese relations had been removed. But other conditions remain in effect, in particular the resolution of the problem of the Pentagon soldiers who are "missing" in Vietnam.

Complete restoration of relations between Vietnam and China is planned in the coming days. Their rapprochement on ideological lines is also inevitable. Both of these countries continue to be devoted to communist doctrine and it is difficult to say how this will influence Cambodia's future development. The head of the French foreign

policy department, R. Dumas, insists on the need to reintegrate Cambodia into the economy of Southeast Asia, which is now marked by a more stable growth rate and a fairly high standard of living, as fast as possible. But it is indisputable that Japan, which has already promised to lay several billions on the table, is the most solvent banker in the game which is beginning here.

Some analysts are already portraying a situation where people who want to participate in the economic competition are rushing for the doors which have been cracked open. They also point out that the stock of the Soviet Union, which until recently had the most solid position in Indochina, has fallen markedly in this region. Although in speaking at the final meeting, the head of the Soviet delegation, B. Pankin, pointed out that our country, which gave a great deal of aid to the Cambodian people in the period of restoration of the economy, which had suffered from the Pol Pot regime, is ready to continue to participate in creating the new Cambodia.

We should remember that about 1.5 billion dollars will be needed from the international community, or rather from those states which intend to invest their money in the restoration of Cambodia, in the first stage. A special organ, the International Committee on Reconstruction of Cambodia, has been set up to coordinate the donor activity and monitor the receipt of payments.

The Paris Conference has ended. But that does not at all mean that the Cambodian question is closed along with the meetings on Kleber Avenue.

**Moscow Arab Club on Mideast Peace Conference Prospects***92UF0093A Moscow PRAVDA in Russian 19 Oct 91  
Single Edition p 4*

[Report by S. Filatov: "Middle East Prospects"]

[Text] On the eve of the introduction of Soviet forces into Afghanistan, no one was asking the experts for their opinions as to what could result from this step. Furthermore, the majority of specialists themselves remained silent. Times are changing. Today, on the eve of a very important event of global significance—the international peace conference on the Middle East—the experts are no longer waiting for the actions and decisions of politicians but are making a close study of any possible development of events.

They voice caution, as they identify the existing "underwater rocks" of the settlement process. They discuss the most acceptable and promising ways of development of the situation, and hope that the politicians would listen to them.

It was precisely in that spirit that the topic of a Middle Eastern settlement was discussed at a roundtable organized in Moscow by the Arab Cultural-Business Club, with the participation of leading Soviet Orientalists—scientists and diplomats, representatives of embassies, and the press of Arab countries. A number of interesting thoughts were expressed. Following is the essence of the discussions.

The peace conference, which will open in Madrid on 30 October, is a rare event with predetermined results. If the conference is completed, its outcome can only be successfully: a settlement will be reached, based on two principles: guaranteeing the rights of the Palestinian people and the security of Israel.

Should the conference fail, the alternative is equally well known: sooner or later there will be an Arab-Israeli war which will be waged on a larger scale and will be more dangerous than the Persian Gulf crisis. As one of the participants in the discussion said, mankind should put pressure on Israel, perhaps out of a feeling of self-preservation alone.

Why on Israel? Because to this day it has resisted and has been unwilling to accept the formula included in the resolutions of the UN Security Council: "territory for peace," and withdrawal from the Arab Palestinian lands it is occupying. In turn, the Palestinians have already made the maximally possible concessions in order to make possible the preparations for the conference, without even the slightest idea as to whether their rights will be honored.

After the Gulf war, while Israel strengthened its positions, the Palestinians lost the support of the Arab countries which are now in their most recent stage of disagreements. While the Americans are actively making their preparation plans for the conference, not a single

substantive initiative has come from the Arabs. Even those which had been expressed earlier seem to have been forgotten. The Arab leaders are doing nothing, and are waiting for something. Meanwhile, Baker keeps traveling the same worn-out path, cutting off many countries in the region from participating in the settlement.

Arab public opinion is silent, and so is public opinion in the Soviet Union. In general, the role of the USSR in the preparations for the conference is difficult to understand. The Soviet Union is the co-chairman but it is hardly possible to qualify our country as the organizer. Naturally, the USSR has plenty of problems of a domestic nature, which are weakening its international policies. However, to surrender entirely the initiative to the United States means to predetermine one's modest participation in the conference itself. Furthermore, one of the Arab experts expressed the view that there is a process of "Americanization of Soviet Middle Eastern policy.

In the final account, it could be said that after the end of the "war," the world community is now undertaking to put out the "hot war" in the Middle East. The process has been started, although a mass of problems remain, the solution to which should be sought now, before they have undermined any possible future agreements. This applies to the status of Jerusalem, the settling of the occupied territories with emigres from the USSR, the refusal of the majority of Arab countries to recognize Israel, etc.

**'Arab Cultural-Business Club' International Social Organization**

This organization invites anyone interested in cultural and business relations with the Arab countries to cooperate with it.

We are planning to hold the first congress of Arab businessmen in Moscow in December. We are prepared to consider your commercial suggestions, advertise your companies, and promote the selling of your goods on Arab markets.

The sooner you are in contact with the club, the more efficient will be your business cooperation with the Arab partners.

Do you want to learn Arabic? Do you want to study the history and culture of Arab countries? The club will be enrolling students for the study of Arabic, English, and other Oriental and Western languages.

You will be able to acquire a way for reciprocal understanding with the representatives of the great Arab world and enrich yourselves with knowledge of its history, culture, and spiritual values.

The club awaits to receive your suggestions and applications between 9 a.m. and 4 p.m. at the following telephone numbers: 433-05-87; 438-15-33; and 231-17-13.

**Kuwait Refuses Contract with Soviet Firm**  
*92UF0129A Moscow RABOCHAYA TRIBUNA*  
*in Russian 25 Oct 91 p 2*

[Interview with Abdel Mokhsin al-Duej, Extraordinary and Plenipotentiary Ambassador of Kuwait to the USSR, and Boris Nikitin, first deputy minister of petroleum and gas industry, by Vladimir Mikhaylov; date, place, and occasion not specified]

[Text] Back in the summer Soviet and foreign mass information media reported that our country, represented by the Russian concern Konversiya, would take part in eliminating the catastrophe which threatened all mankind, extinguishing the Kuwaiti oil wells which had been ignited by the Iraqis. Konversiya assumed responsibility for slightly more than 40 of the 750 turbulent gushers.

It has now become clear that the struggle against the barbarous actions of the aggressor is going much faster than was supposed and the last well, which was supposed to be extinguished in February, will be extinguished in November; only a few more than 50 remain burning.

The Soviet specialists have not yet begun working.

What in the world happened? To understand this, I asked two competent people, the Extraordinary and Plenipotentiary Ambassador of Kuwait to the USSR, Mr. Abdel Mokhsin al-Duej, and the first deputy minister of oil and gas industry, Boris Nikitin.

[Mikhaylov] Mr. Ambassador, could you perhaps tell us how negotiations on Soviet specialists' participation in extinguishing the fires in Kuwaiti oil wells went and what kind of agreement was reached?

[Ambassador] Kuwait was liberated on 26 February, and in March I visited the USSR Ministry of Petroleum and Gas Industry twice with a request on behalf of my country to take part in extinguishing the fires. After meetings with the deputy minister Boris Nikitin I understood that the Soviet Union has great potential for performing this work and was prepared to do it. I knew that dozens of all kinds of small Soviet firms were coming to Kuwait with similar proposals, and foreigners always spoke on their behalf. Some even called me from abroad, although the companies are located in the USSR.

I informed my government that only state organizations can handle this complicated work, and that we must certainly not deal with obscure firms.

In May Mr. Nikitin came to Kuwait with a group of experts. I saw a two-fold benefit here. First, they have enormous experience and the necessary equipment to handle the fires and, secondly, their participation in this process could be the first step in further development and expansion of Soviet-Kuwaiti cooperation.

The delegation was familiarized with the condition of the burning wells and asked to evaluate the forthcoming

work as quickly as possible and give an answer as to when a contract could be signed. When Mr. Nikitin returned, he came to see me and we talked for a long time, and I understood that the specialists could begin putting out the fires right away. It is true that it puzzled me that they asked for 100 wells. We have never had such a practice—not one of the Western companies has a contract for a particular number of wells; everyone fulfills the volume of work that they can.

We all expected the Ministry to begin transferring the equipment and specialists, but unexpectedly in June a delegation representing the Russian concern Konversiya came to Kuwait. They brought a letter to the prime minister of our country signed by the Russian leadership which contained a request that Konversiya participate in extinguishing the fires and expressed the wish for further cooperation between Russia and Kuwait. And then a contract was signed with Konversiya in which that company obligated itself to put out 43 wells. It was signed at the very beginning of July and work was to have begun on it in that same month. For some reason it was always asserted that these 43 were the most difficult wells. Honestly speaking, I was tired: in the last months the only thing I heard from the Soviets I talked with was: "You extinguished 200 (300, 400, 500, 600) wells? So those are the easiest. Our guys will have to take on the difficult ones."

[Mikhaylov] If the companies do not count how many fires each of them has put out, then how do you handle the labor payment?

[Ambassador] I will cite a contract with the Americans as an example; I emphasize the Americans specifically, since recently people in your country like only those examples. So here it is; we pay them 45,000-50,000 dollars every day. Even if they take a week to float equipment to a different point, all the same those days are paid for. That is a sober calculation: people should not hurry to finish one well and move on to another in order to earn more money. They are obligated to be concerned with quality, knowing that only that is the basic indicator of their labor.

[Mikhaylov] And who is coordinating the work?

[Ambassador] The Kuwaiti specialists. They send the brigades of different companies to those installations where it is most advisable to work at the particular time.

[Mikhaylov] How did they manage such a pace, so that all the fires will be extinguished almost 4 months sooner than the planned time?

[Ambassador] First, the foreign doom-sayers who thought that the work would take 3 to 5 years and cost 100 billion dollars were mistaken. Our specialists quickly determined that it would be possible to control the fires by February and it would cost from 20 to 30 billion. That is the maximum period of time and expenditures. Secondly, it was difficult to anticipate such good work. The

Hungarian companies especially surprised everyone—even the Americans were simply amazed when they saw their work.

[Mikhaylov] And the Soviets? They came in October instead of July. Are you going to demand penalties for breach of contract?

[Ambassador] What for? As you see, we did a great job without them. And they punished themselves, because you have to agree the pay for the work is quite good, especially for a country which complains of a shortage of hard currency. But most of all it hurts me, as the ambassador to the USSR, that the Soviet Union's prestige suffered in the eyes of our businessmen. Now it will be difficult for them to do business with your country. There is one thing which I really do not understand. In Kuwait oil, a state resource, is burning. In the Soviet Union there is a ministry, a state structure, with enormous experience in extinguishing fires. Why is an intermediary, a third organization, needed between them? It seems to me that was the reason the contract was breached.

I would hope that the RABOCHAYA TRIBUNA readers and all Soviet people in general know that we appealed simultaneously to all countries without giving anyone preference and without creating unfavorable conditions for anyone. And it is not our fault that the Soviet specialists remained on the outside. We were interested in your help and those who accuse us do it to cover their own mistakes and blunders. Nonetheless, I want to invite Soviet organizations and institutions, companies, and entrepreneurs to take part in the work to restore Kuwait and build the country. This stage has only just begun, so we will be very glad if Soviet organizations take part in it.

(Now we will hear from B.A. Nikitin.)

[Mikhaylov] Boris Aleksandrovich, I told you briefly how Mr. al-Duej saw the situation. But now it would be good to hear how it looks from the Soviet shore, so to speak.

[Nikitin] The issues have been stated correctly, in my opinion, but I want to tell the story from the very beginning, since our Ministry was at the sources of this matter. When I recognized the trouble that occurred there with the group of specialists in the last 10 days of April, I flew to Kuwait. It turned out that the Union Ministry of Chemical and Petroleum Refining Industry and the Ministry of Geology offered their services at the same time.

I met with the Kuwaiti oil minister and at the end of our visit we drafted a protocol of intention and made our proposals. We decided to combine with those two ministries (this was the initiative of the Soviet ambassador), and when I raised the issue of 100 wells, I meant that we would work together. But then Konversiya appeared with its proposals and the Union bureau of the Fuel and Power Engineering Commission supported it. The essence of those proposals amounted to our acting under

its "umbrella." Konversiya undertook to supply planes, deliver a steamship there for housing, fill out all the necessary documents, and pay our specialists and us. So it was decided: Konversiya would cover us and we would work as part of it.

But everything did not work out in the concern. I do not know whether that was their fault; in my opinion, it was simply a misfortune related to the fact that they dealt with a poor agent in Kuwait.

The fact that the Kuwaitis take a very cautious approach in allowing Soviet specialists in their country must also be taken into account.

[Mikhaylov] Perhaps I am running ahead, but tell us, where do we stand today?

[Nikitin] We had received all the freight before 16 October and shown the equipment and machinery to the Kuwaiti oil company, on 17 October we opened a detail at the first well, and by the 20th at 0940 hours it was out. On Monday we reported that the fire at the second well had been extinguished.

[Mikhaylov] That was a bit late. So you agreed that Konversiya would act on your behalf? Even though Mr. Ambassador was strongly behind your Ministry?

[Nikitin] We agreed to cooperation. Although in general we are the ones doing the work: 80-90 percent of the work lay on our shoulders. In our Ministry certain people also expressed the opinion that we should work alone, but this was certainly the first case where we and the Russian organization were working together abroad. And the point is not to extinguish so many fires, 200 or 150; the point is that we have not established any link at all with this country. We must demonstrate the technology and show that we can do this work. And I also want to say that Konversiya's difficulties are not related to its having poor personnel but to the difficulty of conducting the negotiations. And the delay is related to the changing of agents.

[Mikhaylov] All right, but the work should have been started in July. Even a month's delay is August, but certainly not October.

[Nikitin] We were conducting negotiations in July and August. In September Konversiya signed a contract, and to send one brigade, although we wanted several. And after all Argentina has not begun work yet, or England either. Others have contracts signed for brigades to come and put out a certain number of wells, but not for as many as they can. The volume of work has to be known. Konversiya has already sent six airplanes full of equipment.

[Mikhaylov] So then it has its own airplanes?

[Nikitin] No, but it concluded agreements with airline companies, civilian and military, and got the "green light." Incidentally, we could hardly have done that ourselves.

[Mikhaylov] But still, I cannot understand why this third organization is needed. Is the equipment yours? Are the specialists yours? Then you yourselves could work on a bilateral basis.

[Mikhaylov] But Konversiya came when there were three ministries which wanted to work in Kuwait. It came and it said that we guarantee you planes, housing, food, medical equipment, and fast conclusion of a contract for a large number of wells, since we have access to the very highest levels. We could not compete with one another—there was no time. And after all, we accepted Konversiya only in the stage of concluding the agreement and doing the auxiliary work so that we could start on the job ourselves. Moreover, you know that there is a tense situation in our country now, and any disruption that might occur there would have a strong effect on us. And so Konversiya did a great deal of work, and in addition pays people. You certainly understand, to perform such complex and dangerous work for 20 dollars a day... And we, as a state structure, cannot pay more. Konversiya can; it is a joint stock company and is not bound by official instructions.

[Mikhaylov] So people are working already?

[Nikitin] Since the end of last week. There are 53 specialists, and they have been given the most serious wells. People say that 500 have been put out, but they were the easy ones.

[Mikhaylov] But you already said that you have your people in constant readiness. So did Konversiya delay signing the documents?

[Nikitin] We prepared all the papers ourselves and we were involved in any delay. The legal and economic documents are ours, we instigated all the contracts; Konversiya has no such experience at all, while we have concluded contracts a number of times already. There were many people who wanted to do the work, but the capabilities of the Kuwaiti side were limited. Reports are already appearing in the press which say that the Kuwaitis can reject certain contracts themselves. In principle we do not necessarily have to assume the blame for everything; the important thing is our people are working and already have results.

[Mikhaylov] One of the people I was talking with expressed a fairly accurate opinion: if it had been just a question of help, it would have been done quickly and reliably, without any barbed wire. But something else was said here: if you want to earn money... And there were more than enough people who did, and clawing of fingernails and bargaining, as if it were not at a fire but at the bazaar, began.

Secondly. After hearing of the possibility of a large amount of money, Konversiya appeared in Kuwait with authority from the Russian leadership and quite quickly took on the contract, although it did not have the potential for independent work.

People in the Ministry were initially very disturbed about these "pirate acts." But after they cooled down a bit, they understood that everything was not so bad, and there was a certain advantage here. It is not important that Konversiya did not have any work experience with foreign partners. Everything could be written off against the Russian image, but all the same you do not write off failure. In the eyes of the whole world we now look like a country with whom it is simply dangerous to do business.

## Hersh Allegations of Israeli Nuclear Arms Noted

### Soviet Territory Said Targeted

924P0005A Moscow PRAVDA in Russian 23 Oct 91 p 5

[Article by V. Linnik, personal correspondent (New York): "Advertising Exposure"]

[Text] The territory of the Soviet Union is among the main targets of Israeli nuclear weapons along with the Arab countries. The shocking details are divulged in the recently published book "The Samson Option" by well-known American journalist and Pulitzer Prize winner Seymour Hersh. The possibility of "delivering Israeli strikes against Tbilisi or Baku" was considered during the initial stage of the planning of Israel's nuclear program, the author asserts. As Israel's nuclear arsenal was perfected, it may have acquired more far-reaching ambitions with regard to the USSR. After all, Israel now has, according to Hersh's estimates, around 300 nuclear weapons.

One of the most intriguing subjects in the book is the behavior of American presidents with regard to Israel's nuclear program. "This was not merely a policy of benign neglect," Hersh writes, "but a conscious decision to ignore the facts." Why? Hersh's categorical reply to this question is that all of the American presidents were intimidated by the Israeli lobby's influence in the United States.

Information about Israeli nuclear preparations, however, began to reach the United States a long time ago. Back in 1958 President Eisenhower ordered regular reconnaissance flights by American planes over the Dimona nuclear center and test site in the Negev Desert—the heart of the Israeli nuclear program. Incidentally, one of the pilots was the notorious Gary Powers who was shot down over USSR territory in May 1960. At that time the American Government already had every reason to believe that Israel was working on an atomic bomb. Nevertheless, John Kennedy was the only one who persistently tried to learn the facts about Israel's projects in Dimona. After his repeated requests for an explanation of what was actually going on in Israel's desert test center from then Prime Minister David Ben-Gurion, Tel Aviv agreed to annual American inspections of the Dimona site. The Israelis, however, took the shrewd step of building a false control panel and a set of dummy installations and showed these to the



inspector regularly. As a result, he was convinced that the work being conducted on the test site was of a purely peaceful nature.

Lyndon Johnson canceled the meaningless American inspections in Israel soon afterward. The Nixon administration had no worries whatsoever about Israel's nuclear preparations, despite the official and firm U.S. declarations in support of the policy of nuclear nonproliferation. This is quite understandable, Hersh writes, in view of the fact that the Nixon administration's foreign policy was the responsibility of H. Kissinger, "who sympathized with Tel Aviv's nuclear ambitions." As a result, the U.S. intelligence community stopped sending information about the Israeli nuclear program up the line after a while because it was simply ignored. Furthermore, as CIA chief-designate R. Gates said during Senate hearings, the U.S. leadership in the early 1980s was increasingly inclined in principle to rely more on the data of Israeli intelligence than on its own information.

During the war of 1973 in the Middle East, Israel made its first attempt to blackmail the United States, the author tells his readers. During the first days of the hostilities Tel Aviv was in such a pitiful position on the front that a defeat would have been completely possible without new shipments of American weapons. Israel issued an ultimatum to Washington through H. Kissinger: Either the administration could resume arms shipments without delay, or Israel would be forced to use its nuclear potential. The blackmail worked.

The author also refers to a whole group of extremely intriguing details. In particular, Hersh says that when Pentagon staffer J. Pollard was working in Israel, the information he gave Tel Aviv was much more valuable than reports in the press have indicated. Besides this, Pollard was an Israeli agent for 4 years, and not for the 17 months previously reported. His contact in Washington was the Israeli official responsible for keeping track of the military targets of Israeli weapons in the Soviet Union. Hersh's account of how Israeli Prime Minister Y. Shamir gave the Soviet leadership a somewhat "sanitized" version of Pollard's information through Ye. Primakov is extremely interesting. Shamir's press secretary refused to comment on this, saying only that the premier had not read the book because he was "occupied with the important job of establishing peace in the region."

The author of "The Samson Option" is known in America as a master of the genre known as investigative journalism. His book is the result of many "excavations": searches for sources and documents and meetings with people in various countries. Some American and Israeli intelligence officers agreed to be quoted officially for the first time in Hersh's book after meeting him. The author followed the general rule of printing nothing that could not be corroborated by at least one witness or expert.

In conclusion, we naturally wonder how the publication of this expose became possible. After all, Hersh's work for the last 3 years was financed by the NEW YORK TIMES, which, to put it mildly, could never be suspected of an aversion to Israel. The explanation seems simple: The book is not only an exposure of Israel's military strength, but also a massive advertising campaign for it. It is completely apropos today. I must remind the reader that after the recent war in the Persian Gulf, there was only one nuclear power left in the Middle East—Israel.

### Treatment of Iraq, Israel Contrasted

924P0005B Moscow SOVETSKAYA ROSSIYA  
in Russian 23 Oct 91 p 3

[Article by V. Afanasyev: "Clutching a Bomb to Their Bosom; Two Approaches to the Nuclear Arsenals in One Region"]

[Text] Assessments of Iraq's success in the development of nuclear weapons diverged considerably just a year ago. The loudest warnings about the "Iraqi menace" and about the atomic weapons Iraq would be certain to use in a military conflict were issued from Tel Aviv.

The search for atomic installations in Iraq for the purpose of destroying them is under way in accordance with the UN Security Council resolution of 15 August and other Security Council decisions. According to various experts, however, this country would require some time—ranging from a few months to a few years—to develop its own nuclear weapons.

The situation is different in Israel, which has had these weapons for a long time.

Of course, the equipment used in Baghdad's nuclear program could be completely destroyed in line with the plans of the International Atomic Energy Agency (IAEA), but is this any guarantee that another Arab country will not acquire atomic weapons a short time later? If a hostile neighbor is clutching a rock, why not get one of your own? Only a peaceful solution to the entire group of problems in the Middle East, especially the Palestinian problem, and the consequent guarantee of safe and reliable borders in all of the states of the region can prevent the proliferation of weapons of mass destruction in this region and eliminate the desire of any side to use them.

If the "nuclear arsenals" in Mesopotamia are being searched out, why should the ones in the Negev Desert be left undisturbed? Especially in view of the fact that the strategists in Tel Aviv were once ready and willing to use the atomic bomb in the war with the Arabs? This was reported in April 1976 by the American weekly TIME. According to its information, Israel had been ready to drop atomic bombs on its Arab rivals back in 1973. They could have been delivered to their targets by Kafir and Phantom planes or Jericho missiles. Within 78 hours, 13 such bombs were assembled in a secret underground

tunnel. The only reason that they were not used was that military fortune finally smiled on the Israelis.

Tel Aviv continued to perfect its nuclear arsenal in subsequent years. The Western press reported that Israel and South Africa conducted a joint nuclear test in the Indian Ocean in September 1979. Furthermore, Tel Aviv never did sign the Treaty on the Non-Proliferation of Nuclear Weapons.

Periodic public opinion polls in Israel indicate the constant growth of hostility toward the Arabs. The Arab magazine *AL-FURSAN*, for example, reported the disturbing results of 50 public opinion polls Israel's *JERUSALEM POST* had conducted in the last 15 years: Whereas only 36 percent of the Israelis were in favor of using atomic weapons against the Arabs in 1981, the figure was already 53 percent in 1987. This year the figure was 88 percent. In other words, the overwhelming majority of Israelis are now in favor of atomic war with the Arabs!

It is completely obvious that a single reasonable approach is essential: If the atomic weapons of one aggressor—Iraq—are to be destroyed, it will also be necessary to immediately confiscate the weapons of another contentious state—"democratic" Israel, which has commandeered the Gaza Strip and the West Bank of the Jordan River and has annexed Syria's Golan Heights and East Jerusalem.

The Israeli leaders should begin by ridding themselves of their enemy image of Palestinians and other Arabs.

Then they will have no need to clutch an atomic bomb to their bosom. The inviolability of Israel's borders will be guaranteed by the appropriate treaties with its neighbors, and this would be more reliable and less destructive!

When I was writing this article, newspapers in the United States published articles about American journalist Seymour Hersh's new book, "The Samson

Option." According to Hersh, Israel's nuclear potential was readied for combat again this year, when the Iraqi missiles were landing on its territory.

Hersh says that Israel's nuclear arsenal is diverse and that it even includes a neutron bomb. On 21 October the *WASHINGTON POST* reported that because part of Israel's nuclear arsenal was aimed at targets in the USSR, the Mossad recruited American citizen Jonathan Pollard in 1981 to gather intelligence data on targets in the Soviet Union. Hersh says that the information Pollard delivered "included top-secret American information about the locations of Soviet military targets and the specific details of Soviet methods of camouflaging and hardening these targets." Pollard also provided Israel with information about Soviet air defense systems and a copy of a classified CIA analysis of the USSR's nuclear programs.

Therefore, Israel's nuclear weapons pose a threat to our country as well as to the Arab countries.

We know that Tel Aviv was disturbed by the absence of diplomatic relations with the Soviet Union and we know what kind of moral and political pressure it exerted on our country to urge us to restore these relations. By restoring them, have we been too quick in laying our strongest trump card on the table? Was this move justified? I think it was the wrong thing to do under present circumstances.

Israel's consent to participate in the Middle East conference which should begin soon in Madrid certainly does not mean that it is willing to take real steps toward peace in the region. Above all, this would presuppose the acknowledgement of the legitimate rights of the Palestinian Arabs and their indisputable right to have their own state, recognition of the Palestine Liberation Organization, without whose participation the peace process would be unthinkable, and withdrawal from the occupied Arab territories.

**MFA Cited on Seamen Seized by Liberians**

92UF0127A Moscow IZVESTIYA in Russian 26 Oct 91  
Union Edition p 5

[G. Charodeyev report: "Soviet Hostages in Liberia Alive"]

[Text] IZVESTIYA (No. 254) has already reported on the seizure of the Soviet fishing vessel Bakurus, flying the Nigerian flag, off the coast of Liberia. In a comment referring to Soviet diplomatic sources it was noted that despite continued threats of physical reprisal being made by Liberian terrorists against the Soviet crew, our citizens are "alive and well." Nevertheless, the media continue to report that the hostages seized by the so-called National Patriotic Front of Liberia "are under threat of being shot" and that things are going badly for them. What is the real state of affairs? In response to this question from an IZVESTIYA correspondent, this is what the USSR Ministry of Foreign Affairs replied.

The vessel, rented by a Soviet-Nigerian company, Beam Fisheries, had previously been in the port of Buchanan where it was held by rebel forces opposing the interim government in Liberia. The National Patriotic Front is supported by Nigeria and other countries in the region. According to the information available today, all members of the crew are alive and well and are receiving food, and there has been no threat against them. When the Soviet Ministry of Foreign Affairs received word of the vessel's seizure it immediately took the steps necessary to free the vessel and its crew. The affair has been complicated by the fact that since an internal armed conflict is under way in Liberia, the embassy and other Soviet institutions were evacuated from Monrovia in July 1990 and we do not now have our own representatives there. Under these conditions, the Soviet ambassadors in Nigeria and a number of other African countries which border Liberia were instructed to appeal to the official authorities, asking for help in freeing the hostages and the vessel. At our insistence the Nigerian side is taking the appropriate steps in Monrovia. A promise has been given by the U.S. State Department that it will use the opportunities it has in Liberia. Direct contact has been established with a representative of the front in one country. As a result of the steps taken, encouraging signs have been seen that our fishermen will be released.

The representative of the USSR Ministry of Foreign Affairs reminded us that this is not the first time a similar incident with a Soviet fishing vessel has occurred off the shores of the countries in Africa where armed conflicts were occurring. Unfortunately, our organizations and companies that are now moving independently into the foreign market are obviously paying insufficient attention to the danger from the sociopolitical situation in zones of conflict.

In the USSR Ministry of Foreign Affairs they believe that in order to avoid similar cases the leaders of commercial, non-state organizations operating abroad

should take counsel when necessary in the USSR Ministry of Foreign Affairs and the republic ministries of foreign affairs, and in the USSR Ministry of the Fishing Industry.

**Soviet, RSA Businessmen Discuss Trade Ties, Problems**

PM0511150991 Moscow IZVESTIYA in Russian  
31 Oct 91 Union Edition p 3

[B. Pilyatskin article: "Hail of Tempting Proposals for Businessmen from RSA"]

[Text] It is a surprising turn of fate: In the recent past the nomenklatura's Oktyabrskaya Hotel was the place where leaders of the South African Communist Party and the African National Congress—which, together with the CPSU Central Committee, reaffirmed the steadfastness of sanctions against the Republic of South Africa [RSA]—would stay when visiting Moscow. Now a meeting of businessmen organized by the "Russia-South Africa" Society has been held in that very same Oktyabrskaya Hotel.

The guests from the RSA were seven prominent business and banking figures. The Soviet participants were entrepreneurs and managers from Moscow, various parts of Russia, and—notably—experts and ranking staffers from government structures, as well as the RSFSR [Russian Soviet Federated Socialist Republic] Supreme Soviet. The agenda was rather cautious: "The RSA after apartheid—on the threshold of economic cooperation." However, the discussion showed that "sights" could be set considerably higher and that it is time to move from the "threshold" to the broad expanse of diverse ties.

It seemed to me that the guests were really stunned by a hail of proposals. I would cite: invitations to engage in concessionary trades in the Kuzbass, to buy seats on exchanges, and to take part in joint gold mining and the privatization of property "from Moscow to the backwoods." A. Vladislavlev, chairman of the USSR president's Enterprise Council, talked about the prospects for the RSA's participation in creating a market infrastructure in our country and, in this connection, about the desirability of sending to southern Africa hundreds of young people who, after working in companies over there, could subsequently put their experience to mutual use. O. Sadykov, a representative of the Urals "Promekologiya" firm, offered the South Africans an aircraft to fly to Yekaterinburg and to familiarize themselves with business opportunities locally.

Nonetheless, despite all our side's sincerity and enthusiasm, I think we should not get euphoric about the RSA's economic potential. As a result of the years-long news blackout and a reaction against the propaganda which depicted everything negatively, many people see the southern African country as an Eldorado which will provide us with rivers of milk and honey or as a

destination for immigrants seeking their fortune. Unfortunately, this is not the way things are, and we need to soberly realize this.

Although the African superpower outstrips Turkey, Indonesia, and Saudi Arabia in terms of GNP, its economy is a symbiosis of the First (industrial) and Third Worlds, between which there is a considerable gap. Overcoming that gap is the RSA's task for the years ahead. However, as Edward Osborne, chief economist with Nedbank, one of the main South African banks, stressed, the country is currently in a recession and has 6 million unemployed (out of a total population of 36 million). Many university graduates—including those with degrees in technical subjects—cannot find work. Osborne said all this to illustrate the fact that, in his view, the RSA is not in a position to provide food aid or to make major investments. Trade with payments in hard currency is another matter.

It is not ruled out that this tough position was a response to the speech by a Soviet expert who exclusively stressed the need for us to receive urgent aid. He painted a downright apocalyptic picture. When a house (our economy) is on fire the neighbors cannot just stand by or they will get burned—and he called on the RSA to distribute aid.

His colleagues disagreed with this view, and the overall tone was upbeat. Despite the immense economic difficulties facing us, there is no reason to panic. Foreign partners—in this case the South Africans—can count on doing successful business in Russia. For their part, the South Africans showed understanding of the existing problems and were prepared to seek mutually acceptable solutions. Osborne, who noted that RSA entrepreneurs are traditionally against barter deals since they restrict the private sector's room for maneuver, considered it necessary to stipulate that it is possible to alter this approach given the situation in our market.

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