Section 01 of 08 Moscow 06117

FOR OPEN FORUM CHAIRMAN EILEEN HEAPHY

E.O. 12065: GDS 5/19/88 (ZIMMERMANN, WARREN) OR-M
TAGS: APUB, PEPR, PINT, PROP, UR
SUBJECT: THE SOVIET SUCCESSION AND UNITED STATES
   POLICY

REF: STATE 117582

1. [ENTER TEXT]

2. THIS MESSAGE TRANSMITS AN ARTICLE FOR THE SPECIAL
   SECTION ON THE SOVIET UNION IN THE FALL 1982 EDITION
   OF "OPEN FORUM JOURNAL" (SOLICITED REFTEL). THE
   AUTHOR IS FSO-3 WAYNE MERRY OF THE POLITICAL SECTION
   OF THIS EMBASSY. THE DRAFT BENEFITED GREATLY FROM
   THE CONTRIBUTIONS AND COMMENTS OF HIS COLLEAGUES IN
   THE EMBASSY STAFF. HOWEVER, RESPONSIBILITY FOR THE
   VIEWS EXPRESSED HEREIN IS SOLELY THE AUTHOR'S.

SUMMARY

3. THE SOVIET INTERREGNUM IS ALREADY WELL UNDERWAY,
   WITH BREZHNEV SERVING AS LITTLE MORE THAN AN AILING
   FIGUREHEAD AND SYMBOL OF AUTHORITY FOR THE CURRENT
   LEADERSHIP. HOWEVER, THE SUCCESSION PROCESS WILL
   BE A LONG, DRAWN-OUT AFFAIR. DUE TO THEIR AGE, THE

Contenders for Brezhnev's mantle are interim players
in the succession, not the final winners and losers.
Despite the preoccupation of the Western media with
COMPETING KREMLIN PERSONALITIES, THERE IS NO SINGLE DYNAMIC FIGURE WITH A CLEAR SHOT AT THE TOP. IT IS THEREFORE MORE IMPORTANT TO FOCUS ON THE CONTINUITY OR DISCONTINUITY OF SOVIET POLICY WHICH THE TRANSITION WILL BRING. DURING THE BREZHNEV ERA THE SOVIET POWER STRUCTURE HAS BECOME OSSIFIED INTO A VERY INBRED AND INWARD-LOOKING RULING ELITE WHICH DETERMINES POLICY THROUGH THE THREE GREAT INSTITUTIONAL SEATS OF SOVIET POWER: THE PARTY, THE MILITARY AND THE SECRET POLICE. THESE FORCES FOR CONTINUITY AND INERTIA IN THE SOVIET SYSTEM ARE IMMENSELY STRONG AND ARE LIKELY TO PRODUCE A NEW LEADERSHIP IN THE BREZHNEV MOLD. DESPITE SERIOUS AND INCREASING ECONOMIC PROBLEMS, THE CONSENSUS WITHIN THE SOVIET APPARAT IS LIKELY TO BE MAINTAINED FOR THE FORESEEABLE FUTURE. IN POLICY TERMS THIS CONSENSUS WILL CONSIST OF:

-- MAINTENANCE OF A STRONG MILITARY ALMOST REGARDLESS OF COST;
-- NO TOLERANCE OF DOMESTIC DISSENT OR UNREST AMONG THE NATIONALITIES;
-- AN INCREASING DEBATE ABOUT REFORM IN INDUSTRY AND AGRICULTURE, BUT WITHOUT MEASURES SUFFICIENT TO REALLY IMPROVE PRESENT LACKLUSTER PERFORMANCE;
-- MAINTENANCE OF ORDER WITHIN THE SOVIET BLOC;
-- EXPLOITATION OF TENSIONS IN THE THIRD WORLD BUT WITH INCREASING CAUTION;
-- SUSPICION, CAUTION AND GREAT UNCERTAINTY IN DEALINGS WITH THE UNITED STATES;
-- A MAJOR INCREASE IN EFFORTS TO OPEN AND WIDEN DIVISIONS WITHIN THE WEST, AIMING AT THE ISOLATION OF THE UNITED STATES.

4. THE UNITED STATES SHOULD RIGOROUSLY REFRAIN FROM COMMENTING ON THE SOVIET SUCCESSION STRUGGLE;
ANY EFFORTS TO INFLUENCE THE PROCESS ARE LIKELY TO BACKFIRE. INSTEAD, WE SHOULD NOW TAKE THE LEAD IN COORDINATING THE WESTERN DIALOGUE WITH THE POST-BREZHNEV LEADERSHIP. THE SUCCESSION YEARS WILL PRESENT THE KREMLIN WITH GOLDEN OPPORTUNITIES TO WEAKEN THE ANTI-SOVIET COALITION LED BY THE UNITED STATES. PREVIOUS SOVIET SUCCESSIONS WERE PERIODS OF ACTIVE AND OFTEN SUCCESSFUL DIPLOMATIC AND PROPAGANDA EFFORTS TO MANIPULATE WESTERN POLITICAL OPINION WITHOUT SACRIFICING MORE THAN THE VENEER OF SOVIET AGGRESSIVE AIMS. THE WESTERN ALLIANCE TODAY IS FERTILE GROUND FOR SIMILAR SOVIET PUBLIC DIPLOMACY. SO FAR, THE UNITED STATES HAS MADE ALMOST NO ATTEMPT TO BEAT THE SOVIETS AT THEIR OWN GAME, DESPITE THE FACT THAT THEY ARE HIGHLY VULNERABLE. THE SOVIET INTERREGNUM WILL NOT BE A TIME FOR AMERICAN DIPLOMACY TO SIT AND WAIT FOR SOVIET INITIATIVES;
DESPITE THEIR OWN MYRIAD PROBLEMS, THE SOVIETS CAN STILL ACHIEVE BY DIPLOMACY THEIR PRIMARY POST-WAR FOREIGN POLICY GOAL: THE DISINTEGRATION OF THE WESTERN ALLIANCE. END SUMMARY.

TREMORS IN THE GLACIER

5. AT THE TIME OF WRITING (LATE APRIL 1982) MEDIA SPECULATION ABOUT LEONID BREZHNEV'S HEALTH AND THE WHEREABOUTS OF HIS COLLEAGUES SEEMS TO HAVE OBSCURED RATHER THAN ILLUMINATED A FUNDAMENTAL FACT OF CURRENT SOVIET POLITICS: THE POST-BREZHNEV SUCCESSION IS NOT APPROACHING; IT HAS BEEN IN PROGRESS FOR SOME TIME. DESPITE NEARLY A GENERATION OF INERTIA IN THE SOVIET POWER STRUCTURE, THE EVIDENCE IS NOW UNMISTAKABLE THAT THE INTERREGNUM IS WELL UNDERWAY.

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KOSYGIN'S DEATH IN 1980 REMOVED AN EXPERIENCED AND INFLUENTIAL POLITICAL VETERAN FROM THE TOP OF THE GOVERNMENT STRUCTURE.

THE RECENT PASSING OF CHIEF PARTY IDEOLOGUE SUSLOV LEAVES A GAP WHICH NO SINGLE REMAINING FIGURE SEEMS ABLE TO FILL.

BREZHNEV'S AGE AND DECLINING HEALTH HAVE REDUCED HIS ACTIVE ROLE TO LITTLE MORE THAN THAT OF A FIGUREHEAD AND SYMBOL OF LEGITIMACY FOR THE CURRENT LEADERSHIP.

BREZHNEV'S CRONY CHERNENKO HAS BEGUN ACTIVE (AND PERHAPS PREMATURE) MANEUVERING FOR POSITION AND INFLUENCE.

PROBABLY FOR REASONS OF HEALTH, KIRILENKO HAS RECEDED FROM VIEW AS A MAJOR COMPETITOR IN THE SUCCESSION STRUGGLE.

THERE HAS BEEN A STRIKING NUMBER OF PERSONNEL CHANGES IN SECOND ECHELON POSITIONS, MANY APPARENTLY RELATED TO THE POWER STRUGGLE.
RUMORS OF CORRUPTION AND OF ANTI-CORRUPTION MEASURES HAVE SPREAD WIDELY, TOUCHING EVEN BREZHNEV'S FAMILY.

THE ENERGETIC EFFORTS OF SOME OF OUR OFFICIAL CONTACTS TO DOWNPLAY SPECULATION OF IMPORTANT NEW PERSONNEL CHANGES PROBABLY INDICATE THAT WHERE THERE IS SMOKE, THERE'S FIRE.

BUT DON'T MAKE BETS YET

6. AS THE LEADERSHIP SUCCESSION PROCESS CONTINUES, THERE WILL BE FLOODS OF RUMORS AND SPECULATION BOTH IN MOSCOW AND THE WEST ABOUT THE FORTUNES OF VARIOUS LEADERSHIP FIGURES. BACKING AWAY SOMewhat FROM THE MEDIA ATTENTION ON PERSONALITIES, IT IS INSTRUCTIVE TO CONSIDER THE LIMITED SOVIET HISTORY OF POLITICAL SUCCESSIONS.

-- IN 1924, 1953 AND 1964 MOST "INFORMED OBSERVERS" IN THE WEST MADE PREDICTIONS ABOUT THE NEXT SOVIET LEADERSHIP WHICH PROVED TO BE WRONG.

-- IN EACH PREVIOUS SUCCESSION, MANY PROMINENT AND POWERFUL FIGURES IN THE LEADERSHIP WENT BY THE WAYSIDE BEFORE AUTHORITY BECAME CENTERED IN ONE MAN.

-- IN EACH CASE, THIS PROCESS TOOK FIVE TO SEVEN YEARS.

7. THE PRESENT SUCCESSION DOES, HOWEVER, DIFFER IN IMPORTANT WAYS FROM THOSE WHICH FOLLOWED THE DEATHS OF LENIN AND STALIN AND THE OUSTER OF KHRUSHCHEV.

-- THE DEPARTING LEADERSHIP IS NEITHER DYNAMIC NOR CHARISMATIC (QUITE THE CONTRARY).

-- THERE HAVE BEEN LONG YEARS OF UNPRECEDENTED STABILITY IN SOVIET POLITICAL INSTITUTIONS.
AND PERSONNEL (TO THE POINT OF INERTIA).

-- ACTUARIAL REALITIES INDICATE THAT THE COMPETITORS WE ARE NOW WATCHING ARE ONLY INTERIM PLAYERS IN THE SUCCESSION, NOT THE FINAL WINNERS AND LOSERS. NONE OF TODAY'S MEN WILL BE AROUND AS LONG AS WAS BREZHNEV AFTER THE FALL OF KHRUSHCHEV.

-- AMONG THE POLITICAL FIGURES BELOW THE POLITBURO LEVEL (MANY OF WHOM ARE ADMITTEDLY SHROUDED IN SECRECY) THERE ARE NO STANDOUTS WITH THE DEMONSTRATED DYNAMISM TO BE CLEAR CONTENDERS FOR A RISE TO THE TOP.

8. EACH OF THE NEW ASPIRANTS IN THE POWER GAME IS GOING TO FACE REAL POLITICAL PROBLEMS:
-- NONE WILL ENJOY THE INSTITUTIONAL LEGITIMACY WHICH BREZHNEV HAS ACQUIRED THROUGH SHEER LONGEVITY.

-- ALL WILL BE MORE SUBJECT TO CRITICISM THAN MEMBERS OF THE PRESENT LEADERSHIP, IF ONLY FROM EACH OTHER.

-- EACH WILL NEED TO ESTABLISH HIS CREDIBILITY WITH POWERFUL VESTED INTERESTS.

-- EACH WILL NEED TO ESTABLISH A POSITION FAVORING EITHER CONTINUATION OR RENUNCIATION OF BREZHNEV ERA POLICIES, ESPECIALLY IN ECONOMICS AND FOREIGN AFFAIRS. IN OTHER WORDS, TO SOME EXTENT EACH WILL HAVE TO GO OUT ON A LIMB.

THE SOVIET RULING CLASS


BREZHNEV AND HIS GENERATION OF SOVIET LEADERS ARE THE BENEFICIARIES OF THE STALIN TERROR, IF ONLY BY SURVIVING IT. THEY ARE THE PRODUCTS OF A POLITICAL SCHOOL BESIDE WHICH THE MAFIA PALES IN COMPARISON. IN MANY CASES THESE MEN QUITE LITERALLY BUILT THEIR CAREERS ON THE BODIES OF MORE COMPETENT, BUT LESS POLITICALLY AGILE (OR LUCKY) COLLEAGUES. THEIR PRINCIPAL ATTRIBUTES WERE OBEDIENCE, POLITICAL LOYALTY, RUTHLESSNESS, AND AN ABILITY TO PRODUCE RESULTS WITHOUT COUNTING THE COST. THE MEN THEY HAVE SELECTED AND TRAINED AS SUBORDINATES ARE THE SECOND GENERATION INHERITORS OF THE STALIN LEGACY. IN MANY CASES, THEY ARE OLD ENOUGH TO REMEMBER THE TERROR. IN ADDITION, THEY REMEMBER THE WAR; INDEED, THEY TEND TO APPLY THE EXPERIENCE OF THE WAR IN SITUATIONS VERY DIFFERENT FROM THOSE OF THE 1940’S.
-- THE SOVIET ELITE HAS VERY SHALLOW ROOTS. IT IS NO
EXAGGERATION TO SAY THAT MANY OF ITS MEMBERS ARE ONLY
A GENERATION OR TWO REMOVED FROM THEIR PEASANT
ORIGINS. IN THE TWENTIES, THE SOVIETS PURGED ALMOST
ALL TECHNICALLY COMPETENT PEOPLE IN RUSSIA AND
REPLACED THEM WITH HASTILY-TRAINED AND INEXPERIENCED
PERSONNEL WHO WERE SUDDENLY PLACED INTO POSITIONS OF
GREAT RESPONSIBILITY AND POWER. THIS UPWARD SOCIAL
MOBILITY WAS MAINTAINED BY THE MASSIVE STALIN PURGES.
HOWEVER, MOBILITY HAS ALL BUT DISAPPEARED DURING THE
BREZHNEV YEARS AND BEEN REPLACED BY A VAST ARMY OF
PARVENU OFFICIALS INTENT ON PRESERVING THEIR NEWLY
ELEVATED STATUS.

MEMBERS OF THE SOVIET ELITE LIVE IN A BIZARRE WORLD
OF CINDERELLA PRIVILEGES. THE CONSIDERABLE CREATURE
COMFORTS THEY ENJOY (CHOICE APARTMENTS, CARS, DACHAS,
SPECIAL STORES, ETC.) ARE ONLY THE PERQUISITES OF
THEIR POSITIONS AND CAN VANISH IF POLITICAL STATUS IS
LOST. UNLIKE MEMBERS OF ELITES IN THE WEST, THEY
CANNOT CONVERT THEIR STATUS INTO REAL PROPERTY WHICH
CAN BE ENJOYED AT LEISURE OR PASSED ON TO THEIR HEIRS.
THE SOVIET ELITE MUST THEREFORE PERPETUATE ITSELF IN
POSITIONS OF POWER BECAUSE IT CANNOT PERPETUATE
ITSELF IN OWNERSHIP OF PROPERTY. THE RESULT IS A
FANATIC DEDICATION TO JOB TENURE AND TO OBTAINING
ADVANCEMENT FOR THEIR CHILDREN THROUGH INFLUENCE
PEDDLING.

-- IN A VERY SHORT PERIOD OF TIME, THE SOVIET UNION
HAS CREATED A RULING CLASS WHICH IS ONE OF THE MOST
EXCLUSIVE AND INWARD-LOOKING IN THE WORLD AND WHICH
HAS RECREATED THE HISTORIC RUSSIAN DIVISION
BETWEEN A "WESTERNIZED" ARISTOCRACY (WHICH IS TO
SAY, PEOPLE WITH ACCESS TO THE WEST AND WESTERN
GOODS) AND THE MORE TRADITIONAL MASS OF THE PEOPLE
(WHO ARE FED A STEADY PROPAGANDA DIET THAT EVERYTHING IN THE WEST IS INFERIOR AND DECADENT). THIS ALIENATION FROM THE EVERYDAY LIFE OF THE COUNTRY IS PERHAPS THE MOST STRIKING ASPECT OF THE "NEW CLASS" WHICH WILL PRODUCE THE NEXT GENERATION OF SOVIET RULERS: MEN ISOLATED NOT ONLY FROM THE OUTSIDE WORLD BUT ALSO (PERHAPS MORE SO) FROM THEIR OWN PEOPLE.

FINALLY, IT SHOULD NOT BE FORGOTTEN THAT FOR MEN RAISED IN THE TRADITION OF GREAT RUSSIAN NATIONALISM WITH A HEAVY LENINIST-STALINIST OVERLAY THE REALITIES OF AMERICAN SOCIETY AND THE U.S. SYSTEM ARE SIMPLY BEYOND THEIR COMPREHENSION, ALMOST BEYOND THEIR CAPACITY FOR COMPREHENSION. DEALING WITH EACH NEW GENERATION OF SOVIET LEADERS IS AN INCREASINGLY DANGEROUS BUSINESS BECAUSE THEY ARE INCREASINGLY INCLINED TO MAKE DECISIONS BASED ON A MENTAL ATTEMPT TO FIT AN AMERICAN ROUND PEG INTO A SOVIET SQUARE HOLE.

THE REPOSITORIES OF SOVIET POWER
10. THE SOVIET ELITE RULES THROUGH THE THREE MAMMOTH INSTITUTIONS WHICH WERE THE BUREAUCRATIC INSTRUMENTS OF THE THREE GREAT EVIL GENIUSES OF THE EARLY SOVIET PERIOD:

THE COMMUNIST PARTY (LENIN), THE RED ARMY (TROTSKY) AND THE SECRET POLICE (STALIN). IT IS NO GREAT EXAGGERATION TO SAY THAT THESE THREE ORGANIZATIONS, IN COMBINATION WITH THE INDUSTRIAL BUREAUCRACIES, DEFINE THE SOVIET STATE. EACH HAS ENJOYED VARYING DEGREES OF PROMINENCE RELATIVE TO THE OTHER TWO THROUGHOUT SOVIET HISTORY. DURING THE BREZHNEV ERA THEY HAVE BEEN IN RELATIVE HARMONY, WITH THE PARTY PREEMINENT. THEY ARE THE PRIME DETERMINANTS OF POWER AND POLICY DURING THE TWILIGHT OF BREZHNEV’S REIGN. IN COALITION, THEY WILL DIRECT SOVIET POLICY DURING THE INTERREGNUM AND PRODUCE THE NEXT CENTRAL FIGURE IN THE SOVIET LEADERSHIP. (AS THEY DID WITH BREZHNEV: THE FATAL POLITICAL ERROR OF NIKITA KRUSHCHEV WAS TO ADOPT A HIGHLY PERSONALIZED STYLE OF LEADERSHIP AND TO OFFEND THE INSTITUTIONAL SEATS OF POWER THROUGH JOB INSECURITY AND ABRUPT CHANGES IN POLICY. BREZHNEV’S MANDATE WAS STABILITY. IN THE PAST EIGHTEEN YEARS THE APPARAT HAS ENJOYED UNPRECEDENTED TENURE IN OFFICE, TO THE POINT WHERE COMPETENCE HAS BECOME ALMOST AN AFTER-THOUGHT TO ORGANIZATIONAL LOYALTY.)

AN IMMOVABLE OBJECT . . .


. -- THE IMMEDIATE POST-BREZHNEV LEADERSHIP WILL PROBABLY BE A COLLECTIVE OF REMAINING POLITBURO MEMBERS.

. -- THE SYSTEM IS VERY LIKELY TO REPRODUCE ITSELF IN
THE BREZHNEV MOLD, MEN EXPERIENCED IN CONSENSUS
POLITICS WHO WILL NOT INTRODUCE SERIOUS INSTABILITY
INTO THE SYSTEM.

-- THE APPARAT IS LIKELY TO RESIST A DYNAMIC NEW
LEADER ALONG THE LINES OF LENIN OR TROTSKY WHOM
IT WOULD NOT TRUST, OR AN UNRESTRAINED LEADERSHIP
SUCH AS STALIN EXERCISED WHICH THE APPARAT HAS
GOOD CAUSE TO FEAR. (INDEED, MUCH OF THE POPULAR
NOSTALGIA FOR STALIN IN RUSSIA TODAY SEEMS TO STEM
FROM THE KNOWLEDGE THAT IN STALIN'S DAY THE BUREAUCRATS AND BOSSES WERE JUST AS VULNERABLE AS THE
COMMON MAN.)

-- ANYONE SEEKING TO MAKE REAL CHANGES IN THE SYSTEM
WILL ENCOUNTER INSTITUTIONAL INERTIA AND VESTED
INTERESTS FAR MORE DEVELOPED AND WELL-ORGANIZED
_THAN THOSE WITH WHICH STALIN AND KHRUSHCHEV HAD
TO CONTEND.

-- IN THE END, HOWEVER, STATUS AND AUTHORITY WILL
GRADUALLY CENTER IN ONE FIGURE; NOT ONLY THE SOVIET
PERIOD BUT ALL RUSSIAN HISTORY INDICATE IT WILL BE
SO.

. . FACING A (PROBABLY) RESISTIBLE FORCE
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12. DESPITE THE HIDEBOUND INERTIA OF THE SOVIET
ESTABLISHMENT, THERE EXISTS A GROWING DYNAMIC OF
CHALLENGE TO CONTINUATION OF CURRENT POLICIES, ESPECIALLY IN ECONOMICS. THIS DYNAMIC IS NOT A CREATIVE ONE IN THE SENSE OF REFLECTING VIGOR WITHIN THE SYSTEM; RATHER IT IS REACTIVE, THE PRODUCT OF DISMAL ECONOMIC PERFORMANCE AND A WORSENING RESOURCE CRUNCH. THESE PROBLEMS HAVE INTRODUCED MAJOR STRAINS INTO THE POLICY-MAKING PROCESS AND PRESENT THE NEW SOVIET LEADERSHIP WITH SOME GRIM PROSPECTS.

-- THE RELATIVE PROSPERITY OF THE BREZHNEV YEARS PROVIDED SUFFICIENT FLEXIBILITY TO MEET SOME CONSUMER ASPIRATIONS WHILE SATISFYING THE MILITARY AND PROVIDING SUBSTANTIAL REWARDS FOR THE ELITE. THE EXPECTATIONS OF THESE GROUPS HAVE NOW BEEN WHETTED FOR MORE.

-- DESPITE THE ADVANTAGES OF ENORMOUS ECONOMIES OF SCALE AND AN EXCEPTIONALLY WIDE NATURAL RESOURCE BASE, GROWTH IN THE SOVIET ECONOMY HAS SLOWED TO A CRAWL WITH NO PROSPECT FOR RENEWED VITALITY AHEAD.

-- THE RURAL SECTOR, WHICH FUELLED THE EARLY FIVE YEAR PLANS WITH MANPOWER AND MONEY, IS A DISASTER AREA AND A MAJOR RECIPIENT OF LIMITED SOVIET INVESTMENT RESOURCES (WITH VERY LITTLE TO SHOW FOR IT).

-- DEMOGRAPHIC TRENDS FAVORED ECONOMIC GROWTH IN RUSSIA FOR GENERATIONS; BIRTH RATES HAVE NOW
FALLEN SHARPLY, ESPECIALLY IN SLAVIC AREAS.

EVEN THE MILITARY IS HURTING FOR CONSCRIPTS.

THE ALTERNATIVE REMEDIES ARE NOT ATTRACTION:

MOVING INDUSTRY INTO CENTRAL ASIA WILL BE

VERY EXPENSIVE AND TIME-CONSUMING; SHIFTING

YOUNG CENTRAL ASIAN WORKERS INTO TRADITIONALLY

SLAVIC REGIONS IS FRAUGHT WITH SOCIAL AND

POLITICAL PERIL.

-- NATURAL RESOURCES IN TRADITIONAL INDUSTRIAL

REGIONS ARE FACING DEPLETION. EXPLOITATION

OF RAW MATERIALS IN DISTANT AREAS WILL INVOLVE

IMMENSE COSTS IN EXTRACTION AND TRANSPORTATION.

-- THERE IS A CONSIDERABLE MOOD OF DISAFFECTION

IN THE LABOR FORCE WHICH HAS CONTRIBUTED TO A

CRITICAL PRODUCTIVITY PROBLEM. WORKER

DISCIPLINE OF THE STALIN ERA IS GONE; THERE ARE

PRECIOUS FEW MATERIAL INCENTIVES FOR WORKERS;

THE YOUNGER GENERATION IS UNRESPONSIVE TO

IDEOLOGICAL APPEALS AND INTERESTED IN MORE

CONSUMER GOODS AND LEISURE TIME.

-- INNOVATION OR FLEXIBILITY ARE EFFECTIVELY

STYMIED BY THE RIGID PLANNING, INVESTMENT

AND DISTRIBUTION SYSTEMS. THERE IS LITTLE

INCENTIVE FOR MANAGERS TO TAKE ECONOMIC RISKS,

WHICH BY DEFINITION ARE ALSO POLITICAL RISKS.

-- THE ECONOMY IS ILL-SUITED TO ADAPT CHANGING

TECHNOLOGY OR TO BENEFIT FROM THE ACHIEVEMENTS

OF SOVIET SCIENCE. THE ONE SECTOR WHICH DOES

PERFORM WELL, THE MILITARY-INDUSTRIAL COMPLEX,

CONtributes ALMOST NOTHING TO THE REST OF THE

ECONOMY.

THE CHALLENGE TO CONSENSUS POLITICS

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13. SOVIET ECONOMIC WOES POSE THE ONLY SERIOUS

DANGER TO THE COHESION OF THE RULING INSTITUTIONAL

COALITION. IN A PERIOD OF ECONOMIC STRINGENCIES,
THERE IS POTENTIAL FOR MAJOR BUREAUCRATIC INTERESTS TO ABANDON CONSENSUS POLITICS IF THEIR SHARE OF THE RESOURCE PIE IS THREATENED. THE SUCCESSION STRUGGLE COULD THEREBY BECOME THE FOCUS FOR ORGANIZATIONAL DISPUTES RATHER THAN A COMPETITION IN CONSENSUS-BUILDING. IF THE EXISTING INSTITUTIONAL CONSENSUS SHOULD BREAK DOWN, THE WHOLE SUCCESSION PROCESS COULD BECOME MESSY AND UNPREDICTABLE AND LEAD TO MAJOR REFUTATIONS OF BREZHNEV ERA POLICIES. HOWEVER, THERE ARE NO INDICATIONS NOW THAT THE LEADERSHIP CANNOT MANAGE ECONOMIC PRIORITIES TO THE GENERAL SATISFACTION OF THE MOST POWERFUL INSTITUTIONS.

-- SOME TOUGH ECONOMIC CHOICES ARE BEING MADE DURING THE CURRENT FIVE YEAR PLAN.

--ALTHOUGH A TRANSITION PERIOD MIGHT SEEM TO WESTERN OBSERVERS A FAVORABLE TIME FOR THE INTRODUCTION OF REAL ECONOMIC REFORM, CHALLENGES TO THE SYSTEM ARE LIKELY TO SEEM RISKIER TO SOVIET POLITICIANS DURING YEARS OF POLITICAL UNCERTAINTY.
THAN IN TIMES OF STABILITY.

-- Debates about reform of the economy are not new in the Soviet Union and have come a cropper before. Recently, only a very cautious and hesitant debate has emerged. Its overt manifestations are the much-touted but never-implemented food program and the anti-corruption campaign which has netted some small fry and a few apparatchikis, but which has scarcely dented the massive "Second Economy."

-- One lesson of the Polish crisis for the Soviet elite is the need for improved economic performance. However, the more striking lesson in Russian eyes is the need for maintaining unity within the nomenclatura, strengthening the primacy of the party and ensuring the loyalty of the army. So far, it is the latter lesson which the Soviets have adopted.

THE SOVIET POLICIES WE WILL FACE

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14. Weighing the inertia of the Soviet system with the domestic stresses it will face, the Soviet Union will probably practice the following policies during the transition years.

-- at home there will be minimal tolerance for domestic dissent or unrest among the non-Russian nationalities. In the past decade the fledgling (and often romantically unrealistic) Soviet dissident movement has been effectively crushed by the KGB. There are no indications of serious opposition to this policy within the ruling elite. In the years ahead, any opposition to the system will be met with repressive and coercive measures at least as severe as those of the Brezhnev years.
-- THERE WILL BE MODEST AND HALTING ATTEMPTS AT REFORM IN INDUSTRY AND AGRICULTURE, BUT THESE WILL BE INSUFFICIENT TO REVERSE THE HARDENING OF PRODUCTIVE ARTERIES. THERE WILL BE TALK ABOUT THE NEED FOR INCENTIVES FOR MANAGERS, WORKERS AND PEASANTS, BUT THE TALK WILL NOT BREAK THE LOGJAM OF VESTED INSTITUTIONAL INTERESTS.

-- THE MILITARY WILL GET WHAT IT WANTS: IF INDUSTRY, AGRICULTURE AND THE CONSUMER FEEL THE SQUEEZE, SO BE IT. THE SOVIET MILITARY IS FAR TOO IMPORTANT A FORCE FOR ANY POLITICIAN TO SLIGHT. DURING A TIME OF LEADERSHIP INSTABILITY, THE DEEP-ROOTED RUSSIAN XENOPHOBIA AND SENSE OF INFERIORITY WILL GUARANTEE THAT THE MILITARY NOT BE SHORTCHANGED.

-- MAINTAINING THE INTEGRITY OF THE SOVIET EMPIRE WILL BE PARAMOUNT, ESPECIALLY IN LIGHT OF RECENT EVENTS IN POLAND AND SOVIET MEMORY OF THE TURMOIL IN EASTERN EUROPE WHICH FOLLOWED THE DEATH OF STALIN. HOWEVER, THE SOVIETS HAVE DEMONSTRATED IN POLAND THAT THEY PREFER TO AVOID THE EXTREME MEASURES THEY EMPLOYED DURING THE HUNGARIAN REVOLT AND THE PRAGUE SPRING. THE SOVIETS SEEM TO HAVE TRANSFERRED THEIR THIRD WORLD EXPERIENCE IN THE USE OF PROXY FORCES TO DEALING WITH CHALLENGES WITHIN THEIR OWN SPHERE OF INFLUENCE.

-- DESPITE GETTING THEIR FINGERS BURNED IN SOME OF THEIR THIRD WORLD ADVENTURES, THE SOVIETS WILL NOT DESIST FROM EXPLOITING OPPORTUNITIES TO EXPAND THEIR INFLUENCE IN AN AREA WHICH THEY SEE AS UP FOR GRABS. HOWEVER, ANOTHER AFGHANISTAN THEY DO NOT NEED; THEY WILL CONTINUE TO RELY ON THE LESS RISKY ARTS OF SUBVERSION AND USE OF SURROGATES.

-- THE INTERIM SOVIET LEADERSHIP, AND THE NEW GENERATION TO FOLLOW, WILL REGARD THE UNITED STATES WITH INCOMPREHENSION, DISTRUST AND GREAT CAUTION. THEY WILL ALSO RECOGNIZE THAT THE UNITED STATES IS A FORCE WHICH MUST BE RECOGNIZED WITH IN SOME WAY. HOWEVER, IT IS BY NO MEANS CLEAR THAT THEY WILL CHOOSE TO DO SO PRIMARILY THROUGH THE BILATERAL
RELATIONSHIP. THERE IS CERTAINLY A STRONG TENDENCY AMONG RUSSIANS TO SEE THE WORLD IN TERMS OF SUPERPOWER SPHERES OF INFLUENCE, WITH OTHER COUNTRIES PLAYING SECONDARY AND TERTIARY ROLES. TO A CONSIDERABLE EXTENT, THE RUSSIAN PSYCHOLOGICAL NEED TO FEEL EQUAL WITH THE UNITED STATES IS BEHIND THIS ATTITUDE. THIS PERCEPTION UNDERLAY THE BREZHNEV ERA POLICY OF DETENTE, WHICH THE SOVIETS PERCEIVED AS THE ESTABLISHMENT OF A BILATERAL MODUS VIVENDI PERMITTING THEM TO PURSUE UNHINDERED THEIR AGGRESSIVE INTENTIONS.

ELSEWHERE. THE POLICY CAME UNHINGED BECAUSE OF AMERICAN REFUSAL TO ACCEPT THE SOVIET TERMS OF REFERENCE. THE SOVIET LEADERSHIP IS NOW BACK TO SQUARE ONE WITH ALMOST NO POLICY TOWARD THE UNITED STATES SHORT OF BEING ARMED TO THE TEETH WHILE CRYING PEACE TO OUR ALLIES. IN THIS CLIMATE SOME SOVIETS HAVE ARGUED THAT THE UNITED STATES IS NOT A RELIABLE NEGOTIATING PARTNER (IN THEIR TERMS) AND THAT
SOVIET POLICY SHOULD CONCENTRATE ON WHEEDLING AWAY OUR ALLIES AND INCREASING SOVIET INFLUENCE IN THE THIRD WORLD; THEN, WHEN THE BALANCE OF FORCES IS MORE FAVORABLE TO THE SOVIET UNION, THE UNITED STATES WILL BE COMPELLED TO DEAL WITH MOSCOW ON SOVIET TERMS.

-- THUS, THE SOVIETS WILL CONTINUE THEIR LONG EFFORTS TO BREAK THE UNITY OF THE WEST BY OPENING AND WIDENING DIVISIONS WITHIN THE ANTI-SOVIET COALITION LED BY THE UNITED STATES. THE POST-BREZHNEV YEARS WILL PRESENT THE SOVIETS WITH GOLDEN OPPORTUNITIES TO PORTRAY THEMSELVES TO WESTERN PUBLIC OPINION AS READY FOR A "NEW BEGINNING" IN DETENTE IF ONLY THE WEST WILL BE CONCILIATORY. PREVIOUS SOVIET SUCCESIONS WERE PERIODS OF ACTIVE AND OFTEN SUCCESSFUL DIPLOMATIC AND PROPAGANDA EFFORTS TO MANIPULATE WESTERN PUBLIC OPINION WITHOUT SACRIFICING MORE THAN THE VENEER OF SOVIET AGGRESSIVE AIDS.

THE WESTERN ALLIANCE TODAY IS FERTILE GROUND FOR SIMILAR SOVIET EFFORTS. NATO IS VERY MUCH THE VICTIM OF ITS OWN SUCCESS AND CAN NO LONGER RELY ON THE AUTOMATIC SUPPORT OF DOMESTIC CONSTITUENCIES VIGILANT TO THE SOVIET THREAT AND CONSCIOUS OF THE REALITY OF THE SOVIET SYSTEM. THE SOVIETS HAVE SHOWN THEMSELVES HIGHLY SKILLED IN APPEALING TO BOTH THE FEARS AND THE ASPIRATIONS OF POST-WAR GENERATIONS. IF THE SOVIETS CHOOSE TO CONCENTRATE THEIR FOREIGN POLICY EFFORTS DURING THE INTERREGNUM ON ISOLATING THE UNITED STATES FROM ITS ALLIES, THEY WILL FIND CONSIDERABLE ENCOURAGEMENT IN WEST EUROPEAN POLITICAL TRENDS IN RECENT MONTHS.

AN OPPORTUNITY, AND A CHALLENGE, FOR AMERICAN DIPLOMACY

15. THE SOVIET LEADERSHIP SUCCESSION WILL BE A DANGEROUS PERIOD FOR UNITED STATES FOREIGN POLICY; IT WILL ALSO BE AN OPPORTUNITY TO EDUCATE A NEW GENERATION OF SOVIET LEADERS IN THE REALITIES OF AMERICAN POWER. THE MOST PERSUASIVE INSTRUMENTS AT OUR DISPOSAL ARE A STRONG ECONOMY SUPPORTING A DEFENSE FORCE WHICH THE SOVIETS KNOW THEY CANNOT
SUCCESSFULLY CHALLENGE. HOWEVER, THESE INSTRUMENTS WILL NOT SUFFICE TO COUNTER SOVIET EFFORTS TO BREAK THE AMERICAN-CENTERED INTERNATIONAL COALITION THEY FACE. DESPITE THEIR DISMAL ECONOMIC RECORD AND THE PROBLEMS THEY FACE WITHIN THEIR EMPIRE, THE SOVIETS HOPE THEY CAN STILL ACHIEVE THROUGH DIPLOMACY THEIR PRIMARY POST-WAR FOREIGN POLICY GOAL: THE DISINTEGRATION OF THE WESTERN ALLIANCE.

DURING THIS PERIOD OF POLITICAL TRANSITION IN MOSCOW,

OUR DIPLOMACY SHOULD BE BASED ON THREE PRINCIPLES.

--- ZEALOUSLY REFRAIN FROM EITHER ATTEMPTS TO INFLUENCE THE SOVIET SUCCESSION STRUGGLE OR PUBLIC COMMENT ON IT; ANY SUCH EFFORTS ARE LIKELY TO BACKFIRE. WE DON'T KNOW THE INTRICACIES OF THE GAME AND SHOULD SIT IT OUT; NOR CAN WE PREDICT WITH ANY CONFIDENCE HOW ANY OF THE CONTENDERS WOULD ACTUALLY BEHAVE IN POSITIONS OF GREATER AUTHORITY.

--- GET AHEAD OF THE SOVIETS IN INITIATING DIALOGUE. THIS IS IMPORTANT FOR TWO REASONS: (1) DURING A PERIOD OF POLITICAL TURBULENCE IN THE SOVIET LEADERSHIP, IT IS CRITICAL THAT THERE BE NO CONFUSION IN THEIR MINDS ABOUT WHERE THE UNITED STATES STANDS; CONFUSION COULD BE DISASTROUS. (2) IT IS VITAL THAT WE CONVINCE THE SOVIETS THAT THEY HAVE NO VIABLE ALTERNATIVE TO SERIOUS DIRECT NEGOTIATION WITH THE UNITED STATES (PARTICULARLY IN ARMS CONTROL) AND THAT THEY BELIEVE THE AVENUE OF NEGOTIATION REMAINS OPEN TO THEM IF THEY NEGOTIATE SERIOUSLY. IT IS NOT IN OUR INTEREST FOR BILATERAL RELATIONS TO BECOME MORIBUND OR FOR THESE RELATIONS TO BE CONDUCTED BY THIRD PARTIES. DIFFICULT AND SOME TIMES DISTASTEFUL AS THE PROCESS IS, WE NEED CONSIDERABLY MORE AND BETTER DIALOGUE WITH THE SOVIETS AT ALL LEVELS THAN WE HAVE NOW. THERE WILL BE SOME AMOUNT OF EAST-WEST DIALOGUE REGARDLESS OF WHAT WE DO BECAUSE THE WEST EUROPEANS AND
JAPANESE WILL ARTICULATE THEIR VIEWS TO THE SOVIETS IN ANY CASE. IT IS CERTAINLY NOT IN OUR INTEREST THAT THE WEST SPEAK TO THE NEW KREMLIN LEADERS WITH DIVIDED VOICES. WE WILL BE IN THE STRONGEST POSITION TO PERSUADE OUR ALLIES OF THE NEED FOR WESTERN UNITY AND FIRMNESS IN DEALING WITH MOSCOW IF THEY ARE ALREADY CONVINCED OF OUR GENUINE DESIRE TO USE THE SOVIET SUCCESSION TO REDUCE INTERNATIONAL TENSIONS.

-- WE NEED TO CHALLENGE THE SOVIETS DIRECTLY IN THE CONDUCT OF PUBLIC DIPLOMACY: IN THE EXCHANGE OF WELL-PUBLICIZED DIPLOMATIC INITIATIVES WHICH ARE PRIMARILY AIMED AT POLITICAL OPINION IN THE WESTERN DEMOCRACIES, INCLUDING OUR OWN. IN THE PAST WE HAVE TENDED TO LEAVE THE INITIATIVE IN THIS FIELD IN SOVIET HANDS ON THE ASSUMPTION THAT NO ONE TAKES THEIR "PEACE INITIATIVES" SERIOUSLY OR ON THE LEGALISTIC PREMISE THAT DIPLOMACY SHOULD DEAL WITH "SUBSTANCE" RATHER THAN THE POLITICAL CLIMATE.
UNFORTUNATELY, THE SOVIETS ARE MUCH MORE SUCCESSFUL IN THEIR EFFORTS THAN WE WANT TO ADMIT. THE PRICE WE PAY FOR MERELY REACTING TO SOVIET PROPAGANDA-DIPLOMACY IS GROWING MONTH BY MONTH. THE SOVIETS ARE THEMSELVES VULNERABLE TO AGGRESSIVE PUBLIC DIPLOMACY BUT, SO FAR, WE HAVE MADE NO SERIOUS EFFORT TO BEAT THEM AT THEIR OWN GAME. THE POLITICAL CLIMATE IN THE WEST NO LONGER GIVES US THIS LUXURY.

WE SHOULD BE PREPARED TO ANSWER SOVIET "PEACE PROPOSALS" WITH TOUGH COUNTER OFFERS WHICH WILL CLEARLY DEMONSTRATE SOVIET HYPOCRISY. (FOR EXAMPLE, WHEN MOSCOW PROPOSES A NORDIC NUCLEAR WEAPONS FREE ZONE, WE COULD ACCEPT IN PRINCIPLE BUT DEMAND THAT IT INCLUDE THE ENTIRE KARELIAN USSR, THE KOLA PENINSULA AND THE WHITE SEA BASIN AND THAT THESE AREAS BE OPENED FOR UNHINDERED AND UNRESTRICTED INSPECTION BY TRAINED OBSERVERS FROM ALL THE NORDIC COUNTRIES. IN ADDITION, WE COULD PROPOSE INCLUSION OF THE BALTIĆ STATES UNDER SIMILAR TERMS.) WITHOUT WAITING FOR SOVIET INITIATIVES WE SHOULD PRESENT OUR OWN. (EXAMPLE: THE ABOLITION OF ALL TRAVEL RESTRICTIONS IN COUNTRIES WHICH SIGNED THE HELSINKI FINAL ACT AND THE ESTABLISHMENT AS A CONFIDENCE BUILDING MEASURE OF MILITARY LIAISON MISSIONS IN ALL THESE COUNTRIES, MODELLED ON THE MISSIONS IN POTSDAM AND FRANKFURT, WHICH WOULD HAVE UNHINDERED RIGHTS TO TRAVEL AND INSPECT ALL AREAS OF THE SIGNATORY STATES’ TERRITORIES. WE WOULD LOSE LITTLE OR NOTHING EVEN IF SUCH A PROPOSAL WAS IMPLEMENTED; THE SOVIETS WOULD CERTAINLY REJECT IT AND THUS DEMONSTRATE TO WESTERN PUBLIC OPINION HOW SHALLOW IS THEIR MUCH-PROCLAIMED "PEACE-LOVING" POLICY.)

THE ADVANTAGES TO THE UNITED STATES OF AGGRESSIVE PUBLIC DIPLOMACY ARE THREEFOLD: (1) IT WOULD FORCE THE SOVIETS TO CURB THEIR OWN PROPAGANDA EFFORTS IN THE WEST FOR FEAR OF BEING PUT TO THE TEST; (2) IT WOULD DEMONSTRATE TO WESTERN PUBLICS THE COMPLEXITY OF DISARMAMENT PROBLEMS AND THE UNWILLINGNESS OF THE SOVIETS TO ENGAGE IN MORE THAN RHETORICAL EXERCISES; AND (3) SUCH INITIATIVES MIGHT ACTUALLY CONTRIBUTE CONFIDENTIAL
16. THE GATHERING MOMENTUM OF THE SOVIET LEADERSHIP SUCCESSION SHOULD SPUR US TO DIPLOMATIC ACTIVITY WITH OUR ALLIES WITHOUT WAITING FOR THE FIGURE OF LEONID BREZHNEV TO DEPART THE SCENE. IT IS NONE TOO SOON FOR THE UNITED STATES TO TAKE THE LEAD IN COORDINATING THE WESTERN DIALOGUE WITH THE POST-BREZHNEV LEADERSHIP. THE EFFECTIVENESS OF THIS DIALOGUE FOR AMERICAN INTERESTS WILL DEPEND ON THE UNITY AND FIRMNESS OF THE WESTERN SIDE. IF WE WAIT FOR THE SOVIETS TO ASSUME THE INITIATIVE IN PROPAGANDA AND DIPLOMACY, WE ENCOURAGE FRAGMENTATION AND WEAKNESS WITHIN OUR OWN ALLIANCES. HARTMAN