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TRENDS IN THE SOVIET UNION AND EASTERN
EUROPE AND THEIR POLICY IMPLICATIONS

Note by the Chairman, Working Group of Experts on the
Soviet Union and Eastern Europe

At the Meeting of the Working Group of Experts held 13th-17th April, 1970, twelve member countries were represented and comprehensive national reports were submitted by France, Germany, Italy, the United Kingdom and the United States.

2. The attached Report, prepared by the Working Group, covers the period from 7th November, 1969 and was completed on 17th April, 1970. It is divided into five parts, as follows:

- I. SOVIET INTERNAL DEVELOPMENTS
- II. SINO-SOVIET RELATIONS
- III. EASTERN EUROPE
- IV. SOVIET POLICY IN OTHER AREAS
- V. EAST-WEST RELATIONS
 - (A) SOVIET AND EAST EUROPEAN CAMPAIGN
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EAST-WEST RELATIONS

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TRENDS IN THE SOVIET UNION AND EASTERN EUROPE
AND THEIR POLICY IMPLICATIONS

I. SOVIET INTERNAL DEVELOPMENTS

1. Although there are certain inconclusive signs of tension in the leadership, and changes are probable in due course, the reports of changes in the Kremlin leadership on the grounds of alleged differences of opinion on economic policy should be viewed with caution. Age and ill-health would appear to offer greater opportunities for changes in the leadership than a "generation gap" dispute over the conception of political power.

2. Opposition is still a matter of minority groups and individuals, whose isolation has grown, partly as a result of the redoubled campaign against dissenters.

3. While power and defence considerations now figure more prominently in Soviet statements, the high command does not seem to exercise undue influence on Soviet policies. However, it puts heavy demands on the economy and thereby influences the orientation of the technological effort of the country.

4. The main difficulties for the economy with its falling growth rate are seen to lie in inefficient investment, low labour productivity, obsolete management methods and poor arrangements for research and development, especially the application of technological innovation in industry.

5. It seems unlikely that the leadership would at present accept any major, systematic overhaul of economic planning and management. It is more likely to resort to a series of expedients and organizational shuffles. In particular there may be renewed emphasis on social discipline with a sprinkling of incentives. We may also expect a more determined attempt to ensure the assimilation of advanced technology obtained in some cases from the West.

II. SINO-SOVIET RELATIONS

6. The mere fact of holding the Peking talks allows the Russians to feel more confident in their present talks with the West and may afford a degree of temporary reassurance to China regarding Soviet intentions. Thus neither side has an interest in a break-down. It seems probable that the Russians have offered to send an Ambassador to Peking. Such an appointment would be the first step towards improving relations since the Peking talks began last October. It is possible that agreement on limited aspects of inter-state relations may later emerge from the talks. But a definitive frontier settlement is very unlikely, even if minor adjustments, such as Soviet concessions regarding very small islands on the Ussuri River, are not impossible. There is no prospect of an end to the ideological dispute nor to the rivalry in the world Communist movement and the developing world.

7. Should the dispute become more acute again, Soviet-inspired rumours of a possible attack on China may resume, but a major attack is not likely, partly because the Russians would fear that prolonged guerilla warfare might ensue, which would tie down resources and reduce Soviet room for manoeuvre internationally.

8. The dispute will remain one of the factors influencing the Russians to desire calm in East-West relations. But they probably calculate that they can contain China, at least for a considerable period, and are very unlikely to make concessions of substance to the West because of the dispute.

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III. EASTERN EUROPE

9. The Soviet leaders have been giving high priority to their long-standing goal of enforcing and preserving control over Eastern Europe. Moscow is bent on strengthening the political, military, economic and ideological cohesion of the bloc. However, it allows a controlled process of increased East-West dealings, especially with a view to gaining the benefit of Western technology and economic progress. The multiplication and diversification of East-West contacts and talks inevitably introduces new variables into an Eastern European situation still not completely stabilized following the invasion of Czechoslovakia.

10. The Soviet aim to use the Warsaw Pact for closer control has led to an increased frequency of Pact meetings and a more complex organizational structure; but the changes are unlikely to prove more than a compromise between different points of view. It seems that the Russians would also like to establish more effective control over the national forces assigned to the Pact, but are meeting resistance.

11. Partly, no doubt, to counter the challenge of the Common Market, the Soviet Union and some of its Eastern European allies - but with different motivations - hope for increasing integration within CEMA (COMECON) but they have measured the divergent views on this issue and know that they must proceed piecemeal. None the less, some progress has already been achieved.

12. There continues to be effective co-ordination of foreign policy among Warsaw Pact states (except Rumania) on essential questions, even though the interests of these various states are not identical in respect of, e.g. European security questions or the Eastern policy of the Federal Republic.

13. In degrees varying from the position of Bulgaria to that of Rumania, all the Warsaw Pact states recognise their dependence on the USSR and try to develop their national policies within a framework acceptable to Moscow.

14. BULGARIA continues to find complete loyalty to the Soviet Union a rewarding policy, and is retrenching on some aspects of the reform programme envisaged in 1965, in an apparent effort to anticipate Soviet wishes.

15. EAST GERMAN relations with the Soviet Union are of a similar kind, except that the régime is able to exert a significant influence on Soviet policy in Europe. This is because of its strategic position, its continued economic progress resulting from the successful application of the 1963 programme, and its special position in East-West trade.

16. Although POLAND has shown some restiveness in its relations with the Soviet Union - in the talks with Bonn and in the ESC context - Gomulka is not anxious to weaken an alliance which he considers essential. Growing concern for the economic future of Poland has impelled the leadership, after years of tinkering, to move towards more drastic measures for overhauling the command economy. Recently, Gomulka's position has been little threatened by factionalism within the hierarchy: the anti-Zionist campaign, which was a concession to the nationalist faction, is now receding.

17. In CZECHOSLOVAKIA the process of "normalisation" forced on the leadership by the Soviet Union continues, but has largely achieved its main aims of reversing the policies of 1968, and silencing opposition. For the time being, Husak apparently has Soviet support for his personal position, but there has been a modest accretion in the strength of dogmatists in the leadership which can be expected to go further with the current purge of Party members. A return to centralised controls has failed to overcome the critical economic problems, complicated by nation-wide apathy, and continued failure could later affect Mr. Husak's position.

18. HUNGARY's acceptance of Soviet leadership is the price it pays for leeway in economic reforms which, though reminiscent of the Czechoslovak experiment, have always been carefully designed and implemented so as not to endanger the leading rôle of the Party. However, if allowed to continue - as seems probable - the reforms could become a vital factor for change not only in Hungary but possibly in other CEMA countries.

19. RUMANIA's relatively independent foreign policy will probably continue to be tolerated by Moscow, roughly within present limits, as long as Ceausescu maintains internal orthodoxy. Soviet pressures for a closer alignment of Rumanian policy, including acceptance of Warsaw Pact manoeuvres on its territory, will be maintained. Rumania, while determined to retain its relative freedom of action, appears eager to escape from its uncomfortable isolation: for instance, it has further developed its relations with Yugoslavia.

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20. YUGOSLAVIA's relations with the Soviet Union have deteriorated once more amid press recrimination and accusations of Soviet attempts to exploit the internal problems of Yugoslavia where, indeed, a malaise is detectable. This derives mainly from the friction between the different ethnic groups and the criticism levelled against the system of worker control on grounds of efficiency. The malaise is reflected in the campaign directed against Cominformist and liberalising influences, which demonstrates how difficult it is for Belgrade to keep a proper balance in an evolving situation. The unsatisfactory visit of the Bulgarian Foreign Minister in December, with resumed polemics on the Macedonian question, reflected the deterioration in Soviet-Yugoslav relations.

21. Despite a few tentative gestures by the Soviet Union and its allies, which were perhaps motivated by a Soviet desire to detach Albania from China, ALBANIA has continued to attack Soviet "revisionism". Although Albania continues to reflect faithfully China's view of the world, and indeed internally is experiencing a new form of sharpened "vigilance" it seems increasingly aware of the inadequacy of the Chinese umbrella. Albania is showing a will to widen the scope of its foreign relations and also its contacts with Western countries, as well as to improve relations with its neighbours.

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IV. SOVIET POLICY IN OTHER AREAS

22. Soviet policy seeks to preserve and to consolidate its gains in the Middle East while avoiding an East-West conflict.

23. The USSR probably considers that supplying SA3 anti-aircraft missiles with Soviet crews to Egypt was essential to counter the demoralising impact the Israeli attack-in-depth tactics were having on Egyptian public opinion and to avert the consequences this might have for the future of the régime. However, this new level of military assistance, unprecedented in a non-Communist country, signifies an increased commitment to Nasser's régime and raises the question whether the USSR is adopting higher-risk policies, even if this might seem uncharacteristic of the present cautious collective leadership.

24. The Soviet Government continues to participate in four-power talks at the UN on the Middle East conflict and has recently shown an increased interest in bilateral discussions with the United States. But Moscow seems unwilling or unable to exert the degree of pressure needed to bring the Arabs to a settlement, since such pressure might endanger Nasser's position and alienate Arab Governments.

25. Moscow is still proceeding cautiously in its relations with the fedayeen in spite of concern over Chinese competition with those volatile elements. It is also continuing its efforts to assist the radical Arab régimes to consolidate their political and economic control of their countries. In recent months it has tried to spread its influence in the Sudan but with limited success to date. It would not appear to have brought any sustained efforts to bear on Libya.

26. Soviet military capabilities in the Mediterranean continue to generate concern by their upward trend. The Soviet motivations are strategic, political and psychological: to neutralize Western forces and positions; to reassure their Arab clients and to apply a restraining influence on Israel.

27. In Asia, the USSR's aim is to make its presence felt. Moscow attaches special importance to its relations with neighbouring countries (Iran and Afghanistan). It is developing co-operation with India and Pakistan and striving to establish normal diplomatic relations with other countries in the area. Soviet ideas on Asian security have still not been explained but the theme continues to be used in Soviet diplomacy and propaganda.

28. The Soviet Union is relatively little concerned with Africa. In order to keep its footing there and encourage resistance to Western influences, it resorts to every possible expedient, including the promotion of law and order and the preservation of the territorial status quo. In Nigeria, the Soviet Union may have some success in consolidating the position it achieved during the civil war but the principal Nigerian leaders seem aware of the danger of allowing too much Soviet influence. Its active policy in East Africa seems aimed at facilitating the deployment of Soviet naval forces and to enable it to keep watch on, or even counter, Chinese activities.

29. In Latin America, the Soviet Union is establishing diplomatic relations with an increasing number of countries. It seeks to ensure that Cuba will not escape from its influence.

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Disarmament

30. The major focus of Soviet disarmament policy is currently on the Strategic Arms Limitation Talks with the US which resumed in Vienna on 16th April. Questions posed by the talks may be highly contentious in Moscow, making formulation of Soviet positions difficult as the negotiations progress.

V. EAST-WEST RELATIONS

A. SOVIET AND EAST EUROPEAN CAMPAIGN FOR A CONFERENCE ON EUROPEAN SECURITY (CES)

31. Although the Soviets now seem resigned to the improbability of a Conference on European Security (CES) in 1970, the campaign for a conference continues. A noticeable differentiation in approach by the Soviets is used in discussing this subject with various countries. The Soviets are also trying to generate Western public pressures for such a meeting, for instance by efforts to arrange a Congress of the Peoples on European Security as well as a European trade union meeting. The Soviets see the European security campaign itself as presenting advantages. The immediate Soviet objective is to use the campaign and the resulting contacts so as to foster the atmosphere of political normality. They expect to get gains from this, and may hope that it will serve their longer-term objective of hindering the unification process in Western Europe.

32. A Conference on European Security is only one element in the Soviet diplomatic arsenal aimed at bringing about a political and strategic stabilization in Europe on Moscow's terms. This involves the continued domination of Eastern Europe and Western recognition of the status quo. Such a consolidation would presumably give Moscow greater flexibility in dealing with contingencies with respect to China and to urgent internal problems.

33. The Soviets have said that they are open to suggestions for an expanded agenda. However, no evidence is available that they are prepared to discuss at a conference substantive issues bearing on European security such as mutual and balanced force reductions.

34. Other Warsaw Pact countries such as Poland and Hungary are engaged in activities designed to keep a conference on European security a live issue; they appear to envisage the institutionalization of East-West contacts following a general conference. The Rumanian initiative in March appears to have been self-generated. Presumably, these smaller countries believe pre-conference interchanges as well as a conference itself afford them opportunities to increase their freedom of manoeuvre. Yugoslav activities, like those of Rumania, have as their focus a search for some arrangement to inhibit Soviet use of force against them. Yugoslav ideas include elements which are positive from the Western point of view.

B. PROSPECTS AND IMPLICATIONS FOR EAST-WEST RELATIONS

35. The USSR now feels itself in a position to undertake an active diplomatic campaign in the West. This follows a period of Soviet diplomatic vulnerability, arising from the invasion of Czechoslovakia, troubles in the world Communist movement, and incidents with China.

36. The insistence of the Soviets in consolidating the status quo in Europe makes it difficult to foresee any far-reaching evolution in the relations between the NATO area and Eastern Europe generally. In negotiations so far, the substance of Soviet policies is unchanged. Caution is therefore necessary in assessing the prospects.

37. The motives and interests of the East European countries in expanding their contacts with the West are strong and manifold, especially their aspirations to a greater degree of autonomy and their economic and technical needs. However, Soviet hegemony continues to be exercised with undiminished vigilance.

38. Despite East European anxiety concerning the proposed enlargement of the EEC, economic-technological East-West co-operation is likely to develop along recent lines. Trade shows a consistent tendency to increase.

39. Various factors could exert an influence on Soviet willingness to engage in meaningful negotiations. Positive factors influencing Soviet policy may emerge from the various talks currently under way. On the other hand, a weakening of NATO unity or defence would encourage the Soviet Union to follow a more assertive course.

40. The general prospect for East-West relations in the coming period is for active and probably prolonged negotiations. It is too early to say whether Soviet policies are sufficiently flexible to allow significant progress.