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MR WHITMORE  
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11 July 1979

Sir Curtis Keeble KCMG  
C/O Heads of Mission Section  
Foreign and Commonwealth Office  
London SW1

M. Carridge  
✓  
17/1  
16 ✓

Dear Curtis,

EAST-WEST HEADS OF MISSION CONFERENCE: PLANNING STAFF "PAPER"

In his letter of 5 July, the Permanent Under-Secretary said that he had commissioned a paper from us about East-West Relations.

2. We had intended to circulate two documents as background for the Conference: the 1976 Planning Paper on "Detente and the Future Management of East-West Relations", and an essay by the Planning Staff on "Managing Russia". Despite the postponement of the Conference, it still seems worth circulating these, and I therefore enclose copies.

3. The Planning Staff essay reflects a particular point of view. It has not been cleared through the Office, and should not therefore be regarded as any sort of official statement. It was simply intended to help stimulate discussion, and I have no doubt that many people will disagree with large bits of it.

4. The 1976 Planning Staff paper was a very substantial piece of work, and was endorsed by Ministers at the time. The basic analysis in it remains valid, although events have moved forward on some of the detailed issues. The Planning Staff is now engaged in updating the paper. I expect that we will need to make very little change in the analytical sections; though the passages on such matters as the CSCE, MBFR, SALT, and human rights will need to be modified in the light of events. We had hoped that the Conference on 20 July would give us useful additional material. In fact we hope to have the revision more or less complete by the time the Conference takes place at its postponed date.

5. I am sending copies of this letter and its enclosures to the people who received copies of Sir M Palliser's letter of 5 July.

Yours ever,

Rodni

R Q Braithwaite  
Planning Staff

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MANAGING RUSSIA

"When during the last 1000 years have such enormous acquisitions been made in so brief a period by any European conqueror? .... There is no sane mind in Europe that can look with satisfaction at the immense and rapid overgrowth of Russian power."

The Times, 16 October 1829

1. Managing East-West relations means managing Russia, a very large country which began to trouble its neighbours long before the Revolution of 1917. A number of other countries, and other factors - China, Cuba, Eastern Europe, Eurocommunism, anti-colonialism - must be brought into the equation. But all is conditioned by the strengths, weaknesses, fears and ambitions of Russia; and by the manner in which these are exploited or countered by the West.

2. Over the centuries, various attempts have been made, in Russia and the West, to devise a unifying theory to explain the complexity of Russia's relations with the outside world: Orthodoxy, Pan Slavism, Tsarist Imperialism, world communism, Soviet Imperialism, convergence. These theories often reflected the natural ebb and flow of political sentiment between optimism and pessimism about the chances of dealing with Russia successfully. But they were not always the best basis for a durable analysis. In the late 1960s and the 1970s the fashionable concept was "détente", a hopeful but unrevealing catchword whose meaning was further obscured by arguments about whether détente was a "process," whether it was "indivisible," and whether it might not - alas - even be "reversible." If the word "détente" is to be retained as a useful piece of shorthand, it is best described in the sober words of the 1976 Planning Paper: "The goal of détente is the containment of hostility rather than a qualitative transformation of relations."

The Sources of Soviet Power

3. Since the Bolshevik Revolution, people have argued endlessly about the aims and motives of the Soviet Union: is it driven in its external policies by Communist ideology, by Russian historical experience, or by the inevitable pressures of geo-politics on a great power? There is no definitive answer to these questions. But they are not entirely academic since a balanced judgment helps to devise appropriate responses to Soviet actions and attitudes which are neither complacent nor alarmist.

4. In the long-term, the main factors conditioning any country's external relations are geographical, economic and socio-political. This is as true of great powers as of small. Russia has been a great

/power

power, and recognised as such, at least since the time of Catherine the Great, and despite the numerous reverses she has suffered since then. Since 1945 she has been accepted as a super-power, and has increasingly become one in fact. Great powers, like small, extend their reach to the limit of their ability; and define their "interests" as a function of what they can defend or acquire. The Americans and the British did this in their day. The Russians have used their power first to dominate the glacis in Eastern Europe (already a major aim of Russia in the 18th Century); then to control the empty spaces to the East and South of the Russian heartland; and now to promote their "interests" world-wide.

5. It is possible to explain most of the actions (as opposed to the rhetoric) of the Soviet Union abroad in these terms. But this is not the whole story: Russian history and Communist ideology give Soviet external policy a distinctive flavour.

6. Since the Middle Ages, the history of Russia has been the history of an insecure despotism, regularly shaken by violent and unpredictable movements within, and subject to repeated attack from without. Geography, climate, and a political system which discouraged enterprise have always held back Russia's economy by comparison with the West: since the Middle Ages she has depended heavily on state intervention and the importation of Western technology. At the same time, the Russians have always been conscious of their greatness as a people. Because of their material backwardness, they have preferred for centuries to base their claims to world attention on superior moral insight.

7. Hence Russia's well-known suspicion and inferiority complex towards the West, her great reliance on very substantial (and - as the series of almost unbroken military defeats between 1815 and 1917 demonstrate - often unduly cumbersome) military machinery; a nagging feeling that Russia's practical achievements do not match up to her moral grandeur; and the complete absence of any tradition of the advantages of international cooperation. Peter the Great boasted, "We have come out of the darkness into the light, and people who did not know we existed now do us honour." The search for recognition has been a driving motive in Russian foreign policy ever since. These Russian attitudes have naturally produced a reaction amongst the other countries which have had to deal with Russia: see Annex 1.

8. The strain of Messianic fervour in Russian thought made it natural, after the Bolshevik Revolution, to adopt Marxism as a banner serving Russia's spiritual as well as her political needs. But Soviet Communism bears comparatively little philosophical relationship with German Marxism, which was an attempt to analyse and predict the future of advanced Western economic societies. The modifications introduced by Lenin were tactical prescriptions, not contributions to thought. Lenin's tactical sense and his will-power were effective in the domestic struggle within Russia. But the attempts of Lenin and his successors to analyse international developments in terms of their ideology were often mistaken, and led the Soviet Union into serious errors (see, for example, the attempts to formulate a sensible policy towards Germany between 1918 and 1941).

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9. Nothing in Soviet ideology adds up to a convincing blueprint for "world domination", in itself a meaningless concept. There is no Soviet equivalent of Mein Kampf (inadequate though that book was as a sound basis for the creation of a 1000 Year Reich). The Marxist ideology has failed even to sustain the unity of the world Communist movement. For thirty years, since the defection of Yugoslavia, it has been quite clear that any country beyond the reach of the Red Army will promote its own national interest as it sees them, regardless of the interests of the Soviet Union (and regardless, of course, also of the interests of the West).

10. Nevertheless ideology serves a purpose. It provides the Soviet Government with a philosophical justification for its domestic regime and for Soviet hegemony in Eastern Europe. It provides an alternative source of political philosophy for Third World countries who resent the West's past colonial and present economic influence. It can be used to justify the apparatus of power in Third World totalitarian states (though right-wing dictators in the Third World manage to stay in power with no such justification). Above all the claim (and perhaps belief) that history is on the side of the Soviet Union helps to offset the natural lack of self-confidence of Russian leaders; and no doubt also inclines them to a certain cautious activism in attempting to extend the limits of Soviet influence and in developing contacts outside their sphere of control with countries they regard as potentially "Socialist".

Russia and the West: The Balance

11. The menacing size of Russia's armed forces has always seemed a threat to her neighbours, even though she has more often used her forces for defensive operations, police actions, or wars of conquest against primitive or decadent oriental enemies. (Contrast France from the 17th Century to Waterloo, and Germany from 1864.) In purely military terms, the threat is now more serious than it has ever been in the past. The Soviet Union is a nuclear superpower. The size of the Russian forces is offset by their inadequate equipment and training. This, rather than any tradition of aggressive behaviour or the nature of Communist ideology, is what justifiably gives concern to the West.

12. But even in the purely military field, the balance doubtless looks different in Moscow. In Europe we are much impressed by the size and quality of the numerous Soviet divisions which face us; and the natural growth of Soviet capacity to intervene militarily beyond Europe has been a disagreeable, if probably unavoidable, experience. The Russians, on the other hand, see themselves isolated in a circle of enemies. They have no reliable military allies. They have had to put down rebellions in three of the Warsaw Pact countries by military force; in Poland they nearly did so in 1956 and have had several worrying moments since; the Romanians are shifty; only the Bulgars have so far caused no trouble. The Russians could not be happy about the security of their lines of communication in any European war. They could hardly rely on the non-Soviet Warsaw Pact forces in attack; or even defence, provided that advancing Western armies did not repeat the mistakes the Germans made in the Ukraine in 1941. A pessimistic Soviet General making a "worst case" calculation - which is the sort of calculation Russian Generals habitually make - might well judge that, word-wide, Soviet forces were outnumbered by those of NATO

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except in certain important equipment categories; and that the numbers arrayed against the Soviet Union become quite frightening if you throw in a hostile China and a Japan allied to the United States (see figures at Annex 2, Section A). The Soviet preponderance in Europe might seem no more than an insurance, or at most a counter-balancing threat.

13. In the economic field the balance is firmly tilted against the Soviet Union (Annex 2, Section B). Unlike the industrialised West she has of course access to almost all the indigenous raw materials she requires. But climate and geography mean that many of these are very difficult to exploit. The Soviet economy is burdened with a wasteful and inefficient system of management which helps to ensure that, in the technological field, the Russians have consistently remained about fifteen years behind the West, with little hope of closing the gap. Despite the fuss over the sputnik, that symbol of the superiority of "Socialism", it was the Americans who got to the Moon.

14. The Soviet Union's domestic political arrangements are equally unprepossessing compared with those of the West. The Soviet regime, like its predecessors, relies on the use of force and a pervasive secret police to control the passive and apparently servile Russian people.

15. But they fear the "elemental forces" which lurk below the surface. And they do not even feel quite sure of their security forces.<sup>(1)</sup> The Soviet Union is, of course, not on the brink of revolution. But no political or economic reforms will be undertaken that would loosen the hold of the authorities over the people, even if that is the only way to encourage individual initiative and a qualitative improvement in the performance of the Soviet economy.

16. The Soviet Union has, of course, had its successes abroad. But we should be clear about the causes. The Soviet Union's position in Europe is the aftermath of military victory. She has not expanded her power there since the 1940s<sup>(2)</sup>; she has been able to retain it only through the presence of the Red Army. Beyond Europe, she has been able to expand her influence into the vacuum left by the departing colonial powers. Now that decolonisation is practically complete, except in Southern Africa, the countries of the Third World will doubtless become more eclectic in seeking support for their aims. In the economic sphere they will probably look to the West, because of the Soviet Union's dismal aid performance (Annex 2, Section C) and her comparative self-sufficiency in raw materials. In the political field, most Third World countries seem capable of accepting or rejecting Soviet influence as they think it tactically useful.

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(1) Khrushchev's successors said publicly that his haphazard methods risked unleashing "elemental forces". In 1962 the army shot 300 bread rioters in the streets of Novochoerkassk: in 1965 Brezhnev bought a billion dollars of American grain because (commented that shrewd observer, Victor Louis, at the time) "he could not be sure that next time the soldiers would shoot." In 1975 the Soviet Air Force bombed into submission a frigate of the Baltic Fleet which had set off for Sweden after celebrating the anniversary of the Bolshevik Revolution too liberally.

(2) Indeed, she abandoned Austria in 1955.

17. Russia's gains outside Europe have for the most part been offset by losses. The Russians have failed to blackmail the Japanese into signing an unequal treaty. They cannot get a grip on the Middle East. Iran and Afghanistan are worryingly militant on their Muslim borders. Above all there is the apparently permanent defection of China. When they contemplate the balance, even in the comparatively successful year of 1978, and despite the cheering predictions of their ideology, the Russians may not find it easy to convince themselves that world history is inexorably on their side.

#### Future Prospects

18. These Soviet attitudes are unlikely to change soon. Soviet foreign policy will doubtless remain an alliance of caution and opportunism, laced with paranoia and Messianic rhetoric. The Russians will not relax their firm grip on Eastern Europe, and whatever the political disadvantages, they would again intervene by force if their grip were threatened. They will go on trying their luck in the Third World, though hampered by their lack of tact, and by the desire not to provoke the Americans too far. Their military conservatism, and fear of the "external threat" will lead them to continue improving their armed forces despite the economic, technological and political problems.

19. Social and economic change inside Russia itself could eventually lead to helpful change. But there is no likelihood of this happening for many decades. Meanwhile, the Russians are unlikely to become easier to manage than hitherto; the hopes that "détente" would quickly lead to significant improvement in the way Russia conducts her affairs at home and abroad, which were common in the early 1970s, were therefore illusory. It is a mistake to think that the West can "educate" the Russians to behave much better; and even more of a mistake to think (as certain revisionist historians do) that if only we had been nicer to the Russians after the War, they would have been nicer to us.

20. Nevertheless, we have come a good way since the height of the Cold War (1947-63). If East-West relations remain uneasy, and they are bound to fluctuate, it seems unlikely that they will get as bad as they then were. Various scenarios for a breakdown of East-West relations can be devised: but none of them are particularly probable.

#### The Western Response

21. Russia's political and economic weaknesses, and the record of history, cast serious doubt on Soviet claims, and Western fears, that the global "correlation of forces" is moving inexorably in favour of the Soviet Union. The security of the West depends not only on sustaining an appropriate level of military preparedness, but also on managing effectively the many political, economic, technological, and even military advantages the West enjoys. The West needs to avoid complacency; it also needs to avoid the kind of exaggerated panic at the prospect of Soviet power which could, in the Soviet Union's more vulnerable neighbours, lead unnecessarily to some form of "self-Finlandisation".

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22. Many of these problems of self-management concern issues over which the Russians have almost no influence: the world economy and the energy crisis; relations with the developing world; the crisis of American leadership; the proper operation of the European Community. Even in the military field, the current nuclear debate in NATO is important less because new weapons are needed to match the Russian build-up, than because the Alliance has set itself a manhood test which it must pass to demonstrate its continued vitality. Healthy West-West relations are the essential pre-requisite for the management of a satisfactory East-West relationship.

23. This relationship is played out in the Third World, with the Soviet Union's present and former allies, and in bilateral dealings between the Soviet Union and individual Western countries. The competition for influence in the Third World needs to be got into perspective. America's world power has never been absolute, and is now not much diminished. At the height of her nuclear power, America could not protect Chiang Kai Shek or the successive governments in Saigon against overwhelming internal political forces; it is unreasonable now to lose confidence in America because she failed to save the Shah. Fears that the Americans would intervene by force or in secret have deterred the Russians from meddling in the past. It is desirable that these fears should not be discouraged. The instruments of American intervention - aid, the armed forces and the CIA - remain to hand. How they will be used in future is largely a matter of American domestic politics. But it is primarily the domestic politics of the Third World countries themselves which determine whether, and for how long, they come under Soviet influence; or whether they prefer to remain linked with the West, where for the most part their economic interest lies.

24. Ever since President Nixon played the "China card" in 1972, the Russians have feared - to an irrational degree - closer links between China and the West. They have always resented Western interference in their dealings with Eastern Europe.\* This is not an argument against the West developing the closest practicable relationships with both: rather the reverse. But it is a matter for careful management: to a large extent both the China and the East European cards can be left to play themselves.

25. In their bilateral relations with the Soviet Union itself, Western countries have to hand the traditional instruments of trade, political and professional exchanges. (Annex 2, Section D) These can be exploited up to the limit of what Russia has to offer. This varies from country to country: the Germans have a considerable interest in using the Russians as an indirect channel for improving their links with East Germany; French Governments find the "special" Franco-Russian relationship a useful asset in domestic politics; while the range of US-Soviet bilateral relations, from strategic arms limitation talks to grain deals, is substantial and expanding.

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\* In a poem written during the Russian suppression of the Warsaw Rising of 1831, the liberal Pushkin threatens the West with Napoleon's fate if it interferes in this "brotherly quarrel between Slavs."

26. Our own interest in a bilateral relationship with the Russians is comparatively small. We have no common border with the Soviet Union; we have a tiny Communist Party; British opinion is not much interested in the Soviet Union; and the trade opportunities are not great. We are rather more free, therefore, than some of our allies to point out publicly the disagreeable aspects of Soviet behaviour (eg over human rights), and to take such actions as the large-scale expulsion of Soviet diplomats in 1971 with comparatively little damage to our real interests. The corollary is that when the Soviet Union is looking for a Western propaganda scapegoat, she naturally tends to choose us. This need not worry us unduly. But we do have a major interest in a satisfactory East-West relationship overall. Our scope for action towards the Soviet Union is therefore perhaps limited less by the danger of retaliation, than by the need to keep within a broad Western consensus if we are not unduly to trouble our relations with our Allies.

#### Conclusion

27. The Russian menace is not new, it is not diminishing, and its nature is unlikely to change for a very long time. But it needs to be kept in proportion. It is perfectly manageable by a healthily united West. More constructively, it still makes sense to pursue the overall aim which lay behind the more sober definitions of détente in the early 1970s: the creation of a network of practical East-West relationships, in which the Soviet Union has a material stake, and which multiplies the links between the two sides, reinforcing the trend when the overall relationship is improving, and cushioning the shock when it deteriorates, as it is bound to from time to time.

Planning Staff

July 1979



The Russian Domestic Scene

"A people rude, to vices vile inclined."

16th Century British businessmen  
in Moscow

"So that they may remain tranquil in slavery and terror they are forbidden, on pain of corporal punishment, to travel out of the country on their own initiative [lest they] tell their countrymen of the free institutions which exist in foreign lands."

Olearius, 17th Century German diplomat

"For making people tipsy here is an honour and a sign of esteem; the man who is not put under the table holds himself ill respected. The Muscovites are indeed masters at talking to others and persuading them to drink."

Herberstein, 16th Century German observer

"Secrecy presides over everything; administrative secrecy; political and social secrecy; discretion useful and discretion useless. A silence that is superfluous assures the silence that is necessary."

Custine, 1839.

Russian Negotiating Tactics and Diplomacy

"We do not find the [Russian] Ambassadour nowe at the last so conformable to reason as wee had thought wee shoulde. He is very mistrustfull, and thinketh everie man will beguile him. Therefore you had neede to take heede howe you have to doe with him or with any such, and to make your bargaines plaine, and to set them down in writing. For they bee subtil men to bee like themselves."

Instructions of the Directors of the  
Company of the Merchant Adventurers to  
Russia to their Moscow agent, 1557

"They do not regard deception as a matter of conscience, but more as a wise and praiseworthy mode of conduct .... If they light upon a point favourable to them when they are dealing with others, they clutch at it to their advantage, and anything they say or promise is turned to their own favour, however they may have pledged themselves, for they swear oaths only with the purpose of deceiving."

Olearius

/"One...

"One does not need to worry much about negotiations when one has six hundred thousand men under arms."

Anonymous Russian General at the  
Congress of Vienna\*

"I should have liked to be friendly with [Russia]; but she simply would not permit it, and those responsible for managing her foreign policy betrayed a brutality and ignorance, an arrogance and shortsightedness, which are not often combined."

Teddy Roosevelt

"I look upon .... Soviet Diplomacy not only as being unreliable, but, above all, as being incapable of being of the same nature as the foreign political activity of other nations, and in consequence, as being something with which one cannot negotiate or conclude treaties."

Adolf Hitler.

### The Russian Threat

"You must make up your minds to watch him and resist him [the Tsar]. Acquiescence will not keep him back, nor will opposition accelerate his march."

Castlereagh

"It was believed that the Emperor Nicholas numbered almost a million of men under arms; and of these a main part were brave, steady, obedient soldiers. Gathering from time to time great bodies of troops upon his Western frontier, he caused the minds of men in the neighbouring states to be weighed down with a sense of his strength. Moreover, he was served by a diplomacy of the busy sort, always labouring to make the world hear of Russia and to acknowledge her might."

Kinglake, writing in 1863 of the  
eve of the Crimean War

"The steady and systematic manner in which by conscious accretions year by year, 'hastelessly but remorselessly' the immense military forces of Russia are being welded into a standing army more than double the size of any other European army, with untold masses of reserves in the background."

Despatch from Sir R Morier,  
HM Ambassador in St Petersburg  
in the 1880s

The development of the Russian armed forces, in fighting power as well as transport capacity, is "one of the most striking phenomena in modern military history."

Encyclopedia Britannica, 1910 edition.

/Pessimism and Optimism

\*Footnote: Cf Nelson: "I hate your pen-and-ink men: a fleet of British ships of war are the best negotiators in Europe."

### Pessimism and Optimism

"When our cosmopolitan democracy, bearing its final fruit, has made out of war something odious to entire populations, when those nations that are supposed to be the most civilised ones on earth have finally cultivated themselves in their political debauchery and have fallen progressively into internal somnolence and the world's contempt, when, swooning in their egotism, they have lost all attraction for others as allies, then the floodgates of the North will be opened once more in our faces, and we shall be subjected to a final invasion, no longer by ignorant barbarians but by sophisticated masters, masters more enlightened than ourselves. For they will have learned from our excesses how we could and should be ruled. A Russian domination, even if it should limit itself to diplomatic demands, would seem to me to be the deadliest possible thing for the world."

Custine, 1839

The Russian government deliberately interposes "a thick veil between her and the rest of Europe, leaving the latter to ruminate over her vast but unknown resources, till at length everyone is affected by a panic fear, for which there is absolutely no reason whatsoever."

Edinburgh Review, 1854.

THE EAST-WEST BALANCE

This Annex contains the following Sections:

SECTION A : The Military Balance

- (a) Strategic Nuclear Balance
- (b) Long-Range Theatre Nuclear Balance
- (c) World-wide Conventional Balance
- (d) Conventional Balance in Europe

SECTION B : The Economic Balance

SECTION C : Aid Statistics

SECTION D : East-West Trade

Note on sources: The Annexes are intended for illustrative purposes only. They are based for the most part on published sources to avoid unnecessarily high classification. They are nevertheless reasonably accurate.



SECTION A : THE MILITARY BALANCEa. Strategic Nuclear Balance <sup>(1)</sup>

	<u>USA</u>	<u>USSR</u>
Launchers of ICBMs	1,054	1,398
Fixed Launchers of ICBMs	1,054	1,398
Launchers of ICBMs equipped with MIRVs	550	608
Launchers of SLEMs	656	950
Launchers of SLEMs equipped with MIRVs	496	144
Heavy bombers	573	156
Heavy bombers equipped for cruise missiles capable of a range in excess of 600 kilometres	3	0
Heavy bombers equipped only for ASBMs	0	0
ASBMs	0	0
ASBMs equipped with MIRVs	0	0

Note:

- (1) As declared by the Chiefs of the US and Soviet delegations to the Strategic Arms Limitation Talks, 18 June 1979.

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(SECTION A, continued)

b. Long-range Theatre Nuclear Balance<sup>(1)</sup>

	<u>NATO</u>	<u>WP</u>
(i) <u>Land-Based</u>		
Missiles	18 (France)	690 (SU)
Warheads	18	890
(ii) <u>Sea-Based</u>		
Missiles	128 (France & UK)	54 (SU)
Warheads	128	54
(iii) <u>Bombers</u>		
Aircraft	265 (France, UK, US)	841 (SU) (4)
Warheads	265-435 (2)	841-1682 (3)

Notes: Figures based mainly on The Military Balance 1978-79

- (1) Range from approx 1000 to 5000 kms.
- (2) Free-fall bombs only.
- (3) Conservative estimate for air-surface missiles. Figure for free-fall bombs probably higher.
- (4) Includes 350 Naval Air Force. Some of these systems are currently deployed facing East: given the mobility of aircraft, the figures are not to be relied on.

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(SECTION A, continued)

World-wide

c. Conventional Balance

i. Men

(a) Army

US	774,200			1,825,000
Non-US NATO	1,861,797 (1)		USSR	813,000
Japan	155,000		NSWP	
China	3,625,000			
	<u>6,415,997</u>			
Total			Total	<u>2,638,000</u>

(b) Navy

US	532,300			433,000
	+ 191,500	Marines	USSR	59,000
Non-US NATO	341,570 (2)		NSWP	
Japan	41,000			
China	300,000			
	<u>1,406,370</u>			
Total			Total	<u>492,000</u>

(c) Air Force

US	570,800			455,000
Non-US NATO	533,246 (3)		USSR	222,000
Japan	44,000		NSWP	
China	400,000			
	<u>1,548,046</u>			
Total			Total	<u>677,000</u>

(d) Total Armed Forces

US	2,068,800			3,638,000 (4)
Non-US NATO	2,757,013 (5)		USSR	1,094,000
Japan	240,000		NSWP	
China	4,325,000			
	<u>9,390,813</u>			
Total			Total	<u>4,732,000</u>

Notes: Figures taken from The Military Balance 1978-1979

(1) Includes 324,400 France

(2) Includes 68,200 France

(3) Includes 100,800 France

(4) Excludes some 750,000 uniformed civilians. Includes 375,000 Strategic Rocket Forces and 550,000 Air Defence Force

(5) Includes 20,400 inter-Service staffs, France and FRG

UNCLASSIFIED  
(SECTION A, continued)

ii Tanks (1)

US	approx	12,100		USSR	50,000
Non-US NATO		14,931 (2)		NSWP	14,725
Japan		790			
China		10,000			
		Total		Total	64,725
		37,821			

iii Major Surface Combat Vessels (3)

US		172		USSR	243
Non-US NATO		279 (4)		NSWP	17
Japan		58			
China		23			
		Total		Total	260
		532			

iv Submarines

US		75		USSR	243
Non-US NATO		126 (5)		NSWP	8
Japan		14			
China		75			
		Total		Total	251
		290			

v Combat Aircraft (Air Force)

US	approx	3,400		USSR	approx 4,650
Non-US NATO		3,152 (6)		NSWP	2,580
Japan		358			
China	approx	5,000			
		Total		Total	7,230
		11,910			

Notes: Figures taken from The Military Balance 1978-1979

- (1) Covers both medium and light tanks
- (2) Includes 2160 French tanks
- (3) Carriers, cruisers, destroyers, frigates, escorts, corvettes
- (4) Includes 46 French
- (5) Includes 21 French
- (6) Includes 471 French



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(SECTION A, continued)

d. Conventional Balance in Europe

(i) In MBFR reductions area (1)

	<u>NATO</u>	<u>Warsaw Pact</u>
Ground Forces	791,500 (2)	956,200 (3)
Air Forces	189,500	219,100 (4)

(ii) "From the Atlantic to the Urals" (5)

	<u>NATO</u>	<u>Warsaw Pact</u>
Ground Forces	2,028,497	2,163,000 (6)
Air Forces	637,046	approx 600,000

Notes

- (1) NATO estimates: these exclude civilians, reservists, border guards and paramilitary organisations concerned with external defence.
- (2) Includes an estimated 60,000 French forces in FRG.
- (3) Warsaw Pact claim the figure is 805,000.
- (4) Warsaw Pact claim the figure is 182,300
- (5) These figures are rough calculations based on The Military Balance 1978-79. (Include UK, Danish, Greek, Italian, Norwegian, French, Turkish & Portuguese forces not in MBFR reductions area.)
- (6) Figure calculated on the assumption that there are 10,000 men in a Soviet tank division and 12,000 in a motorised division. Includes divisions in Central and Eastern Europe, Eastern USSR, Central USSR and Southern USSR.

SECTION B : THE ECONOMIC BALANCE

	(1)	(2)	(3)	(4)	(5)	(6)
United States	216,817	1.1	1,874,270	3.5	8,640	2.4
Non-US NATO	<u>344,430</u>	0.9	<u>1,868,740</u>	4.7	5,426	3.8
NATO total	561,247		3,743,010			
Japan	113,860	1.1	642,200	9.2	5,640	8.0
China	<u>849,020</u>	1.6	<u>346,350</u>	6.9	410	5.2
NATO + Japan & China	<u>1,624,127</u>		<u>4,731,560</u>			
USSR	259,126	1.1	780,930	4.9	3,010	3.8
NSWP	<u>107,110</u>	0.6	<u>338,250</u>	5.1	3,158	4.4
	<u>366,236</u>		<u>1,119,180</u>			

(1) Population '000 1977

(2) Population growth rate - average % increase 1960-76

(3) GNP US\$ m 1977

(4) GNP Growth rate - average % increase 1960-76

(5) GNP per capita US\$ 1977

(6) GNP per capita growth rate - average % increase 1960-76

SECTION C : AID STATISTICSNet ODA as % of GNP in 1977

USA	0.22%	
EEC	0.40%	
OPEC <sup>(1)</sup>	2.01%	(2.7% in 1975)
China	0.07%	(0.14% in 1973)
Eastern Europe	0.05%	(0.07% in 1973)
USSR	0.03%	(0.09% in 1973)

- Notes: (1) This is "concessional assistance" by OPEC governments.  
(2) Although the OECD has a standard definition of aid, the figures for areas other than USA and EEC are estimates of concessionary flows.

Sources: DAC Chairman's Report 1978  
OID Brief  
World Bank Atlas

SECTION D  
EAST-WEST TRADE

UNCLASSIFIED

1. Trade with Warsaw Pact as proportion of total trade

	<u>1958</u>	<u>1968</u>	<u>1977</u>
US	0.6	0.6	1.3
FRG	5.2	3.8	5.1
Italy	3.3	5.8	5.3
France	3.0	3.4	3.7
UK	2.5	3.7	2.9

2. Trade (both ways) in US\$m in current prices

	<u>USSR</u>			<u>NSWP</u>			<u>WP</u>			<u>China</u>			<u>Balance (Warsaw Pact only)</u>		
	1958	1968	1977	1958	1968	1977	1958	1968	1977	1958	1968	1977	1958	1968	1977
US	21	117	1879	176	297	1608	197	414	3487	0.1	-	397	+29	+16	+1595
FRG	164	567	4755	676 <sup>1</sup>	1138 <sup>1</sup>	6492 <sup>1</sup>	840	1705	11247	221	258	789	-68	+170	+2063
Italy	71	463	2676	118	724	2209	189	1187	4885	46	108	248	-6	-115	-309
France	170	438	2654	143	489	2345	318	927	4999	56	141	289	-14	+183	+563
UK	312	629	2005	188	631	1562	500	1260	3567	128	152	292	-68	-180	-657

3. Growth in East-West Trade, 1958 = 100

	<u>USSR</u>			<u>NSWP</u>			<u>WP</u>			<u>China</u>		
	1958	1968	1977	1958	1968	1977	1958	1968	1977	1958	1968	1977
US	100	511	3326	100	154	339	100	192	650	-	-	-
FRG	100	317	1078	100 <sup>1</sup>	153 <sup>1</sup>	357 <sup>1</sup>	100	186	497	100	92	133
Italy	100	598	1401	100	562	695	100	576	960	100	215	200
France	100	236	580	100	303	589	100	267	584	100	230	192
UK	100	184	239	100	307	309	100	231	265	100	108	84

(Figures deflated for inflation)

Note: 1 Excludes FRG-GDR tradeSource: Direction of Trade