



BRITISH EMBASSY
MOSCOW

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Foreign and Commonwealth Office
LONDON

My Lord

SOVIET UNION ANNUAL REVIEW FOR 1979

1. This Review must be dominated by the Soviet military occupation of Afghanistan which began on Christmas Eve. It is difficult yet to offer even an immediate assessment of this operation, let alone the more reflective analysis which might be appropriate for an annual review. The Afghanistan campaign must however mark a new stage in the Soviet Union's relations with the rest of the world.
2. In my Review for 1978 I said that the Afghanistan revolution represented a significant extension of Soviet influence and that the Soviet Union, with its Friendship Treaty, had put on to a formal basis what Brezhnev described as "a qualitatively new relationship". During 1979 the Soviet Union realised that political and economic means backed by limited numbers of military advisers might not suffice to hold Afghanistan firmly within the Soviet orbit. The resultant military action demonstrated just what the qualitatively new relationship meant. The Soviet Union believed that in a situation where there was no risk of direct military confrontation with a major

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power it could afford to use substantial military force to achieve a political end, covering its action with pretexts, including prior foreign intervention, so flimsy as to constitute an added affront to the international community. There can scarcely be a country, even including the Soviet Union's closest allies, which does not feel anger, disquiet or both.

3. I must admit that I was surprised at the cold-blooded effrontery of the action in Afghanistan. I ought not to have been. When Soviet force is used it is used massively, swiftly and combined with political brutality. There was nothing in the Afghanistan operation which ran counter to the classic Soviet pattern. In Angola and Ethiopia it was convenient to use Cuban forces. Afghanistan required Soviet forces. So they were used. What I still find slightly surprising is the clumsiness with which the international presentation was conducted. A sequence of events under which Soviet troops are introduced on the 24th, and their introduction publicly justified by an appeal said by the Soviet Union itself to have been made on the 28th by a new puppet government, after the Prime Minister in power at the time the Soviet forces entered has been murdered, indicates either a certain carelessness for detail or a remarkable contempt for international opinion.

4. In assessing the occupation of Afghanistan it is well first to look back at the year's other major military operation, the Chinese punitive attack on Vietnam, a country bound to the Soviet Union in a treaty relationship if anything stronger than that with Afghanistan. Yet Brezhnev, having threatened China, committed no Soviet forces. His decision in relation to Vietnam must have been based on

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an assessment that China meant what it said when it declared the limited nature of the operation; that there was no absolute need to introduce Soviet forces in order to sustain the Government in Hanoi; and that military action against China itself could not have been quick, limited and decisive. So China administered the "lesson" and in doing so probably heightened Soviet readiness to take military action in circumstances where it could do so with impunity. The Vietnamese occupation of Kampuchea served, however, to awaken awareness among the nations of South East Asia of the threat they might face. For their part, the Russians proved sufficiently realistic in their attitude to China to recognise its increasing importance in world affairs by beginning talks on normalising relations. The fact that discussions have not yet broken down represented a degree of progress in the unusual world of Sino-Soviet affairs.

5. - In the context of the development of Soviet foreign policy during 1979 it is also appropriate to consider Iran. It was in November 1978 that Brezhnev issued his public warning against intervention. Since then as the revolution has developed, the Soviet Union, whatever its own irritation at the interruption of its gas supplies and its distaste for Moslem fanaticism, has been able to draw comfort from the loss of American influence, the change in the balance of power in the Middle East and the weakening of the West by the escalation of oil prices. After indicating, at a relatively early stage, that the Iranian revolution had a long way to run, the Soviet Union offered little direct comment, referred only occasionally to the Tudeh party, concentrated on criticism of the United States and appeared to be biding its time while the internal situation evolved.

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It was an interesting sign of the importance attached to total control over Afghanistan that to achieve it the Soviet Government was willing at the end of the year to accept the risk of prejudice to its influence in the Moslem world. Looking more widely it is perhaps not fanciful to hope that if the West plays its cards well we may, in retrospect, see 1979 as the year when the events of Kampuchea and Afghanistan made the tide begin to ebb away from the Soviet Union in the politics of the third world.

6. If Vietnam, Afghanistan and Iran were the principal points of concern in relation to the third world, the consolidation of the Soviet hold on Ethiopia and South Yemen was not unimportant. There were no new Soviet initiatives in the Arab-Israel dispute.

7. The conclusion of Salt II and the NATO decision to modernise its theatre nuclear forces in Europe made 1979 a significant year for the development of Soviet foreign policy at the strategic level. At the start of the year the Soviet Union enjoyed a remarkably satisfactory situation in respect of the nuclear and conventional balance with NATO. Parity in strategic intercontinental nuclear weapons had been established and, with the prospect of sustaining it at minimal cost, the Russians must have thought it worth while making some movement to secure signature of Salt II. At the theatre level the development of the SS20 rocket and Backfire bomber had given the Soviet Union a qualitative if not quantitative superiority and with the Vienna negotiations on the reduction of forces stalled, the Soviet superiority in conventional forces in Europe remained substantial. With this comforting prospect the Soviet Union developed its relationship with /the



the West, concentrating on high-level contacts with the United States, France and Germany. President Giscard d'Estaing visited Moscow in April, Gromyko was in Bonn in November and Schmidt was to meet Brezhnev in Moscow early in 1980. As for the United States, the meeting between Carter and Brezhnev at Vienna, with signature of Salt II, offered for a moment the hesitant promise of an easier bilateral relationship between the superpowers. But the underlying conditions were not such as to permit it. The Soviet Union believed that it was dealing with an indecisive and inconsistent American administration. Over confident after the success of the campaign against the "neutron bomb", the extraordinary muddle over Soviet troops in Cuba and the acute American dilemma over the hostages in Tehran, it may well have miscalculated the will of President Carter to hold the NATO alliance together and to respond to the occupation of Afghanistan. By the end of the year, with the West reassessing its policies in the light of Afghanistan, the ratification of Salt II unlikely and NATO preparing, despite a Soviet campaign based on letters from Brezhnev to NATO Heads of Government and a major speech by Brezhnev in East Berlin, to instal Cruise missiles and Pershing II rockets in Western Europe, the strategic prospect for the future was substantially less reassuring to the Soviet Union.

8. The Soviet actions in respect of Afghanistan, Vietnam and Iran and policy towards the West during 1979 provide an excellent illustration of the different facets of a complex but to the Soviet mind consistent foreign policy. The essence of that policy, misleadingly described as detente, has been to establish enough stability in

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the relationship between the major powers to allow the Soviet Union to pursue its proclaimed policy of shifting the balance of power in favour of "socialism", or in other words, without risking its own security, to extend by covert or overt means its influence and ultimately its political control within the developing world - and, albeit more cautiously, within Europe itself. The tactics and the timing have been determined by a careful assessment of the risks and opportunities in each case. Where the risk of extended conflict was high or the time perhaps premature caution and patience prevailed. In the case of Afghanistan, the inhibiting factors were absent. Soviet policy there had a double basis. The reversal of the April revolution could not be accepted and the Soviet Union would not permit a state bordering the Soviet Union "to be turned into a bridgehead of imperialist aggression", ie such a state should accept subservience to Soviet policy, although the extent of that subservience, the means of attaining it and the timing might depend on the local circumstances. It is because the only wholly effective inhibiting factor is the security of the Soviet Union itself that the Soviet detente policy is so hard to contest effectively unless others are ready for a trial of nerve which in a nuclear world can seem reckless. In fact, because of the Soviet Union's obsession with its own security, Soviet expansion can, with firmness and patience, be contained. But this takes me beyond the bounds of an annual review.

9. If 1979 was a year in which the world had clearly revealed to it the nature of Soviet foreign policy, it was also a year in which the Soviet Union had to acknowledge the failings of its economic policy. A growth rate of about 2% would not look bad for a developed economy but

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is not adequate in the present state of the Soviet Union. Day after day Pravda has come out with case histories of failure in different industries and, in his speech to the Central Committee in November, Brezhnev summed it up in an explosion of irritation and frustration, naming nine of his Ministers for various degrees of inefficiency, yet having nothing to offer except yet more exhortation. A former Pakistani colleague once said to me "Communism is like a car with bottom gear only. It is good for getting you out of the mud, but not much use on the motorway". The Soviet economy is no longer in the mud, but it cannot cope with the motorway and the driver's remedy of blowing his horn and cursing the passengers has little effect. In practical terms I have the feeling that the sheer problem of a government trying to plan every detail of the economic life of a country of 260 million is just too much. One of our British visitors was recently received by the Deputy Minister of Foreign Trade, Mr Kuzmin. Explaining the production of consumer goods, Kuzmin said "We know the breakdown of the population by age and sex and we can calculate easily enough the requirement for socks and stockings. But then you come along with tights and all our planning is thrown out". Pravda comes out with an article "Oh, those tights". Brezhnev addresses the Central Committee on everything from nuclear power to nappies. The miracle is not that the economy creaks but that it functions at all, when every detail of it is a responsibility of the Government itself. Searching for remedies the leadership have castigated the lower and middle reaches of the party. Their dilemma was well revealed by Scherbitsky, the Party Leader in the Ukraine, who was given

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a half page of Pravda at the end of the year to call for enthusiasm and creativity. "I think I am not mistaken when I say that the prerequisite for a further development of the initiative of the masses and of the creativity of labour exists in the nature of our system of society, the economy and the state, in our conception of life". His readers must have sighed as they reached for the vodka bottle.

10. Each winter the world has wondered whether Brezhnev would survive to the summer. This December again he is ill, but not too ill to congratulate his new Afghan protégé. Kosygin has been seriously ill for over two months.

Whether and when the change of leadership will come I cannot predict, but the fact that the military occupation of Afghanistan was carried out when neither Brezhnev nor Kosygin was wholly fit makes it reasonable to conclude that there is no reason for optimism about the course of events when they are gone.

11. In March The Duke of Edinburgh paid a successful visit to Moscow in his capacity as President of the International Equestrian Federation. It coincided with an improvement in Anglo-Soviet relations which continued in the early months of the Conservative Government. The Soviet leadership have a certain respect for plain speaking. They were much impressed by the Prime Minister's action in receiving Mr Patolichev, the Foreign Trade Minister, who arrived in London immediately after she had taken office and the frank discussion which Mrs Thatcher had with Mr Kosygin at Moscow airport on her way to Tokyo seems to have gone down rather well. Your own action in receiving the Deputy Foreign Minister, Mr Zemskov, was much appreciated and the subsequent political consultations at official level were developing satisfactorily in the second half of the year.

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The British export trade to the Soviet Union did not however flourish. Even in cash terms it looks like amounting to only about £420 million in 1979, the same as in 1978, while Soviet exports to Britain will rise from £688 million to about £800 million. I doubt whether in 1980 we shall even reach the 1979 figure.

12. With the intensification of the Soviet campaign against modernisation of NATO forces in Europe, the Anglo-Soviet relationship became more strained and Soviet hostility more apparent. It was focussed first on the Prime Minister's Luxembourg speech of 18 October and later on her reference to the need for the West to be able to negotiate from a position of strength. Now, the occupation of Afghanistan means that we and our allies must review the bilateral relationship and it is right that we should prepare for a further period of tension. There is always a temptation for an Ambassador to recommend measures to improve relations. Indeed he has a responsibility in this respect which is not just a matter of echoing the lady whom I heard say to her neighbour on the No. 11 bus "You know, dear, it's nice to be nice". I have in earlier despatches argued the case for our developing a more substantial relationship with the Soviet Union. I believe those arguments still to be valid. Our objective should be a relationship of mutual respect founded on consistent firmness and courtesy, pursued in close concert with our allies and designed to make it plain that the Soviet Union cannot attain the detente it seeks if it continues its expansionist policies. Your despatch of 7 December reads well in the light of the Afghanistan adventure and I hope that the broad line of policy established by it can be maintained.

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13. An annual review of the Soviet Union could become a review of the whole international scene. This has been a remarkable year, enlightening in the way that the essential features of Soviet foreign policy have been displayed, but heartening in the evidence it has given of the inability of the Soviet system to produce either prosperity at home or respect abroad. I am conscious that I have omitted much. For that the calendar of events must suffice.

14. I am sending copies of this despatch to Her Majesty's Ambassadors at Washington, Bonn, Paris, Helsinki, Peking, Belgrade, Warsaw, Prague, Budapest, Bucharest, Sofia, East Berlin and Kabul; and to the United Kingdom Permanent Representative at NATO.

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Yours faithfully

Curtis LeMay



SOVIET UNION: ANNUAL REVIEW FOR 1979

(January 1980)

SUMMARY

1. The Afghan campaign marks a new stage in the Soviet Union's relations with the rest of the world. The Russians believed that where there was no risk of direct military confrontation with a major power they could afford to use the Soviet armed forces to achieve a political end and acted with cold-blooded effrontery. The international presentation was surprisingly clumsy. (Paras 1 - 3)
2. The Russians were more prudent in reacting to China's attack earlier in the year on Vietnam, but the Chinese action may have made the Russians feel free to intervene directly in Afghanistan. The year nevertheless saw the start of talks on normalising Sino-Soviet relations. (Para 4)
3. The Russians have gained from developments in Iran, but were willing to put their reputation in the Third World at risk by their invasion of Afghanistan. (Paras 5 - 6)
4. 1979 opened with a comfortable strategic situation for the Soviet Union reaching a high point with the signature of Salt II in the summer in Vienna. But the Russians were over-confident in their policies towards the United States and by the end of the year the West was re-assessing its policies, ratification of Salt II was unlikely and NATO was preparing to modernise its Theatre Nuclear Forces. The essence of Soviet policy towards detente has been the attempt to extend its influence, while maintaining a stable relationship between the major powers. The constraint on them remains that of risk to Soviet security. (Paras 6 - 8)

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5. 1979 was not a good year for the Soviet economy. There were no leadership changes of significance. Anglo-Soviet relations were cool by the end of the year. (Paras 9 - 12)

6. 1979 threw a clear light on essential features of Soviet foreign policy, but was heartening in the evidence it gave of the inability of the Soviet system to produce either prosperity at home or respect abroad. (Para 13)