



10 DOWNING STREET

From the Private Secretary

2 September, 1983

The Prime Minister is pleased that you will be able to attend her meeting at Chequers on 8 September to consider East/West Relations and, as background to the meeting, I attach papers which have been prepared by academics working in this field. As you know, these will be discussed at the meeting. I know that you will treat the papers themselves as being on the same confidential basis as the meeting itself.

TIMOTHY FLESHER

The Lord Thomas of Swynnerton

Foreign
Strategy
APR 83
ATC

LIST OF RECIPIENTS OF
TIM FLESHER'S LETTER OF 30 AUGUST
+ ENCLOSURES:

Richard Mottram, MOD

Haydon Warren-Gash, M/S Office, FCO (Rifkind)

Sir Antony Acland, FCO

Sir Julian Bullard, FCO

Mr. J. M. Mackintosh, Cabinet Office

Richard Hatfield, Cabinet Office

Chief of the Defence Staff, MOD

Sir Clive Whitmore, MOD

Mr. J. N. H. Blelloch, MOD (v)

Mr. B. Cartledge, FCO Room 305 Downing St. East.

Mr. ~~A~~ J. S. Goodall, Cabinet Office

Sir Anthony Parsons)
Mr. Robin Butler) No.10
Mr. John Coles)

DSG

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10 DOWNING STREET

From the Private Secretary

30 August 1983

Dear John,

In his letter of 22 July, John Coles referred to a number of papers which are being prepared for discussions at Chequers next week by a number of academic experts on East/West relations. I now enclose these papers. Although, given their source, these papers cannot be given a security classification, I should be grateful if you and the other participants in the meetings, to whom I am sending a copy of these papers, could treat them as being entirely confidential.

I am sending copies of this letter and enclosures to Richard Mottram (Ministry of Defence), Haydon Warren-Gash (Office of the Minister of State, FCO) and to the other participants.

Yours ever,

Timothy Flesher

John Holmes, Esq.,
Foreign and Commonwealth Office.

ST. ANTONY'S COLLEGE,
OXFORD.
OX2 6JF
TEL. 59651

30 August 1983

T. Flesher, Esq.,
10 Downing Street,
London, SW1.

Dear Mr Flesher,

I am glad to return, with the very few corrections required, the papers for the Chequers meeting on 8 September.

I have arranged the eight papers in pairs thematically with the thought that the Prime Minister might consider dividing our morning into four. Each of the two authors concerned could launch the discussion with an introduction of five minutes or so.

All of us will wish to dine at the Spread Eagle. Dr Amann, Mr Brown and I will travel to the hotel in a hire-car - the same car will have collected me at Gatwick that afternoon, for I have curtailed my participation in an IEA conference in Madrid in order to return in time. We would like to be returned to the Hotel in the afternoon of the 8th. I understand that Mr Donnelly will collect Dr Pravda on his way from Camberley in an Army staff car (and will take him back to Reading the next day). Mr Bourdeaux, Professor Nove and Mr Schöpflin will need to be collected off the 18.30 train at Wendover station, and be returned there the next day.

You mention in your letter of 25 August the reimbursement of travel costs; I should add that in my own case as organiser I shall have to put in for a fair number of telephone calls.

When I saw Dr Amann two days ago, he had not by then received your letter of 25 August and the Chequers admission card. I mention this because he was a late addition (address CREES, University of Birmingham, PO Box 363, Birmingham B15 2TT). The best addresses for despatch of the enclosed paper when duplicated are:

Rev. M. Bourdeaux, Keston College, Heathfield Road, Keston BR2 6BA;

Mr A. Brown, St Antony's College, Oxford OX2 6JF;

Mr C. Donnelly, Old Plough Farm, Wildhern, Hatherdon, Andover;

Professor Alec Nove, 55 Hamilton Drive, Glasgow G12 8DP;

Dr A. Pravda, Department of Politics, University of Reading, RG6 2AA;

Mr G. Schöpflin, London School of Economics, Houghton Street, London WC2A 2AE.

The addresses for Dr Amann and me are of course above: Birmingham and Oxford respectively.

Yours sincerely
Michael Kaser
(Michael Kaser)

IN CONFIDENCE



The London School of Economics & Political Science
Houghton Street, London WC2A 2AE

Telephone: 01-405 7686

Telegrams: Poleconics, London

Telex: 24655 BLPES G

With the compliments of George Schöpflin

To be added to the package for Mr Michael Kaser,
which is to be taken by car, to Oxford, on the
28 August.

1. The Soviet Union gains a number of what it perceives as benefits both from its control over Eastern Europe as such and from the particularly strict methods of control and standards of conformity demanded. In ideology, the maintenance of Marxist-Leninist (Soviet type) systems underpins Soviet claims for Marxism-Leninism to be a world system, especially in its Soviet form. In politics, there is a sense of prestige and satisfaction from ruling directly or semi-directly over a large tract of what in Soviet eyes is 'the West' or at any rate Europe. Both these serve to legitimate Soviet rule in the eyes of the Soviet population for which the existence of a belt of client states in Eastern Europe is a source of emotional satisfaction. To this may be added the 'blood price' factor, ie. that the Soviet Union 'paid in blood' to liberate these areas in World War II and will, therefore, never abandon them to 'fascism' or 'imperialism'. In defence, the existence of a defensive glacis has an analogous function. In economics, regardless of whether Eastern Europe constitutes a burden or not, it is part of a world economic sub-system with its centre in Moscow. In a word, the Soviet Union maintains an empire and is content to do so. The economic cost of Eastern Europe to the Soviet Union according to recent estimates is relatively low, having peaked at \$20.4 billion in / ^{1981,} which is hardly a high price to pay for the perceived political benefits. For all these reasons, the Soviet Union is unlikely to accede to (unofficial) East European demands for the Finlandisation of Eastern Europe.

2. Tension between East European political aspirations and the externally imposed Soviet-type system in conflict with inherited identities is at the centre of the East

European dilemma. Attempts to resolve the tension have been rebuffed by the Soviet Union (Hungary 1956, Czechoslovakia 1968, Poland 1980-81). Hence in the 1980s, Eastern Europe faces a pressing need for thoroughgoing political reform in the direction of providing for popular participation in the political process. The most the Soviet Union is prepared to countenance is economic reform tending to promote rule where leaderships sought to rely on technocratic efficiency by technocratic elements (whose record is spotty, viz. Poland and Roumania). In any case, there is a pivotal distinction to be made between reform (making the system perform better within its own framework) and democratisation (transforming the system by providing for much greater popular control) completely. Eastern Europe is at a stage where it would benefit in respect of political efficiency and cohesiveness from democratisation; it is unlikely to achieve this.

3. This has important consequences for legitimation and for the nature of the ruling ideology. East European régimes remain weak because they have been unable to create either a set of political institutions or a set of political ideas to correspond to popular aspirations. Marxism-Leninism has degenerated into vapid formulae and has become quite inappropriate for the expression of new ideas. Nationalism, which in any case undermines the coherency of Marxism-Leninism, is only partly usable because régime and popular perceptions of national aspirations and ambitions differ, above all regarding the Soviet Union. This leaves only the propagation of the technocratic idea, that the party is justified in holding monopoly power because it is best fitted and most successful in doing so. This proposition is undermined by everyday experience.

4. Communist parties in Eastern Europe have retained power (i) because of Soviet support; (ii) because they have built up a smallish group of supporters within the country - this need not exceed 10 per cent of the population; (iii) because they have been extremely competent in the deployment of power and have no scruples about using all the instruments of power to achieve their aim of sustaining their preeminence. Indeed, Soviet-type systems are essentially concerned with maintaining a small group in power over society. One significant constraint on the use of power, however, is the recognition that the crude application of power (violence on a large scale, terror) is counterproductive, especially in the economy. Hence there has been a mounting sophistication in the instruments of power employed.

5. Thus the outlook for Eastern Europe as a whole in the 1980s is one of little change. There can be no real political change, so that there may be repeated expressions of discontent, but seldom enough to produce major upsets. There will be friction, weakness, restiveness, dissatisfaction and in all likelihood a greater use of repression if unrest increases, but no collapse. As far as the Soviet Union is concerned, it appears quite prepared to pay the relatively small price that this involves.

6. It should be noted that over the years, the Soviet handling of Eastern Europe has shown greater skill. The crude violence of the 1950s (GDR 1953, Hungary 1956) has been replaced by more subtle methods. These currently include control via the Warsaw Pact and Comecon. There is already a suggestion among Western analysts that top level military officers in Eastern Europe feel more of a loyalty to the Pact and the Soviet Union than they do to their own countries. Also noteworthy is the increased attention paid to coordination among Warsaw Pact Ministries of Interior, a trend which has intensified since Andropov's accession.

7. Specific trouble spots for the Soviet Union in Eastern Europe include the following:

- (i) Roumania, whose 'independent' foreign policy was never more than an irritant to Moscow, is now in the midst of a major crisis. This has evidently reduced Roumania's capacity for independence, such as it was, even farther. This has not prevented the Soviet Union from stepping up pressure on Roumania since Andropov's accession - there is some evidence of personal tension between Andropov and Ceaușescu. The Soviet Union, it can be assumed, will look with favour on a transition from Ceaușescu to a more congenial type of régime in Roumania, but would like to achieve this with a minimum of disturbance. Any collapse of the Ceaușescu régime would entail direct or almost direct Soviet action in Roumania, something which might even be welcomed by sections of the Roumanian population (depending on the circumstances of Ceaușescu's going).
- (ii) Czechoslovakia, the GDR and Bulgaria appear to pose no threats of trouble for the

ment. However, all three are likely to undergo succession crises over the next few years. The rather slow economic growth in Czechoslovakia and the GDR is not being met by any real economic reform. Bulgaria, which has always enjoyed a very special relationship with the Soviet Union, has turned in a better economic performance.

(c) Poland remains a continuing source of difficulty, in as much as the Jaruzelski leadership has manifestly failed to 'normalise' the country to Soviet satisfaction. The Pope's visit demonstrated where the sympathies of the Polish population lie and it may well be, that to have allowed the visit to take place is viewed ^{by many} in Moscow as constituting an error serious enough to raise a question mark over Jaruzelski's future. Above all, the Jaruzelski régime appears to have no persuasive conception of the shape of Poland's future and has not been able to put forward any proposal which might create sufficient common ground between rulers and ruled for a minimum of stability. On the other hand, the situation in Poland under Jaruzelski is far more favourable from the Soviet point of view than any of the alternatives. Given Moscow's general reluctance to innovate, the chances are that the leadership will opt to live with the existing semi-satisfactory state of affairs until a major crisis necessitates closer control.

(d) Hungary still appears to be a bright spot, despite some evidence of political decay, four years of zero growth and virtual bankruptcy in 1982. Under Kádár, the Hungarian party has some latitude in the running of the economy and agriculture. The current discussion on political reform is the first officially sponsored debate on the future shape of politics in any Warsaw Pact country since Czechoslovakia 1968. Whether any of the proposals will be implemented in a real (as distinct from a cosmetic) fashion is still open, but evidently there is a strong section within the party that would like to make a break with the patterns established in the 1960s and 1970s. The Soviet Union has watched Hungarian developments with apparent interest and some illusions (see par.9) and could well be using Hungary as a test bed for new ideas.

(e) Three years after Tito's death, Yugoslavia has entered an era of unprecedented political and economic disarray. Neither political nor economic institutions seem capable of coping and reform in both spheres is now under serious consideration, albeit it always difficult to separate the rhetoric of change from reality in Yugoslavia.

In Soviet eyes, Yugoslavia has always belonged rightfully to the Soviet sphere of power and the Soviet Union has never abandoned its long term aim of reincorporating it (viz. Soviet machinations in the 1970s; very close economic ties with the less developed republics). However, since 1979 the Soviet Union has been preoccupied with other problems (Afghanistan, Poland, U.S. etc.) and this has allowed the Yugoslavs a relatively easy ride. They should not assume that this will last for ever. It is also assumed that the West has an interest in keeping the Soviet Union at least out of the Adriatic and overall in preventing Soviet control of Yugoslavia; it is extremely uncertain whether the Soviet Union recognises this Western interest or not.

8. There is a great deal to bear out the suggestion that the day-to-day Soviet objective in Eastern Europe is stability. In periods of direct challenge to the Soviet norm (Czechoslovakia 1968, Hungary 1956, Poland 1980-81), however, the overriding Soviet aim becomes the restoration of 'normality'. In practice, this tends to mean (eg. Gierek in Poland in the late 1970s) - and was particularly so in the late Brezhnev years - that East Europeans are left alone to run their own affairs within the broad constraints of 'stability' and 'normality'. It is perhaps too early to judge how Andropov differs from his predecessor, but there is more than a hint to suggest that he favours a stricter interpretation of 'normality' and greater discipline; if he proves to favour 'normality' this may impose costs on stability. At the same time, the Soviet system suffers from problems of bureaucratic overload, lethargy, inertia and overlapping, so that efforts to effect changes in Eastern Europe outside periods of crisis may well run into the sand.

As against all this, ~~the~~ the very long term Soviet aim is the eventual (50-100 years ?) Sovietisation of Eastern Europe, ie. the entrenching of Soviet Russian values in Eastern Europe and the extirpation of local values. Ideological and educational integration with Soviet institutions and practices has already been pursued for about ^a decade, albeit with very marginal results to date.

9. A great deal has been written recently on the diffusion of ideas from Eastern Europe to the Soviet Union. Hungarian agriculture has been a popular candidate in this respect. Transfers of political and economic technologies from Eastern Europe have their proponents in the Soviet Union as well. This proposition deserves stricter scrutiny than it has had. On closer examination, it is hard to see how the institutions and ideas developed in one East European country can be readily transferred to the Soviet Union, given that they are anchored in the inherited traditions and patterns of that country. Thus Hungarian agriculture is successful not merely because of the relative autonomy of collectives and the role of the private plot, but also because of the particular skills of the Hungarian peasantry, the existence of an influential agrarian lobby and the existence of an intellectual current (the populists) ready to do battle for the peasantry. None of these is strong in the Soviet Union, so that the likelihood is that greater emphasis on the private plot will be sabotaged by those whose bureaucratic interests are threatened by greater peasant autonomy. In general, the belief that the 'advanced' ideas and methods of the West can be taken over wholesale has a long history in Russia, but it has been successful only in a few spheres, like military technology, for which there are very special reasons. This suggests that any innovation in the system that the Hungarians or anyone else in Eastern Europe can come up with will have only a limited impact on the Soviet Union. □