

PRIME MINISTER

SEMINAR ON THE SOVIET UNION

One of the participants in your Seminar on the Soviet Union is Professor Bialer of Columbia University. He is regarded as the best informed American specialist on the Soviet Union, with a particularly wide range of contacts in the Soviet bureaucracy. I attach his most recent book The Soviet Paradox, completed towards the end of last year.

You will not have time to read it, and anyway bits of it are rather rambling. But there are passages which you might look at. The basic message is one of scepticism and pessimism about the extent to which Gorbachev will actually be able to carry through fundamental reforms.

Chapters which I think are particularly worth reading are:

- Sources of Stability (pages 19-40). This concludes that the kind of stability on which the Soviet system is based is likely to be severely tested in the decade to come.
- Gorbachev in Power (pages 109-125). Some quite interesting material on Gorbachev's background and intentions. This sees him using very strong language about the failures of the existing system: but in contrast ready to consider only relatively feeble remedial action.
- The Politics of Reform in the Soviet Union (pages 126-171). Probably the most important chapter in the book, although it becomes discursive. It expects no bold or rapid steps to do away with archaic economic institutions. There is a passage on pages 169-170 which sums up the conclusions as follows:

"Obviously there comes a point at which a crisis of effectiveness becomes a crisis of survival. One should stress, however, that the present situation may last for a very long time before signs appear that the survival of the system is endangered. Such a transformation could best be predicted by designating thresholds of the effectiveness crisis that, when reached, indicate a menace to the survival of the system. In the social arena, such a threshold is reached when such social behaviour as absenteeism, corruption, or alcoholism becomes politicized and produces unrest. In the economic arena, such a threshold is reached either when the technology and economic effort cannot sustain competitive growth in military strength or when, without recourse to full-blown Stalinism, the growth of the economy is entirely utilized for investment or military expenditures over a prolonged period of time. Politically, such a threshold is reached when pronounced and enduring fissures appear within the leadership and among the elites concerning the basic structural or procedural characteristics of the system, rather than mere tactical issues. None of those thresholds is in sight and none is likely to appear in the present decade."

"In an ironic historical twist, the internal decline of the Soviet Union coincides with the height of its military power. Generations of sacrifice forced on the population have produced military might that has become the instrument of the basic rationale for the regime from the time of the revolution - to create a new civilization that would defiantly face the surrounding world and try to change it by any means available. While most of the Utopian dreams of the original Bolshevik Revolution have been discarded or become a hollow ritual, the universalistic claims have largely expanded with the growth of military capabilities. This then is the Soviet paradox of

today and of the foreseeable future, which both its leaders and the West have to face squarely in the 1980s: internal decline coupled with awesome military power directed toward external goals. The effect of this paradox on military policy and foreign behaviour, on the Eastern European empire, on the threat of nuclear confrontation, on turmoil in the Third World, and on relations with China, Europe, and the United States is the subject of the rest of this book."

- The Roots of Foreign Policy (pages 259-271). The thrust of Soviet foreign policy is described as neither peace nor war. Security of the homeland is the first priority. The leaders are committed to an expansion of influence and power. The Soviet definition of their security has been broadened to include preservation of the Soviet Union's status, which includes the right to intervene in any civil war or regional conflict.
  
- Gorbachev and the Dilemmas of Foreign Policy (pages 329-344). This identifies four main problems: the conflict between the Soviet Union's internal material and spiritual decline and the need for additional resources to sustain the leadership's expansionist aims; the incongruity between managed rivalry with the US and foreign expansion; the temporary and unstable nature of the profits from the Soviet investment of effort in the Third World set against the steadily rising costs; the declining legitimacy of the regime, which may actually need continuation of the cold war to sustain its domestic support.

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