

SUBJECT
cc MASTER.FILE
DA
bc PC
BT10 DOWNING STREET
LONDON SW1A 2AA*From the Private Secretary*

25 February 1987

*Dear Tony,***PRIME MINISTER'S VISIT TO THE SOVIET UNION**

As you know, Professor Bialer of Columbia University is attending the Prime Minister's seminar on the Soviet Union on 27 February. He came in today for a preliminary talk with her, to convey some thoughts about her visit and the background to it. He is just back from the Soviet Union, where he seems to have had some interesting contacts including talks with Shevardnadze and with Chernayev (for whom he has a particularly high regard). I suspect that he probably told a number of his Russian interlocutors that he would be attending a meeting to discuss the Prime Minister's visit.

Bialer asked for his remarks to be treated in confidence. He did not want to reveal all of them to the wider audience at the Seminar. I should be grateful if recipients of this letter would not let him know that they have had an account of his talks with the Prime Minister (even though I suspect that he said much of it at Chatham House).

Developments in the Soviet Union

Bialer said that he had been studying Communism for 30 years and had paid innumerable visits to the Soviet Union, including several since Gorbachev came to power. Until his most recent visit, he had been deeply sceptical about the prospects of significant change and reform. Now he had radically revised his opinion. He believed that, as of last autumn, Gorbachev had decided that there was no alternative to far-reaching reform if the Soviet Union were not to enter the 21st century as a second-rate power. The way in which he had responded was significant. Although there was a great deal of talk about economic reform, nothing of any significance had yet happened. Instead, Gorbachev was following Tito's dictum: in Communist systems you cannot have economic reforms, only political reforms with economic consequences. His approach was to use the commentators in Soviet society to go over the heads of the managers and the bureaucrats in an attempt to mobilise the people. His purpose was to squeeze the bureaucrats to change their ways, and to prepare both politically and socially for the moment when he did have a blue-print for economic reform. At the same time he believed

dg

Gorbachev wanted to create a 'civil society' in which autonomous bodies such as the Writers Union and others had a greater role. This too was part of his fight against the bureaucracy. We were witnessing, without really appreciating it, a formidable political struggle in the Soviet Union. The odds were overwhelmingly against Gorbachev succeeding. The 'liberals' were a very small minority; and greater open-ness was as likely to give free rein to crass Russian nationalists and ideological hawks as to modern-minded reformers. But Gorbachev had clearly decided that he had no option but to press on. He cited Gorbachev's attitude to the Alma Ata riots: they show that we have to move faster and implement reform before it is too late.

Prime Minister's Visit

Bialer said that he had heard a lot about the Prime Minister's visit from his contacts, particularly with Shevardnadze and Chernayev. By their account, Gorbachev was very impressed by the Prime Minister personally, particularly her knowledge and her practicality. He saw her as the only European leader who carried credibility in the United States. He believed that the position she took on any major issue during their talks or following them would carry major influence both with the US Administration and with Congress. The current paralysis in Washington added to the importance of the Prime Minister's visit in Gorbachev's eyes.

Bialer continued that Gorbachev would try to convince the Prime Minister of his sincerity in seeking fundamental changes in Soviet society. He would do so for two reasons: because he really was trying to bring about such change and because he believed the Prime Minister was more likely to be persuaded that useful agreements could be reached with the Soviet Union if she was first brought to believe that internal change was genuine. In practice, foreign policy had so far changed only in words not in deeds. But there was a good deal more debate than before about issues such as Afghanistan. He did not know whether Gorbachev would eventually bite the bullet and accept defeat in Afghanistan although thought that he might do so. Gorbachev faced a problem very like that experienced by General de Gaulle in 1940: "I was too weak to show weakness". Faced with a hostile and grumbling party bureaucracy at home, he could not afford to show weakness in the Soviet Union's external policies.

Bialer expected the improvement in the Soviet Union's performance on human rights to continue. The current weakness of the United States actually made this easier, since the more liberal attitude could not be ascribed to US pressure. Moreover, Gorbachev understood the public relations dimensions of the problem. It was silly to create martyrs. Anyway the dissidents did not pose any sort of threat. They were utopian. Bialer expected up to 20,000 Jews to be allowed to emigrate over the next two or three years. He had seen a draft of changes to Soviet law which would get rid of such crimes as agitation against the state.

Bialer said that arms control would inevitably play a large part in the Prime Minister's discussions. The Soviet authorities no longer took SDI as originally conceived by President Reagan in his March 1983 speech seriously. Even so they were worried about space weapons and point defence. While some experts were arguing that limited strategic defence could make a contribution to stability, the leadership remained firmly opposed to it. The point on which they were most likely to tackle the Prime Minister was a need to strengthen the ABM Treaty. They would try hard to get her to agree that it would be wrong for the United States to adopt the "broad" interpretation of that Treaty. However, if the United States were nonetheless to take that step, the Soviet Union would not leave the Geneva negotiations or refuse to deal with the US Administration. Shevardnadze had told him that the Soviet Union would never again repeat the stupidity of its tactics over the INF negotiations. Bialer did not expect the Russians to agree to a further summit with President Reagan, but suggested they would be interested in trying to reach an understanding on principles which would guide continuing arms control negotiations. They would expect the Prime Minister to ask them to break the link between START/INF and the SDI but would be very negative in reply. They saw no reason to reward President Reagan, particularly in his present helpless state. The Russians were, however, reconciled to Trident modernisation going ahead and recognised that they would not achieve any restraints on this in negotiations.

The Soviet attitude to elections in the United Kingdom was schizophrenic. On the one hand they saw advantage in a Labour victory because of the major problems that would create for the Alliance. But the predominant view was in favour of stability in the external environment so that reform at home could go on undisturbed and therefore wanted to see the Conservative Government re-elected.

Personalities

Bialer had quite a lot to say about personalities, particularly in the foreign affairs field. The new leadership had changed the system for managing defence and foreign policy, transferring policy making from the state institutions to the party. Key decisions were now made in the Central Committee machinery, which had a body not unlike the NSC. Chernayev played a particularly important role.

Commenting on a number of individuals, Bialer said that Yakovlev was Gorbachev's right-hand man and to some extent his political mentor. Yakovlev was anti-Western, anti-American and anti-free enterprise but was a strong supporter of reform within the Soviet Union, because he understood the extent of the country's decline and wanted to restore a strong Russia. Arbatov was advising Yakovlev and for the first time in his career actually had some influence (he had of course always claimed to have it). Dobrynin had been brought back to act as co-ordinator of foreign policy, defence and intelligence but had failed completely in that role. He had lived and worked

too long abroad and was not a political infighter. The head of the Administration Council of the Central Committee had taken over responsibility for co-ordinating defence and intelligence issues, working closely with Yakovlev and Chernayev. Shevardnadze had grown enormously in influence and now overshadowed Dobrynin. Ligachev carried considerable weight, but it was interesting that Gorbachev had removed from him responsibility for personnel matters which were being supervised instead by Razumukovsky (?) who was an old political ally of Gorbachev from Stavropol. Chernayev was much more of a political animal than his predecessor Aleksandrov-Agentov had been. He was also particularly outspoken, not hiding his conviction that Soviet involvement in Afghanistan had been a serious mistake, nor his scepticism about Soviet ventures in Africa. He was a close ally of Yakovlev. Zamyatin was of no influence whatsoever: it was surprising that he had been appointed to London.

Bialer made a number of points on the military and the KGB. People in the West tended to confuse two distinct elements when discussing the importance of defence and security in politics in the Soviet Union. There was the military factor in decision taking, which was very important. And there was the role of the military in politics which was probably at its lowest point in the post-Stalin period. There was considerable disdain for the military in the upper reaches of the party. As regards the KGB, there was talk of dividing it into two separate bodies corresponding to the CIA and the FBI. This would in fact considerably weaken it, since the KGB's prestige internally came from its intelligence operations overseas. It was also said, however, that Chebrikov had now come out in support of Gorbachev, partly in order to prevent this division being made.

A good deal of the above may be well known to experts in the office but I have recorded it for what it is worth.

I am copying this letter to John Howe (Ministry of Defence) and Trevor Woolley (Cabinet Office).

Yours sincerely,
Charles Powell

(CHARLES POWELL)

A.C. Galsworthy, Esq., C.M.G.,
Foreign and Commonwealth Office.