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GORBACHEV'S VISIT TO BRITAIN

- 1. GORBACHEV COMES TO LONDON AFTER AN ELECTORAL UPHEAVAL IN HIS OWN COUNTRY. FEW FORESAW ITS EXTENT. THE IMPLICATIONS ARE STILL BEING DIGESTED. HE FACES A GREAT OPPORTUNITY, BUT ALSO CONSIDERABLE RISK. BOTH WILL DEMAND STRONG NERVES AND DETERMINED LEADERSHIP.
- 2. THE VISIT TO BRITAIN IS IMPORTANT TO GORBACHEV FOR SEVERAL REASONS:
- (A) THE PRIME MINISTER IS PERHAPS THE ONLY FOREIGN LEADER WITH WHOM HE CAN DISCUSS DOMESTIC AND INTERNATIONAL POLICY ON EQUAL TERMS. SHE CAN HELP HIM UNDERSTAND WHAT IS GOING ON IN ATLANTIC AND EUROPEAN AFFAIRS BY VIRTURE OF HER OWN SPECIAL ROLE THERE. IF HE CANNOT SECURE HER UNDERSTANDING OF SOVIET POSITIONS, HIS CHANCES OF INFLUENCING WESTERN POLICIES ARE DIMINISHED. AND HE MAY HOPE FOR SOME CLUES IN INTERPRETING THE CONTINUING SILENCE FROM WASHINGTON, ABOUT WHICH THE RUSSIANS ARE CLEARLY NERVOUS.
- (B) THE PRIME MINISTER REMAINS AN OBJECT OF INTENSE FASCINATION AND ADMIRATION THROUGHOUT THE SOVIET UNION. GORBACHEV GAINS DOMESTICALLY BY HIS ASSOCIATION WITH HER: ESPECIALLY WHEN, AS IN HER RECENT INTERVIEWS WITH OGONEK AND IZVESTIA, SHE IS SAYING WHAT HE PROBABLY WANTS THE SOVIET PEOPLE TO HEAR.
- (C) THIS IS THE FIRST IN A SERIES OF VISITS TO WESTERN EUROPEAN CAPITALS, IN WHICH GORBACHEV WILL PUSH SOVIET IDEAS ON EUROPEAN ARMS CONTROL AND POLITICAL AND ECONOMIC COLLABORATION. IN EUROPE THIS YEAR HE WILL HOPE TO WEAKEN WESTERN AND NATO COHESION BY DEVELOPING FURTHER THE IMAGE OF A NON-THREATENING SOVIET UNION.
- (D) GORBACHEV HAS A LONGER-TERM ANXIETY ABOUT EUROPE. THE RUSSIANS SEE A DYNAMIC EUROPE FORGING AHEAD POLITICALLY AND ECONOMICALLY, AND ATTRACTING THE NEUTRALS AND EVEN THEIR OWN ALLIES. THEY FEAR BEING LEFT STRANDED ON THE BORDERS OF ASIA. FAR FORM SUPPLANTING THE AMERICANS, THEY ARE HAVING TO RECOUBLE THEIR EFFORTS TO RETAIN THEIR INFLUENCE AND INITIATIVE IN AN AREA WHICH WILL ALWAYS BE OF CENTRAL IMPORTANCE TO THEIR INTERESTS.
- 2. THE NEED FOR REFORM AT HOME HAS IMPOSED MODERATION ABROAD. BUT UNDER THE SKILLED LEADERSHIP OF GORBACHEV AND SHEVARDNADZE, THE RUSSIANS HAVE NOT ONLY DISENTANGLED THEMSELVES FORM UNPROFITABLE

PAGE 1 CONFIDENTIAL COMMITMENTS (AFGHANISTAN): THEY HAVE ALSO ENLARGED THEIR ROOM FOR MANOEUVRE (MIDDLE EAST), AND EXPANDED THEIR INFLUENCE GENERALLY. SOVIET FOREIGN POLICY IS THE SUCCESS STORY OF PERESTROIKA: BUT IS STANDS ON A WEAK HOME BASE.

- AT ONE LEVEL, HIS STRATEGY OF DRIVING FOR ECONOMIC SUCCESS THROUGH DEMOCRATIC REFORM TOOK A DRAMATIC STEP FORWARD WITH THE ELECTIONS.

 THE SOVIET PEOPLE HAVE SHOWN THEMSELVES CAPABLE OF EXERCISING MATURE AND INDEPENDENT JUDGEMENT IF GIVEN THE CHANCE. GORBACHEV NOW HAS AN OPPORTUNITY TO PRIZE LOOSE THE PARTY HACKS WHO HAVE STIFLED INITIATIVE FOR SO LONG. AS KOROTICH (OGONEK) REMARKED TO ME, IT IS A MORE HUMANE WAY OF DEALING WITH THE BUREAUCRATS THAN SHOOTING THEM (STALIN) OR TURNING THE MOB ON THEM (MAO).
- 4. GORBACHEV CLAIMS THAT THE OUTCOME IS A VICTORY FOR PERESTROIKA.
 BUT THE PARTY IS STILL HIS INSTRUMENT OF POWER, AND HE WILL HAVE TO SALVE ITS WOUNDS. AND THE ECONOMIC SIDE OF THE EQUATION IS NOT WORKING. THE MEASURES TO FREE FACTORY MANAGERS, ENCOURAGE AGRICULTURAL INITIATIVE, DEVELP THE PRIVATE SECTOR, EXPAND TRADE LINKS, ARE MUDDLED AND HALF-HEARTED. MANY EXIST ONLY ON PAPER. THE OLD SYSTEM WAS PRIMITIVE: BUT IT WORKED AFTER A FASHION. NOW IT HAS BEEN UNDERMINED, BUT NOTHING HAS YET BEEN PUT IN ITS PLACE. OUTSIDE OBSERVERS, AS WELL AS SOVIET ECONOMISTS, ARE VERY WORRIED ABOUT WHERE THE ECONOMY CAN GO NEXT.
- 5. MUCH PERHAPS TOO MUCH WILL DEPEND ON THE QUALITY OF GORBACHEV'S LEADERSHIP. HIS MOVES ON AFGHANISTAN, CONSTITUTIONAL CHANGE, AND THE REDUCTION OF THE ARMED FORCES DEMONSTRATED HIS COURAGE, STRATEGIC IMIGINATION, AND TACTICAL CUNNING. BUT AS A LEADER HE HAS GREAT WEAKNESSES TOO. HE DOES NOT COMMUNICATE WELL WITH ORDINARY PEOPLE: THEY THINK HE TALKS TOO MUCH AND DOES TOO LITILE. LAST SUNDAY'S VOTE WAS A PROTEST AGIANST THE ARROGANCE OF PARTY APPARATCHIKS AND THE DISARRAY IN THE ECONOMY. FOR SOME IT WAS A VOTE IN FAVOUR OF THE RELAXATION IN PUBLIC AND PRIVATE LIFE WHICH GORBACHEV'S POLICIES HAVE BROUGHT. BUT IT WAS NOT REALLY A VOTE FOR GORBACHEV THE MAN.
- 6. AND GORBACHEV HAS BEEN INDECISIVE AS WELL, ABOVE ALL IN HIS
 HANDLING OF THE ECONOMY. THE PROBLEMS ARE INTELLECTUALLY,
 TECHNICALLY, AND POLITICALLY MOST COMPLEX. ONE MAY SYMPATHISE. BUT
 ONLY HE CAN INSIST ON CLARITY AND DIRECTION. HE WILL NEED TO READ
 THE PARTY THROUGH FURTHER IDEOLOGICAL EVOLUTION IF THERE IS TO BE
 REAL ECONOMIC CHANGE. HE MUST SET ASIDE THE OPPOSITION OF FAINT
 HEARTS AND REACTIONARIES. THE SORRY COMPROMISES SURROUNDING LAST
 MONTH'S PELNUM ON AGRICULTURE SHOW HOW FAR HE IS FROM DOING SO.
 WHETHER HE CAN NOW EXPLOIT HIS POLITICAL VICTORY TO GET A GRIP ON THE
 ECONOMY AT LAST MAY WELL BE THE ACID TEST FOR THE FUTURE OF HIS

PAGE 2 CONFIDENTIAL REFORMS.

7. MY FIRST AND SECOND IFT'S EXAMINE THESE FOREIGN AND DOMESTIC ISSUES MORE FULLY.

BRAITHWAITE

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GORBACHEV'S VISIT HD/SOVIET D PS/NO 10.

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PAGE 3 CONFIDENTIAL