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MY TELNO 1019: YELTSIN'S PROGRAMME

SUMMARY

1. YELTSIN'S POLITICAL PROGRAMME POSES A MAJOR CHALLENGE TO THE AUTHORITY OF GORBACHEV AND THE ALL-UNION GOVERNMENT. IF IT COMES TO A POWER STRUGGLE THE CONSEQUENCES WILL BE UNPREDICTABLE - BUT ALMOST CERTAINLY DAMAGING FOR GORBACHEV AND FOR THE COUNTRY.

DETAIL

2. THE FOLLOWING ARE SOME OF THE MAIN POINTS OF YELTSIN'S POLITICAL PROGRAMME AS SET OUT IN HIS PRE-ELECTION SPEECHES IN THE RUSSIAN CONGRESS, AND AT HIS PRESS CONFERENCE ON 30 MAY.

RUSSIAN SOVEREIGNTY

3. YELTSIN'S PROGRAMME CONTAINS COMMITMENTS TO:
- A NEW LAW ON THE SOVEREIGNTY OF RUSSIA WITHIN A REFORMED SOVIET UNION:
 - COMPLETE INDEPENDENCE OF THE LEGAL SYSTEM AND INTERMEDIATE POLITICAL ORGANS FROM PARTY CONTROL:
 - A LAW ON THE FULL ECONOMIC INDEPENDENCE OF ENTERPRISES AND ORGANISATIONS IRRESPECTIVE OF THEIR SUBORDINATION:
 - A LAW ON THE ECONOMIC INDEPENDENCE OF REGIONS AND ON LOCAL SELF-GOVERNMENT AND TAXATION:
 - THE ESTABLISHMENT OF A COMMISSION TO DRAFT A NEW CONSTITUTION TO BE PUT TO A REFERENDUM:
 - THE HOLDING, NOT LATER THAN MAY 1991 OF PRESIDENTIAL ELECTIONS BY UNIVERSAL SUFFRAGE WITHIN THE REPUBLIC:
 - THE INTRODUCTION OF LEGISLATION PRIOR TO SUCH ELECTIONS TO ESTABLISH AN EXECUTIVE PRESIDENCY.

DEFENCE AND SECURITY

- THE UNITING OF THE INVESTIGATORY SERVICES OF THE KGB AND THE MINISTRY OF INTERNAL AFFAIRS INTO A SINGLE ORGANISATION SUBORDINATED TO THE RUSSIAN SUPREME SOVIET:
- THE ESTABLISHMENT OF AN RSFSR KGB, NOT SUBORDINATED TO ANY POLITICAL PARTY:

- A LAW OUTLAWING NUCLEAR TESTING ON THE TERRITORY OF RUSSIA:
- SUPPORT FOR THE IDEA OF A MOVE TO A PROFESSIONAL ARMY AND THE ESTABLISHMENT OF ALTERNATIVE SERVICE FOR CONSCIENTIOUS OBJECTORS.

ECONOMIC POLICY

- REPEATED AFFIRMATIONS OF SUPPORT FOR THE CREATION OF A MARKET ECONOMY:
- A RECOMMENDATION THAT THE USSR GOVERNMENT'S PROPOSALS FOR PRICE RISES SHOULD NOT BE ACCEPTED BY RUSSIA: (ELTSIN ADDED AT HIS PRESS CONFERENCE THAT THE GOVERNMENT (IE RYZHKOV AND HIS TEAM - NOT GORBACHEV) SHOULD RESIGN:
- THE RUSSIAN REPUBLIC SHOULD HAVE INDEPENDENT CONTROL OVER ITS INTERNAL AND EXTERNAL ECONOMIC POLICY, AND CHOOSE ITS OWN FOREIGN BUSINESS PARTNERS:
- THE REPUBLIC'S HARD CURRENCY BUDGET SHOULD BE BROUGHT UNDER THE CONTROL OF THE RUSSIAN PARLIAMENT:
- A CUT OF 10-15% IN CONTRIBUTIONS FROM THE RUSSIAN BUDGET TO THE MILITARY INDUSTRIAL COMPLEX:
- AN END TO ALL RESTRICTIONS ON THE RIGHT OF ENTERPRISES TO USE THEIR OWN HARD CURRENCY RESOURCES:
- THE RAISING OF ADDITIONAL HARD CURRENCY RESOURCES - INCLUDING LOANS FROM FOREIGN STATES - FOR THE PURCHASE OF GOOD IN SHORT SUPPLY TO THE VALUE OF AT LEAST 20 BILLION ROUBLES:
- TO BEGIN WITHOUT DELAY THE TRANSFER TO WORLD PRICES BOTH WITHIN THE REPUBLIC AND WITH FOREIGN PARTNERS:
- A SHARP CUTBACK IN AID TO OTHER COUNTRIES:
- SALE TO THE POPULATION OF LAND, FLATS UNUTILISED QIUPMENT, SHARES IN STATE ENTERPRISES:
- CONSIDERATION TO BE GIVEN TO THE RELEASE AND FREE SALE OF PARTY OF THE COUNTRY'S STRATEGIC RESERVE OF FOOD AND OTHER PRODUCTS.

RELATIONS WITH GORBACHEV

4. YELTSIN SAID HE WAS IN FAVOUR OF BUSINESS-LIKE RELATIONS AND DIALOGUE WITH THE PRESIDENT AND THE USSR GOVERNMENT PROVIDING THIS DID NOT INFRINGE THE SOVEREIGNTY AND INTEREST OF THE REPUBLIC. IN HIS PRESS CONFERENCE HE SAID THAT, ALTHOUGH HE HAD BURIED ALL PERSONAL ANIMOSITY TOWARDS GORBACHEV AND HOPED FOR A PRODUCTIVE WORKING RELATIONSHIP, THE RSFSR WOULD ONLY BE ABLE TO SUPPORT MEASURES OF THE UNION GOVERNMENT IF IT CONSIDERED THEM SENSIBLE AND APPROPRIATE

COMMENT

5. THIS PROGRAMME PRESENTS A DIRECT CHALLENGE TO GORBACHEV AND THE ALL-UNION GOVERNMENT ACROSS A WHOLE RANGE OF MAJOR POLICY ISSUES.

THE SENSITIVITIES INVOLVED IN, FOR EXAMPLE, HIS PROPOSAL THAT RUSSIA HAVE ITS OWN KGB, AND CONTROL ITS OWN HARD CURRENCY, ARE OBVIOUS. THE PROPOSAL TO BAN NUCLEAR TESTING IN RUSSIA WOULD, IF IMPLEMENTED, PREVENT THE MILITARY FROM MOVING THEIR TEST GROUNDS FROM SEMIPALATINSK (IN KAZAKHSTAN) TO NOVAYA ZEMLYA. THE RECOMMENDATION THAT RUSSIA REJECT THE FEDERAL GOVERNMENT'S PROPOSALS FOR PRICE RISES FOLLOWS THE LEAD ALREADY SET BY THE UKRAINE. THERE, THE SUPREME SOVIET HAS ALREADY VOTED TO REFUSE TO APPLY PRICE RISES IN THE REPUBLIC. IF YELTSIN WERE TO GET A SIMILAR VOTE THROUGH THE RUSSIAN CONGRESS OR SUPREME SOVIET IT WOULD MAKE IT IMPOSSIBLE TO IMPLEMENT THIS PART OF THE GOVERNMENT'S ECONOMIC REFORM PROGRAMME.

6. IT IS IMPOSSIBLE TO FORECAST HOW THIS POWER STRUGGLE OF USSR V RSFSR IS GOING TO WORK OUT. MUCH IS GOING TO DEPEND ON HOW MUCH YELTSIN AND GORBACHEV ARE PREPARED TO SEEK ACCOMMODATION RATHER THAN CONFRONTATION. BUT EVEN WITH THE BEST WILL IN THE WORLD (AND THIS DOES NOT EXIST ON EITHER SIDE AT PRESENT) THE ISSUE IS GOING TO TAKE VERY CAREFUL HANDLING IF IT IS NOT TO HAVE SERIOUSLY DAMAGING RESULTS FOR GORBACHEV'S POLITICAL AND ECONOMIC PROGRAMMES. IN SOME WAYS YELTSIN'S POSITION IS EXTREMELY STRONG. HE HAS THE BACKING OF HIS CONGRESS AND WIDESPREAD POPULAR SUPPORT. THE INCREASING UNPOPULARITY OF GORBACHEV AND RYZHKOV IS CAUSING MORE AND MORE PUBLIC SYMPATHY TO FLOW TO YELTSIN. IF IT COMES TO DISPUTES - EG OVER WHO CONTROLS SIBERIAN OIL - THE WORKERS ARE LIKELY TO BACK YELTSIN AND NOT GORBAHCEV.

7. YELTSIN'S PROPOSAL FOR A NATIONAL PRESIDENTIAL ELECTION IN THE RSFSR WITHIN A YEAR IS GOING TO FURTHER DAMAGE GORBACHEV. THERE ARE NOT MANY NOW WHO BELIEVE THAT HE COULD WIN ELECTION TO THE USSR PRESIDENCY. BUT YELTSIN'S PROPOSAL - IF ACCEPTED BY THE RUSSIAN CONGRESS - WILL PUT HIM UNDER STRONG PRESSURE TO HOLD SUCH AN ELECTION. IF HE HOLDS BACK, HIS CREDIBILITY AS A NATIONAL LEADER WILL BE FURTHER UNDERMINED.

8. SHAKHNAZAROV, GORBACHEV'S AIDE, PUT A FAIRLY BRAVE FACE ON THE SUBJECT OF YELTSIN WHEN I SAW HIM YESTERDAY. HE SAID THE SITUATION WAS VERY COMPLEX. ON THE POSITIVE SIDE, WITH YELTSIN'S VICTORY THE COUNTRY HAD TAKEN A MAJOR STEP TOWARDS A REAL MULTI-PARTY SYSTEM. THERE WAS NOW A LEADER OF THE OPPOSITION WHOM THE PRESIDENT HAD TO TAKE ACCOUNT OF. HE AGREED THAT MUCH WOULD DEPEND ON THE EXTENT TO WHICH THE TWO MEN COULD WORK TOGETHER. HE REITERATED THE POINTS MADE BY GORBACHEV IN CANADA WHICH HE DESCRIBED AS GORBACHEV'S TERMS FOR SUCH COOPERATION: YELTSIN MUST ACCEPT THE COUNTRY'S 'SOCIALIST CHOICE:' HE MUST RESPECT THE INTERESTS OF THE UNION AS WELL AS THE

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RSFSR: AND HE MUST SHOW WILLINGNESS TO WORK WITH GORBACHEV.

9. SPEAKING PERSONALLY, SHAKHNAZAROV SAID THAT HE THOUGHT THERE WERE DANGEROUS ELEMENTS IN YELTSIN'S CHARACTER. HE WAS UNPREDICTABLE AND IMPULSIVE AND HAD NO DEPTH OF POLITICAL CULTURE. HE HAD AN ABLE TEAM AROUND HIM, HOWEVER, WHO HAD PUT TOGETHER HIS POLITICAL PROGRAMME

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