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To: Members of the Political Committee
From: Acting Chairman

IMPLEMENTATION OF THE FINAL ACT OF THE CSCE
NINTH REPORT BY THE POLITICAL COMMITTEE

Attached is a draft report of the Political Committee reviewing implementation of the Final Act by East European countries covering the period 1st May to 1st November, 1979.

This is the ninth of a series of documents and following directly on C-M(79)40 dated 6th May, 1979.

(Signed) L. HEICHLER

This document includes 1 Annex

IMPLEMENTATION OF THE FINAL ACT OF THE CSCE

Ninth Report by the Political Committee

(1st May, 1979 - 1st November, 1979)

Review of Implementation by the East European States

I. Introduction

1. At its meeting on 1st October, 1975, the Council agreed that reports on those aspects of the implementation of the Final Act of the CSCE, which have a particular importance for members of the Alliance, could be prepared by the Political Committee. At the Council meeting at the level of Foreign Ministers in May, 1979, as recorded in PO/79/67(Revised) from the Secretary General, the Permanent Council was charged with a continued review of the Final Act implementation through the semi-annual reports, prepared on this subject.

This is the ninth such report and covers the period from 1st May, 1979 until 1st November, 1979.

2. It is recommended that the Council take note of this report.

II. General trends in implementation by the Soviet Union and East European countries

3. Implementation of the principles and provisions of the CSCE Final Act by the Soviet Union and the East European countries has remained basically unchanged. Positive developments on sub-sections have been reported in some countries, negative trends in other countries. The overall implementation record in Eastern Europe, however, remained invariably poor, with the notable exception of Hungary where implementation develops satisfactorily relative to East European conditions. To a lesser extent this applies also to Poland. Looking at the developments that have taken place during the period under review it appears that the generally positive trend in the field of human contacts continued, although lapses were reported.

Of much greater importance because more dramatic, however, was the deterioration with regard to respect for human rights. Repressive actions against human rights movements increased in Czechoslovakia in particular, but also in the Soviet Union, the GDR and Romania. Thus, reviewing implementation over the last six months the perceived balance is negative.

4. In human contacts the general trend towards improvement that developed after the Belgrade Meeting continued. The progress noted in all East European countries, with the exception of the GDR, however is slow and limited. The procedure to obtain permission to leave the country for whatever purpose generally remains cumbersome, difficult and subject to arbitrary decision. Only in Hungary the problems involved have been reduced to a minimum which is largely related to the lack of hard currency.

In Bulgaria a change in the attitude of the Bulgarian government from a rather restrictive policy after the Belgrade Meeting to a more positive approach is noted. This appears to result from a deliberate decision by the government to improve its CSCE record in this respect. However, it is still too early to quantify the effect of this change.

In Czechoslovakia there has been steady improvement in the functioning of the "normalisation" programme for Czechoslovaks who left the country illegally, thus increasing possibilities for family visits.

However, negative trends were reported as well, e.g. in Romania and in the GDR, where it appeared more difficult to solve bi-national marriage cases.

In Poland family reunification remained difficult as a result of the explicit policy of the Polish government to discourage emigration.

And in the Soviet Union, although the number of permissions for family visits continued to increase, the number of refusals for general travel purposes also increased. (It is estimated that in the Soviet Union nowadays 25% of the requests are turned down once, and more than 10% are turned down two or more times). Special note should be made of the restrictions Romania imposed on East European travellers by stipulating that foreign visitors could buy petrol only with hard currency. This measure severely affected tourists from other East European countries, e.g. those who wanted to go to the Bulgarian coast.

As a consequence Czechoslovakia gave its citizens permission to travel to Bulgaria via Yugoslavia, a possibility of which several thousand Czechoslovaks took advantage to escape to the West.

5. In the field of human rights the situation deteriorated still further in the period under review, in particular in Czechoslovakia, the GDR, Romania and the Soviet Union.

The most dramatic developments took place in Czechoslovakia where the government increased its efforts to crush the Charter 77 Movement and the VONS (the Committee for the Defence of the Unjustly Prosecuted), a committee related to the Movement.

Despite arrests and heavy sentences, continued administrative harassment and physical assaults against its members, the Charter 77 Movement nevertheless continued to operate, albeit at a reduced level. A steady stream of people unknown abroad were arrested and received sentences of up to three years for

what can only be regarded as political reasons. The VONS group was particularly active in making public these sentences. As a consequence members were arrested and in October five of them were sentenced to imprisonment of 3-5 years after a bogus trial of two days, at which no observers were allowed. This trial received wide attention in the Western world and provoked strong protests.

It should be noted in this connection that several hundred Hungarians took the unprecedented action of protesting against the VONS trials and declaring their support for the Charter Movement in general by issuing a document and a written appeal to Hungarian Prime Minister Janos Kadar.

Last but not least, it became clear in the period under review that the Czechoslovak government has no scruples about imitating the Soviet method of placing political offenders under psychiatric treatment.

In the GDR a general alteration of the laws concerning public order was adopted, which further restricted East Germans in contacts with foreign journalists.

In Romania the human rights movement SLOMR (Free Trades Union of Romanian Working Men) was harshly suppressed. Four members are known to have been sentenced to imprisonment (one of them for 7½ years).

In the Soviet Union harassment of the Helsinki Monitoring Group has continued. Two members of the Free Inter-professional Association of Workers (SMOT) have been sentenced to terms of 5 years internal exile and 2 years deprivation of liberty. Religious harassment has continued, including the arrests and trials of several reform Baptists.

At the end of October the latest upsurge of activity against the shrunken dissident community took place, resulting in the arrest of several human rights activists.

Despite the fact that the functioning of the human rights groups thus became increasingly more difficult, a new monitoring group was set up in a labour camp in Mordovia during the period under review.

6. Information, too, remains a very sensitive area with a negative implementation record. The availability of Western newspapers and periodicals remained very limited in all East European countries. The working conditions for journalists vary a great deal from country to country.

In the GDR working conditions for journalists deteriorated following the adoption of new regulations on activities of foreign journalists, already noted in the last report, and amendments to the penal code which increased the risks for East Germans of contacts with foreign journalists and thus rendered access to sources more difficult.

In the Soviet Union harassment of foreign journalists has continued.

In other East European countries, working conditions for journalists remained unchanged. It should be noted that Romania, like the GDR and Czechoslovakia, is extremely sensitive to criticism, but shows more sophistication in the handling of journalists. In Poland Western journalists meet with little difficulties. In Hungary, the working conditions for journalists are qualified as excellent.

7. Co-operation in the fields of culture and education continued to develop rather satisfactorily and gave rise to few complaints. Two specific developments, one positive, one negative were reported.

In the Soviet Union an increase in the availability of Western books to local nationals was noted.

Twenty bookshops, six of them in Moscow, now stock foreign books (e.g. Penguin and Signet paperbacks). It should be noted that political and historical titles are limited to "safe" subjects and works on sociology, psychology and international affairs are completely absent.

In Romania a negative development in co-operation in the field of education was reported, following a new regulation which stipulates that teaching personnel may leave their posts only during the summer holidays, thereby severely restricting the possibility for exchanges.

8. In accordance with the provisions on Confidence Building Measures the Soviet Union notified the major military manoeuvre "Neman" which was held in Lithuania from 23rd - 27th July, 1979. Observers, including a number of Western representatives, were invited for the period 24th - 26th July, 1979.

The presence of these observers, however, can hardly count as an implementation of the Final Act, despite the lavish hospitality shown them. Of the three days of the observers' visit, 21 hours were spent in travel and only 3 hours, 49 minutes on actually observing troops in action. During that time four set demonstrations were shown, which had no clear relation to the manoeuvre itself.

In May, the Warsaw Pact manoeuvre Shield 79 involving less than 25,000 troops was notified by Hungary, on whose territory the manoeuvre took place. However, the notification was made orally only.

In October observers of the Soviet Union and the East European countries, with the exception of the Romanian Military Attaché who was prevented for practical reasons, were present at the French manoeuvre "Saône 79".

9. There has been no significant additional progress in Soviet and East European fulfilment of Basket II commitments in the period 1st May - 15th October, 1979. In all of the countries, business access to end-users still presents problems, although fewer inconveniences occur in Hungary and Poland. Western

business representation offices continue to be allowed to be opened, under various administrative restrictions imposed by the host authorities. Availability of economic and commercial information is still most often insufficient for accurate or complete market assessment. Hungary leads the way, however, in regularly publishing data comprehensive enough to provide a reasonably accurate picture of the condition of its economy. Increased demands for counter-purchase transactions, compensation deals, and buy-back arrangements raise additional obstacles to the conclusion of commercial contracts between Western and Eastern firms.

10. The last two reports noted a more aggressively defensive attitude by the Soviet Union and the East European countries, characterised for instance by denouncing alleged abuses of human rights in Western countries, an attitude that was endorsed as a deliberate policy by the Warsaw Pact Consultative Committee of December 1978.

No manifestations of this policy were reported in the current period. Apparently it has been pushed to the background by the campaign to promote "military détente".

COUNTRY IMPLEMENTATION

1. Bulgaria

- (a) In general the implementation record of Bulgaria remains very poor. During the period under review, however, there was a positive development in the field of human contacts, resulting apparently from a government decision to improve its CSCE record in this respect.
- (b) (i) With regard to the Declaration of principles no developments were reported.
(ii) In the framework of the Confidence Building Measures Bulgaria sent an observer to the French manoeuvre "Saône 79".
- (c) Bulgaria's record on CSCE Basket II implementation is generally poor and little progress has been made in the period under scrutiny, although pluses seem to exceed minuses. Trade is increasing and greater emphasis is being put by the Bulgarian authorities on joint ventures and mixed companies. For the first time it was announced officially to Chancellor Schmidt last May that the Bulgarian government intends to admit foreign investors. Working conditions have changed little, although rents, costs and commissions charged foreign agencies seem to be rising. On the other hand, improved accommodations to businessmen in new, luxury hotels, are also noticeable. No complaints about visas and/or travel restrictions have been voiced. Availability of economic and commercial information continues to be a very dark spot in CSCE implementation by Bulgaria. Not only does such information continue to be limited, but it has also been recently reduced, as illustrated by 1979 reports on foreign trade (e.g. deletion of information on oil imports).

- (d) In the area of human contacts a definite improvement was evident in the heretofore rather restrictive policy of the Bulgarian government. It became easier to solve cases of family visits and family reunification, although it is too early to quantify the improvement. Often there are administrative delays in informing local passport officials of positive decisions in "resolved" cases. Previous government insistence that all potential "emigrants" apply for special emigration passports has been dropped for the time being. The Bulgarian officials now strive to highlight their efforts to issue passports in problem cases. In cases of refusal the reasons given (if any) mostly allege "anti-Bulgarian activities" or "a fascist past", which is a new trend.
- (e) The availability of information in the form of Western newspapers remains almost entirely restricted to selected party officials. A very limited number of non-Communist newspapers from Germany, France, Austria and Switzerland has been seen in two or three hotels and street kiosks. However, the price is prohibitive. Working conditions for journalists have not changed.
- (f) Cultural and educational co-operation is not very intense but generally satisfactory. It is noted that the access to archives in Sofia is easier than in the country.

2. Czechoslovakia

- (a) The Czechoslovak implementation record is rendered strongly negative by performance in the field of human rights; i.e., continued brutal suppression of human rights activists. This feature completely overshadows the few positive developments in the area of human contacts and cultural co-operation.
- (b) (1) The past six months have been characterised by another harsh suppression of the human rights movement. In October members of the group VONS (the Committee for the Defence of the Unjustly prosecuted) received heavy sentences after a bogus trial, at which no observers were allowed. Vaclav Havel got 4½ years imprisonment, Peter Uhl 5 years, Iri Dienstbier 3 years, Otta Bednarova 3 years, Vaclav Benda 4 years and Dana Nemova received a suspended sentence.
- The trial provoked strong protests in the Western world. Also in Hungary an unprecedented protest was launched by several hundred intellectuals.
- Moreover, a steady stream of people generally unknown abroad received sentences of up to three years for what can only be regarded as political reasons.
- It also became clear that Czechoslovakia has no scruples about imitating Soviet methods of subjecting political offenders to psychiatric treatment.
- Despite continuous administrative harassment, physical assaults and waves of arrests, the Charter Movement has continued to operate, albeit at a reduced level. The "Alternative University Jan Patorka", which was allowed to operate in relative freedom earlier this year, apparently now has overstepped the bounds of official tolerance, probably by its use of foreign lecturers, and has met with increased harassment.

The dissident Pavel Kohout, who was allowed to leave the country for a fixed term, was informed that he had lost his Czechoslovak nationality when he wanted to return.

- (ii) In the framework of the Confidence Building Measures Czechoslovakia sent an observer to the French manoeuvre "Saône 79".
- (c) There has been no actual improvement in Czechoslovak implementation of Basket II undertakings. American sources report increasing intervention by the Czechoslovak Ministry of Foreign Affairs in foreign business dealings. The number of approved foreign firms operating in Czechoslovakia has increased to around 50. Difficulties occur, however, in finding available and suitable office space, as well as qualified locally engaged personnel. Hotel vacancies have declined and accommodation is particularly scarce during the regular tourist season. The availability of economic information remains fair. Practical commercial information can be obtained only from foreign trade publications and discussions with Czechoslovak officials. Restraints imposed by hard currency deficits and a cautious attitude with regard to accepting Western trade credits serve to limit the scope of co-operative arrangements with foreign firms.
- (d) In the field of human contacts a steady improvement in the functioning of the "normalisation programme" has been noted, despite the fact that the process is often subject to lengthy, unexplained delays. The possibility for family visits has increased.
- Also with regard to family reunification the basic trend has been positive.
- The number of visas issued for travel has increased notably, although tourist visits are still limited by the need to

obtain an allocation of foreign currency from the State Bank (technically only once in the four year period). As a consequence of the Romanian stipulation that foreigners could buy petrol only with hard currency, the government took the unprecedented step of temporarily suspending restrictions on travel to Yugoslavia to permit Czechoslovak tourists to avoid Romania on their way to Bulgaria. It is believed that several thousand Czechoslovak tourists took advantage of this possibility to escape to the West.

- (e) Information remains a very sensitive subject. The government is generally suspicious of all, but in particular of unofficial contacts with the Western press. The authorities are offended by the wide television and press coverage given to certain events, in particular the attention which observation of human rights in their country receives in the West. In their turn the Czech media broadcast information or films on Western subjects which are selected for their negative propaganda value. The working conditions for journalists have not basically changed since the last report.
- (f) Cultural and educational co-operation continues to develop satisfactorily. There is continued evidence that the Czechoslovak government is willing to take advantage of existing cultural exchange programmes and to make the programmes more flexible.

3. German Democratic Republic

- (a) The general implementation record of the GDR remains unchanged and poor because of the very restrictive attitude of the GDR government. To the already restrictive regulations for journalists, noted in the last report, have been added an amendment to the penal code which increases the risk for East Germans in contact with foreign journalists. It is still too early to estimate the practical effect of these regulations.
- (b) (i) In the field of human rights the government issued on 1st August an amendment to its penal code, intended to restrict the activities of intellectuals and in particular contacts with foreign journalists. The new regulations have so far persuaded most of them to avoid public criticism of the regime, with the exception of Robert Havemann who has recently published far-reaching criticism of the GDR in Spain, Italy and the Federal Republic of Germany, after which he was again placed under house arrest. The measures are most likely explained by the extreme sensitivity of the leadership to any public criticism, but seems unnecessarily heavy-handed in view of the fact that the "dissident" intellectuals in the GDR, though generally of a high personal calibre, are only a handful of individuals who form neither a cohesive movement, nor a discernible threat to the regime. Two of the most prominent prisoners, Rudolf Bahro and Nikho Hübner, have been released as a result of the amnesty to mark the 30th anniversary of the GDR, and have left the country to settle in the Federal Republic of Germany.
- (ii) In the framework of the Confidence Building Measures the GDR sent an observer to the French manoeuvre "Saône 79".

- (c) There is no reported improvement in Basket II fulfilment during the period under consideration. The recent construction of the 600-room Palast Hotel in East Berlin provides adequate accommodation at reasonable rates. In Leipzig, however, hotel vacancies continue to be at a premium during the semi-annual fairs. No problems exist in obtaining business visas, and travel for business reasons remains unhampered. Access to economic and commercial information, which has been poor in the past, has further deteriorated with the discontinuance in April 1979 of the bi-monthly publication "Statistische Praxis". No changes are reported in GDR policies vis-à-vis mutual co-operation agreements and other joint arrangements. In May 1979, British firms were allowed to host a Technical Week.
- (d) The situation in the field of human contacts remains unchanged and very difficult. Permission to travel remains limited to pensioners for all practical purposes. With regard to binational marriages, it appeared increasingly difficult to solve outstanding cases during the period under review.
- (e) The availability of Western information in printed form has remained practically nil. Severe restrictions are imposed on the information activities of diplomatic missions (e.g. by tight and obtrusive police surveillance of embassies). The working conditions of journalists have deteriorated as a consequence of the new regulations for the foreign press, noted in the last report, and the amendment to the penal code, both of which render access to sources increasingly difficult and hazardous. The effect so far is mostly preventive, the journalists behaving more cautiously. Nevertheless, cases of harassment and warnings have been reported.

Despite this negative trend a British journalist, accredited to, but not resident in, the GDR was allowed to spend two days with a "typical" GDR family.

- (f) The GDR attitude towards cultural and educational co-operation remains very restrictive, in particular when it concerns an exchange of artists. With regard to an exchange of art objects the policy is more flexible.

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4. Hungary

- (a) The general Hungarian record of implementation of the Final Act becomes increasingly exceptional, compared to the other East European countries, and can be qualified as satisfactory on the whole. Only the availability of Western information remains minimal.
- (b) (i) The government's attitude with respect to human rights is relatively relaxed. In Hungary no co-ordinated dissident movement is active.
- An unprecedented action took place in the last week of October when several hundred Hungarian intellectuals launched a protest against the VONS trial in Prague by issuing a document and sending a petition to Prime Minister Janos Kadar.
- (ii) In the framework of the Confidence Building Measures Hungary notified the Warsaw Pact manoeuvre Shield 79, involving less than 25,000 men, which was held in Hungary in May. The notification was made orally, a fortnight before the manoeuvre started.
- Hungary sent an observer to the French manoeuvre "Saône 79"
- (c) Hungary continues to show some progress in bringing its economic and commercial policies more closely into alignment with Basket II goals. To clarify provisions of the 1977 decree allowing joint ventures in Hungary, the Hungarian government in August 1979 issued new regulations, primarily to provide additional assurances to Western firms which had found the decree vague. The Hungarian government claims to have around 550 working co-operation agreements with Western firms. To improve accessibility to Hungarian economic statistics, which are considered generally adequate for economic analyses and market evaluation, the government issued its 1979 statistical yearbook in English for the first time, as well as a revised edition of its guide to

Hungarian foreign trade enterprises; on the other hand, it failed to call foreign attention to changes which will take effect in 1980 in Hungarian economic regulations, and has not provided information on a planned industrial reorganization. Hotel space and housing for foreign business remains difficult, but ground has finally been broken for two new hotels, and at least two more are planned for the near future, and the number of Western representative business offices in Hungary continues to grow. Access to Hungarian producers and end-users not having foreign trade privileges remains difficult, but a committee is to be formed in the Hungarian Chamber of Commerce next year to explore the feasibility of allowing more Hungarian enterprises to have foreign trade privileges without specially requesting them.

- (d) The Hungarian performance in the area of human contacts is the most liberal in Eastern Europe and continues to improve. The latest improvement consists of the possibility for male applicants of military age to obtain an exit permit (albeit for a limited duration). The remaining restrictions have mostly economic reasons; i.e., the need for hard currency.
- (e) The availability of Western information, in particular newspapers and periodicals, remains limited by Western standards. Hungarian authorities claim that some Western newspapers can be bought at forty-one hotels and at the airport. The last claim has been proved untrue. It is difficult to check the number of hotels, but certainly Western newspapers can be bought in some of the major hotels in Budapest. It is possible for Hungarians to subscribe to Western technical or cultural periodicals. The working conditions for journalists are qualified as excellent. There are no restrictions on their freedom of movement, their ability to import technical equipment

and film crews, or their ability to communicate with their parent organizations.

- (f) Cultural and educational co-operation develops satisfactorily.

5. Poland

- (a) The general picture of Poland's compliance with the Final Act remained unchanged. The main event during the period under review was the Papal visit, but so far no positive or negative developments as a consequence of this visit have surfaced.
- (b) (i) In the field of human rights there continued to be little harassment of leading dissidents. It was rather remarkable that two public demonstrations took place in Warsaw without interference from the authorities, both sounding nationalistic and anti-Soviet themes, one of them even proclaiming the formation of an opposition party.
- (ii) In the framework of the Confidence Building Measures Poland sent an observer to the French manoeuvre "Saône 79".
- (c) There has been little change in Polish fulfilment of CSCE Basket II commitments in the period under review. Poland continues to allow the easiest access to end-users and commercial officials in Eastern Europe, and to construct additional hotels and office buildings suitable for Western businessmen, although both the hotel and residential housing situation remains tight. Economic and commercial information continues to be easily available, although generally neither varied nor detailed enough to allow for thorough economic analysis by outsiders. In particular, the government generally does not provide detailed and financial information, although Western bankers are demanding and receiving more detailed economic and financial information than in the past. No new business offices have been established in Poland during the reporting period, and the government appears to be taking somewhat stricter and more formalistic approach toward enforcing regulations

governing firms which now have offices there. Moreover, Poland has not yet released one key portion of the administrative regulations implementing a new law passed last March governing joint ventures, which is apparently more flexible than the former one, in such ways as trying to improve the terms for foreign investment in small and medium-sized business developments. In September the Poles issued a Decree (No. 123) requiring foreign firms which have offices in Poland to pay their locally recruited staff a monthly supplement of 50% on their basic wages; additional information is not yet available to determine whether the requirement amounts to discrimination against foreign companies.

- (d) With regard to human contacts the problem area remains family reunification because of the explicit policy of the Polish government to discourage emigration. The authorities continue to consider family reunification as a disguised form of emigration. The greatest difficulty lies in obtaining a passport.
- (e) The availability of Western information remains unchanged and limited.
Working conditions for journalists are rather good. There is relative freedom of access to sources and freedom of movement. Occasionally the authorities express informally their displeasure at certain articles,
- (f) Cultural and education co-operation develops satisfactorily.

6. Romania

- (a) The overall balance of Romanian compliance with the Final Act shows a negative picture during the period under review. Part of the explanation lies in the perceived need for greater discipline and control, particularly in the work place, in pursuit of ambitious economic goals during the last 18 months of the Five Year Plan. Partially linked with this are tendencies toward greater ideological orthodoxy which are apparent both in a major Presidential speech of 7th September and in recent senior appointments in the field of education and culture. All this has found reflection in the harsh suppression of the human rights movement SLOMR, the increase of often 100% of countertrade requirement, a propaganda campaign against emigration, against religious beliefs and against human rights activists, and the problems posed by the new education act for cultural and scientific exchanges.
- (b) (i) The situation in the field of human rights has deteriorated. The human rights movement SLOMR (Free Trade Union of Romanian Working Men) has been suppressed. Its members have been harassed and imprisoned, one of them for 7½ years. An official propaganda campaign has been launched to combat emigration, religious belief and observance, and human rights activism.
- (ii) In the framework of the Confidence Building Measures Romania was invited to send an observer to the French manoeuvre "Saône 79", but declined for practical reasons, as the manoeuvre coincided with the visit of the French Chief of Staff to Romania.
- (c) Compliance with CSCE Basket II provisions by Romania has registered no dramatic change during the period under review (April-October). However, developments in accommodation for resident businessmen, and increased requirements for countertrade are to be noted. As to the former, several apartment blocks are being built, reportedly to

be let to resident businessmen, although it is doubtful whether supply will match demand. There were no changes in hotel accommodations although rates have increased by 20% to 35% during the last six months. This situation has apparently discouraged foreign business from opening offices however, and there is a noticeable increase in the number of Western firms expressing definite interest in establishing in Romania. As regards countertrade, Romanian organizations are demanding 100% compensation on most contracts and although these levels are not being achieved, higher levels are settled now than a year ago. Obviously, these demands make trading more restrictive and difficult. Regarding other major items in Basket II, economic information has not become more abundant, and the Romanian authorities continue to promise only that more and better presented data will gradually become available. Business travel restrictions and visas have recorded no change over previous periods, while access to Romanian officials remains relatively free of trouble. High level visitors - official and private - are frequently received by President Ceausescu himself, as well as by appropriate ministers.

- (d) In the field of human contacts the situation remained unchanged, with difficulties and delays in all stages of the exit process. Several reports noted a retrograde movement in the solution of binational marriage cases. Incidents were reported with regard to family visits to Romania by American, German and Canadian citizens, born in Romania, who were harassed or detained upon arrival at the national airport and at the Yugoslav and Hungarian borders by Romanian immigration authorities. Immediate diplomatic demarches put a stop to these incidents for the time being.

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In the period under review Romania stipulated that foreign travellers could buy petrol only with hard currency. This meant de facto a closing of the border for East European tourists.

- (e) Western information, in particular newspapers, are rarely available and only in limited supply at the major hotels and the airport.

Romanians who have access to hard currency are permitted to use it to subscribe to Western publications, but the practice is officially discouraged.

The leadership is extremely sensitive to criticism of Romania in the foreign press, but is showing rather more sophistication than other East European countries in attracting journalists and guiding their activities. After a cautious initial approach the Romanians were rather helpful to a BBC team making the film "The Bear Next Door" on the delicate theme of relations with the Soviet Union.

The BBC team obtained access to about half the people they asked to see and experienced no difficulty in moving and filming freely.

- (f) Cultural and educational co-operation has deteriorated. Exchanges in the field of education and science have become very difficult since the adoption of the Education Law, which prevents anyone with teaching duties (including most researchers) from leaving the country except during the summer holiday period.
- Also, cases are reported of students who were put on the list for a foreign scholarship by the Ministry of Education but were denied passports.

7. Soviet Union

- (a) There was little overall change in Soviet compliance with the Final Act. As shown by the last reports, there were a few positive trends but immobility or even a negative trend in other areas. Except in the area of family reunification and that of Confidence Building Measures, there is no evidence of significant efforts by the Soviet authorities to improve their implementation record. They continue to consider the Final Act mainly as the document which confirms the status quo in Europe. Consequently implementation is directed towards those aspects - a part of the Declaration of Principles, - the "military détente" aspects and economic co-operation inasmuch as these serve the national interest.

On the other hand, their attitude towards those provisions who have direct influence and bearing on the internal situation of the states, and in particular those intended to enlarge the freedom of the individual, is one of great reserve and suspicion.

In these areas the Soviet Union will take only steps that will not endanger their social and political system, namely in most cases directed towards an enlarging of inter-state relations in the cultural and information field, and not measures related to the rights of individuals.

- (b) (i) Harassment of the Helsinki Monitoring Group and arrests of their members have continued. Two members of the Free Inter-professional Association of Workers (SMOT) have been sentenced to terms of 5 years internal exile and 2 years deprivation of liberty.

Religious harassment has continued, including the arrests and trials of several reform Baptists.

At the end of October the latest upsurge of activity against the shrunken dissident community took place, resulting in the arrest of several human rights activists.

During the period under review a new monitoring group was set up in a labour camp in Mordovia.

- (ii) In the framework of the Confidence Building Measures the Soviet Union notified the major military manoeuvre "Neman" which was held in Lithuania from 23rd - 27th July, 1979. Observers, including a number of Western representatives, were invited for the period from 24th - 26th July.

The presence of these observers, however, can hardly count as true implementation of the Final Act, despite the lavish hospitality shown them. Of the three days of the observers' visit, 21 hours were spent in travel and only 3 hours 49 minutes on actually observing troops. During that time four set demonstrations were shown, which had no clear relation to the manoeuvre itself.

During the period under review the Soviet Union sent observers to several Western manoeuvres.

- (c) The most significant developments in the May-October 1979 period relating to the USSR's fulfilment of Basket II principles have been the USSR's undertaking to negotiate a series of double taxation agreements with various Western countries, and its resuming release of monthly production statistics, which had been suspended until April. As of mid-July 1979, foreign businessmen resident in the Soviet Union have been required to pay a 13% tax on income, apparently the same rate as that applied to Soviet citizens. To resolve some of the uncertainties resulting from the tax, which currently act as a disincentive for companies to establish representative offices in Moscow, the Soviet Ministry of Finance is in the process of negotiating a series of double taxation agreements with Western countries. In its tax negotiations, however, it insists on references to the Final Act, since the Soviet government considers that the agreement constitute implementation of Basket II provisions.

In April 1979 the Soviet Union recommenced publication of monthly economic production and growth indicators. Failure to release such statistics between January and March probably resulted from reluctance to disclose the effects on the economy of the adverse winter. Nonetheless, the USSR continues its reduced reporting of foreign trade statistics, especially of volumes of fuel and raw material exports, that began in 1977, and has delayed publication of information on the next (1981 - 1985) Five Year Plan. The delay, which obviously reduces the effectiveness of Western business strategy, most probably derives from the fact that political decisions regarding plan priorities and division of responsibilities among appropriate ministries have not yet been made.

Accreditation of additional Western business offices has taken on a quicker pace, especially for those firms having products perceived as useful to Soviet economic development. There has been no easing of access to Soviet traders and end-users, however, nor improvement in the availability of accommodations for visiting businessmen. Once the new World Trade Center opens in the latter part of 1980, resident offices in hotels will come under strong pressure to move to the new accommodation, which will most likely charge rents several times those currently paid, and which many Western businessmen would consider unacceptably high, given the quality of the quarters.

There appears to have been no change in the Soviet practice of routinely denying multiple-entry visas to many foreign businessmen with legitimate long-term commercial interests; and there has been no improvement in the availability of foreign-published scientific information in the Soviet Union, nor in the possibilities of access of Western scientists to their Soviet equivalents. On the other hand, there have been several instances where Soviet scientists

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desiring to visit the West have been denied Soviet exit visas, despite repeated Western invitations. In August, moreover, a Western business firm was told that its long-standing practice of sending invitations to technical seminars directly to end-user ministries is illegal, and that henceforth such seminars must be organized either through the Soviet Ministry of Foreign Trade or the State Committee on Science and Technology. All told, there has thus been no perceptible change in Soviet fulfilment of Basket II principles.

- (d) In the field of human contacts there was no perceptible change in Soviet policy. The process for an exit permission for whatever purpose remains difficult, cumbersome and hazardous.

During the period under review there was a general increase in permissions for family visits.

With regard to general travel permits, however, a deadline was noted due to an increase of refusals. It is estimated at the moment that 25% of the applicants are refused once and 10% twice or more.

The concern about this more restrictive practice has grown in particular in Kirgizia of late, where the number of refusals has notably increased.

- (e) The availability of Western information, in particular newspapers, is unchanged and very limited.

Working conditions for journalists have grown more difficult because of continued harassment and interference. These actions appear to represent an attempt to tighten the regime for foreign journalists and principally by indirect means to make them more circumspect in cultivating contacts and more cautious in their reporting.

Special measures were taken during the Spartakiade, for which many journalists arrived and which was seen as a test-case for the Olympic Games in 1980. Although some problems arose (which, though solved in the end, illustrated

the problems the system can cause during the Olympic Games, since all more or less non-routine decisions had to be sanctioned at a very high level) the overall reaction of the journalists was favourable.

- (f) Cultural and education co-operation made some progress, but it is still not possible to identify a definite trend. During the period under review the availability of Western books to local nationals increased. Twenty bookshops, six of them in Moscow, now stock foreign books (e.g. Penguin and Signet paperbacks); however, political and historical titles are limited to "safe" subjects, and works on sociology, psychology and international affairs are completely absent