ORIGINAL: FRENCH
19th September, 1973

POLADS (73)22

#### MEMORANDUM

To:

Political Committee

From:

Chairman of the Expert Group

#### EXPERT WORKING GROUP ON SOVIET UNION AND EASTERN EUROPE

Attached is a suggested outline for the Report on the Situation in Soviet Union and Eastern Europe to be prepared by the Experts at their next meeting in Brussels from Monday 12th, to Friday 16th November 1973.

- This outline contains the main headings under which it 2. is suggested the Report be formulated. The points listed under these headings are suggested for possible inclusion, among others, The Experts in the national contributions submitted beforehand. have urged that as much time as possible should be given to the general discussion. To this end, it is essential that national contributions should reach capitals well before the Experts leave for NATO; contributions should therefore reach NATO by 20th October 1973, so that they can be circulated in good time. The reports should be typed in double spacing, recto only, be prefaced by a short table of contents and pages and paragraphs should be numbered. It would be appreciated if the Secretariat, which will attend to their circulation, could receive 60 copies addressed to the Secretary General of NATO (for the attention of Mr J. Jordan, Executive Secretariat).
- 3. Under the terms of reference for Experts' meetings as agreed by the Council on 4th October 1961, the Report is to be drafted by the Experts themselves; it is noted, however, that conclusions and policy implications contained in the Report need not be accepted unanimously, on the understanding that dissident views should also be recorded, if the dissenting party so wishes. Contrary to the practice followed hitherto, these Reports will be presented to the Council in Permanent Session immediately on completion. The Council will take note of them and, if it sees fit, will submit them unchanged, in

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whole or in part, to the next meeting of Ministers. This new procedure offers the advantage of enabling the Council to take note of the Reports before they have been overtaken by events. These Reports do not, of course, commit governments on matters of policy.

4. Experts may wish to consult C-M(73)52 dated 28th May 1973.

(Signed) J. de BEAUSSE

NATO, 1110 Brussels.

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# SUGGESTED OUTLINE FOR THE WORK OF THE EXPERT GROUP ON THE SOVIET UNION AND EASTERN EUROPE

## I. POLITICAL OUTLOOK AND ITS IMPLICATIONS FOR THE ALLIANCE

Appraisal of the main trends in the Soviet Union and Eastern Europe to be expected over the coming months, and their policy implications for the Alliance.

## II. SOVIET INTERNAL POLICY

## A. Economic problems

- 1. With the CSCE in progress and at a time when the economic agreements between the USSR and the United States, on the one hand, and the USSR and the Federal Republic on the other hand, would seem to indicate a significant shift in Soviet foreign policy, the economic growth rate is at its lowest since the 1940s, agriculture has suffered from sharp fluctuations in output and, despite the undertakings given by Brezhnev, the standard of living is improving more slowly. In recent years, demographic and geographical factors have become unfavourable and the negative consequences of economic centralization have become even more pronounced, as witness the slow pace of technical progress and the inefficiency of the means of production.
- 2. The crux of the problem still lies in the choice which Soviet leaders will have to make between fundamental domestic reforms, which could have an adverse effect on the priorities assigned to heavy industry and Party control of the economy, and an economic policy based on international interdependence, greater indebtedness and recourse to Western technology. The choice made will condition the Soviet attitude at the CSCE and the extent of the concessions the USSR is prepared to make to the West.

As matters now stand, what indication is there of Soviet intentions in this respect?

3. The structural reforms recently applied to industry could have major repercussions on the Soviet economy, though these will depend primarily on the thoroughness with which the reforms are implemented. To what extent have their effects been positive?

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#### B. Internal problems

- 1. A campaign against intellectual dissidents was launched during the summer just when Soviet attitudes to the "freer movement of people and ideas" seemed to be becoming more flexible. Do these contradictions reflect divergencies at the top? Or is it a tactical move within the context of the CSCE? The views expressed by Mr. Garaudy in this connection are of some interest: "It is wrong to talk of a return to Stalinism; how can there be a return to something which has neven ceased to exist?".
- 2. How much substance is there in the rumours, echoed in particular by the Chinese propaganda machine, that Brezhnev's position is now seriously threatened?

#### III. SOVIET EXTERNAL POLICY

#### A. East-West relations

1. The USSR and détente: Soviet aims and priorities at the current negotiations (CSCE and MBFR) in the light of results so far.

To what extent does the economic strength of the West provide it with a means of winning concessions on Basket III?

Degree of co-ordination between the Warsaw Pact countries.

- 2. COMECON and the Common Market: prospects for negotiations between these two bodies.
- 3. Signs of a harder Soviet attitude towards the Federal Republic of Germany.
- 4. Prospects opened up by the Soviet-United States rapprochement.

#### B. Relations between "North and South"

The position of the USSR in the controversy over relations between Moscow and the Third World now dividing the group of non-aligned countries.

## C. Relations between the Soviet Union and Eastern Europe

1. The détente in international relations has been matched by the tightening of cohesion in the Soviet bloc and renewed emphasis on ideolology. Is this viewed with resentment in the political circles of the East European countries?

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- 2. Drive for economic integration in the COMECON. Strong likelihood that the Soviet feelers put out with a view to contacts between the COMECON and the EEC reflect concern that the Eastern countries should not deal directly with Western Europe.
- J. Long-term consequences for the East European countries of the United States-USSR trade agreements: if the USSR sells raw materials and fuels to the United States will it have adequate supplies for its Allies?

#### D. Soviet policy in Asia

The USSR and China in the context of China's repeated warnings to the West.

The attempt to bring about a rapprochement between the Soviet Union and Japan.

Soviet strategy in South-East Asia and collective security in Asia as a whole.

## E. Soviet policy in the Near East

The USSR and the Arab-Israeli dispute.

Soviet policy towards the oil-producing countries.

Soviet penetration of the Mediterranean and the Indian Ocean.

#### F. Policy in other parts of the world

Soviet policy in the United Nations.

The USSR and Latin America.

#### IV. THE SITUATION IN EASTERN EUROPE

Internal developments in the GDR and implications of the agreement on Berlin and the Basic Treaty between the two German States.

Normalization of relations between Czechoslovakia and the Federal Republic. Repercussions on relations between Germany on the one hand and Hungary and Bulgaria on the other.

Developments in the Balkans: proposal in Bucharest for a "Balkan COMECON".

Albania and the shift in Chinese policy.

Yugoslavia: internal cohesion and international position.

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## V. DISARMAMENT

Chances of success for SALT II and MBFR in the light of recent Soviet technological progress in the field of MIRV.