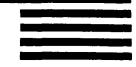
CONSEIL DE L'ATLANTIQUE NORD NORTH ATLANTIC COUNCIL



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NATO CONFIDENTIAL

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THE SITUATION IN THE SOVIET UNION AND EASTERN EUROPE

Note by the Secretary General

Attached is the report forwarded to me by the Chairman of the Expert Working Group on "The Situation in the Soviet Union and Eastern Europe" which met at NATO Headquarters from 19th to 21st October 1982.

- 2. I would remind you that such reports engage only the responsibility of those experts who participated in the Working Group.
- 3. This report will be placed on the Agenda of the Council meeting on 24th November 1982.

(Signed) Joseph M.A.H. LUNS

This document includes: 1 Annex

NATO, 1110 Brussels.

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THE SITUATION IN THE SOVIET UNION AND EASTERN EUROPE

Note by the Chairman of the Expert Working Group

- 1. Experts from Belgium, Canada, Denmark, France, Germany, Greece, Italy, the Netherlands, Norway, Spain, Turkey, the United Kingdom and the United States met at NATO Headquarters from 19th to 21st October 1982 to prepare the attached report.
- 2. This report covers the period from 20th March to 21st October 1982.

(Signed) D.J. JOHNSON

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THE SITUATION IN THE SOVIET UNION AND EASTERN EUROPE

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THE SITUATION IN THE SOVIET UNION AND EASTERN EUROPE

Report by the Expert Working Group

PART I: GENERAL TRENDS AND MAIN EVENTS

- 1. The imposition of martial law in Poland has brought neither stability nor economic recovery. The Polish régime has enacted a law dissolving Solidarity and other trade unions and has shown its determination to use force when necessary to keep the security situation under control. It has shown no sign of readiness to permit the growth of a genuinely independent the new unions to be set up are clearly political movement: intended not to have this function. Solidarity's underground leadership, although in some disarray, is still able to stimulate The response to its call for a 4-hour general strike on 10th November will give an indication of the extent of its continuing influence. In spite of the relaxation of certain martial law provisions, many restrictions are still in force and seem likely to remain even if martial law were to be technically ended by December 1982, as Jaruzelski has conditionally promised.
- 2. Jaruzelski has pursued a policy comprising a mixture of blandishments and repression, but with the accent on the latter. Many of those detained in December and January have been released, but large numbers have been arrested and imprisoned following demonstrations and other violations of martial law regulations? New legislation which dissolved existing trade unions including Solidarity places all future legal trade union activity under tight Government control, denies membership to workers in key sectors and heavily qualifies the right to strike. By requiring the Sejm to adopt this law, Jaruzelski has clearly indicated that a dialogue with Solidarity forms no part of his current plans for a future Polish society. In sum, the three criteria laid down by the Alliance in January for lifting the measures taken against the Polish government are far from being met.
- 3. The Polish Church has sought to preserve the gains it acquired since August 1980 while playing its traditional rôle of intermediary between the people and the régime. Archbishop Glemp, who has appealed against violence and repeatedly called for the release of political prisoners, hardened his attitude following displays of force by the Authorities and relations between the Church and the régime have worsened. However, Jaruzelski may still regard the Church as an essential element in his plans to win eventual acceptance for his policies from the population and has so far refrained from moving against the Church's privileges. It remains to be seen whether the agreement in principle to a visit by the Pope in 1983 will hold.

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- The attitude of the people remains hostile to the Outbursts of protest will probably continue but, after the initial manifestations of anger at the outlawing of Solidarity, the leaders of the underground organization may find it difficult to agree on and co-ordinate an appropriate course of action which would pose significant problems for Jaruzelski. Nevertheless, individual acts of sabotage or violent resistance to the government are a distinct possibility and spontaneous rioting could occur unexpectedly and test the régime's security forces. The Authorities will find it very difficult to instil a more positive attitude to work and to combat absenteeism. been partly responsible for a continuing decline in the Polish Other factors involved have been the suspension of Western credits and the reduction of imports to make funds available for debt servicing. The economy is not likely to improve in the near future.
- 5. The Soviet leaders would prefer the re-establishment of direct Party control. They appear, however, to have accepted that, given the continuing disarray of the Polish Party and the need for a strong régime, military rule must remain the vehicle for Party control for the time being. They have displayed qualified approval of Jaruzelski's actions over Solidarity and the maintenance of internal control.
- 6. With the possible exception of Bulgaria, all the Eastern European members of the Warsaw Pact continue to experience economic difficulties. Their energy situation poses particular problems which the Soviet Union appears unwilling to alleviate. Government reshuffles in some countries have been directly attributable to economic problems. However, nowhere in Eastern Europe are conditions comparable to those which led to the events of August 1980 in Poland and the régimes have taken care to crack down when necessary on manifestations of popular discontent. It seems certain, however, that economic difficulties will continue to worsen throughout the area and this will pose increasing domestic political problems as well as conflict between the need for reforms and Moscow's insistence on political orthodoxy.
- 7. Among the contenders for the succession to Brezhnev, Chernenko and Andropov now seem to be the front runners. However, nothing indicates that Brezhnev is losing his grip or that he intends to leave the scene before his health compels him to do so. Meanwhile the campaign of repression of all kinds of dissidence has become more ruthless. Organized dissent has been decimated and the Authorities have intensified their drive to cut off all who actively oppose the régime from contact with the West. Emigration has been drastically cut.

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- 8. The Soviet economy continues to falter. There has been no sign of willingness to move away from the rigid over-centralized system. Growth rates continue to decelerate, targets in many key industrial sectors have been missed, and agricultural performances remain poor. The 1982 grain harvest will be the fourth bad one in succession, and grain imports will again be high. The Food Programme, launched 18 months after Brezhnev called for it, contains no radical reforms of the system and is unlikely to bring significant improvements.
- The determining factor in Soviet foreign policy continues to be uncertain about its relationship with the United States. The Soviet Union wishes to contractualize the advantage which it enjoys over INF, and one of its main objectives is to undermine Alliance cohesion with the purpose of derailing the 1979 double decision. The Soviet "peace programme" has been accompanied by efforts to give the impression of willingness to negotiate seriously over arms control and has been accompanied by propaganda designed to weaken the Western negotiating position. These trends can be expected to continue. Talks with China at Deputy Foreign Minister level have been resumed but prospects for a substantial improvement in relations in the short term are not In the Third World the Soviet Union has been concerned to consolidate existing gains rather than embark on new ventures. It suffered an important diplomatic setback over the war in Lebanon; and has been unable to overcome the tarnishing of its image resulting from its occupation of Afghanistan.
- 10. The 12th Congress of the Yugoslav League of Communists, held in June, reaffirmed the basic policies of self-management, national unity and non-alignment. There was, however, some lively debate among the delegates, many of whom represented post-war generations, and calls for greater party democratization were heard. The two main problems facing the Authorities are those of Albanian nationalism in the Kosovo Province, and Yugoslavia's worsening economic situation, to cope with which a programme of austerity measures has been adopted.
- 11. Despite five ministerial changes in the Albanian government since Ardil Carcani took over the premiership in January, there has been no radical shift in domestic and foreign policies. While Xoxha holds office his policy seems certain to continue.

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PART II: POLAND

(a) Political developments in the light of the criteria defined by the Alliance

The régime and martial law

- General Jaruzelski has maintained the principal features of martial law regulations and demonstrated his determination to control the security situation by the use of force if necessary. The new trade union law abolishing existing unions, and thus Solidarity, and providing for the creation of new ones shows his determination to eliminate any independent movement capable of playing a political rôle. Trade union activities and strikes are in any case still banned under martial law regulations, as are gatherings and demonstrations. Military discipline has been imposed in the Baltic ship yards and certain Censorship of mail and telecommunications mining enterprises. continues and the unauthorized use of printing and radio equipment is prohibited. Identity cards have to be carried by all citizens over the age of 13. Military courts continue to have summary powers of jurisdiction over "crimes against the State", student associations remain banned and academic life is severely There have been moves to relax a few of the more controlled. extreme restrictions. The curfew has been lifted; the ban on sporting and cultural events relaxed; road blocks and document checks abolished; and a limited amount of travel abroad is now permitted. Most telephone and telex services have been restored. However, certain of these measures have been quickly reimposed during times of tension.
- 13. The objectives of the mixture of blandishments and repression has been to show that any alternative régime would be far worse and to give the population some reason to hope that so long as there is no concerted challenge to the régime, daily life will slowly improve. In this way, Jaruzelski has tried to gain a measure of grudging popular support and to counter the influence of underground resistance leaders. These objectives seem, however, to be as unattainable now as they were six months ago. They are rendered even more difficult by the continuing inability of the Party to reconstitute itself as a viable ruling force and by the continuing downhill drift of the economy. These factors have combined to strengthen Jaruzelski's belief that the military must remain in control at least for the time being.

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14. There is considerable doubt whether Jaruzelski will feel able to keep his heavily qualified promise, made to the Sejm in July, to lift martial law by the end of 1982. Even if the formal state of martial law is lifted or suspended, its principal provisions are likely to continue in the shape of "special powers" for the Council of Ministers. Any change in the coming months will therefore be of form, not substance.

Release of detainees

Of some 5,500 people interned after martial law was imposed, most were released in successive moves during the spring, summer and autumn. Lech Walesa and other senior Solidarity leaders are among those still detained. A number of those released have been encouraged to emigrate under the threat of These releases have been largely offset by renewed detention. the number of those interned, arrested and imprisoned for violations of martial law regulations, including participation in demonstrations at the beginning of May, on 31st August and during September. is estimated that by mid-October over 4,000 had been arrested or imprisoned. Given the likelihood of fresh disturbances in the coming months, any progress towards meeting this Alliance criterion will be slow. A net retrogression may even be registered.

Prospects for dialogue

- 16. The new trade union law makes it clear that the régime has no intention of holding a dialogue with a truly representative trade union organization. The only semblance of a dialogue which has existed is that between the régime and the Church. But the Church's recently more critical attitude towards the régime over the Authorities' reactions to street demonstrations and particularly the dissolution of Solidarity may well lead to a suspension of even this degree of dialogue and the prospects for meaningful political discussions between the Church and the régime are poor. Although discussions led to agreement in principle in September on a visit to Poland by Pope John Paul II in 1983, the régime has refused to set a date and the reaction of the Vatican to the outlawing of Solidarity places a further question mark over the visit.
- 17. The "Patriotic Movement for National Rebirth", which was created by the régime as a non-party movement of national unity and was supposed to guarantee the activities of legally constituted bodies, has itself made little contribution to a dialogue. This movement is correctly perceived by the population as a mere puppet of the régime and has attracted little support.

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In any case, neither the Church nor the trade unions have been represented in it and the movement thus appears irrelevant to the criterion laid down by the Alliance.

(b) The social forces involved

The régime

- 18. The demonstrations of 31st August, signalled the end, at least for the time being of the period of relative moderation which Jaruzelski had used to try to secure his objectives. Since then a generally harder line has been apparent involving the sentencing of KPN leaders, attacks in the media against the Church and the new law on trade unions.
- 19. Jaruzelski has consolidated his own position both by outmanoeuvring hard line opponents and dismissing some liberals. Many key administrative and party positions have been filled by military and civilian figures of Jaruzelski's choice and the army is now more involved in running the party, the bureaucracy and the economy.

The Party

20. Party membership has continued to fall and those who remain are for the most part careerists or of orthodox tendency, but General Jaruzelski appears to prefer the continuation of martial law to a restoration of the party to its dominant rôle, and Moscow seems for the time being to have no choice but to accept the military régime and the relative and temporary eclipse of the party.

Polish Society

21. The régime has very little credit with the Polish public. However, the Authorities' crack-down on violations of martial law regulations, and the Church's appeals for calm, have contributed to keeping active opposition to the régime to levels which the security forces have so far been able to handle. The effect of the people's opposition is more keenly felt in the economic field. Absenteeism is rife and, together with a careless attitude to work, has had a significant depressive effect. It cannot be overcome by the use of force, and the material and spiritual incentives required to galvanize society are lacking. The prospects is for this state of mind to continue for the foreseeable future.

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The Church

- 22. The régime is aware of the importance of the Church as a focus of the population's loyalty and has not so far been willing to clamp down heavily on its activities. Archbishop Glemp, less forceful and autocratic than the late Cardinal Wyszynski and concerned to preserve the concessions won for the Church since August 1980, has counselled publicly against the violent demonstrations. He has, however, advocated the release of detainees. His relatively restrained attitude towards martial law set him somewhat apart from some in the Episcopate and from the rank and file of the clergy who, closer than the Primate to the membership of Solidarity, have been more outspoken in their criticism of the régime. The Church draws strength from the fact that Pope John Paul II is a Pole.
- 23. Following the use of force against demonstrators on 31st August Glemp hardened his tone and this has brought him under greater fire from the State Authorities. This did not prevent him from reacting vigorously to the passing of the new trade union legislation which led him to postpone a visit to the Vatican and the United States. The régime's actions in recent weeks have therefore had the effect of closing the Polish Church's ranks.
- 24. The prospects for Church-State relations are more gloomy in the wake of the trade union law. Jaruzelski may feel that, having dissolved Solidarity as one form of popular sentiment, he cannot afford to allow the Church to take up Solidarity's mantle. Recent Soviet and Polish government attacks on the Church indicate a wish to reduce its influence and may foreshadow a sharp deterioration in relations between the Church and the régime. Equally, however, the Church's much wider appeal may induce Jaruzelski to exempt it from closer control in the hope that eventually the clergy will be indispensable for any attempt at national reconciliation. He may also be able to use the agreement in principle to a visit by Pope John Paul II to extract a moderating rôle from the Church.

The trade unions

25. The trade union legislation passed by the Sejm on 8th October dissolved Solidarity and other existing trade unions. A unique chapter in the history of Eastern Europe since the communist takeovers in the 1940s was thus, in one sense, ended. But Solidarity and the ideals which inspired it are still very much alive. The underground organization and its leaders in the Temporary Co-ordinating Committee showed their ability to bring

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Solidarity members and supporters on to the streets where at least 150,000 people took part in demonstrations throughout Poland on 31st August. Although this was not enough to oblige Jaruzelski to enter into a dialogue with the union, it was sufficient to compel him to use fire arms against demonstrators for the first time since December. This demonstration may have helped convince Jaruzelski that Solidarity had to be outlawed. Jaruzelski may believe that after the spontaneous strikes and protests which followed the outlawing of Solidarity, the numbers of those willing to take to the streets in support of an illegal movement will be less than if Solidarity had remained merely suspended. A test of strength will occur on 10th November on which day Solidarity's underground leaders have called for a four-hour general strike. A number of significant dates are approaching when more demonstrations may be expected.

- 26. This call for action could indicate that the members of the Temporary Co-ordinating Committee have, for the moment and under pressure to react vigorously to the legal dissolution of their organization, resolved differences among them as to the most effective kind of action the organization could take. However, the Committee will need to decide how their campaign can best be continued and the rift between moderates and radicals may well reappear. If the call for a strike on 10th November is well supported this will increase the standing of those who have always advocated a more confrontational posture: conversely, poor support could persuade the moderates that the best course is to advocate that Solidarity members join the new state-controlled unions en masse and try to use the limited opportunities which those organizations offer for the protection and promotion of workers' rights.
- The trade unions to be set up under the new legislation will, however, be under the thumb of the régime. The decision to create trade unions in the first instance only in individual enterprises is intended to fragment the organized labour movement and ensure that when national union structures are permitted on an industry-by-industry basis in 1984, and inter-union organizations in 1985, they will be tightly controlled and will not develop the momentum and strength which Solidarity achieved in 1980. Moreover. the exclusion of employees of the Ministries of Defence and the Interior from future unions and the severe limitations on the right to strike (from which workers in the State administration and in the food, health and energy industries will not benefit) will remove workers in sensitive fields from legal protest Jaruzelski has signalled that a genuine dialogue with organized labour does not figure in his current plans for the future of Polish society.

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(c) Economic and financial problems

- The Polish economy continues to decline for the fourth successive year. National income is likely to fall between 5% and 10% this year. Industrial production for the first nine months was reported to be 5% below that for the same period of 1981. This decrease would undoubtedly have been greater had the mining sector not shown a considerable improvement in output over 1981 levels due in large measure to high wages, a six-day week and the fact that military disciple has been introduced in the mining industry. The 1982 grains harvest looks to be good but forecasts of output from the potato, sugar beet and poultry sectors are less so. With grain imports having been halved, meat supplies may decline further. Rationing of food and consumer items will continue but the reduction of purchasing power (26% down from 1981 levels) brought about by large price increases at the beginning of 1982 means that more and more Poles cannot buy even the limited quantities to which they are entitled.
- 29. These poor results are in large part due to the suspension of Western credits for the purchase of raw materials and semi manufactures for industry, and a reduction of imports from the West in order to make funds available for repayment of debts under the 1981 rescheduling agreement. The fall in imports (30.3%) has been much larger than that in exports (2.9%) and the hard currency trade surplus with the West of some \$1.01 billion in the first 9 months of 1982 has permitted interest, and some principal, payments on 1981 obligations and has made possible the negotiation of a 1982 rescheduling agreement with private creditors, which however has yet to be concluded. Polish hard currency debt now exceeds \$26 billion.
- 30. Poland's trade deficit with the USSR will be cut by about one third in 1982, with the volume of Soviet deliveries perhaps 10% lower than in 1981 given the unchanged ceiling on Soviet exports and the large rise in Soviet energy prices. So far in 1982 the Soviet Union has apparently given no direct aid in hard currency and has replaced only about \$150 million of Polish imports normally purchased in the West. By contrast, Poland has continued to run trade surpluses with all Eastern European countries except the GDR an apparent attempt to reduce Poland's accumulated debt to its East European partners. Efforts to reorient Poland's economy more towards the CMEA, begun in 1981, face considerable obstacles.
- 31. The imposition of martial law has slowed implementation of economic reforms. A greater stress on centralized decision-making has cut across attempts to reform financial institutions, create new incentives for enterprises and allow world market influences to have a greater impact. An advisory economic council set up by the régime has yet to have any great effect on government policies.

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- (d) Attitude of the Soviet Union, Eastern European countries and China
- of direct Party control and the renaissance of the Polish United Workers Party to the point where it could once again occupy the "leading rôle" required by communist ideology, they are for the moment more interested in internal stability and the restoration of a sound economy. They recognize that the Polish Party cannot, on its own, promote either of these objectives. They have therefore accepted that military rule will have to continue for the time being, and are giving qualified support to General Jaruzelski's actions. The dissolution of Solidarity, in particular, will have pleased Moscow, as will the determination shown by Jaruzelski to keep the law and order situation under control by the use of force if necessary.
- 33. Criticism in the Soviet press of the rôle and influence of the Polish Church increased in September, with accusations that the Church was encouraging social unrest. Soviet pressure on Jaruzelski to reduce the scope for the Church to act as a powerful focus of the people's loyalty may increase: opposition to the idea of a Papal visit has already been expressed.
- 34. The Eastern Europeans have generally followed the Soviet lead and encouraged Jaruzelski to be firm in crushing "counter-revolution". The Czechoslovaks and East Germans have been particularly harsh in their demands for firm action. But, like Moscow, they have failed to be explicit about economic assistance. They are more preoccupied with the adverse effect of Polish economic failings on their own economy. China has remained quiet.

(e) Courses open to the régime

35. As the dissolution of Solidarity, the sentencing of KPN members and preparations for the trial of KOR leaders show, Jaruzelski is concerned to try to break any underground resistence organization which could rally the mass of the population and mount a challenge which would compel him either to negotiate or to use force on a large scale. In this way, he hopes that public opposition will turn to reluctant acceptance of his leadership and policies. This would permit the lifting of martial law and thus some resumption of effective moves to reform the economy. This course is fraught with problems, however, and will in any case take time to produce results. In the meantime, any steps to reinvigorate the Party will be tightly controlled.

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PART III: THE SITUATION IN OTHER WARSAW PACT COUNTRIES

36. Economic growth throughout the region continued to slow in the first six months of 1982, with growth in industrial production the lowest in many years. Western banks reduced new lending and their exposure to the region during the period, largely because of the Polish crisis and Romania's bid for rescheduling. Hard currency debt burdens have forced retrenchment in imports and investments as countries have scrambled to meet repayment schedules in the face of tightening Western credit markets. Some countries (Bulgaria, Hungary) have remained quiet and unchanging but the future is clouded and crucial choices lie ahead. Others (Czechoslovakia, Romania) are beset by economic difficulties which show up the rigidity of their institutions.

(a) Bulgaria

- 37. At the age of 71, Mr. Jivkov appears to be in rude health and plays an active part in political affairs; in the absence of any rivals, his position is apparently unshakeable but this has not spared Bulgaria from purges which have followed the abuse of privileges by the Nomenklatura.
- 38. Although Bulgaria is affected by the recession, stringent action has been taken by the economic managers to translate the lower growth rate into the Eighth Five-Year Plan (1981-1985) (3.7% as compared with 7% in 1976-1980), and to secure balanced growth in which agriculture plays its full part, the general extension, in principle, of the lessons of the economic reform begun in 1979, the preservation of indebtedness towards the West at a reasonable level: this fell from \$3.2 billion at the end of 1980 to \$2 billion a year later; nonetheless, servicing of the debt now accounts for over 50% of hard currency exports given as a result of the size of the short-term debt.

(b) Hungary

39. In the early part of 1982, Hungary still offered the picture of a politically stable and relatively prosperous country. While remaining faithful to the Moscow line, it has pushed ahead, under the direction of Mr. Kadar, with the reformist policy for which it has been known for some considerable time. The leadership team gives every appearance of cohesion and the government reshuffles in the early summer were probably intended to make the austerity measures more palatable but these measures could strain public tolerance.

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- 40. Like the other Eastern countries, Hungary has been hard hit by the world economic crisis but for the present at least it seems capable of coping with the situation. 1982 will be the fourth consecutive year of austerity; the economy is expected to grow at a rate of between 1 and $1\frac{1}{2}$ %, investments will continue to be selectively pruned but the standard of living should remain intact at the cost, however, of a budget deficit.
- 41. Nonetheless, Hungary is deeply in debt. Western experts have put this debt at between \$8 and \$9 billion and they expect the country to find it very difficult to meet the 1982 and 1983 repayment dates. Hungary's recent admission to the International Monetary Fund (6th May 1982) could help to solve the short-term problems and may have imposed some discipline on Hungary's economic policies.

(c) Czechoslovakia

- 42. Institutional continuity and ideological vigilance are still hallmarks of Czechoslovakia. The Party is firmly in the saddle. The leadership is actively engaged in preventing any expression of unorthodox belief: the trade unions are wholly dependent on the Party, the champions of human rights are persecuted as relentlessly as ever and increasing pressure is being brought to bear on the Catholic Church. The population compensates for any yearning for freedom which it may have by preoccupation with material comforts. The economic difficulties now being experienced may, however, cause the first cracks to appear in the edifice.
- 43. The years 1979-1982 have been a major turning point in the history of Czechoslovakia's economic development: for the first time, external difficulties due to the world energy crisis have coincided with internal problems such as the streamlining of industry, the supply of agricultural produce and pricing policy. Although Czechoslovakia's foreign debt is a relatively modest one (\$3.6 billion), the authorities are apparently determined to bring it down and are looking for ways of economising on raw materials and energy, most of which are imported.

(d) Romania

44. After Poland, Romania is the country where the leadership sees itself most seriously confronted by the economic situation. This may further accelerate the turnover at the top levels of government and bureaucracy. The economic crisis which Romania has been going through for several years shows no signs of abating. With every day that passes it widens the split between the leadership and the people. The sign of an ideological turn of the screw appeared in the early spring with a first wave of purges

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in the Civil Service, and in scientific and literary circles, and included the removal of the Minister of Education. Government changes in recent months are evidence of the Romanian President's increasing exasperation at the incompatibility between reality, in particular economic reality, and his own plans.

- 45. The economic situation is admittedly a matter for concern. Romania was badly hit by the second oil crisis, it is no longer self-sufficient energy-wise and its imports of oil and raw materials currently account for half its total imports. Because of poor harvests, and despite purchases abroad, shortages of foodstuffs were already in evidence last year and have caused loud rumblings among what is normally a resigned population. An increase in the price of these items became necessary in February and this was followed by a rise in energy prices. The 1982 development plan was accordingly scaled downwards with priority being given none the less to agriculture and the food industries.
- 46. As matters now stand, its convertible currency debt is probably Romania's most serious problem. Despite an improvement in its balance of payments in 1981, the country is at grips with a financial crisis springing from the structure of its indebtedness (\$10.2 billion at the end of 1981) which includes too great a proportion of short-term debts. After having accumulated a backlog of overdue payments totalling \$1.1 billion last year, to which will be added payments due in 1982, the Romanian authorities managed in July to obtain the agreement in principle of Western creditor governments to the rescheduling of part of their debt.
- 47. The worsening of the current economic and financial difficulties, if matched by the withdrawal of Western co-operation, could shake the foundations of the present régime. For the moment, it cannot be said that the position of Ceaucescu himself is threatened.
- 48. After toying with the idea of moving more closely into line with the Socialist community, Romania is now intent on restoring the credibility of its independent stance; this is borne out by a number of bilateral meetings (particularly President Ceaucescu's visit to China).

(e) GDR

49. The régime is faced with growing economic difficulties, such as the consequences of rising raw material prices, difficulties in obtaining new Western credits, a serious labour shortage and supply problems, as well as with the new phenomenon

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of a peace movement within its own borders. The East German government is trying to overcome the economic difficulties with the help of drastic saving measures and to limit the activities and the influence of the peace movement by the use of administrative means, such as forbidding the "swords into ploughshares" badge. However, neither problem so far poses serious problems for the stability of the régime.

PART IV: BLOC COHESION

(a) Repercussions of the Polish Crisis

50. All the Warsaw Pact countries defended the declaration of martial law in Poland, although Romanian comment was markedly more restrained than that of the other countries. There was little real evidence that Jaruzelski's action has led to changes in the domestic policies of Poland's allies - the handling of the dissident question has been neither more nor less severe than before. The allies' main concern seems to be to see Poland brought into line as soon as possible at the least economic cost to themselves.

(b) CMEA

- There are continuing signs that internal economic difficulties and problems in East/West trade relations (especially the reluctance of Western banks to lend to Eastern Europe) have led to greater interest among CMEA members in closer mutual co-operation. Speeches at the 36th Session of the CMEA Council, held in Budapest in June, reflected deepening concern over Soviet and Eastern European difficulties in the trade and credit field as well as over problems in their own economies. Several member states, including Romania, have been pressing for increased co-operation in the field of energy and raw materials in the hope of ensuring relatively cheap supplies from the USSR. view of their own economic problems, however, the Soviets are likely to drive an increasingly hard bargain. There have been reports that they have made cuts in deliveries of oil to Eastern Europe paid for in soft currency at the CMEA concessionary rate.
- 52. Some progress was made at the June Council Session on co-operation in the field of science and technology. Moreover, CMEA countries are being called upon to continue their assistance in the construction of pipelines in the USSR.

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53. There have been further references recently to a forthcoming summit of the CMEA countries, which may take place later this year or in early 1983. The agenda may well focus on the problem of Poland, but may also include majority voting, further investment, and new legislation to facilitate the establishment of joint enterprises. While such enterprises have existed since the 1950s, virtually no new ones have been set up in recent years due to legal and technical difficulties, but probably also to the reluctance of East European countries to run the risk of a Soviet control on their economic policies.

PART V: INTERNAL SITUATION OF THE USSR

(a) Political questions

The leadership and outlook for the post-Brezhnev era

- 54. A number of events have re-focussed attention on the timing and nature of the succession to Brezhnev. The General Secretary's health continues to fluctuate. He was absent from the scene for two lengthy periods and the annual series of meetings in the Crimea with Warsaw Pact party chiefs was curtailed. Despite this he still seems to be in control and open manoeuvring by potential successors has not been evident. Nevertheless, the list of likely candidates has been narrowed. Kirilenko, in uncertain health for some time, now appears to be out of Chernenko continues to be prominent, particularly contention. in matters of party organization and the implementation of the Food Programme. But he still owes his position largely to his close association with Brezhnev, which may not be a trump card. The significant advance has been made by Andropov. His relinquishment of the Chairmanship of the KGB and appointment to the Secretariat, where he seems to have assumed some of Suslov's responsibilities have made him a prime contender for the General Secretaryship. Grishin, the Moscow party boss, figures among other possible contenders.
- 55. Whoever is finally chosen, all the signs still point to a reaffirmation, at least in the short-term, of collective leadership and to continuity of policies. Internal and foreign policy constraints and requirements will not change with the succession; the party bureaucracy will be as resistent as before to radical departures from familiar and therefore safe policies and procedures; and a new leadership will take time to find its feet and gain confidence. Much will, however, depend on how extensive are the changes which will accompany Brezhnev's departure. Furthermore, internal problems could become more acute, necessitating more far-reaching changes than a future leadership would consider desirable. While, therefore, continuity is likely to be the watchword, it will not be followed automatically.

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Dissidence and repression

- The continuing campaign of repression has severely limited organized dissent. Major dissident groups are now scattered. The Moscow Helsinki Monitoring Group was disbanded in September by its three remaining members following years of persecution; while some members of the Ukrainian group who had almost completed prison sentences were resentenced. The régime has also attempted to destroy the fledgeling "Group to establish trust between the USSR and the USA" and has attacked the nascent pacifist movement. In recent months, the authorities have intimidated "refuseniks" into refraining from contacts with foreigners; have denied visas to foreigners suspected of intending to visit dissidents or refuseniks and treated roughly Western tourists who managed to do so; have pursued their harassment of Western journalists; have further restricted contacts with Western embassies; and have reduced telephone communications with foreign countries.
- 57. These activities have, if anything, become harsher since the appointment in May of Fedorchuk, formerly Ukrainian KGB Chief, as Chairman of the KGB. The objective seems primarily to be the isolation from contact with the free world of all citizens actively opposed to the Soviet government or system. In this way, the authorities hope to stem the flow of information on abuses of human rights which has tarnished the image of the USSR and made more difficult the achievement of foreign policy goals.

Emigration

58. As East-West relations have deteriorated, emigration has been drastically cut. Figures for the first 9 months of 1982 indicate that less than 3,000 Jews will be allowed to leave this year compared to 9,000 in 1981 and 51,000 in 1979, the record year. Emigration of ethnic Germans will probably not be higher than 2,000 compared to 3,700 in 1981 and 9,700 in 1976, the peak year. Emigration of Armenians has ceased almost completely.

(b) Economic problems

59. Overall growth has continued to slow down and the principal targets of the 11th Five Year Plan are already, in only the second year of the Plan, clearly out of reach. During the first 8 months of 1982, compared with the same period last year, industrial output increased by only 2.7% (planned growth for 1982 is 4.7%) and labour productivity grow by only 2% (1982 plan target is 4.2%). These increases are significantly less than those registered in 1981 over 1980.

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- 60. Key sectors of industry have again performed poorly, notably steel and other metallurgical products, building materials, food industries, fertilisers, chemical fibres and timber. In many cases production in the first half of 1982 was lower than in 1981 and this has exacerbated shortages elsewhere in the system. The crucial energy sector has done reasonably well although problems remain. Output of natural gas is above plan and there has been a slight improvement in coal production after three years of declining output. Oil production is slightly above last year's level but it will be difficult to meet this year's target of 614 million tons.
- Agriculture continues to perform badly. The 1982 grains harvest will be the fourth consecutive bad one, possibly even lower than last years. Grain imports in 1982/83 are likely to be around 45 million tons, but even this will not be enough to prevent shortages of fodder and thus distress slaughtering of livestock. A temporary increase in meat production will then be followed by a further decline. This, together with difficulties in the dairy and poultry sectors, bodes ill for the new Food Programme finally launched, 18 months after Brezhnev called for Although hailed as a major step, the remedies which it, in May. this puts forward for the solution of the declining return on enormous investment in agriculture contain little that is new. Once again the emphasis is on increased investment in agriculture and associated industrial sectors. Financial incentives for farms . and individual workers may produce marginal improvements but the prospect of meeting the Programme's ambitious targets is poor. The more radical measure introduced in August whereby State and collective farms were authorized to sell part of their planned output of fruit and vegetables through the peasant markets at uncontrolled prices is an indication of the authorities' lack of faith in traditional remedies for the increasingly serious shortfalls in food production.
- 62. Trade statistics for the first quarter of 1982 show a notable improvement in the USSR's hard currency trade balance. A large increase in exports and a slight fall in imports resulted in a convertible currency trade deficit only one third the size of that in the same period of 1981. This improvement continued in the second quarter. The Soviet net debt to Western banks rose by only \$500 million in the first quarter over the figure at the end of 1981 (a \$3.6 billion increase has occurred a year earlier). While this reflects in part an increasing reluctance of Western banks to increase their long-term exposure, the Soviet Union is increasingly looking for short-term credits to finance their grain imports.

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63. For the future only slow growth can be foreseen. Productivity is unlikely to increase significantly; the difficulty and cost of exploiting mineral and energy reserves in Eastern Siberia are formidable; financial, if not political, constraints will place a limit on imports from the West; and there are no signs of the far-reaching reforms which might release a greater part of the country's potential. Nevertheless, the economy is vast and is still growing albeit slowly. It is less vulnerable to outside forces than most others. The Soviet leadership does not yet appear to be at the point where economic difficulties would force a profound reappraisal of investment priorities, particularly those affecting military expenditure.

PART VI: MAJOR TRENDS IN SOVIET FOREIGN POLICY

64. Soviet objectives and priorities have not changed over the past six months. They remain the preservation of strategic parity with the United States and of superiority in theatre nuclear forces in Europe; maintenance of cohesion within the Warsaw Pact; undermining the firmness of the Western Alliance and in particular the commitment to the 1979 double track decision; and consolidation and, where possible, extension of Soviet influence in the Third World. Tactical moves, particularly of a propagandistic type in the classic Soviet mould, have been made to further these goals, but no major new initiatives have been undertaken. This cautious approach seems likely to be followed in the near future.

(a) Soviet/US relations

The Soviet/US relationship, shows little sign of improving despite the opening of START negotiations. In these and the INF talks the Soviet Union's negotiating positions do not augur well for early agreement. These negotiations have been accompanied by a constant barrage of Soviet propaganda designed to cast doubt on Washington's interest in reaching agreements. At the same time Moscow has sought to portray its own approach as reasonable, bolstering this campaign with the announcement by Brezhnev in March of a suspension of SS-20 deployments. objectives of this and other eye-catching initiatives, such as the pledge not to be the first to use nuclear weapons, have been the peace movements in Europe and the nuclear freeze movement in the United States. Moscow still hopes that pressure from public opinion on Allied, particularly European, governments will force a modification of NATO's decision to modernize its intermediate range nuclear missile systems in Europe, and thus reduce or eliminate the need for Soviet concessions in the Geneva negotiations.

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66. Moscow has also sought to exacerbate transatlantic differences over trade with the Soviet Union, with particular reference to the Siberian gas pipeline and United States grain sales.

(b) Sino/Soviet Relations

One significant Soviet foreign policy initiative in 67. the past six months was the renewal of suggestions for talks Deputy Foreign Minister Ilyichev arrived in Peking in October for preliminary talks aimed at reopening discussions on an improvement in state relations, which the Chinese had broken off in the wake of the Soviet invasion of Afghanistan. Although the Chinese leaders made it clear beforehand that they would only be interested in Soviet deeds, not words, they agreed to a continuation of these exploratory talks. They do not, however, appear ready to abandon their position that the presence of Soviet forces in Afghanistan, Soviet troop deployments along the border with China and Soviet support for Vietnam's actions in Indo-China are obstacles to a substantial improvement in relations. The talks represented a small political gain for China may also regard them as a useful signal to the Moscow. United States. Prospects for a substantial improvement in relations in the short-term do not seem good.

(c) The Middle East

The war in Lebanon again revealed Soviet inability to influence significantly either the situation on the ground or the search for a settlement to the Arab-Israeli dispute. Moscow's cautious approach to the war led it to give the PLO no effective assistance and to confine its help for Syria to the replacement of equipment destroyed by the Israelis. Soviet influence in the diplomatic moves leading to the agreement on withdrawal of PLO fighters from Beirut was nil: objections to the involvement of US troops were simply ignored. The lessons will not have been lost on the Arabs who now recognize the US as the external power with whom talks must be held. Brezhnev's attempt to recover lost ground by quickly adapting the long-standing Soviet position on the Middle East nearer to that taken by the Fez Summit has not changed this recognition which extends even to those radical Arab states which Moscow counts as its Allies. For the moment the Soviet Union seems unlikely to secure a central position in the diplomatic process aimed at producing an overall political settlement, but to confine itself to a spoiling rôle designed to prevent a lasting Arab-US dialogue.

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69. Repeated Soviet calls for a negotiated settlement to the Iraq-Iran war reflect a dilemma. Neither belligerent can be supported fully without relations with the other deteriorating, or with the certainty that the chosen ally will emerge victorious. This, together with the continuing Soviet occupation of Afghanistan and the anti-communist sentiments of Iran's fundamentalist Islamic leaders, is a major obstacle to improving political relations with Iran.

(d) The Third World

- 70. The Soviet Union has generally been more concerned to consolidate existing gains than to launch new adventures which might provoke a new confrontation with the West. Mrs. Gandhi's visit to Moscow in September, coming after her visit to Washington in the summer, will have been seen in this light by Moscow, but it did not produce the full coincidence of views the Soviet leadership had hoped for. Mrs. Gandhi's position within the Non-Aligned Movement following the completion of Castro's presidency will increase the Soviet wish to maintain close and friendly relations.
- 71. There is no indication that the USSR is prepared to withdraw its forces from Afghanistan. However, tactical Soviet manoeuvring designed to convey a constructive impression in the proximity talks on Afghanistan, held under the auspices of the UN Secretary General, has not so far induced Pakistan to deal directly with the Karmal régime and the Soviet Union's standing in the Third World continues to suffer from their occupation of Afghanistan where, however, they are no nearer to overcoming the Mujahidin.
- 72. Soviet clients in Africa, disappointed with the quality and quantity of Soviet development aid, continue to hanker after trade links with the West. Moscow has been unable to influence decisively the black African participants in the negotiations on Namibian independence. In Latin America, Soviet gains from the Falklands conflict have so far been marginal; and the beginnings of a revival of democratic processes in Central America present fresh problems for penetration there by the Soviet Union and its allies.

(e) Outlook

73. Despite these current difficulties in a number of areas, the Soviet Union's position in the Third World has not significantly weakened. Arms sales and the provision of military training remain a major vehicle for Soviet penetration; and the ideological leanings of some active Third World leaders act as a relay for

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Soviet attitudes. Inherent socio-political instability, often exacerbated by economic difficulties, in many developing countries will continue to offer openings for the USSR. These will be exploited so long as Moscow sees little risk of a major confrontation with the West and so long as the economic burden does not appear too great. Recent relative caution does not mean that the Soviet leadership has abandoned its pursuit of greater influence and a decisive change in its favour in the world balance of forces.

74. However, the primary objectives of Soviet foreign policy seem likely to be in the realm of East-West relations. Arms control negotiations, and the relationship with the United States will remain a central preoccupation, particularly as the deployment date for NATO's new nuclear weapons in Europe draws nearer. Significant departures from current policies are not likely and the main emphasis will probably lie in efforts to play on the peace movements and on differences of perspective among; the Allies on East-West relations. In Eastern Europe Moscow will continue to face the difficult dilemma of inducing greater conformity with orthodox communist doctrine while encouraging its allies to find acceptable remedies to their growing economic problems.

PART VII: YUGOSLAVIA AND ALBANIA

(a) Yugoslavia

- 75. The 12th Congress of the Yugoslav League of Communists, held in June, affirmed the basic policies of self-management and non-alignment. Despite the lack of basic change, however, there was some lively debate among the Congress delegates, many of whom represented post-war generations and were participating for the first time. Calls were made for greater party democratization and, although this groundswell had no immediate effect on the formal decisions of the Congress, it is bound to affect future policies and practice. The two main problems facing the authorities are those of Albanian nationalism in the Kosovo Province and Yugoslavia's worsening economic situation.
- 76. Tension and discontent remain high in Kosovo and the calm imposed by a strong security force has been frequently disturbed. The Slav minority in the province has felt increasingly insecure and has been moving out, thus contributing to the nationalists' aim of a purely Albanian enclave. This in turn will make it harder for the Belgrade authorities to accept the demand by the Albanian population of Kosovo for a separate republic.

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77. Although politics were central to the discussions at the LCY Congress its main attention was concentrated on the serious economic situation. With a foreign debt now totalling \$20 billion, inflation running at 30%, unemployment growing and imports being cut to the detriment of industrial production and exports, a package of reforms has been adopted which, it is hoped, will stabilize the situation and then bring about recovery. The government has repeatedly declared that its first intention was to honour its international financial commitments while the fate of the domestic economy was to take second place. But the economy's ability to function effectively is particularly dependent on the import of raw materials, energy and spare parts and on the firm resolve to undertake corrective measures by a Federal Government which, in having to consider the varying news of the constituent republican and provincial governments and the vagaries of the self-management system, is operating under difficult and complex conditions.

(b) Albania

- 78. Despite five ministerial changes in the Albanian government since Adil Carcani took over the premiership in January, there has been no radical shift in domestic and foreign policies. In his inaugural speech Carcani, who has long been associated with the Party First Secretary, Enver Hoxha, closely followed the line laid down at the 8th Party Congress in November 1981, where economic and political self-reliance and self-sufficiency, tempered by the need for increased foreign trade, were emphasized. While Hoxha lives and holds office his policies seem certain to continue.
- 79. It is difficult to assess the real state of the economy which, if Albanian statements are to be believed, faces no serious problems. Statistics are selected to project a picture of rising success and are expressed only in percentages of an unknown base figure. Rapid development in recent years has established an infrastructure which, however rudimentary, seems able to satisfy basic needs. Albania is self-sufficient in oil, electrical energy which produces a surplus for export to Yugoslavia and in bread grains. Under the current Five Year Plan priority is given to increasing the extraction and processing of minerals, the energy industry, agricultural production and foreign trade where exports are planned to rise by 58%.

(c) Albanian/Yugoslav relations

80. Relations between Albania and Yugoslavia are still suffering from the unresolved situation in Kosovo. Nevertheless, there are various forms of bilateral co-operation, especially in the field of energy supply and transport. Thus, an agreement was signed in April concerning the construction of a 75 km railway from the Northern Albanian town Skutari to Titograd, which would be Albania's first railway link with any foreign country. Its completion is planned for 1984.

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EXPERT WORKING GROUP ON THE SITUATION IN THE SOVIET UNION AND EASTERN EUROPE

CALENDAR OF EVENTS (20th March to 20th October 1982)

March 1982

20th March: Creation of the Association of Journalists

of the Polish Republic, a grouping of conforming journalists replacing the Association of Polish Journalists.

The Polish Government decides to send Army 23rd March:

"operational groups" into the countryside

to supervise production and stocks.

24th March: Speaking in Tashkent, Mr. Brezhnev renews

his offers of negotiation with China.

April 1982

3rd April: Disturbances in Kosovo.

4th-6th April: Soviet Foreign Minister visits Belgrade.

6th April: Agreement signed on the rescheduling of

Poland's debts to Western banks for 1981.

22nd April: Mr. Andropov makes the traditional Kremlin

speech to mark the anniversary of the birth

of Lenin.

22nd-23rd April: Eighth Plenary Meeting of the PUWP Central

Committee devoted to the economic situation.

26th April: Archbishop Glemp meets General Jaruzelski

before leaving for the Vatican.

26th April: Archbishop Glemp in Rome.

May 1982

1st-3rd May: Demonstrations in favour of Solidarity

organized in Warsaw, Gdansk, Szczecin and a number of other cities with the participation of several tens of thousands of people for the first time since the imposition of martial

law.

3rd May: Violent clashes between demonstrators and

government forces; 2,269 arrests.

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5th-6th May:	French Foreign Minister visits Sofia.
9th May:	President Reagan's proposals on strategic weapons.
10th May:	The Polish Authorities warn against attempts to disrupt public order.
13th May:	Following a call from Solidarity's underground leadership, brief demonstrations are held throughout the country to mark the start of the sixth month of martial law. 679 people arrested or imprisoned and a number of workers dismissed.
14th May:	In Yugoslavia, Mr. Peter Stambolich becomes President for a year of the collegiate directorate of the new Yugoslav Federal Government headed by Mrs. Milka Planintz, a Croat.
18th May:	Speaking at the Komsomol Congress, Mr. Brezhnev rejects President Reagan's proposals for the limitation of strategic weapons.
18th May:	General Jaruzelski receives Marshal Kulikov, Commander-in-Chief of the Warsaw Pact forces.
20th May:	General Jaruzelski on "official visit of friendship" to Sofia.
21st May:	Major government reshuffle in Romania in which the Prime Minister, Mr. Ilie Verdet, is replaced by Mr. Constantin Dascalescu.
21st-22nd May:	Further disturbances in Kosovo.
24th May:	Mr. Yuri Andropov becomes Secretary of the Central Committee of the Soviet Communist Party.
26th May:	Mr. Fedorchuk appointed Head of the KGB.
June 1982	
2nd June:	In a letter to Congress, President Reagan issues a warning to Romania: if it does not

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adopt a more flexible emigration policy it could lose the most favoured nation status which it was given by the United States in

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3rd-9th June: Assembly of the "World Federation of Demo-

cratic Youth" held in Prague, with as its theme, "the fight against imperialism and

for peace".

8th-10th June: 36th session of COMECON in Budapest: member

countries give priority to the reinforcement

of integration.

10th June: Talks between Mr. Cheysson and Mr. Gromyko

during the United Nations Special Session on

Disarmament.

13th June: In Poland, violent demonstrations in Wroclaw

and several other provincial cities to mark the start of the seventh month of martial law.

15th June: Speaking at the UN General Assembly's Special

Session on Disarmament, Mr. Gromyko announces that the USSR undertakes not to be the first

to use nuclear weapons.

16th June: Fresh disturbances in Wroclaw and a fifteen-

minute work stoppage at Gdansk.

25th June: Changes in the Hungarian Party and Government;

Mr. Aczel returns to the Central Committee

Secretariat.

26th-29th June: Twelfth Congress of the Yugoslav League of

Communists.

29th June: Soviet-American negotiations on strategic arms

reductions (START) open in Geneva.

July 1982

15th-16th July: PUWP Central Committee passes a resolution on

youth problems and makes changes in the upper echelons of the Party: Mr. Olszowski leaves the Secretariat while remaining a member of the

Politburo.

21st July: General Jaruzelski, speaking in the Polish

Parliament, announces that the majority of detainees will shortly be released, that restrictions on telephone calles and travel abroad will be relaxed and that the authorities will abolish martial law by the end of the year.

30th July: Talks between Brezhnev and Husak in Crimea.

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<u>August 1982</u>

1st August: Solidarity underground leaders call on trade

unionists to make their presence felt more

keenly.

11th August: Talks between Honecker and Brezhnev in Crimea.

13th August: Demonstrations held in Warsaw and several provincial cities to mark the anniversary of

the start of the Gdansk shipyard strike in 1980.

16th August: Talks between Brezhnev and Jaruzelski in Crimea.

20th August: Brezhnev and Tsedenbal meet in Crimea.

21st August: In an interview published in the Polish press,

Vice-Prime Minister Rakowski issues a warning

to Solidarity sympathisers.

31st August: At the instigation of Solidarity and to mark

the second anniversary of the Gdansk agreements, disturbances break out in many Polish cities and violent clashes take place between thousands

of demonstrators and government forces.

September 1982

3rd September: The Polish Junta blames the leaders of the

Social Self-Defence Committee (KOR) for the 31st August demonstrations. Result of the

clashes: 3 dead, 211 injured and 4,050 arrests.

2nd-3rd September: Suspension of automatic telephone calls between

the Soviet Union on the one hand and Western

Europe and Japan on the other.

6th September: Polish Embassy occupied (and hostages taken)

in Berne.

13th-14th September: Polish Foreign Minister on working visit to

Moscow.

13th-15th September: Clashes in Wroclaw between security forces and

demonstrators.

20th-22nd September: Mrs. Gandhi pays official visit to Moscow.

20th September: In a toast on the occasion of Mrs. Gandhi's

visit to Moscow, Mr. Brezhnev proposes that NATO and the Warsaw Pact should undertake not to extend their activities to the Third World.

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24th September: Meeting of the Central Committee of the

Yugoslav League of Communists devoted to the

psychological, political and economic crisis.

26th September: Speaking in Baku, Mr. Brezhnev again calls

for the normalization of Sino-Soviet relations.

25th-26th September: A communiqué published in Tirana reports the

failure of an attempted landing by Albanian

exiles.

29th September: Shultz-Gromyko talks during the latter's visit

to UN General Assembly.

<u>October 1982</u>

4th October: Further talks between Mr. Shultz and Mr.

Gromyko in New York.

4th October: Mr. Ceausescu dismisses the Deputy Agriculture

Minister and the Deputy Mayor of Bucharest, allegedly responsible for the shortcomings of

the food distribution system.

7th-8th October: Plenary session of Romanian Communist Party

Central Committee.

8th October: Solidarity outlawed by the Polish Sejm.

Solidarity's underground leaders call a national protest strike on 10th November and

urge all wage-earners to boycott the new

trade union organizations.

9th October: Government reshuffle in Poland.

11th October: Strikes in the Lenin shipyards in Gdansk.

11th-13th October: Meeting of the PUWP Politburo.

12th-16th October: President of Ethiopia pays official visit to

Moscow.

13th October: Military discipline imposed on the Lenin ship-

yards in Gdansk.

13th October: Clashes between workers and security forces in

Wroclaw and in the vicinity of the Nowa-Huta

steelworks, where one workman killed.

16th October: During a Mass to mark the 4th anniversary of

the election of Pope John-Paul II, Archbishop Glemp states that no dialogue is possible with

the Government.

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17th October:

Publication of joint Soviet-Ethiopian

communiqué.

18th October:

Yugoslav Authorities restrict foreign travel

to save foreign currency.