Originally Processed With FOIA(s):
2009-0275-S

FOIA Number:
2009-0275-S

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the George Bush Presidential Library Staff.

Record Group/Collection: George H.W. Bush Presidential Records
Collection/Office of Origin: Scowcroft, Brent, Collection
Series: USSR Collapse Files
Subseries: U.S. - Soviet Relations Chronological Files

OA/ID Number: 91118
Folder ID Number: 91118-008

Folder Title:
USSR Collapse: U.S - Soviet Relations Thru 1991 (August 1990)

Stack:	Row:	Section:	Shelf:	Position:
G	34	3	2	5

Withdrawal/Redaction Sheet
(George Bush Library)

Doc. No. / Type	Subject/Title	Date	Restriction	Classification
01a. Memo	Condoleezza Rice to Brent Scowcroft Re: U.S. Policy (1 pp.)	8/13/90	(b)(1)	S
01b. Memo	Condoleezza Rice to Brent Scowcroft Re: U.S. Policy (1 pp.)	8/2/90	(b)(1)	S
01c. Memo	Brent Scowcroft to POTUS Re: U.S. Policy (5 pp.)	8/18/90	(b)(1)	S
01d. Memo	Brent Scowcroft to POTUS Re: U.S. Policy (5 pp.)	n.d.	(b)(1)	S
01e. Cable	Re: Soviet Union (10 pp.)	7/13/90	(b)(1)	S
02a. Letter	President Bush to President Gorbachev (2 pp.)	8/20/90	(b)(1)	
02b. Memo	Brent Scowcroft to POTUS Re: Response to Letter from President Gorbachev (1 pp.)	8/17/90	(b)(1)	
02c. Memo	Stephen E. Benko to Brent Scowcroft Re: Presidential Response to Gorbachev Letter (1 pp.)	8/14/90	(b)(1)	
02d. Letter	President Gorbachev to President Bush [English] (7 pp.)	8/6/90	(b)(1)	

Collection:

Record Group: Bush Presidential Records
Office: Scowcroft, Brent, Files
Series: USSR Collapse Files
Subseries: U.S. - Soviet Relations Chronological Files
WHORM Cat.:
File Location: USSR Collapse: U.S. - Soviet Relations Thru 1991 (August 1990)

Pinksheet Number: cap1003
OA/ID Number: 91118-008
Date Closed: 2/27/2009
FOIA/Sys Case #: 2009-0275-S
Re-review Case #:
P-2/P-5 Review Case #:

Withdrawal/Redaction Sheet
(George Bush Library)

Doc. No. / Type	Subject/Title	Date	Restriction	Classification
02e. Letter	President Gorbachev to President Bush [Russian] (4 pp.)	8/6/90	(b)(1)	

Collection:

Record Group: Bush Presidential Records
Office: Scowcroft, Brent, Files
Series: USSR Collapse Files
Subseries: U.S. - Soviet Relations Chronological Files
WHORM Cat.:
File Location: USSR Collapse: U.S. - Soviet Relations Thru 1991 (August 1990)

Pinksheet Number: cap1003
OA/ID Number: 91118-008
Date Closed: 2/27/2009
FOIA/Sys Case #: 2009-0275-S
Re-review Case #:
P-2/P-5 Review Case #:

UNCLASSIFIED
NSC/S PROFILE

RECORD ID: 9006197
RECEIVED: 01 AUG 90 19

CHRON FILE

TO: PRESIDENT

FROM: SCOWCROFT

DOC DATE: 01 AUG 90
SOURCE REF:

1

KEYWORDS: ECONOMICS
SPEECHES

GREAT BRITAIN

PERSONS:

SUBJECT: TEXT OF SPEECH / LIST OF PARTICIPANTS RE PRES SPEECH AT ASPEN INSTITUTE 2 AUG

ACTION: OBE / STATUS ORIGINAL UNKNOWN DUE DATE: 04 AUG 90 STATUS: C

STAFF OFFICER: HAYDEN LOGREF:

FILES: WH NSCP: CODES:

D O C U M E N T D I S T R I B U T I O N

FOR ACTION

FOR CONCURRENCE

FOR INFO
NSC CHRON

COMMENTS: _____

_____

_____

DISPATCHED BY _____ DATE _____ BY HAND W/ATTCH

OPENED BY: NSEF CLOSED BY: NSJRP DOC 2 OF 2

UNCLASSIFIED

6197

THE WHITE HOUSE

WASHINGTON

August 1, 1990

CHRON FILE

SPEECH AT
THE ASPEN INSTITUTE
DATE: August 2, 1990
LOCATION: Aspen, Colorado
TIME: 3:30 - 4:00 pm

FROM: BRENT SCOWCROFT

I. PURPOSE

To deliver the keynote address at the 40th anniversary symposium of Aspen Institute's first Executive Seminar.

II. BACKGROUND

The Aspen Institute is an international organization whose programs are designed to bring together leaders in business, government, the non-profit sector, academia and the media to discuss and better understand critical issues of the day. It is an independent, nonprofit organization funded by individual and corporate contributions.

You will begin this five day seminar with an address on defense policy to approximately 3000 people. Plenary and working group sessions will subsequently discuss such diverse issues as rebuilding the U.S. national community, education and economic competitiveness, health care, and transforming post-Communist societies.

III. PARTICIPANTS

List of participants at Tab B.

IV. PRESS PLAN

Open press.

V. SEQUENCE

You will be accompanied to the institute by Prime Minister Thatcher and Ambassador and Mrs. Catto. Upon arrival at the stage, Lodwrick Cook, Chairman and CEO of ARCO, will introduce you. Following your remarks, Anne Hudson, a trustee of the Aspen Institute will present you with a gift.

Attachments
Tab A Text of Speech
Tab B List of Participants

cc: Vice President
Chief of Staff

TO BE PROVIDED

THE ASPEN INSTITUTE
ASPEN, COLORADO
AUGUST 2, 1990
3:30 P.M.

Final Version
Pres Speech
@ Aspen
Aust
8/2

:OOK}. / DAVID MCLAUGHLIN
ISTITUTE. JOHN PHELAN {CHAIRMAN.}
SSADOR TO GREAT BRITAIN. ASPEN
ISTINGUISHED GUESTS: MANY THANKS
. / AND OF COURSE OUR SPECIAL
), MARGARET THATCHER. / MADAME
IE SAY THAT, FOR MORE THAN A DECADE
WN NO BETTER FRIEND OF FREEDOM. /
IT'S AN HONOR TO JOIN YOU TODAY. //

[[KIND OF IRONIC, ISN'T IT? WASHINGTON'S GETTING MORE AND MORE LIKE A 3-RING CIRCUS -- AND HERE I AM UNDER THE BIG TENT.]] [[OF COURSE IT'S A PLEASURE TO EXPERIENCE THE SPLENDOR OF ASPEN IN AUGUST. / THE CLIMATE IN WASHINGTON'S TOUGH THIS TIME OF YEAR. LOTS OF HEAT. TEMPERATURES RISING. EVERYONE'S HOT UNDER THE COLLAR. / THE WEATHER'S FINE: / I'M TALKING ABOUT THE BUDGET SUMMIT. //]]

[[AND WHEN IT COMES TO POLITICS, IT'S NOT THE HUMIDITY. IT'S THE HEAT. //]]

I AM DELIGHTED TO CELEBRATE WITH ALL OF YOU THE 40TH ANNIVERSARY OF THE ILLUSTRIOUS ASPEN INSTITUTE. /

IN THOSE 40 YEARS, THE SPIRIT OF ASPEN HAS COME TO SIGNIFY THE ATTEMPT TO BRIDGE THE WORLDS OF THOUGHT AND ACTION. // AND OF COURSE, TO UNDERSTAND THE TREMENDOUS CHANGES TAKING PLACE AROUND US. / THINK BACK TO THE HEADLINES 40 YEARS AGO, THE TIME OF THAT FIRST ASPEN CONFERENCE IN 1950. / NORTH KOREA ROARED ACROSS THE 38TH PARALLEL. KLAUS FUCHS WAS CAUGHT AND CONVICTED FOR REVEALING THE SECRETS OF THE ATOM BOMB TO THE SOVIETS. THE COLD WAR -- A TERM INTRODUCED INTO OUR POLITICAL VOCABULARY BY BERNARD BARUCH -- HAD COME INTO ITS OWN, AS THE SHORTHAND TO DESCRIBE THE HALF-WAY HOUSE OF AN ARMED AND UNEASY PEACE -- A WORLD DIVIDED, EAST FROM WEST. /

THAT WAS THE WORLD AS ASPEN CAME INTO BEING -- THE WORLD ASPEN SOUGHT TO STUDY, AND TO SHAPE. //

THE FORTY YEARS SINCE THEN HAVE BEEN A TIME OF TREMENDOUS PROGRESS -- FOR THE NATIONS OF THE WEST, AN ERA OF UNPARALLELED PROSPERITY, PEACE AND FREEDOM. / BUT AT THE SAME TIME, WE LIVED IN A CONSTANT CONDITION OF TENSION, COLD WAR AND CONFLICT. //

THAT WORLD IS NOW CHANGING. // THE DECADES-OLD DIVISION OF EUROPE IS ENDING -- AND THE ERA OF DEMOCRACY-BUILDING HAS BEGUN. IN GERMANY -- THE DIVIDED NATION IN THE HEART OF A DIVIDED CONTINENT -- UNITY IS NOW ASSURED, AS A FREE AND FULL MEMBER OF THE NATO ALLIANCE. / THE SOVIET UNION ITSELF IS IN THE MIDST OF A POLITICAL AND ECONOMIC TRANSFORMATION THAT HAS BROUGHT UNPRECEDENTED OPENNESS -- A PROCESS THAT IS AT ONCE FULL OF HOPE, AND FULL OF UNCERTAINTY. //

WE'VE ENTERED A REMARKABLE STAGE IN OUR RELATIONSHIP WITH THE USSR. MY DISCUSSIONS WITH PRESIDENT GORBACHEV HAVE BEEN OPEN AND HONEST. ALL THE ISSUES ARE ON THE TABLE -- WE DON'T DODGE THE TOUGH ONES. THAT'S BEEN THE SECRET TO OUR SUCCESS SO FAR, AND OVER TIME, THAT'S HOW WE'RE GOING TO NARROW OUR DIFFERENCES -- AND SEIZE THIS HISTORIC OPPORTUNITY TO CREATE LASTING PROGRESS.

THE CHANGES I'M TALKING ABOUT HAVE TRANSFORMED OUR SECURITY ENVIRONMENT. WE ARE ENTERING A NEW ERA: THE DEFENSE STRATEGY AND MILITARY STRUCTURE NEEDED TO ENSURE PEACE CAN -- AND MUST -- BE DIFFERENT. THE THREAT OF A SOVIET INVASION OF WESTERN EUROPE LAUNCHED WITH LITTLE OR NO WARNING IS TODAY MORE REMOTE THAN AT ANY OTHER POINT IN THE POST-WAR PERIOD. / WITH THE EMERGENCE OF DEMOCRACY IN EASTERN EUROPE, THE WARSAW PACT HAS LOST ITS MILITARY MEANING -- AND AFTER MORE THAN FOUR DECADES OF DOMINANCE, SOVIET TROOPS ARE WITHDRAWING FROM CENTRAL AND EASTERN EUROPE. /

OUR TASK TODAY IS TO SHAPE OUR DEFENSE CAPABILITIES TO THESE CHANGING STRATEGIC CIRCUMSTANCES. / IN A WORLD LESS DRIVEN BY AN IMMEDIATE THREAT TO EUROPE AND THE DANGER OF GLOBAL WAR -- IN A WORLD WHERE THE SIZE OF OUR FORCES WILL INCREASINGLY BE SHAPED BY THE NEEDS OF REGIONAL CONTINGENCIES AND PEACETIME PRESENCE -- WE KNOW THAT OUR FORCES CAN BE SMALLER. / SECRETARY CHENEY AND GENERAL POWELL ARE HARD AT WORK DETERMINING THE PRECISE COMPOSITION OF THE FORCES WE NEED. BUT I CAN TELL YOU NOW, WE CALCULATE THAT BY 1995 OUR SECURITY NEEDS CAN BE MET BY AN ACTIVE FORCE 25% SMALLER THAN TODAY'S. / AMERICA'S ARMED FORCES WILL BE AT THEIR LOWEST LEVEL SINCE 1950.

WHAT MATTERS NOW IS HOW WE RESHAPE THE FORCES THAT REMAIN. OUR NEW STRATEGY MUST PROVIDE THE FRAMEWORK TO GUIDE OUR DELIBERATE REDUCTIONS TO NO MORE THAN THE FORCES WE NEED TO GUARD OUR ENDURING INTERESTS -- THE FORCES TO EXERCISE FORWARD PRESENCE IN KEY AREAS, TO RESPOND EFFECTIVELY TO CRISES, TO RETAIN THE NATIONAL CAPACITY TO REBUILD OUR FORCES SHOULD THIS BE NEEDED.

THE UNITED STATES WOULD BE ILL-SERVED BY FORCES THAT REPRESENT NOTHING MORE THAN A SCALED-BACK OR SHRUNKEN-DOWN VERSION OF THE ONES WE POSSESS AT PRESENT. IF WE SIMPLY PRO-RATE OUR REDUCTIONS -- CUT EQUALLY ACROSS THE BOARD -- WE COULD EASILY END UP WITH MORE THAN WE NEED FOR CONTINGENCIES THAT ARE NO LONGER LIKELY -- AND LESS THAN WE MUST HAVE TO MEET EMERGING CHALLENGES. / WHAT WE NEED ARE NOT MERELY REDUCTIONS -- BUT RESTRUCTURING.

WHAT WE REQUIRE NOW IS A DEFENSE POLICY THAT ADAPTS TO THE SIGNIFICANT CHANGES WE ARE WITNESSING -- WITHOUT NEGLECTING THE ENDURING REALITIES THAT WILL CONTINUE TO SHAPE OUR SECURITY STRATEGY. // A POLICY OF PEACETIME ENGAGEMENT EVERY BIT AS CONSTANT AND COMMITTED TO THE DEFENSE OF OUR INTERESTS AND IDEALS IN TODAY'S WORLD AS IN THE TIME OF CONFLICT AND COLD WAR. //

AND IN THIS WORLD, AMERICA REMAINS A PIVOTAL FACTOR FOR PEACEFUL CHANGE. / IMPORTANT AMERICAN INTERESTS IN EUROPE AND THE PACIFIC -- IN THE MEDITERRANEAN AND THE PERSIAN GULF -- ALL ARE KEY REASONS WHY MAINTAINING A FORWARD PRESENCE WILL REMAIN AN INDISPENSABLE ELEMENT OF OUR STRATEGY.

WE ALL REMEMBER WHEN THE SOVIET UNION VIEWED OUR FORWARD PRESENCE AS A THREAT. WHEN WE MET, THEIR MILITARY MEN CAME ARMED WITH MAPS, PURPORTING TO SHOW AMERICAN ENCIRCLEMENT OF THE SOVIET UNION. I'VE TALKED ABOUT THIS WITH MR. GORBACHEV. I THINK HE UNDERSTANDS NOW THAT WE HAVE NO INTENTION OF THREATENING HIS COUNTRY -- AND I HAPPEN TO THINK THAT IT'S THE KIND OF CONVERSATIONS WE'VE HAD AT CAMP DAVID THAT HELP MAKE SUCH PROGRESS POSSIBLE. //

I WAS CANDID WITH PRESIDENT GORBACHEV. / I TOLD HIM THAT -- FOR ALL THE POSITIVE CHANGES WE HAVE SEEN -- THE SOVIET UNION REMAINS A WORLD-CLASS MILITARY POWER. EVEN AFTER THE CONVENTIONAL ARMS REDUCTIONS WE ARE NOW NEGOTIATING, THE SOVIETS WILL CONTINUE TO MAINTAIN 2 TO 3 MILLION MEN UNDER ARMS. AND OF COURSE, OUR NUMBER ONE CONCERN: THE SOVIETS CONTINUE TO MAINTAIN AND MODERNIZE THEIR ARSENAL OF STRATEGIC NUCLEAR WEAPONS. //

WE AND OUR ALLIES WELCOME THE NEW COURSE THE SOVIET UNION HAS CHOSEN. BUT PRUDENCE DEMANDS THAT WE MAINTAIN AN EFFECTIVE DETERRENT -- ONE THAT SECURES THE PEACE NOT ONLY IN TODAY'S CLIMATE OF REDUCED TENSIONS, BUT THAT ENSURES THAT RENEWED CONFRONTATION IS NOT A FEASIBLE OPTION FOR ANY SOVIET LEADERSHIP.

THE SOVIETS WILL ENTER A START TREATY WITH A FULLY MODERNIZED, HIGHLY CAPABLE AND VERY LARGE STRATEGIC FORCE. / TO MAINTAIN CLEAR AND CONFIDENT STRATEGIC DETERRENCE INTO THE NEXT CENTURY, WE NEED THE B-2. SECRETARY CHENEY HAS ALREADY SCALED BACK THE PROGRAM. 75 AIRCRAFT MAKES STRATEGIC SENSE. FURTHER DELAYS WILL ONLY INCREASE COSTS. / WE NEED TO COMPLETE THE TRIDENT PROGRAM. THOSE 18 SUBMARINES WILL ENSURE A SURVIVABLE, SUBMARINE-BASED DETERRENT. / WE CAN DEFER FINAL DECISIONS ON OUR LAND-BASED ICBMS -- AS WE SEE HOW THE START TALKS PROCEED -- BUT WE MUST KEEP OUR OPTIONS OPEN: AND THAT MEANS COMPLETING THE DEVELOPMENT OF THE SMALL ICBM AND THE RAIL-BASED PEACEKEEPER. / AND FINALLY, I AM CONVINCED THAT A DEFENSIVE STRATEGIC DETERRENT MAKES MORE SENSE IN THE '90S THAN EVER BEFORE. WHAT BETTER MEANS OF DEFENSE THAN A SYSTEM THAT DESTROYS ONLY MISSILES LAUNCHED AGAINST US -- WITHOUT THREATENING A SINGLE LIFE? / WE MUST PUSH FORWARD THE GREAT PROMISE OF SDI -- AND DEPLOY IT WHEN READY. //

AND THE U.S. WILL KEEP A FORCE IN EUROPE AS LONG AS OUR ALLIES WANT AND NEED US THERE. / AS WE AND OUR ALLIES ADAPT NATO TO A CHANGING WORLD, THE SIZE AND SHAPE OF OUR FORCES WILL ALSO CHANGE, TO SUIT NEW AND LESS THREATENING CIRCUMSTANCES. BUT WE WILL REMAIN IN EUROPE TO DETER ANY NEW DANGERS, TO BE A FORCE FOR STABILITY -- AND TO REASSURE ALL OF EUROPE -- EAST AND WEST -- THAT THE EUROPEAN BALANCE WILL REMAIN SECURE. //

OUTSIDE OF EUROPE, AMERICA MUST POSSESS FORCES ABLE TO RESPOND TO THREATS IN WHATEVER CORNER OF THE GLOBE THEY MAY OCCUR. / EVEN IN A WORLD WHERE DEMOCRACY AND FREEDOM HAVE MADE GREAT GAINS, THREATS REMAIN. TERRORISM. HOSTAGE TAKING. RENEGADE REGIMES AND UNPREDICTABLE RULERS -- NEW SOURCES OF INSTABILITY -- ALL REQUIRE A STRONG AND ENGAGED AMERICA. //

IN SPITE OF OUR BEST EFFORTS TO CONTROL THE SPREAD OF CHEMICAL AND NUCLEAR WEAPONS AND BALLISTIC MISSILE TECHNOLOGIES, MORE NATIONS ARE ACQUIRING WEAPONS OF MASS DESTRUCTION -- AND THE MEANS TO DELIVER THEM. / RIGHT NOW, 20 COUNTRIES HAVE THE CAPACITY TO PRODUCE CHEMICAL WEAPONS. AND BY THE YEAR 2000, AS MANY AS 15 DEVELOPING NATIONS COULD HAVE THEIR OWN BALLISTIC MISSILES. // IN THE FUTURE, EVEN CONFLICTS WE ONCE THOUGHT OF AS LIMITED OR LOCAL MAY CARRY FAR-REACHING CONSEQUENCES. ///

TO COPE WITH THE FULL RANGE OF CHALLENGES WE MAY CONFRONT, WE MUST FOCUS ON <u>READINESS</u> AND <u>RAPID RESPONSE</u>. AND TO PREPARE TO MEET THE CHALLENGES WE MAY FACE IN THE FUTURE, WE MUST FOCUS ON <u>RESEARCH</u> -- AN ACTIVE AND INVENTIVE PROGRAM OF DEFENSE R&D. //

LET ME BEGIN WITH THE COMPONENT WITH GREAT LONG-RANGE CONSEQUENCES -- RESEARCH. TIME AND AGAIN, WE HAVE SEEN TECHNOLOGY REVOLUTIONIZE THE BATTLEFIELD. / THE U.S. HAS ALWAYS RELIED UPON ITS TECHNOLOGICAL EDGE TO OFFSET THE NEED TO MATCH POTENTIAL ADVERSARIES' STRENGTH IN NUMBERS. / CRUISE MISSILES, STEALTH FIGHTERS AND BOMBERS, TODAY'S "SMART" WEAPONS WITH STATE-OF-THE-ART GUIDANCE SYSTEMS, AND TOMORROW'S "BRILLIANT" ONES: THE MEN AND WOMEN IN OUR ARMED FORCES DESERVE THE BEST TECHNOLOGY AMERICA HAS TO OFFER. //

AND WE MUST REALIZE THE HEAVY PRICE WE WILL PAY IF WE LOOK FOR FALSE ECONOMIES IN DEFENSE R&D. MOST MODERN WEAPONS SYSTEMS TAKE A MINIMUM OF 10 YEARS TO MOVE FROM THE DRAWING BOARD TO THE BATTLEFIELD. / THE NATURE OF NATIONAL DEFENSE DEMANDS THAT WE PLAN NOW FOR THREATS ON THE DISTANT HORIZON. THE DECISIONS WE MAKE TODAY -- THE PROGRAMS WE PUSH FORWARD, OR PUSH ASIDE -- WILL DICTATE THE KIND OF MILITARY FORCES WE HAVE AT OUR DISPOSAL IN THE YEAR 2000 -- AND BEYOND. //

SECOND, WE MUST FOCUS ON RAPID RESPONSE. AS WE SAW MOST RECENTLY IN PANAMA, THE U.S. MAY BE CALLED ON TO RESPOND TO A VARIETY OF CHALLENGES FROM VARIOUS POINTS ON THE COMPASS. IN AN ERA WHEN THREATS MAY EMERGE WITH LITTLE OR NO WARNING, OUR ABILITY TO DEFEND OUR INTERESTS WILL DEPEND ON OUR SPEED AND AGILITY. // WE WILL NEED FORCES THAT GIVE US GLOBAL REACH. NO AMOUNT OF POLITICAL CHANGE WILL ALTER THE GEOGRAPHIC FACT THAT WE ARE SEPARATED FROM MANY OF OUR MOST IMPORTANT ALLIES AND INTERESTS BY THOUSANDS OF MILES OF WATER. //

IN MANY OF THE CONFLICTS WE COULD FACE, WE MAY NOT HAVE THE LUXURY OF MATCHING MANPOWER WITH PRE-POSITIONED MATERIEL. WE WILL HAVE TO HAVE AIR AND SEA-LIFT CAPACITIES TO GET OUR FORCES WHERE THEY ARE NEEDED -- WHEN THEY ARE NEEDED. A NEW EMPHASIS ON FLEXIBILITY AND VERSATILITY MUST GUIDE OUR EFFORTS.

FINALLY, AS WE RESTRUCTURE, WE MUST PUT A PREMIUM ON READINESS. FOR THOSE ACTIVE FORCES WE'LL RELY ON TO RESPOND TO CRISES, READINESS MUST BE OUR HIGHEST PRIORITY. TRUE MILITARY CAPABILITY NEVER EXISTS ON PAPER -- IT IS MEASURED IN THE HOURS SPENT, AND EXPERIENCE GAINED, ON THE TRAINING GROUND, UNDER SAIL, AND IN THE COCKPIT. NOTHING IS MORE SHORT-SIGHTED THAN CUTTING BACK ON TRAINING TIME TO CUT COSTS -- AND NOTHING IS MORE DEMORALIZING FOR OUR TROOPS. // OUR SOLDIERS, SAILORS, AIRMEN AND MARINES MUST BE WELL-TRAINED, TRIED AND TESTED -- READY TO PERFORM EVERY MISSION WE ASK OF THEM. //

IN OUR RESTRUCTURED FORCES, RESERVES WILL BE IMPORTANT, BUT IN NEW WAYS. THE NEED TO BE PREPARED FOR A MASSIVE, SHORT-TERM MOBILIZATION HAS DIMINISHED. WE CAN NOW ADJUST THE SIZE, STRUCTURE AND READINESS OF OUR RESERVE FORCES, TO HELP US DEAL WITH THE MORE LIKELY CHALLENGES WE WILL FACE.

OUR STRATEGY WILL GUARD AGAINST A MAJOR REVERSAL IN SOVIET INTENTIONS BY INCORPORATING INTO OUR PLANNING THE CONCEPT OF RECONSTITUTION OF OUR FORCES. BY THE MID-90S, THE TIME IT WOULD TAKE THE SOVIETS TO RETURN TO THE LEVELS OF CONFRONTATION THAT MARKED THE DEPTHS OF THE COLD WAR WILL BE SUFFICIENT TO ALLOW US TO RELY NOT SOLELY ON EXISTING FORCES -- BUT TO GENERATE WHOLLY NEW FORCES. THIS READINESS TO REBUILD -- MADE EXPLICIT IN OUR DEFENSE POLICY -- WILL BE AN IMPORTANT ELEMENT IN OUR ABILITY TO DETER AGGRESSION. ///

A RATIONAL RESTRUCTURING OF THE KIND I'VE OUTLINED WILL TAKE FIVE YEARS. I AM CONFIDENT WE CAN MEET THE CHALLENGES I'VE OUTLINED TODAY -- PROVIDED WE PROCEED WITH AN ORDERLY BUILD-DOWN -- NOT A FIRE SALE. ANY BUILD-DOWN OF THIS MAGNITUDE MUST BE MANAGED CAREFULLY TO MINIMIZE DISLOCATIONS -- NOT JUST TO THE MILITARY BALANCE, BUT TO MORALE. AND I CAN SAY RIGHT NOW, AS COMMANDER-IN-CHIEF, THAT WE WILL TAKE EVERY STEP POSSIBLE TO MINIMIZE THE TURBULENCE THESE CHANGES WILL CREATE FOR OUR SOLDIERS, SAILORS, AIRMEN AND MARINES. I WILL NOT BREAK FAITH WITH THE YOUNG MEN AND WOMEN WHO HAVE FREELY CHOSEN TO SERVE THEIR COUNTRY. //

ALL OF US KNOW THE CHALLENGES WE FACE ARE FISCAL, AS WELL AS MILITARY. / THE BUDGET CONSTRAINTS WE FACE ARE VERY REAL -- BUT SO TOO IS THE NEED TO PROTECT THE GAINS THAT 40 YEARS OF PEACE THROUGH STRENGTH HAVE EARNED US. THE SIMPLE FACT IS THIS: WHEN IT COMES TO NATIONAL SECURITY, AMERICA CAN NEVER AFFORD TO FAIL OR FALL SHORT. ///

LET ME SAY ONCE AGAIN HOW PLEASED I AM TO APPEAR HERE TODAY -- ESPECIALLY WITH OUR HONORED FRIEND, MRS. THATCHER. / TODAY, OF COURSE, IS NOT THE ONLY TIME PRESIDENT AND PRIME MINISTER HAVE SHARED THE STAGE. THE WORLD REMEMBERS THAT DAY 44 YEARS AGO -- IN FULTON, MISSOURI, WHEN CHURCHILL DELIVERED WHAT HISTORY CALLS THE "IRON CURTAIN" SPEECH. / BUT THAT WASN'T WHAT HE CALLED IT. HE TITLED IT / "THE SINEWS OF PEACE." // BY THAT, HE MEANT TO SUMMON UP A VISION OF THE STRENGTH OF FREE NATIONS -- UNITED IN DEFENSE OF DEMOCRACY. //

AT LONG LAST, WE ARE WRITING THE FINAL CHAPTER OF THE 20TH CENTURY'S THIRD GREAT CONFLICT. THE COLD WAR IS NOW DRAWING TO A CLOSE. / AFTER FOUR DECADES OF DIVISION AND DISCORD, OUR CHALLENGE TODAY IS TO FULFILL THE GREAT DREAM OF ALL DEMOCRACIES: A TRUE COMMONWEALTH OF FREE NATIONS. / TO MARSHALL THE GROWING FORCES OF THE FREE WORLD -- TO WORK TOGETHER, TO BRING WITHIN REACH FOR ALL MEN AND NATIONS THE LIBERTY THAT BELONGS BY RIGHT TO ALL. //

THANK YOU, AND MAY GOD BLESS THE UNITED STATES OF AMERICA.

# # #

PARTICIPANTS

United States

The President
John H. Sununu, Chief of Staff
Brent Scowcroft, Assistant to the President for National Security Affairs
Mr. and Mrs. Henry E. Catto, Ambassador to the United Kingdom of Great Britain and Northern Ireland

United Kingdom of Great Britain and Northern Ireland

Margaret Thatcher, Prime Minister

Aspen Institute

David T. McLaughin, President, The Aspen Institute
Lodwrick Cook, Chairman and CEO of ARCO
Anne Hudson, Trustee of the Aspen Institute

Approximately 3,000 Special Guests

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

August 1, 1990

ACTION

MEMORANDUM FOR BRENT SCOWCROFT

THROUGH: JOHN GORDON, ACTING

FROM: MICHAEL HAYDEN

SUBJECT: President's Trip to Aspen

Attached at Tab I is a proposed meeting memorandum for the President's trip to Aspen.

RECOMMENDATION

That you sign the proposed meeting memorandum at Tab I.

Attachment
Tab I Proposed Meeting Memorandum
Tab A Text of Speech
Tab B List of Participants

UNCLASSIFIED
NSC/S PROFILE

RECORD ID: 9006195
RECEIVED: 01 AUG 90 17

TO: SCOWCROFT

CHRON FILE

FROM: HAYDEN
GORDON

DOC DATE: 01 AUG 90
SOURCE REF:

KEYWORDS: DEFENSE POLICY

PERSONS:

SUBJECT: TALKERS FOR ASPEN BACKGROUNDER

ACTION: NOTED BY SCOWCROFT DUE DATE: 04 AUG 90 STATUS: C

STAFF OFFICER: HAYDEN LOGREF:

FILES: WH NSCP: CODES:

D O C U M E N T D I S T R I B U T I O N

FOR ACTION	FOR CONCURRENCE	FOR INFO
		GORDON
		HAYDEN
		NSC CHRON

COMMENTS:

DISPATCHED BY _____ DATE _____ BY HAND W/ATTCH

OPENED BY: NSALW CLOSED BY: NSALW DOC 1 OF 1

UNCLASSIFIED

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

August 1, 1990

[redacted]

ACTION

MEMORANDUM FOR BRENT SCOWCROFT

Natl Sec Advisor has seen

THROUGH: JOHN GORDON JG Actg

FROM: MICHAEL HAYDEN MH

SUBJECT: Talking Points for Aspen Backgrounder

At Tab I are proposed talking points on the President's speech for your use at Aspen.

We have forwarded a draft copy to OSD and they have promised both a draft of what Secretary Cheney intends to say and a fact sheet they propose to "flesh out" the key ideas in the President's speech. We will review the fact sheet carefully before forwarding to it you for approval.

RECOMMENDATION

That you use the attached talking points as appropriate.

Approve _____ Disapprove _____

Attachment
Tab I Proposed Talking Points

TALKING POINTS FOR BACKGROUND BRIEFING
ON THE PRESIDENT'S SPEECH ON DEFENSE

-- The President today set the broad directions we will be taking in defense policy for the remainder of the decade.

-- The details -- budgets, force levels, programs and the like -- will be filled in by Secretary Cheney and others in later speeches.

-- What the President said today reflects the changes we have seen in the security environment. It represents a major adjustment to much of what has driven U.S. defense policy for the past 40 years.

-- Let me first highlight some of the things that have not changed. The President made it clear that we will stay engaged, that the United States will play its pivotal and indispensable role in preserving international stability.

-- We will not repeat the historical error of uncontrolled, bottomless demobilization.

-- The President also made it clear that the physical ability of the Soviet Union to destroy American society has not diminished.

-- Nuclear deterrence demands we modernize our strategic forces: 75 B-2s, 18 Tridents, development of both Rail Garrison and Small ICBM. We also will pursue strategic defenses and deploy SDI when it is ready.

-- That said, the threat of a Soviet attack in Europe or the danger of a global war is obviously very low -- lower than at any other time in the post-war era -- and this allows us to adjust our forces in dramatic ways.

-- Clearly we can do with smaller active and reserve forces, provided we retain the ability to reconstitute new forces should the need arise. This concept of reconstitution will add a whole new dimension to our defense planning.

-- Since we no longer have to prepare for a short-notice global war, we can now shape our forces -- in both size and character -- to the needs of regional contingencies and peacetime presence.

-- This means very ready and very competent active forces, that can operate where we need them -- not just where we have built up the kind of infrastructure we have in Europe.

-- There will be a premium on agility, mobility, flexibility. Our procurement should reflect these global requirements as the Central Front no longer so dominates our planning.

-- We need forces that can win decisively and quickly, and with minimum casualties, in the complex political environment in which U.S. forces may have to operate. Our qualitative edge has to be maintained.

-- In a new strategic environment we can also creatively approach the role of our reserve forces now that they no longer have to stand constantly ready for massive mobilization.

-- All this means not just a smaller military, but one that is different -- one that responds to the opportunities and challenges of the future.

CHRON FILE

~~SECRET~~
NSC/S PROFILE

RECORD ID: 9005949
RECEIVED: 03 AUG 90 10

TO: PRESIDENT

FROM: SCOWCROFT

DOC DATE: 18 AUG 90
SOURCE REF:

KEYWORDS: USSR

1

PERSONS:

SUBJECT: DISINTEGRATION OF SOVIET UNION & US POLICY

ACTION: OBE PER GATES DUE DATE: 07 AUG 90 STATUS: C

STAFF OFFICER: RICE LOGREF: 9005949

FILES: PA NSCP: CODES:

D O C U M E N T D I S T R I B U T I O N

FOR ACTION	FOR CONCURRENCE	FOR INFO
		GANTT
		NSC CHRON
		RICE

DECLASSIFIED
White House Guidelines
E.O. 12958, SEC 3.4 (B) September 11, 2006
By Cap NARA, Date 2/27/09

COMMENTS: _____

DISPATCHED BY _____ DATE _____ BY HAND W/ATTCH

OPENED BY: NSBTM CLOSED BY: NSWEA DOC 2 OF 2

~~SECRET~~

National Security Council
The White House

PROOFED BY: EA
URGENT NOT PROOFED: _____
BYPASSED WW DESK: _____

LOG # 6249
SYSTEM (PRS) NSC INT
DOCLOG EA A/O _____

	SEQUENCE TO	HAS SEEN	DISPOSITION
Ken Hill	1		I
Bill Sittmann	2		
Bob Gates	3	✓	
Brent Scowcroft			
Bill Sittmann			
Situation Room			
West Wing Desk	4	WEA 8/22	OBE
NSC Secretariat	5		OBE per Gates

A = Action I = Information D = Dispatch R = Retain N = No further Action

cc: VP Sununu Other _____

Should be seen by: _____ (Date/Time)

COMMENTS

L#6249 - Gates - OBE - "going to be redone" - Condi F

DISPATCH INSTRUCTIONS:

National Security Council
The White House

PROOFED BY: _____ LOG # 6249

URGENT NOT PROOFED: _____ SYSTEM (PRS) NSC INT

BYPASSED WW DESK: _____ DOCLOG _____ A/O _____

	SEQUENCE TO	HAS SEEN	DISPOSITION
Bill Sittmann			
Bob Gates			
Brent Scowcroft	I	✓	
Bill Sittmann			
Situation Room			
West Wing Desk	2	Dgj 8/18	D
NSC Secretariat			

90 AUG 20 A8:06 RECEIVED

A = Action	I = Information	D = Dispatch	R = Retain	N = No further Action

cc: VP Sununu Other _____

Should be seen by: _____
(Date/Time)

COMMENTS

~~SECRET~~

~~SECRET~~

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

6249

August 13, 1990

ACTION

MEMORANDUM FOR BRENT SCOWCROFT

FROM: CONDOLEEZZA RICE

SUBJECT: The Disintegration of the Soviet Union and U.S. Policy

The President was clearly disturbed by the cable from Embassy Moscow on the disintegration of the Soviet Union. He asked if NSC shared the view. The memorandum at Tab I from you to the President analyzes the situation in the Soviet Union; addresses the arguments put forth in the cable; and suggests a policy course.

RECOMMENDATION

That you sign the memorandum to the President.

Attachment
Tab I Memorandum to the President

DECLASSIFIED
PER E.O. 13526
2008-0548-MR
SCS 1/25/12

~~SECRET~~
Declassify on: OADR

~~SECRET~~

~~SECRET~~

~~SECRET~~

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

6249

August 2, 1990

ACTION

MEMORANDUM FOR BRENT SCOWCROFT

FROM: CONDOLEEZZA RICE CR

SUBJECT: The Disintegration of the Soviet Union and U.S. Policy

The President was clearly disturbed by the cable from Embassy Moscow on the disintegration of the Soviet Union. He asked if NSC shared the view. The memorandum at Tab I from you to the President analyzes the situation in the Soviet Union; addresses the arguments put forth in the cable; and suggests a policy course.

RECOMMENDATION

That you sign the memorandum to the President.

Attachment
Tab I Memorandum to the President

DECLASSIFIED
PER E.O. 13526
2008-0548-MR
SCS 1/25/12

~~SECRET~~
Declassify on: OADR

~~SECRET~~

~~SECRET~~

~~SECRET~~

6249

THE WHITE HOUSE

WASHINGTON

August 18, 1990

DECLASSIFIED
PER E.O. 12958,
AS AMENDED
2009-1340-MR
By NLR 4/28/10

INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM: BRENT SCOWCROFT

SUBJECT: Turmoil in the Soviet Union and U.S. Policy

You recently asked for an NSC assessment of a cable from our embassy in Moscow which painted an extremely dire picture of the Soviet Union's future and that of Gorbachev. (Tab A) The embassy's analysis is insightful and notes correctly the growing disintegration of political authority in the Soviet Union. It also puts forth policy prescriptions -- some of which are on target and others which are dubious at best. While it is the NSC staff's assessment that the cable is more alarmist than warranted, its bottom line is unassailable -- control is slipping rapidly out of the hands of the central authorities and most especially Gorbachev.

The Soviet Union is and has been for sometime in a state of political confusion bordering on chaos. The absurdity of the situation in the Soviet Union is perhaps best captured by the prospect of Russia -- once thought to be synonymous with the Soviet state -- seeking autonomy from the Kremlin under Yeltsin's leadership. If the Soviet Union has become a prison for the nationality that has dominated it for seventy years, it is no wonder that the Soviet people feel that they are looking into the abyss.

Because most Soviets view Gorbachev as either unable or unwilling to take decisive steps out of the crisis, local and republican authorities have rushed to fill the vacuum. It is worth noting that there are some healthy aspects to the decentralizing tendencies that we are seeing. A metaphor for the Soviet Union's overcentralization is this -- the Soviet Union has eleven different time zones but all trains and planes run on Moscow time. Moscow must learn that it cannot make every decision. A weaker central government could actually be more effective than one that tries to hold all power to itself. It is good that local governments and republic leaders are taking responsibility for solving their own problems. The question is whether decentralization will inevitably lead to the complete breakup of the Soviet Union.

cc: Vice President
Chief of Staff

~~SECRET~~
Declassify on: OADR

~~SECRET~~

Time is running out but Gorbachev could still find a way to maintain a loose confederation. Not all the republics are viable on their own. The Baltic states will seek full independence. Russia, Byelorussia and the Ukraine could coalesce into a Slavic core around which others could gather. Central Asian republics, like Uzbekistan in Central Asia, lack the cultural coherence and economic prowess to leave the Union. Other non-Slavic republics will desire varying degrees of autonomy. Georgia appears to be moving toward secession and, given the temperament of the people, wide-scale violence is a real possibility. Only belatedly has Moscow realized that it does not have one nationality problem amenable to a single solution -- but several.

Thus far Gorbachev has been unable to articulate a way that the localities can take responsibility for their own affairs while reserving the critical functions of statecraft -- monetary policy, foreign relations and the right to raise an army -- to the center. (This would be somewhat like our constitutional formula that rights not specifically reserved to the federal government are the jurisdiction of the states.) The Kremlin is flailing and in the absence of a workable formula, the republics, even those that have no true prospect of secession, are taking matters into their own hands, reserving all rights -- including to print money and raise an army -- to themselves.

Whether the Soviet Union literally breaks up or becomes a very loose confederation one thing is clear: central authorities will never be as powerful again as they have been in the past. Gorbachev is a weaker figure today than one year ago simply because there are popularly elected leaders at local levels who are asserting their right to govern too. Gorbachev's recent decision to form a committee of his own advisors and those of Yeltsin to develop an economic reform plan demonstrates the growing importance of other leaders. But it also shows that Gorbachev may be able to subjugate his own strong personal dislike of his opposition to political exigencies. Coalition politics will be increasingly important to the future of the Soviet Union.

But that said, the implications for U.S. policy are perhaps less dramatic than some would think. It is important -- at least in the short-term -- not to confuse the weakness of central authorities in managing Soviet domestic affairs with incapacity to engage in diplomacy. The central government still controls the foreign ministry and the General Staff. Thus on the issues that matter most to us at the level of state to state relations -- CFE, START, a settlement in Afghanistan, it is Gorbachev who is able to deliver. It is well to note that after all the back and forth about domestic opposition to a united Germany in NATO, Gorbachev was able to say "yes" precisely when he deemed it appropriate to do so.

We are close to achieving long-held U.S. geostrategic goals -- the unification of Germany within NATO; democratization of Eastern Europe; and the withdrawal of Soviet forces from East-Central Europe. This Soviet leadership has been good for us in

that regard and we should not lose sight of other objectives that might still be met in the context of a workable relationship with Gorbachev. These could include cessation or diminution of Soviet assistance to Cuba and other troublesome regimes and deep reductions in and restructuring of the Soviet strategic nuclear arsenal. Ultimately, the odds are probably 50-50 that Gorbachev will become so weak at home that paralysis overtakes Soviet foreign policy too. In the time left we should squeeze every last agreement out of the current leadership that we can. If Gorbachev falls tomorrow, the achievements of 1989-90 would likely stand.

The longer-term presents us with an interesting and more difficult dilemma. The Gorbachev regime's days may be numbered. We do need to do what we can to encourage healthy democratic forces in the Soviet Union. Embassy Moscow is absolutely right in pointing out that we need to get to know local and republic-level leaders and do what we can to support decentralization and the growth of a multiparty system in the Soviet Union. Should Gorbachev remain in power, the growth of democratic forces that can bring pressure for reform from below is ultimately in our interest.

Thus, the situation in the Soviet Union requires an extremely nuanced and balanced policy that operates on two levels simultaneously. On the one hand, we must engage Gorbachev on the issues that matter to us. On the other hand, we must be seen to be supporters of the <u>process</u> of reform and appear neutral in terms of supporting one faction or another in Soviet domestic affairs. Our rhetoric should probably shift subtly to deemphasize <u>Gorbachev</u> as the Soviet Union's only hope, because in truth, the Soviet people are beginning -- like their East European counterparts -- to take matters into their own hands.

Not surprisingly, this balanced policy is easier to articulate than to implement. The Soviets will try to drag us into their domestic fight, using our assistance to demonstrate an ability to address the needs of the economy. We will need to be especially careful about Boris Yeltsin around whom democratic forces are coalescing. Yeltsin is an excellent politician but he is also an ambitious opportunist of the first order and his credentials as a democrat are suspect at best. There is no doubt that we will have to deal with him but we could balance that by reaching out to a broad range of republic and local leaders. At home, you will come under increasing pressure to adopt the rhetoric of the moment: choosing between Gorbachev and the emerging democratic opposition in the Soviet Union. The dichotomy is a false one and we must say so: Gorbachev is President of the Soviet Union and we will deal with him to advance our diplomatic agenda.

At the same time, we may want to direct some -- but not all -- of our technical cooperation projects to the republics or even to local authorities. Management training and economic education programs need not be for central authorities only. In fact, the salvation of the Soviet economy may come, as the Latvian Prime Minister said to you, in showing that market principles can work

on the local level. We might even quietly direct some of our technical assistance programs into the Baltic states. Such a targeted program could raise eyebrows in Moscow but as part of a broad policy of decentralized assistance it might be less threatening. Similarly, projects in agricultural development for areas like Uzbekistan (whose once fertile territory is now ruined due to insufficient crop rotation) makes more sense than a large-scale agricultural program directed at the Soviet agricultural sector in general. Emphasizing local development is very much in line with American (and especially Republican) traditions. Why should we as Americans who abhor overcentralization and federal interference in everything promote those ideas in the Soviet Union?

Minimizing the Threat of a Decentralizing Soviet Union

Finally, it is worth noting that we have an interest in seeing the central authorities in Moscow retain control of some functions. Jacques DeLors of the EC rightly sounded an alarm recently about the plans of the various republics to develop their own currencies. It goes without saying that sixteen weak economies, each heavily in debt, would be disastrous for the international economy. More importantly, it is not good for European stability to have a Ukrainian national army that would before long confront a Lithuanian national army or, for that matter, Poland. We should not encourage, privately or publicly, republics to take on functions that are better handled by the central government.

We should also be careful not to fuel apocalyptic visions of a disintegrating Soviet Union. The report from Embassy Moscow paints an unduly alarmist and unrealistic picture of crazed nationalists threatening a nuclear holocaust against the United States. We do not know all that we would like to about Soviet nuclear release procedures, but what we do know is reassuring. The crazed nationalist would likely have to be an ethnic Russian (not Kazakh or Georgian) General Staff general, who had both the KGB code to arm an ICBM and the Strategic Rocket Forces Command code to release it. Even Soviet strategic naval weapons (unlike our own) are subject to tight shore-based control.

The chances that a short-range nuclear weapon could fall into the hands of a terrorist are only slightly better. Many fears about this are extrapolations from numerous incidents last spring when conventional weapons were stolen from the Ministry of Interior during the crisis in Azerbaijan. But the Soviets are much more careful with nuclear and chemical weapons stocks and have even begun moving their tactical nuclear weapons out of unstable areas.

That such an incident is extremely unlikely is the good news. The bad news is that there is absolutely nothing that we can do about the minuscule chance that the unthinkable happens. The policy prescriptions put forth in the cable from our Moscow embassy cable would make no difference. Faster arms control at the strategic level to bring the Soviet arsenal from 12,000

nuclear warheads to 2500 is unfortunately not helpful. 100 one megaton nuclear bursts on U.S. territory would be enough to destroy life as we know it. The difference between 12,000 and 2500 is meaningless. Soviet strategic nuclear weapons are already concentrated in a few areas, so the theoretical benefit of reducing the number of installations that could fall into the wrong hands is also easy to overstate.

Arms reductions, when taken with strategic stability in mind, can reduce the incentive for a premeditated first strike in which the attacker tries to take advantage of an unsuspecting opponent. But deterrence assumes a calculating and rational attacker. Strategic stability will mean nothing to a mad general bent on unleashing Armageddon. In any case, the risk of such is so small that it does should not engender the kind of panic that would -- as the Moscow embassy suggests -- lead you to convene a blue ribbon panel to try to disarm the Soviet Union (and us) more rapidly.

In sum, the Soviet Union is indeed "disintegrating." But whether it is doing so in a way that threatens our interests remains to be seen. Moreover, it is not disintegrating so fast that the Gorbachev leadership is useless to us even as it becomes increasingly impotent at home. We will need to play a two-level game -- a short-term policy that exploits diplomatic opportunities with the central government and a longer-term policy that begins to acquaint us with local leaders and the democratic opposition in support of decentralization. As hard as it is, we must resist the pressures that would force us to choose between the two.

~~SECRET~~

THE WHITE HOUSE

WASHINGTON

6249

DECLASSIFIED
PER E.O. 12958,
AS AMENDED
2009-1340-MR
BJ 6/28/10

INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM: BRENT SCOWCROFT

SUBJECT: Turmoil in the Soviet Union and U.S. Policy

You recently asked for an NSC assessment of a cable from our embassy in Moscow which painted an extremely dire picture of the Soviet Union's future and that of Gorbachev. (Tab A) The embassy's analysis is insightful and notes correctly the growing disintegration of political authority in the Soviet Union. It also puts forth policy prescriptions -- some of which are on target and others which are dubious at best. While it is the NSC staff's assessment that the cable is more alarmist than warranted, its bottom line is unassailable -- control is slipping rapidly out of the hands of the central authorities and most especially Gorbachev.

The Soviet Union is and has been for sometime in a state of political confusion bordering on chaos. The absurdity of the situation in the Soviet Union is perhaps best captured by the prospect of Russia -- once thought to be synonymous with the Soviet state -- seeking autonomy from the Kremlin under Yeltsin's leadership. If the Soviet Union has become a prison for the nationality that has dominated it for seventy years, it is no wonder that the Soviet people feel that they are looking into the abyss.

Because most Soviets view Gorbachev as either unable or unwilling to take decisive steps out of the crisis, local and republican authorities have rushed to fill the vacuum. It is worth noting that there are some healthy aspects to the decentralizing tendencies that we are seeing. A metaphor for the Soviet Union's overcentralization is this -- the Soviet Union has eleven different time zones but all trains and planes run on Moscow time. Moscow must learn that it cannot make every decision. A weaker central government could actually be more effective than one that tries to hold all power to itself. It is good that local governments and republic leaders are taking responsibility for solving their own problems. The question is whether decentralization will inevitably lead to the complete breakup of the Soviet Union.

cc: Vice President
Chief of Staff

Time is running out but Gorbachev could still find a way to maintain a loose confederation. Not all the republics are viable on their own. The Baltic states will seek full independence. Russia, Byelorussia and the Ukraine could coalesce into a Slavic core around which others could gather. Central Asian republics, like Uzbekistan in Central Asia, lack the cultural coherence and economic prowess to leave the Union. Other non-Slavic republics will desire varying degrees of autonomy. Georgia appears to be moving toward secession and, given the temperament of the people, wide-scale violence is a real possibility. Only belatedly has Moscow realized that it does not have one nationality problem amenable to a single solution -- but several.

Thus far Gorbachev has been unable to articulate a way that the localities can take responsibility for their own affairs while reserving the critical functions of statecraft -- monetary policy, foreign relations and the right to raise an army -- to the center. (This would be somewhat like our constitutional formula that rights not specifically reserved to the federal government are the jurisdiction of the states.) The Kremlin is flailing and in the absence of a workable formula, the republics, even those that have no true prospect of secession, are taking matters into their own hands, reserving all rights -- including to print money and raise an army -- to themselves.

Whether the Soviet Union literally breaks up or becomes a very loose confederation one thing is clear: central authorities will never be as powerful again as they have been in the past. Gorbachev is a weaker figure today than one year ago simply because there are popularly elected leaders at local levels who are asserting their right to govern too. Gorbachev's recent decision to form a committee of his own advisors and those of Yeltsin to develop an economic reform plan demonstrates the growing importance of other leaders. But it also shows that Gorbachev may be able to subjugate his own strong personal dislike of his opposition to political exigencies. Coalition politics will be increasingly important to the future of the Soviet Union.

But that said, the implications for U.S. policy are perhaps less dramatic than some would think. It is important -- at least in the short-term -- not to confuse the weakness of central authorities in managing Soviet domestic affairs with incapacity to engage in diplomacy. The central government still controls the foreign ministry and the General Staff. Thus on the issues that matter most to us at the level of state to state relations -- CFE, START, a settlement in Afghanistan, it is Gorbachev who is able to deliver. It is well to note that after all the back and forth about domestic opposition to a united Germany in NATO, Gorbachev was able to say "yes" precisely when he deemed it appropriate to do so.

We are close to achieving long-held U.S. geostrategic goals -- the unification of Germany within NATO; democratization of Eastern Europe; and the withdrawal of Soviet forces from East-Central Europe. This Soviet leadership has been good to us in

that regard and we should not lose sight of other objectives that might still be met in the context of a workable relationship with Gorbachev. These could include cessation or diminution of Soviet assistance to Cuba and other troublesome regimes and deep reductions in and restructuring of the Soviet strategic nuclear arsenal. Ultimately, the odds are probably 50-50 that Gorbachev will become so weak at home that paralysis overtakes Soviet foreign policy too. In the time left we should squeeze every last agreement out of the current leadership that we can. If Gorbachev falls tomorrow, the achievements of 1989-90 would likely stand.

The longer-term presents us with an interesting and more difficult dilemma. The Gorbachev regime's days may be numbered. We do need to do what we can to encourage healthy democratic forces in the Soviet Union. It is important to get to know local and republic-level leaders and do what we can to support decentralization and the growth of a multiparty system in the Soviet Union. Should Gorbachev remain in power, the growth of democratic forces that can bring pressure for reform from below is ultimately in our interest.

Thus, the situation in the Soviet Union requires an extremely nuanced and balanced policy that operates on two levels simultaneously. On the one hand, we must engage Gorbachev on the issues that matter to us. On the other hand, we must be seen to be supporters of the <u>process</u> of reform and appear neutral in terms of supporting one faction or another in Soviet domestic affairs. Our rhetoric should probably shift subtly to deemphasize <u>Gorbachev</u> as the Soviet Union's only hope, because in truth, the Soviet people are beginning -- like their East European counterparts -- to take matters into their own hands.

Not surprisingly, this balanced policy is easier to articulate than to implement. The Soviets will try to drag us into their domestic fight, using our assistance to demonstrate an ability to address the needs of the economy. We will need to be especially careful about Boris Yeltsin around whom democratic forces are coalescing. Yeltsin is an excellent politician but he is also an ambitious opportunist of the first order and his credentials as a democrat are suspect at best. There is no doubt that we will have to deal with him but we could balance that by reaching out to a broad range of republic and local leaders. At home, you will come under increasing pressure to adopt the rhetoric of the moment: choosing between Gorbachev and the emerging democratic opposition in the Soviet Union. The dichotomy is a false one and we must say so: Gorbachev is President of the Soviet Union and we will deal with him to advance our diplomatic agenda.

At the same time, we may want to direct some -- but not all -- of our technical cooperation projects to the republics or even to local authorities. Management training and economic education programs need not be for central authorities only. In fact, the salvation of the Soviet economy may come, as the Latvian Prime Minister said to you, in showing that market principles can work

on the local level. We might even quietly direct some of our technical assistance programs into the Baltic states. Such a targeted program could raise eyebrows in Moscow but as part of a broad policy of decentralized assistance it might be less threatening. Similarly, projects in agricultural development for areas like Uzbekistan (whose once fertile territory is now ruined due to insufficient crop rotation) makes more sense than a large-scale agricultural program directed at the Soviet agricultural sector in general. Emphasizing local development is very much in line with American (and especially Republican) traditions. Why should we as Americans who abhor overcentralization and federal interference in everything promote those ideas in the Soviet Union?

Minimizing the Threat of a Decentralizing Soviet Union

Finally, it is worth noting that we have an interest in seeing the central authorities in Moscow retain control of some functions. Jacques DeLors of the EC rightly sounded an alarm recently about the plans of the various republics to develop their own currencies. It goes without saying that sixteen weak economies, each heavily in debt, would be disastrous for the international economy. More importantly, it is not good for European stability to have a Ukrainian national army that would before long confront a Lithuanian national army or, for that matter, Poland. We should not encourage, privately or publicly, republics to take on functions that are better handled by the central government.

We should also be careful not to fuel apocalyptic visions of a disintegrating Soviet Union. One of the most pernicious ideas is the fixation with the unrealistic notion of crazed nationalists threatening a nuclear holocaust against the United States. We do not know all that we would like to about Soviet nuclear release procedures, but what we do know is reassuring. The crazed nationalist would likely have to be an ethnic Russian (not Kazakh or Georgian) General Staff general, who had both the KGB code to arm an ICBM and the Strategic Rocket Forces Command code to release it. Even Soviet strategic naval weapons (unlike our own) are subject to tight shore-based control.

The chances that a short-range nuclear weapon could fall into the hands of a terrorist are only slightly better. Many fears about this are extrapolations from numerous incidents last spring when conventional weapons were stolen from the Ministry of Interior during the crisis in Azerbaijan. But the Soviets are much more careful with nuclear and chemical weapons stocks and have even begun moving their tactical nuclear weapons out of [illegible] areas.

That such an incident is extremely unlikely is the
The bad news is that there is absolutely nothing th
about the minuscule chance that the unthinkable hap
policy prescriptions put forth in the cable from ou
embassy cable would make no difference. Faster arms
the strategic level to bring the Soviet arsenal from
nuclear warheads to 2500 is unfortunately not helpfu

one's

megaton nuclear bursts on U.S. territory would be enough to destroy life as we know it. The difference between 12,000 and 2500 is meaningless. Soviet strategic nuclear weapons are already concentrated in a few areas, so the theoretical benefit of reducing the number of installations that could fall into the wrong hands is also easy to overstate.

Arms reductions, when taken with strategic stability in mind, can reduce the incentive for a premeditated first strike in which the attacker tries to take advantage of an unsuspecting opponent. But deterrence assumes a calculating and rational attacker. Strategic stability will mean nothing to a mad general bent on unleashing Armageddon. In any case, the risk of such is so small that it does should not engender the kind of panic that would -- as the Moscow embassy suggests -- lead you to convene a blue ribbon panel to try to disarm the Soviet Union (and us) more rapidly.

In sum, the Soviet Union is indeed "disintegrating." But whether it is doing so in a way that threatens our interests remains to be seen. Moreover, it is not disintegrating so fast that the Gorbachev leadership is useless to us even as it becomes increasingly impotent at home. We will need to play a two-level game -- a short-term policy that exploits diplomatic opportunities with the central government and a longer-term policy that begins to acquaint us with local leaders and the democratic opposition in support of decentralization. As hard as it is, we must resist the pressures that would force us to choose between the two.

Attachment
Tab A Cable from Moscow

/ /

~~SECRET~~

FRP:

DCI DISSEM
DCI
DDCI
EA/DCI
SA/DCI
SC/DCI
D/DDPC
DDI
ADDI
D/CPAS
DD/CPAS
BRIEFERS
TIME 1014 EDT
DATE 14 JUL 90

ACTION: NONE INFO: FILE, ACIS-2, ACIS/TMC, ASG/AM, CI FBIS6, ICS/HC/UR, IRU, NIO/ECON, NIO/SP, NIO/USSR, NPIC, ODPB, ODPS, OPCTR/USSR, ORMO/SE, PPS/EEB, PPS/PG, PPS/REB, PPS/RR, P SE/RR/NA, SE/USSR, SE/USSR/AC, SE/USSR/IO, SE/USSR/XF, STATDIC

---

90 0406943* SSO PAGE 001 NC 04C ...
TOR: 131856Z JUL 90 MOSCOW 23603

OO RUEAIIB
ZNY SSSSS ZOC STATE ZZH
TOU0145
OO RUEHXD RUEHC
DE RUEHMO #3603/01 1941056
ZNY SSSSS ZZH
O 131042Z JUL 90
FM AMEMBASSY MOSCOW
TO RUEHC/SECSTATE WASHDC IMMEDIATE 6647
INFO RUEHXD/MOSCOW POLITICAL COLLECTIVE
RUEHLN/AMCONSUL LENINGRAD 0931
BT
~~S E C R E T~~ MOSCOW 23603

Brent agree Doco NSC with this ~~Paste~~ ? 7-16-90

EXDIS

E.O. 12356: DECL:OADR
TAGS: PREL, PINT, ECON, EFIN, UR, US
COMBINE: COMPLETE

SUBJECT: LOOKING INTO THE ABYSS: THE POSSIBLE COLLAPSE OF THE SOVIET UNION AND WHAT WE SHOULD BE DOING ABOUT IT

1. ~~SECRET~~ - ENTIRE TEXT.

SUMMARY
---

2. GORBACHEV, OR EVEN MORE PROGRESSIVE REFORMERS, MAY TRIUMPH AND THE SOVIET UNION MAY MOVE RAPIDLY INTO FULL AND PRODUCTIVE INTERACTION WITH THE REST OF THE WORLD. BUT THEY ALSO MAY NOT, AND IT APPEARS TO US THAT THE POTENTIALLY LESS HAPPY OUTCOMES ARE THE ONES THAT REQUIRE MORE FORETHOUGHT. THE PROSPECTS OF THE GORBACHEV REGIME HAVE DETERIORATED OVER THE PAST

DECLASSIFIED
PER E.O. 13526
2011-1587-MR
7/23/2013

YEAR AND SOVIETS THEMSELVES ARE INCREASINGLY TALKING IN APOCALYPTIC TERMS. SOME REPUBLICS WILL LEAVE THE SOVIET UNION AND THERE WILL BE A SUBSTANTIAL REDEFINITION OF THE REMAINING REPUBLICS' RELATIONSHIP TO THE CENTER AND TO EACH OTHER UNLESS MASSIVE REPRESSION IS USED TO PREVENT IT. TRULY DANGEROUS SCENARIOS--RANGING FROM CIVIL WAR AND THE LOSS OF CONTROL OVER NUCLEAR
/

WEAPONS TO A TRUNCATED, BELLIGERENT, NUCLEAR-ARMED SOVIET OR RUSSIAN STATE--CANNOT BE EXCLUDED, EVEN IF THEY ARE NOT AS LIKELY AS LESS APOCALYPTIC SCENARIOS. WE NEED TO TAKE A CLOSE LOOK AT OUR POLICY TO MAKE CERTAIN THAT IT MINIMIZES THE PROBABILITY OF EXTREME OUTCOMES, AND MINIMIZES THE RISK TO THE U.S. IF THEY SHOULD OCCUR DESPITE OUR BEST EFFORTS.

3. WE SHOULD MOVE NOW TO ESTABLISH A PERMANENT PRESENCE IN EACH OF THE SOVIET REPUBLICS. A MAJOR EXPANSION OF OUR EXCHANGE PROGRAMS, BOTH GOVERNMENTAL AND PRIVATE, IS ESSENTIAL. WE NEED TO KEEP OUR FOCUS, AND THAT OF THE GORBACHEV REGIME, ON MOVING FORWARD ON ECONOMIC REFORM. OUR ARMS CONTROL NEGOTIATIONS ARE IN SERIOUS DANGER OF BEING A DAY LATE AND A DOLLAR SHORT. WE NEED TO RETHINK OUR OBJECTIVES AND HOW WE ARE GOING TO GET THERE, FROM WAR-FIGHTING STRATEGY TO MODERNIZATION TO HOW WE ORGANIZE OURSELVES AS A GOVERNMENT TO CONDUCT ARMS CONTROL NEGOTIATIONS. WE NEED TO MOVE BEYOND AD HOC-ISM IN CIVIL CONFLICTS TO THE ESTABLISHMENT OF INTERNATIONAL PRINCIPLES AND MECHANISMS FOR DEALING WITH THEM. END SUMMARY.

DOMESTIC SITUATION: NO BOTTOM YET IN SIGHT

4. "WE ARE LOOKING INTO THE ABYSS," SAYS A YOUNG SOVIET WE'VE MET A COUPLE OF TIMES, AN INTERPRETER AT

THE FOREIGN MINISTRY. CLENCHING HIS FISTS, HE CONTINUES, "I'M SO FRUSTRATED, BECAUSE THERE IS NOTHING I CAN DO ABOUT THIS SITUATION." THEN, WITH A DEFEATED SHRUG OF HIS SHOULDERS HE ADDS, "NOTHING MUCH CAN BE EXPECTED OF MY GENERATION ANYWAY. WE'RE ALL CYNICS. WE WERE RAISED UNDER BREZHNEV."

5. THIS WAS NOT AN ISOLATED REMARK. THE MOST COMMON PHRASE WE HEAR IN OUR DISCUSSIONS THESE DAYS WITH SOVIETS IS "I AM AFRAID. I DO NOT KNOW WHAT IS GOING /
TO HAPPEN." WHEN A RUSSIAN LOOKS INTO THE ABYSS, HE SEES HORRORS OF WHICH, HAPPILY, AMERICANS ARE ONLY DIMLY AWARE. FOR EVERY AMERICAN SOLDIER KILLED IN WORLD WAR II, SOME NINETY SOVIET MEN, WOMEN AND CHILDREN DIED. WE HAD A SHORT PERIOD OF MCCARTHYISM, WHILE THE SOVIETS WERE KILLING PERHAPS TWENTY MILLION OF THEIR OWN PEOPLE UNDER STALIN. WE EXPERIENCED THE DEPRESSION AND THE DUSTBOWL; THE SOVIETS COLLECTIVIZATION, DEPORTATION AND MASS STARVATION.

6. PERHAPS THIS EVER-PRESENT SENSE OF STANDING ON THE BRINK OF CATASTROPHE ACCOUNTS FOR THE PERPETUAL NERVOSITY OF THE MOSCOW INTELLIGENTSIA, ITS CONTINUAL CONVICTION THAT A CONSERVATIVE COUP IS LOOMING. YET AN OUTSIDE OBSERVER'S EVALUATION CAN BE ONLY SOMEWHAT MORE REASSURING. THE ECONOMIC SITUATION CONTINUES TO DETERIORATE, WITH NO BOTTOM YET IN SIGHT. ECONOMIC REGIONALISM AND AUTARKY GROW DAILY, CASTING DOUBT ON THE CONTINUED ABILITY OF THE NATIONAL ECONOMY TO FUNCTION AS A SYSTEM, AND EVEN RAISING QUESTIONS ABOUT THE CENTRAL GOVERNMENT'S ABILITY TO GET FOOD AND OTHER BASICS TO THE MAJOR URBAN AREAS. AT THE SAME TIME, PROCESSES ARE UNDERWAY WHICH IF SUCCESSFUL OVER THE LONGER TERM WILL MODERNIZE THIS STILL ARCHAIC SOCIETY; PRIMARY AMONG THEM ARE A SIGNIFICANT DECENTRALIZATION OF ECONOMIC AND POLITICAL POWER AND A NEARLY COMPLETE END TO CONSCIOUS ISOLATIONISM AND NATIONAL AUTARKY.

7. THE POLITICAL UNITY OF THE COUNTRY IS DISSOLVING. A SOVIET HISTORIAN RECENTLY TOLD US HE HOPES THAT IN 30-50 YEARS NATURAL FORCES WILL BRING SOME OF THE SOVIET REPUBLICS BACK TOGETHER. MEANWHILE, HE HOPES THAT THE SOVIET UNION CAN REMAIN, NOT A SUPERPOWER, BUT AT LEAST A GREAT POWER, ONE OF THE TEN MAJOR WORLD POWERS. IF THE UKRAINE AND BYELORUSSIA SEPARATE, HE SAYS, EVEN THAT WILL NOT BE POSSIBLE. RUSSIA MIGHT BE REDUCED TO THE BORDERS OF MUSCOVY. CLEARLY, EVEN IF A PROCESS OF DISSOLUTION DOES NOT GO THAT FAR, THE POLITICAL RELATIONSHIPS WITHIN AND AMONG THE CONSTITUENT REPUBLICS ARE BOUND TO BE REDEFINED CONSIDERABLY. THEY WILL CONTINUE TO HAVE SHARED ECONOMIC INTERESTS, ESPECIALLY BECAUSE OF THE PRESENT HIGHTLY INTERDEPENDENT INDUSTRIAL INFRASTRUCTURE.
/
8. THE STRUCTURE OF SOVIET POST-WAR SECURITY HAS COLLAPSED. THE MILITARY IS BEING ASKED TO TAKE LARGE BUDGET CUTS AT THE SAME TIME THAT THE SOVIET UNION'S PRIMARY MILITARY ALLIANCE HAS EFFECTIVELY CEASED TO FUNCTION AND ITS GEOGRAPHIC BARRIER TO INVASION IS DISAPPEARING. NEGOTIATIONS OR UNILATERAL REDUCTIONS ARE ELIMINATING, AND SOMETIMES REVERSING, FORMER SOVIET NUMERICAL ADVANTAGES IN PERSONNEL AD SEVERAL CATEGORIES OF WEAPONRY.

ALTERNATIVE FUTURES

9. THE GORBACHEV REGIME MAY SURVIVE, MUDDLE THROUGH, AND EVEN EVENTUALLY TRIUMPH OVER THIS SEA OF TROUBLES. MOREOVER, A REGIME PRESSING FOR EVEN MORE RAPID AND THOROUGH REFORM COULD REPLACE GORBACHEV'S. NEVERTHELESS, THE RISK OF RETROGRADE MOVEMENT, OF INCREASING DISORDER, EVEN OF ANARCHY IS GREATER NOW THAN IT WAS IN THE PAST. THIS RAISES THE QUESTION OF WHETHER ANY ADJUSTMENTS SHOULD BE MADE IN U.S. POLICY TO LIMIT DOWNSIDE RISKS. THE ISSUE IS NOT WHETHER A HAPPIER OUTCOME IS MORE PROBABLE. WE DO NOT EXCLUDE

THE POSSIBILITY THAT THE PROGRESSIVES MAY TRIUMPH AND THAT THE SOVIET UNION MAY MOVE RAPIDLY INTO FULL AND PRODUCTIVE INTERACTION WITH THE REST OF THE WORLD. IT IS SIMPLY THAT HAPPIER OUTCOMES DEMAND LESS FORETHOUGHT.

10. IF GORBACHEV IS ABLE TO REMAIN IN POWER AND, EVEN WITH MANY ZIGS AND ZAGS, MOVE A REFORM PROGRAM FORWARD, WE WILL BE DEALING IN THE NEAR FUTURE WITH A SOVIET UNION THAT IS VERY DIFFERENT FROM TODAY'S. THE BALTICS WILL BREAK AWAY AND FORM INDEPENDENT STATES. GEORGIA AND MOLDOVA MAY DO LIKEWISE. POLITICAL INDEPENDENCE MAY GO FURTHER THAN TRUE ECONOMIC SOVEREIGNTY IN THESE AREAS, GIVEN NATURAL
/
TRADE RELATIONS AND THE HIGHLY LINKED, DEPENDENT NATURE OF THE SOVIET ECONOMY. ECONOMIC AND ETHNIC REALITIES APPEAR TO MAKE INDEPENDENCE A LESS LIKELY OPTION FOR THE OTHER SOVIET REPUBLICS, BUT WITH FEELINGS OF NATIONALISM EXPLODING IN THE COUNTRY TODAY WE SHOULD NOT ASSUME THAT A RATIONAL CALCULATION OF ECONOMIC AND POLITICAL COSTS AND BENEFITS WILL PREVAIL. AT A MINIMUM, THE REMAINING SOVIET UNION WILL CONTAIN REPUBLICS WITH A VARIETY OF TIES TO THE CENTER, SOME PROBABLY QUITE LOOSE. GROWING RESISTANCE TO SERVING IN THE SOVIET ARMY WILL PROBABLY REQUIRE THE ESTABLISHMENT OF SOMETHING AKIN TO NATIONAL GUARDS IN THE REMAINING REPUBLICS. THE RED ARMY WILL FACE INCREASING PRESSURE TO BECOME A PROFESSIONAL FORCE, ALTHOUGH NOT NECESSARILY AN ALL-RUSSIAN ONE.

11. WORSE SCENARIOS ARE POSSIBLE. PERHAPS THE MOST DANGEROUS WOULD BE CIVIL WAR, ACCOMPANIED BY THE DIVISION OF THE SOVIET UNION INTO MULTIPLE INDEPENDENT STATES OF VARYING DEGREES OF VIABILITY, SOME POSSESSING NUCLEAR WEAPONS AND DELIVERY SYSTEMS. ONLY SLIGHTLY LESS DANGEROUS WOULD BE THE BREAKUP OF THE SOVIET UNION AND THE REVERSION OF RUSSIA INTO AN AUTHORITARIAN, AUTARKIC SYSTEM,

HOSTILE TO AN OUTSIDE WORLD THAT IT SAW AS EXPLOITATIVE IN ITS TIME OF WEAKNESS AND POSSESSING THE CURRENT SOVIET NUCLEAR ARSENAL. A SOMEWHAT LESS DANGEROUS ALTERNATIVE, THOUGH HARDLY ONE WE WOULD DESIRE, IS FULFILLMENT OF THE MOSCOW INTELLIGENTSIA'S FEARS OF A CONSERVATIVE COUP--THE ESTABLISHMENT OF AN AUTHORITARIAN REGIME THAT WOULD REPRESS BREAKAWAY NATIONALIST MOVMENTS AND REPRESS DISSENT. IT IS DOUBTFUL THAT SUCH A REGIME WOULD MOVE OVERTLY AND MILITARILY AGAINST ITS ERSTWHILE EASTERN EUROPEAN ALLIES, BUT IT WOULD COVET THEM AND COULD BE EXPECTED TO MANEUVER TO BRING THEM BACK INTO ITS ORBIT.

/

U.S. POLICY: PRINCIPLES

12. HOW CAN WE HEDGE U.S. POLICY AGAINST THE MORE NEGATIVE OF THESE OUTCOMES? WHAT, IF ANYTHING, CAN WE DO TO MAKE THEM LESS PROBABLE? A FEW BASIC PRINCIPLES SHOULD GUIDE OUR POLICY. IT IS PARTICULARLY IMPORTANT NOW THAT WE NOT CONFUSE THE PURSUIT OF SHORT-TERM ADVANTAGE WITH THE ADVANCEMENT OF BASIC INTERESTS. WE NEED TO AVOID SUPERIMPOSING U.S./SOVIET TENSIONS ON SOVIET INTERNAL PROBLEMS. AND WE SHOULD BE PURSUING A WEB OF RELATIONSHIPS THAT MINIMIZES THE DANGER OF AN AUTARKIC, BELLIGERENT SHIFT AND LIMITS ITS DURATION AND INTENSITY, IF IT SHOULD OCCUR.

U.S. POLICY: PRACTICE

13. HOW DO THESE PRINCIPLES TRANSLATE INTO A FOREIGN POLICY PROGRAM? FIRST OF ALL, A BASIC U.S. INTEREST CONTINUES TO BE THE OPENING OF SOVIET SOCIETY. IT HAS BECOME MORE IMPORTANT THAN EVER, IN FACT WE BELIEVE IT HAS BECOME A SIGNIFICANT INTEREST OF THE UNITED STATES TO HAVE A PHYSICAL PRESENCE IN EACH OF THE SOVIET REPUBLICS AND IN A NUMBER OF ADDITIONAL LOCATIONS IN RUSSIA. IT IS INCREASINGLY EVIDENT AS

THESE REGIONS EVOLVE TOWARD GREATER INDEPENDENCE THAT OUR TIES WITH THEM SHOULD NOT BE FUNNELLED THROUGH MOSCOW. THIS EMBASSY HAS FOR ABOUT EIGHTEEN MONTHS BEEN URGING THE ESTABLISHMENT OF SMALL POSTS IN A NUMBER OF SOVIET CITIES, THUS FAR TO NO AVAIL. WE WILL IN A SUBSEQUENT CABLE BE SETTING OUT SOME FURTHER IDEAS ABOUT HOW THIS MIGHT BE ACCOMPLISHED NOW, WHILE DISCUSSIONS ABOUT THE EVENTUAL SIZE AND CONFIGURATION OF SUCH POSTS CONTINUE.

/

14. ESTABLISHING A MULTIPLICITY OF TIES WITH DIFFERENT REGIONS AND ELEMENTS OF SOVIET SOCIETY ALSO REQUIRES A DRAMATIC EXPANSION OF ~~OUR USIA PROGRAMS HERE~~, PARTICULARLY THE IV PROGRAM, AND OF OPPORTUNITIES FOR TRAINING IN BUSINESS MANAGEMENT. WE SHOULD ENCOURAGE A MAJOR EXPANSION OF PROGRAMS, MOST OF WHICH MIGHT BE PRIVATE, TO BRING YOUNG SOVIETS TO THE U.S. FOR YEAR-LONG PERIODS OF STUDY. WE BELIEVE WE COULD DO MORE TO PROMOTE U.S. INTERESTS AND WESTERN VALUES IN THIS COUNTRY WITH $2 MILLION IN EXCHANGES THAN WITH $2 BILLION IN CONSUMER GOODS, UNLESS THE LARGER SUM WAS TIGHTLY LINKED TO BADLY NEEDED AND POLITICALLY SENSITIVE ECONOMIC POLICY CHANGES. WE SHOULD LOOK INTO WHETHER THERE MIGHT BE AN APPROPRIATE ROLE FOR THE PEACE CORPS HERE. SUCH A PRESENCE WOULD CONTRIBUTE TO THE IMMEDIATE OPENING OF SOVIET SOCIETY. IT WOULD ALSO OFFER THE POSSIBILITY OF DRAMATICALLY EXPANDED CONTACTS WITH TODAY'S YOUNG SOVIET PROFESSIONALS. THESE ARE THE PEOPLE WHO, IF THE CURRENT LEADERSHIP GENERATION'S PUSH FOR REFORM EXHAUSTS ITSELF, ARE LIKELY TO LEAD THE COUNTRY'S NEXT MAJOR REFORM EFFORT.

15. OUR MILITARY-TO-MILITARY TIES ARE BECOMING EVEN MORE IMPORTANT. THEY REPRESENT A LINK TO ONE OF THE MOST CRUCIAL ALL-UNION ORGANIZATIONS AND CAN WORK TO INFLUENCE ITS TRANSITION TO AN INSTITUTION MORE INCLINED TO SEEK A HARMONIOUS PROCESS OF DECENTRALIZATION THAN TO INTERVENE TO PREVENT IT. SUCH CONTACTS CAN ALSO PREVENT A DANGEROUS SENSE OF ISOLATION FROM DEVELOPING AMONG SOVIET MILITARY AND

CIVILIAN STRATEGISTS WHO SEE THEIR POSTWAR SECURITY STRUCTURE CRUMBLING.

16. WE CONSIDER IT IMPROBABLE THAT ANY LIKELY SUCCESSOR REGIME OR LEADER WOULD HAVE AS ENLIGHTENED A VIEW OF SOVIET FOREIGN POLICY INTERESTS AS GORBACHEV. MOREOVER, HE MAY REPRESENT THE BEST HOPE FOR A RELATIVELY STABLE, AND THEREFORE LESS DANGEROUS TRANSITION TO A NEW TYPE OF SOCIETY AND A NEW SET OF /
RELATIONSHIPS AMONG THE REPUBLICS. NEVERTHELESS, WE SHOULD AVOID THE TEMPTATION TO UNDERTAKE ECONOMIC AID SIMPLY TO SUBSIDIZE GORBACHEV'S REGIME. THIS IS NOT A POOR COUNTRY. IT HAS ENORMOUS RESOURCES AND AN EDUCATED (ALBEIT BADLY TRAINED AND ALMOST TOTALLY UNMOTIVATED) POPULATION. ITS SYSTEM AND ITS PRACTICES SQUANDER THOSE RESOURCES ON A HUGE SCALE. WE SHOULD NOT HELP A SOVIET REGIME AVOID THE HARD CHOICES THAT IN THE LONGER RUN WILL BE BENEFICAL TO THE SOVIET UNION AND MAKE IT A MORE SUITABLE INTERNATIONAL PARTNER. ON THE OTHER HAND, ANYTHING WE CAN DO TO HELP THEM MAKE THOSE HARD CHOICES AND FOLLOW THROUGH ON THEM, WE SHOULD DO. THE PRESIDENT'S INITIATIVE AT THE HOUSTON SUMMIT ON THE QUESTION OF ASSISTANCE TO THE SOVIET UNION REPRESENTS A MAJOR STEP TOWARD FINDING A MULTILATERAL APPROACH TO DEALING WITH THE FUNDAMENTAL PROBLEMS OF THE SOVIET ECONOMY. AN IMF/IBRD LED EFFORT WILL BE CRUCIAL FOR ALL PARTIES. OUR COMMENTS ON IMPROVING U.S. TECHNICAL ASSISTANCE WILL BE ADDRESSED IN A SEPARATE CABLE.

17. WE ARE FAR ~~BEHIND THE CURVE, PERHAPS DANGEROUSLY~~ SO, IN ARMS CONTROL NEGOTIATIONS. WE SHOULD ~~AT THIS~~ POINT BE IMPLEMENTING START AND CFE AND BE WELL ALONG IN NEGOTIATIONS ON START II AND CFE II. UNDER AY SCENARIO WE CAN THINK OF, A SOVIET UNION WITH 2500 DELIVERABLE NUCLEAR WEAPONS HAS GOT TO BE LESS DANGEROUS THAN ONE WITH 12,000. IT IS CLEAR TO EVERYONE THAT ONE OF THE CHIEF PROBLEMS IN EUROPE

TODAY IS THE LAG OF MILITARY REDUCTIONS AND ADJUSTMENTS BEHIND POLITICAL DEVELOPMENTS. THE ISSUE HERE IS WHAT WE CAN DO ON OUR SIDE, OR PERHAPS IN AGREEMENT WITH THE SOVIET, TO GET OUT OF THE BUREAUCRATIC THICKETS ON ARMS CONTROL NEGOTIATIONS AND MOVE FORWARD MORE AGGRESSIVELY. WOULD IT BE POSSIBLE, FOR EXAMPLE, TO CREATE A SENIOR, BLUE-RIBBON GROUP OUTSIDE OF THE ARMS CONTROL NEGOTIATION PROCESS, AND ALSO OUTSIDE OF THE INTERAGENCY PROCESS, BUT WITH ACCESS TO THE ISSUES EACH HAS UNDER CONSIDERATION, TO IDENTIFY HANGUPS AND RECOMMEND SOLUTIONS TO U.S. LEADERS AT THE CABINET LEVEL AND IN THE WHITE HOUSE? WE SHOULD TAKE THE LEAD IN CAPPING THE ARMS RACE BY LIMITING MODERNIZATION. THIS WOULD ALLOW US TO LOCK IN AREAS OF U.S. QUALITATIVE SUPERIORITY, ALTHOUGH WE SHOULD AVOID THE TEMPTATION TO PRESS FOR MODERNIZATION LIMITS ONLY IN THOSE AREAS. THE EMBASSY NOW BELIEVES THAT THE MORE IMPORTANT NUCLEAR THREAT WE FACE IS NOT THAT THE SOVIET GOVERNMENT WILL USE NUCLEAR ARMS AGAINST US, BUT RATHER THAT CONTROL OVER THOSE ARMS MIGHT SLIP OUT OF ITS HANDS. WE SHOULD FOCUS MORE OF OUR ARMS CONTROL ATTENTION ON LIMITING OR ELIMINATING THOSE SYSTEMS OF MASS DESTRUCTION THAT ARE MOST LIKELY TO FALL INTO UNSTABLE HANDS. ICBM'S MAY BE MUCH LESS A THREAT TO US OR OTHER NATIONS SOME DAY THAN TACTICAL AND LOCAL NUCLEAR DEVICES THAT MAY BE USED, STOLEN OR SOLD TO THIRD PARTIES UNDER WORST-CASE SOVIET DISINTEGRATION SCENARIOS.

18. ON REGIONAL CONFLICTS, WE SHOULD MOVE AGGRESSIVELY TO CHALLENGE THE SOVIETS TO ADOPT A DIFFERENT APPROACH TO DEALING WITH CIVIL CONFLICTS IN THE THIRD WORLD. TOGETHER, BY AGREEING NOT TO SUPPLY ARMS IN SUCH CONFLICTS AND TO ESTABLISH INTERNATIONAL MEDIATION EFFORTS, WE COULD END MANY OF THEM, LIMIT THE DESTRUCTIVENESS OF OTHERS, AND KEEP THEM FROM BECOMING DANGEROUS IN THE BILATERAL CONTEXT. THIS IS ALREADY THE DIRECTION OUR POLICY IS GOING IN

---

90 0406943* SSO | PAGE 010 TOR: 131856Z JUL 90 | NC 0406943* MOSCOW 23603

PRACTICE. WE SHOULD FORMALIZE IT IN SOME WAY, PERHAPS BY A SUITABLE JOINT RESOLUTION IN THE U.N.

19. IN MANY RESPECTS, AS THE RECOMMENDATIONS ABOVE INDICATE, OUR POLICY IS ALREADY ON THE RIGHT TRACK. WE MAY ONLY NEED TO DO MORE, OR TO DO IT FASTER. BUT IN SOME AREAS WE NEED TO CHANGE CONCEPTUAL FRAMEWORKS THAT HAVE BECOME COMFORTABLE OVER RECENT DECADES. THE DRAMATIC CUTS IN WEAPONS OF MASS DESTRUCTION THAT ARE NOW POSSIBLE, FOR EXAMPLE, CUTS THAT COULD DO MUCH TO LIMIT THE DANGERS OF A RETROGRESSIVE TURN IN SOVIET SOCIETY OR POLICY, WILL REQUIRE A MAJOR RETHINKING OF OUR MILITARY STRATEGY AND OBJECTIVES. WE FACE A PERIOD OF UNIQUE OPPORTUNITIES, BUT ALSO POTENTIALLY ONE OF UNIQUE DANGERS. IT IS A TIME THAT /
CALLS FOR PRUDENCE, BUT NOT TIMIDITY. A FAILSAFE POLICY IN DEALING WITH THE TURMOIL IN SOVIET SOCIETY WILL SURELY FAIL, BUT IT WILL NOT BE SAFE. IT WILL CAUSE US TO MISS THE OPPORTUNITIES, WHILE ADDING TO THE DANGERS.

MATLOCK

END OF MESSAGE

CHRON FILE

~~CONFIDENTIAL~~
NSC/S PROFILE

RECORD ID: 9006490
RECEIVED: 13 AUG 90 09

TO: GORBACHEV, MIKHAIL S

FROM: PRESIDENT

DOC DATE: 20 AUG 90
SOURCE REF:

1

KEYWORDS: USSR
HS

ECONOMIC ASSISTANCE

PERSONS: GORBACHEV, MIKHAIL S

SUBJECT: PRES RESPONSE TO LTR FM PRES GORBACHEV RE IMMEDIATE ECONOMIC ASSISTANCE FOR USSR

ACTION: FOR DISPATCH DUE DATE: 16 AUG 90 STATUS: C

STAFF OFFICER: BENKO LOGREF:

FILES: WH NSCP: CODES:

D O C U M E N T D I S T R I B U T I O N

FOR ACTION	FOR CONCURRENCE	FOR INFO
STATE		BASORA
		BENKO
		NSC CHRON

DECLASSIFIED
White House Guidelines
E.O. 12958, SEC 3.4 (B) September 11, 2006
By Cap NARA, Date 2/27/09

COMMENTS: _____

DISPATCHED BY NEA DATE 8/21 BY HAND W/ATTCH

OPENED BY: NSRLG CLOSED BY: NSDAI DOC 3 OF 3

~~CONFIDENTIAL~~

National Security Council
The White House

PROOFED BY: _____ LOG # 6490

URGENT NOT PROOFED: _____ SYSTEM (PRS) NSC INT

BYPASSED WW DESK: _____ DOCLOG CM A/O _____

	SEQUENCE TO	HAS SEEN	DISPOSITION
Ken Hill	1	MF	Review
Bill Sittmann			
Bob Gates			
Brent Scowcroft			
Bill Sittmann			
Situation Room			
West Wing Desk	2	CM 8/20	LDX
NSC Secretariat	3	DNO 8/21	D

RECEIVED 90 AUG 20 P3:47

A = Action	I = Information	D = Dispatch	R = Retain	N = No further Action

cc: VP Sununu Other _____

Should be seen by: _____ (Date/Time)

COMMENTS

DATE August 20, 1990?

DISPATCH INSTRUCTIONS:

National Security Council
The White House

PROOFED BY: DAD LOG # 6490

URGENT NOT PROOFED: _____ SYSTEM (PRS) NSC INT

BYPASSED WW DESK: _____ DOCLOG DAD A/O _____

	SEQUENCE TO	HAS SEEN	DISPOSITION
Ken Hill	1	KH	A
Bill Sittmann			
Bob Gates			
Brent Scowcroft	2		
Bill Sittmann			
Situation Room			
West Wing Desk	3	8/17 AC	D/LDX
NSC Secretariat			

RECEIVED 90 AUG 15 P12:08

A = Action | I = Information | D = Dispatch | R = Retain | N = No further Action

cc: VP Sununu Other _____

Should be seen by: _____ (Date/Time)

APNSA Has Seen

Copy of Incoming & Outgoing Rept to Baker. ~~It is attached~~ & has diskette

Withdrawal/Redaction Sheet
(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
02a. Letter	President Bush to President Gorbachev (2 pp.)	8/20/90	(b)(1)	

Collection:

Record Group: Bush Presidential Records
Office: Scowcroft, Brent, Files
Series: USSR Collapse Files
Subseries: U.S. - Soviet Relations Chronological Files
WHORM Cat.:
File Location: USSR Collapse: U.S. - Soviet Relations Thru 1991 (August 1990)

Date Closed:	2/27/2009	**OA/ID Number:**	91118-008
FOIA/SYS Case #:	2009-0275-S	**Appeal Case #:**	
Re-review Case #:		**Appeal Disposition:**	
P-2/P-5 Review Case #:		**Disposition Date:**	
AR Case #:		**MR Case #:**	
AR Disposition:		**MR Disposition:**	
AR Disposition Date:		**MR Disposition Date:**	

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P-1 National Security Classified Information [(a)(1) of the PRA]
P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P-3 Release would violate a Federal statute [(a)(3) of the PRA]
P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

Freedom of Information Act - [5 U.S.C. 552(b)]

(b)(1) National security classified information [(b)(1) of the FOIA]
(b)(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
(b)(3) Release would violate a Federal statute [(b)(3) of the FOIA]
(b)(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
(b)(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
(b)(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
(b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
(b)(9) Release would disclose geological or geophysical information

8-20 90 6490

THE WHITE HOUSE

WASHINGTON

August 17, 1990

91 AUG 17 PM 6:15

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: BRENT SCOWCROFT

SUBJECT: Response to Letter from President Gorbachev

Purpose

To respond to letter from President Gorbachev.

Background

Gorbachev's August 6 letter to you is at Tab B. The letter is long and unfocussed, but it makes some interesting points regarding the Soviet Union's quest for immediate economic aid with no political conditions. It also asks that we distinguish between legitimate democratic opposition to the Soviet government and extremists who want to overthrow it, a clear reference to our recent policy of broadening contact with opposition leaders throughout the Soviet republics.

Your response takes the opportunity, first of all, to thank President Gorbachev for his stance on Iraq and urge that he help ensure observance of the U.N. resolutions. The letter also explains what our plans are for technical cooperation, and offers words of assurance about the role of opposition forces in the Soviet Union and our attitude towards them.

RECOMMENDATION

That you sign the letter to President Gorbachev at Tab A.

Attachments

Tab A Letter to President Gorbachev
Tab B Gorbachev's Incoming Letter

DECLASSIFIED
PER E.O. 13526
2011-1586-MR
8/21/13

cc: Vice President
Chief of Staff

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

August 14, 1990

ACTION

MEMORANDUM FOR BRENT SCOWCROFT

THROUGH: ADRIAN A. BASORA (Acting) AAB

FROM: STEPHEN E. BENKO SB

SUBJECT: Presidential Response to Gorbachev Letter

At Tab I is a memorandum from you to the President forwarding a response at Tab A to President Gorbachev's August 6 letter. The Soviets did not provide us with an English text, and the delay in responding is due to the need to have the letter translated. The letter is long and rambling and may not have come from Gorbachev's hand. It closes with an interesting and carefully phrased point, though, that urges we discriminate between legitimate democratic opposition to the Soviet Government and "elements contributing to its removal." There is no mention of the current crisis in the Persian Gulf in Gorbachev's letter.

Our response expresses satisfaction with the Soviet position on Iraq and urges Gorbachev to help ensure observance of the U.N. resolutions. On the economic front, the letter explains our plans for technical cooperation. Finally, the letter closes with an assurance that our contacts with opposition leaders are meant to give us a better understanding of the entire range of opinions in the Soviet Union.

Nick Burns, NB Richard Haass and Tim Deal concur.

RECOMMENDATION:

That you sign the memorandum at Tab I forwarding the letter at Tab A to the President.

Attachments
Tab I Memorandum to the President
Tab A Presidential Letter to Gorbachev
Tab B Incoming (original and translation)

Dear Mr. President,

I am responding to the views which you expressed in communications concerning the results of the London and Houston summits. We had an opportunity to discuss this briefly on the telephone immediately after I returned from Zheleznovosk. At this time, I would like to go into greater detail about our evaluation of the foreign policy developments during June and July and about what we view as immediate tasks.

First and foremost, I must note with satisfaction the continued growth of the Soviet-American dialogue and it's shift toward advancing positive trends in the world. I have stated my point of view: without the Malta summit, it would have been much more difficult for us to survive the changes that spawned the democratic transformations in Eastern Europe without a loss in trust and mutual understanding. Just as without the Washington and Camp David meetings, the decisions made in Moscow and London about the Warsaw Pact and NATO, respectively, could hardly have taken place. And without the declaration in London--I have told Chancellor Kohl as I am telling you now, the breakthrough at Zheleznovodsk would not have been possible. Thus, our contacts with you, to a great extent, have facilitated the placement of

His Excellency,
President of the United States of America
George Bush

White House
Washington

proper guidelines along the paramount course of world politics. I am convinced that the new climate in Soviet-American relations will serve as our constructive stabilizer in subsequent developments in the international arena also.

I also will note that the results of the 28th Congress of the CPSU, which became a congress of consolidation based on the vote in favor of further political democratization and economic reforms, were by no means predetermined. And the fact that people could see for themselves the vitality and potential for success of the new political thinking in international affairs was more than instrumental in the adoption of similar resolutions.

I have expressed my feelings about the declaration in London concerning NATO from various podiums on more than one occasion. We view it as a solid, timely document. Mr. President, your message even further strengthened these perceptions. Now that a consensus has been reached on all the basic issues that are significant to European politics, objective deliberation on practical approaches to building on the CSCE process and formalizing relations between Warsaw Pact and NATO members must be intensified.

Overall, we also view positively the decisions made at the Houston Summit. However, I will be frank: the situation here is quite complicated. Nevertheless, we are striving to single out what is important. The leading industrial powers of the West were unanimous in acknowledging the fact that Soviet perestroika is an international contribution. This, it seems, will lay a solid foundation for active and productive cooperation. In addition, according to conclusions in Houston, it seems that the obvious

disparity between word and deed is all the more characteristic for the strategic purposes of certain Western countries. Moreover, at this critical time what is needed are not just declarations per se, but appropriate declarations.

It is a fact that there are two points of view concerning our perestroika--we briefly discussed this matter in our last telephone conversation.

According to the first, the greater the crisis seizing a state, the more energetically it adopts reforms. It is impossible to agree with this approach. In essence, this is a variation of the old theme: the worse off the partner is, so to speak, the better off I am.

We in Moscow maintain a different opinion. It is based on knowledge of the actual situation in the country and historical experience, and does not justify forcing democratic reforms by intensifying hardships on the people.

At the present time, we are standing on the brink of a radical change in the quality of economic reform. Speaking frankly, the situation in the country is not the most favorable one for a rapid evolution to a market economy, but that is the direction we will follow inasmuch as there are no alternatives. We have been told to "turn the screws a little harder" if you want to improve the Soviet economy. But this choice, as you understand, would be contrary to our primary path toward opening up the Soviet Union to the rest of the world and its political and economic democratization.

Taking all this into account, if, at the present crucial stage, we had opportunities for relatively free movement using

forces and other means, including financial ones, this would allow us to move toward a market economy more smoothly and without delay, and would ease the pressure to return to command-administrative factors in regulating economic activity. Therefore, our concept of a switch to a market economy includes the active utilization of potential for foreign economic interaction. Along with this, we took into consideration statements from Western heads of state regarding their willingness to develop widespread balanced economic cooperation with the Soviet Union.

This must be clear: we are talking about normal economic relations, which meet requirements derived from objective interdependencies in the modern world and which include diverse components such as credit/financing. We are not in need of charity, but are counting on a fundamental understanding of our efforts and difficulties and a readiness to consider comprehensively the interests of other countries.

I familiarized myself thoroughly with your considerations regarding those steps which, as you wrote, would broaden the possibility for providing economic assistance. What can be said in this regard? If a position is adopted concerning the need for fundamental and widespread economic reform leading to a market economy, then I would like to emphasize that exactly that is the essence of our activity. Even the problem of withdrawing resources from the military sector should not be an obstacle. As far as I can determine, both our countries are guided by this particular aim. Definite results in real arms reduction have already been achieved; major agreements on conventional armed forces and

strategic nuclear weapons are nearing completion; in the future, we will reach an agreement on conversion. Thus, I repeat, there are no conceptual discrepancies between us concerning about these positions.

It is one thing when attempts are made to promote political demands and but quite another when it comes to territorial ones. In order to finally resolve this issue, I believe that it is necessary to state with total conviction that an effort to make political ties a condition of economic cooperation should be forestalled. The two are incongruous. Cooperation can be built only on a mutually advantageous and mutually satisfying basis.

As to the proposals of the "seven" countries to render technical aid, we value your thoughts in this direction and consider such joint projects useful. I believe that an objective discussion on this subject could be held within the framework of Secretary of State Baker's visit to Moscow in September. Clearly, you will delegate the appropriate authority to him, and we in turn will be prepared to discuss the matter.

In summarizing all that has been said, I once more emphasize: the Soviet Union can not bear the full weight of changes occurring in the world. To rely only on our unilateral steps would be insincere with respect to supporting the balance of interests, and unrealistic with regard to amending existing limitations in our society. Everything must change: this is our pledge of success in building a new, equitable world order.

In conclusion, there is one other matter of concern. In our talks, telephone conversations and correspondence, we often return

to the idea of stability. This is justifiable, for both ending the "Cold War" and surviving the division of Europe would be disparaged in the absence of stability. Don't forget that with all the importance of the arms reduction agreements and economic cooperation ventures, the chief guarantee of international stability is domestic stability within the U.S. and the U.S.S.R.

Presently, we are formulating a principally new system of power based on pluralist democracy. This is not a simple process. In the history of the United States, as far as I know, there also were periods when the old structures were torn down and new ones built, when political reforms that had naturally evolved encountered resistance from strata of the population incapable of adapting to new realities. A good example is the process of gradual racial integration in the U.S.

In such fateful periods in the history of every country, understanding and responsibility are required from the international community first and foremost. It is important to differentiate between democratic opposition to the policy of a government of a partner state and elements contributing to its removal. It is necessary to avoid, voluntarily or involuntarily, inspiring extremists. For encouraging extremism means promoting chaos, which inevitably would escape national borders. I hope that we have a mutual understanding on this point.

Mr. President, in the coming months, our countries are faced with large-scale, crucial tasks. An infrastructure of interaction has been created. This would be the mechanism for preparing a summit meeting for states that are participants in the Helsinki

process. This mechanism encompasses new measures and deepens the bilateral Soviet-American dialogue of contacts in accordance to the "two plus four" formula. There are also advances: the Paris Summit of the CSCE and the subsequent Soviet-American summit meeting. If the plans can be implemented, then these meetings truly will become unprecedented events in world politics and will mark the beginning of a material dismantling of the structure of confrontation.

I am counting on close cooperation from you, Mr. President, in resolving these historical tasks. I will await your response.

Respectfully,

M. Gorbachev

Moscow, The Kremlin
August 6, 1990

Translated by Patricia Fullerton and Michael Bowser
Edited by Denise Reuwer and Norm Zlotorzynski

Уважаемый господин Президент,

Отвечаю на те мысли, которые Вы изложили в посланиях, посвященных итогам Лондонской и Хьюстонской встреч. В телефонном разговоре, состоявшемся сразу после моего возвращения из Железноводска, у нас была возможность вкратце обменяться мнениями на этот счет. Сейчас хочу более подробно остановиться на том, как мы оцениваем внешнеполитический актив июня и июля, какими нам видятся первоочередные задачи.

Прежде всего должен с удовлетворением отметить факт продолжающегося взросления советско-американского диалога, его разворота на продвижение позитивных тенденций в мире. Я высказывал Вам свою точку зрения: без встречи на Мальте нам было бы намного труднее без потерь в доверии и взаимопонимании пройти через период перемен, порожденных демократическими преобразованиями в Восточной Европе. Точно так же: без Вашингтона и Кемп-Дэвида едва ли состоялись бы московские решения ОВД и лондонские - НАТО. А без Лондонской декларации - и я об этом сказал канцлеру Г.Колю, говорю Вам - прорыв, достигнутый в Железноводске, был бы невозможен. Таким образом, наши с Вами контакты во многом способствовали расстановке правильных ориентиров по важнейшим направлениям мировой политики. Убежден, что новый климат в советско-американских отношениях будет выполнять свою конструктивную, стабилизирующую функцию и в последующем развитии на международной арене.

Замечу, что и результаты XXУШ съезда КПСС, ставшего съездом консолидации на основе выбора в пользу последовательной демократизации в политике и рыночных реформ в экономике, отнюдь не были предрешены. И в том, что соответствующие решения были приняты, не последнюю роль сыграло то обстоятельство, что люди могли воочию убедиться в жизненности, работоспособности нового политического мышления в международных делах.

Я уже не раз с различных трибун выражал свое отношение к Лондонской декларации НАТО. Мы видим в ней солидный, отвечающий масштабу времени документ. Именно в таком восприятии меня еще более укрепило Ваше послание, господин Президент. Теперь, когда налицо консенсус по всем основным вопросам, значащимся в повестке дня европейской политики, надо интенсифицировать предметную проработку практических подходов к обустройству процесса СБСЕ и формализации отношений между членами ОВД и НАТО.

Его Превосходительству
господину Джорджу Бушу,
Президенту Соединенных Штатов Америки

г.Вашингтон

В целом позитивно мы воспринимаем и решения совещания в верхах в Хьюстоне. Хотя не скрою - здесь ситуация не столь однозначная. Однако мы стараемся выделять главное. Ведущие индустриальные державы Запада были единодушны в признании того, что советская перестройка является международным достоянием. Это, как представляется, закладывает хорошие предпосылки для активного и плодотворного сотрудничества.

Вместе с тем, по итогам Хьюстона чувствуется, что для стратегических установок некоторых стран Запада все еще характерна определенная раздвоенность слова и дела. Между тем в нынешнее переломное время требуются не только декларации, пусть даже правильные.

Как известно, по поводу нашей перестройки - и накоротке мы касались этого вопроса в последнем телефонном разговоре - существуют две точки зрения.

Согласно первой из них, чем острее кризис, охвативший государство, тем энергичнее оно возьмется за реформы. С таким подходом нельзя согласиться. По сути дела, это вариация на старую тему: чем хуже моему партнеру, тем, дескать, лучше для меня.

Мы в Москве придерживаемся иного мнения. Оно основано на знании реальной ситуации в стране и на историческом опыте, отнюдь не подтверждающем возможность форсирования демократических преобразований через усугубление трудностей для народных масс.

В настоящее время мы стоим на пороге качественной радикализации экономической реформы. Скажу прямо, обстановка в стране не самая благоприятная для быстрой эволюции к рынку, но намеченный поворот будет осуществлен, поскольку альтернативы ему нет. Нам иногда говорят, что для выправления советской экономики достаточно прибегнуть к очередному закручиванию гаек. Но такой выбор, как Вы понимаете, шел бы вразрез с нашей магистральной линией на открытие Советского Союза окружающему миру, на его политическую и экономическую демократизацию.

С учетом всего этого, если бы на нынешнем переломном этапе мы располагали возможностями для относительно свободного маневра силами и средствами, в том числе финансовыми, это позволило бы ровнее и без задержки продвигаться к введению рыночных форм хозяйствования, ослабило бы давление в пользу возвращения к командно-административным рычагам регулирования экономической жизни. Поэтому, разрабатывая концепцию перехода к рынку, мы заложили в нее и такой фактор, как активное использование потенциала внешнеэкономического взаимодействия. При этом мы принимали к сведению заявления руководителей государств Запада об их открытости для развертывания широкого равноправного экономического сотрудничества с Советским Союзом.

Должно быть ясно: мы ставим вопрос о нормальном экономическом общении, отвечающем требованиям, которые вытекают из объективной взаимозависимости современного мира, и включающем в себя различные компоненты, в том числе кредитно-финансовый. Мы не нуждаемся в филантропии и рассчитываем на встречное понимание наших устремлений и затруднений, на готовность в полной мере считаться с интересами других государств.

Я внимательно ознакомился с Вашими соображениями относительно тех шагов, которые, как Вы пишете, расширили бы возможности для налаживания экономического содействия. Что можно сказать в этой связи? Если брать посылки о необходимости фундаментальных и широкомасштабных экономических реформ, ведущих к рыночной экономике, то хотел бы подчеркнуть, что в этом как раз и заключается смысл нашей деятельности. Не должна оказаться препятствием и проблема изъятия ресурсов из военного сектора. Насколько я себе представляю, обе наши страны руководствуются именно этой целью. Определенный опыт реального сокращения вооружений уже накоплен, в стадии завершения находятся крупные договоренности по обычным вооруженным силам и по стратегическим ядерным средствам, имеется в виду в перспективе выйти на соглашение по конверсии. Так что, повторюсь, по этим позициям между нами нет концептуальных противоречий.

Другое дело, когда предпринимаются попытки выдвинуть политические, а то и территориальные требования. Дабы больше не возвращаться к этому вопросу, считаю необходимым заявить со всей определенностью, что стремление обусловливать развитие экономического сотрудничества политическими увязками должно быть исключено. Это несовместимые вещи. Сотрудничество может строиться только на взаимовыгодной и взаимоуважительной основе.

Что касается предложения стран "семерки" оказать техническое содействие, то мы ценим мысли, идущие в этом направлении, и считаем, что совместные проекты такого рода могли бы оказаться полезными. Думаю, что предметный разговор на эту тему мог бы состояться в рамках визита Государственного секретаря Дж.Бейкера в Москву в сентябре. Очевидно, Вы наделите его соответствующими полномочиями, и мы в свою очередь будем готовы к разговору по существу.

Подытоживая сказанное на этот счет, еще раз подчеркну: Советский Союз не может взять на себя всю тяжесть изменений в мире. Рассчитывать только на наши односторонние шаги было бы несерьезно с учетом императивов поддержания баланса интересов, нереально с поправкой на существующие внутри нашего общества ограничители. Меняться должны все - в этом залог успеха в строительстве нового, справедливого мирового порядка.

В заключение коснусь еще одного вопроса. В беседах, телефонных разговорах, переписке мы часто возвращаемся к понятию стабильности. Это оправданно: в отсутствие стабильности девальвировались бы и окончание "холодной войны", и преодоление раскола Европы. При этом не следует забывать, что при всей важности соглашений по сокращению вооружений и проектов экономического сотрудничества главная гарантия международной стабильности - стабильность внутренней ситуации в США и СССР.

Мы сейчас проходим через период формирования принципиально новой системы власти, базирующейся на плюралистической демократии. Процесс этот непростой. В истории Соединенных Штатов тоже, насколько я знаю, бывали периоды ломки старых структур и возведения новых, когда объективно назревшие политические новации наталкивались на сопротивление не способных адаптироваться к новым реалиям слоев населения. Достаточно в качестве примера сослаться на процесс поэтапной расовой интеграции в США.

В такие судьбоносные периоды в истории любой страны со стороны внешнего мира требуются в первую очередь понимание и ответственность. Важно проводить различие между демократической оппозицией курсу правительства государства-партнера и элементами, делающими ставку на его свержение. Надо избегать - вольно или невольно - вдохновлять экстремистов. Ведь поощрять экстремизм - это значит содействовать хаосу, который неизбежно выплеснулся бы за национальные границы. Надеюсь, у нас есть взаимопонимание на этот счет.

Господин Президент, на ближайшие месяцы перед нашими странами стоят масштабные и ответственные задачи. Создана инфраструктура взаимодействия. Это - обретающий новые измерения, углубляющийся двусторонний советско-американский диалог, контакты по формуле "два плюс четыре", механизм подготовки совещания в верхах стран - участниц хельсинкского процесса. Имеются и рубежи - парижский саммит СБСЕ и очередная советско-американская встреча на высшем уровне. Если удастся воплотить в жизнь задуманное, то эти встречи станут воистину беспрецедентными событиями в мировой политике, положат начало материальному демонтажу структур конфронтации.

Рассчитываю на тесное сотрудничество с Вами, господин Президент, при решении этих исторических задач. Буду ожидать Ваших ответных соображений.

С уважением

М.ГОРБАЧЕВ

Москва, Кремль

6 августа 1990 года

UNCLASSIFIED
NSC/S PROFILE

RECORD ID: 9006526
RECEIVED: 14 AUG 90 17

TO: NEWMAN, J

FROM: SCOWCROFT

DOC DATE: 20 AUG 90
SOURCE REF:

1

KEYWORDS: USSR INTL TRADE

CHRON FILE

PERSONS: MOSBACHER, R

SUBJECT: PRES MISSION TO USSR / BAKER & MOSBACHER EXEC BUSINESS MISSION / SEP

ACTION: NEWMAN APPROVED RECOM DUE DATE: 17 AUG 90 STATUS: C

STAFF OFFICER: BURNS LOGREF:

FILES: WH NSCP: CODES:

D O C U M E N T D I S T R I B U T I O N

FOR ACTION	FOR CONCURRENCE	FOR INFO
		BASORA
		BURNS
		NSC CHRON

COMMENTS:

DISPATCHED BY _____ DATE _____ BY HAND W/ATTCH

OPENED BY: NSRLG CLOSED BY: NSMEN DOC 3 OF 3

UNCLASSIFIED

UNCLASSIFIED
NSC/S PROFILE

RECORD ID: 9006526
RECEIVED: 14 AUG 90 17

TO: NEWMAN, J
SCOWCROFT

FROM: COLLAMORE, T

DOC DATE: 13 JUL 90
SOURCE REF:

KEYWORDS: USSR INTL TRADE

PERSONS: MOSBACHER, R

SUBJECT: REQUEST THAT SEC MOSBACHER TRIP TO USSR BE DESIGNATED A PRES MISSION

ACTION: PREPARE MEMO BS TO NEWMAN DUE DATE: 17 AUG 90 STATUS: S

STAFF OFFICER: BURNS LOGREF:

FILES: WH NSCP: CODES:

D O C U M E N T D I S T R I B U T I O N

FOR ACTION	FOR CONCURRENCE	FOR INFO
BURNS	MELBY	DEAL
		RICE
		RODMAN
		ROSTOW

COMMENTS: _____

DISPATCHED BY _____ DATE _____ BY HAND W/ATTCH

OPENED BY: NSRLG CLOSED BY: DOC 1 OF 1

UNCLASSIFIED

UNITED STATES DEPARTMENT OF COMMERCE
The Assistant Secretary for Administration
Washington, D.C. 20230

AUG 13 1990

MEMORANDUM FOR HONORABLE J. BONNIE NEWMAN
ASSISTANT TO THE PRESIDENT
FOR MANAGEMENT AND ADMINISTRATION

FROM: Thomas J. Collamore
Assistant Secretary for Administration

SUBJECT: Request that Secretary Mosbacher's September 9-15 Trip to the U.S.S.R. be Designated a Presidential Mission

In consultation with Secretary Baker and in conjunction with his visit to the U.S.S.R., Secretary Mosbacher plans to lead an Executive Business Mission to Moscow and Leningrad, beginning September 9 and concluding on September 15. The Mission will meet with President Gorbachev, Foreign Trade Minister Katushev and other senior Soviet officials, as well as regional and local officials and Soviet counterparts to the U.S. Chief Executive officers. In addition to the Secretary's official delegation of six to eight people, private sector participants are expected to include 10 to 15 corporate CEOs.

The Mission will begin the process of implementing the President's program to expand peaceful commercial relations with the Soviet Union, to contribute to the President's program of technical assistance for Soviet economic reform, and to further the process of encouraging privatization. In addition, key Soviet government policymakers in the sectors of agribusiness, medical equipment/services and construction will define specific projects affording opportunities for trade and joint ventures. Mission members will also have the opportunity to meet one-on-one with appropriate government and private sector representatives.

I hereby request designation of this trip as a Presidential Mission and assignment of an appropriate Air Force aircraft in support of the Mission on a non-reimbursable basis for travel of the Mission participants. Said designation would emphasize the importance the Administration attaches to carrying out the President's program of technical and economic cooperation.

cc: Assistant to the President for National Security Affairs
Assistant to the President and Secretary to the Cabinet
Director, White House Military Office

Approved 8/24/90

Informed Collamore same day

UNITED STATES DEPARTMENT OF COMMERCE
The Assistant Secretary for Administration
Washington, D.C. 20230

6526

AUG 13 1990

MEMORANDUM FOR HONORABLE J. BONNIE NEWMAN
ASSISTANT TO THE PRESIDENT
FOR MANAGEMENT AND ADMINISTRATION

FROM: Thomas J. Collamore
Assistant Secretary for Administration

SUBJECT: Request that Secretary Mosbacher's September 9-15 Trip to the U.S.S.R. be Designated a Presidential Mission

In consultation with Secretary Baker and in conjunction with his visit to the U.S.S.R., Secretary Mosbacher plans to lead an Executive Business Mission to Moscow and Leningrad, beginning September 9 and concluding on September 15. The Mission will meet with President Gorbachev, Foreign Trade Minister Katushev and other senior Soviet officials, as well as regional and local officials and Soviet counterparts to the U.S. Chief Executive officers. In addition to the Secretary's official delegation of six to eight people, private sector participants are expected to include 10 to 15 corporate CEOs.

The Mission will begin the process of implementing the President's program to expand peaceful commercial relations with the Soviet Union, to contribute to the President's program of technical assistance for Soviet economic reform, and to further the process of encouraging privatization. In addition, key Soviet government policymakers in the sectors of agribusiness, medical equipment/services and construction will define specific projects affording opportunities for trade and joint ventures. Mission members will also have the opportunity to meet one-on-one with appropriate government and private sector representatives.

I hereby request designation of this trip as a Presidential Mission and assignment of an appropriate Air Force aircraft in support of the Mission on a non-reimbursable basis for travel of the Mission participants. Said designation would emphasize the importance the Administration attaches to carrying out the President's program of technical and economic cooperation.

cc: Assistant to the President for National Security Affairs
Assistant to the President and Secretary to the Cabinet
Director, White House Military Office

6526

THE WHITE HOUSE

WASHINGTON

August 20, 1990

AUG 20 1990

MEMORANDUM FOR J. BONNIE NEWMAN

FROM: BRENT SCOWCROFT

SUBJECT: Presidential Mission to the USSR

I concur with the Commerce Department's request that Secretaries Baker and Mosbacher's Executive Business Mission planned for September 9-15 be designated a Presidential Mission.

I would appreciate it if you would assign an appropriate Air Force aircraft to support the Mission on a non-reimbursable basis for travel to and from the USSR.

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

August 17, 1990



SIGNED

ACTION

MEMORANDUM FOR BRENT SCOWCROFT

THROUGH: ADRIAN BASORA (Acting) AHB

FROM: NICHOLAS BURNS NB

SUBJECT: Request that Secretary Mosbacher Trip to USSR be Designated a Presidential Mission

Secretaries Baker and Mosbacher will lead an Executive Business Mission to Moscow September 9-15 with CEOs from major American corporations. Commerce requested in a memo to Bonnie Newman (attached at Tab II) that the trip be designated a Presidential Mission and that a government aircraft be made available for Secretary Mosbacher and his delegation. State supports this request. At Tab I is a memo from you to Bonnie Newman agreeing with the Commerce request.

The rationale for elevating the trip to a Presidential Mission is to send a high-profile signal to both the Soviets and the American business community that the Administration is serious about improving and expanding the commercial relationship between the U.S. and the Soviet Union. We believe a Presidential Mission would also focus for the Soviets our interest in encouraging privatization, and in enhancing our technical cooperation program. We have worked with Commerce to target the mission on our priority areas for technical cooperation: food processing, distribution, energy and housing.

Secretary Baker plans to travel to the USSR with the Mosbacher delegation and will spend the day of September 11 with it in Moscow when they expect to meet with Gorbachev and Ryzhkov. Secretary Baker will then split off to attend the September 12 Two-Plus-Four Ministerial, followed by bilateral meetings with Shevardnadze on September 13-14. Secretary Mosbacher will remain with the delegation for meetings with Yeltsin, Popov, Abalkin and others in the economic leadership. He is also planning to take the business delegation to Leningrad or Kiev for a day of meetings with leaders in one of those cities.

Commerce is planning a small delegation of USG officials and a group of fifteen CEOs. Among those who have already agreed to participate are Dwayne Andreas and Donald Kendall.

Because we have only three weeks until the group's departure, we will need a quick decision on whether or not to designate the trip as a Presidential Mission. If you agree, we would develop a list of business participants for the President's approval, letters of invitation from the President to each, and a White House press release. We would also seek to schedule a Presidential meeting with the group, if possible.

If the trip is designated a Presidential Mission, we believe it would be useful to have an NSC staff member participate. While Condi Rice will be in Moscow that week with Secretary Baker, she will be covering the Two-Plus-Four Ministerial and the subsequent meetings with Shevardnadze, which will not allow her to participate in meetings with the Mosbacher group nor to do the organizational work required.

Condi suggests that Nick Burns coordinate preparations for the trip with Commerce and State and participate as a delegation member. Adrian Basora fulfilled an identical role during last year's Presidential Mission to Poland which was useful in ensuring proper coordination of mission planning and execution.

Concurrence: Tim Deal

RECOMMENDATIONS

1. That you sign the memo at Tab I to Bonnie Newman agreeing that the Baker/Mosbacher trip be designated a Presidential Mission and that a government aircraft be made available to the group on a non-reimbursable basis.

   Approve _____ Disapprove _____

2. That we seek a Presidential meeting with delegation members before departure, prepare letters of invitation from the President to delegation members, and a White House press release.

   Approve _____ Disapprove _____

3. That Nick Burns coordinate trip preparations with Commerce and State and participate in the mission as a delegation member.

   Approve _____ Disapprove _____

Attachments
Tab I Memo to Newman
Tab II Incoming

National Security Council
The White House

PROOFED BY: _____ LOG # 6526

URGENT NOT PROOFED: _____ SYSTEM (PRS) NSC INT

BYPASSED WW DESK: _____ DOCLOG ____ A/O ____

	SEQUENCE TO	HAS SEEN	DISPOSITION
Ken Hill	1	KH	I
Bill Sittmann			
Bob Gates			
Brent Scowcroft			
Bill Sittmann			
Situation Room			
West Wing Desk	3		~~R~~ N
NSC Secretariat	4		N
~~Barbara B~~	~~2~~		~~I~~

RECEIVED 90 AUG 22 AM : 47

A = Action	I = Information	D = Dispatch	R = Retain	N = No further Action

cc: VP Sununu Other _____

Should be seen by: _____ (Date/Time)

COMMENTS

Norman Approved

DISPATCH INSTRUCTIONS:

National Security Council
The White House

PROOFED BY: VEA LOG # 6526

URGENT NOT PROOFED: _____ SYSTEM (PRS) NSC INT

BYPASSED WW DESK: _____ DOCLOG LMS A/O _____

	SEQUENCE TO	HAS SEEN	DISPOSITION
Ken Hill	1	KH	A
Bill Sittmann			
Bob Gates			
Brent Scowcroft	2	✓	
Bill Sittmann			
Situation Room			
West Wing Desk	3	8/20	D
NSC Secretariat	4		

90 AUG 17 P5:38

A = Action I = Information D = Dispatch R = Retain N = No further Action

cc: VP Sununu Other _____

Should be seen by: _____ (Date/Time)

COMMENTS

DISPATCH INSTRUCTIONS: