U.S.-SOVIET RELATIONS: FROM A "POST-COLD WAR" TO A "POST-COMMUNISM" ERA?

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THE RAND/UCLA CENTER FOR SOVIET STUDIES

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Budapest, Hungary
August 23-31, 1991
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For the third time in less than five years, U.S.-Soviet relations have again entered a “new era,” to which American policymakers, still struggling with the conceptual revolution of the late 1980s, must once again adapt.1 In the last two years of the Reagan administration, U.S.-Soviet relations moved out of a particularly hostile phase of confrontation into a new détente initiated by the return of arms control; less than two years into the administration of George Bush, the superpower confrontation virtually evaporated as the Soviet Union abruptly left the field, thus introducing the “post-Cold War” era; today, no longer regarding themselves as adversaries, the United States and the Soviet Union are aiming for a new, broadly cooperative relationship in which the transformation of the Soviet Union and its integration into the world economy have replaced management of the military relationship at the top of a new agenda. Should this new goal ultimately be realized, it may someday be said that in mid-1991, America, Russia, and the other republics of the Union of Soviet Sovereign Republics began the transition from the “post-Cold War” to the “post-communism” era of their relations.

The recently concluded (July 1991) Moscow summit has made manifest that the old military security-centered U.S.-Soviet agenda is being superseded by a new one in which the internal evolution of the Soviet Union rather than its external behavior has for the time being become the dominant common concern of both parties. The Soviet economy and the West’s involvement in it were the central issues at the Moscow summit, just as they had been earlier at the G-7 meeting in London. President Bush’s one-on-one

1This paper was written and distributed to conference participants three weeks before the failed coup of August 19-21 and has not been revised or updated to take into account radical changes in the political landscape since then.
meeting with Russian President Boris Yeltsin in the Kremlin and his tightrope act in addressing the Ukrainian parliament in Kiev provided foretastes of what is bound to become a deepening U.S. involvement not just in the economy but in the most sensitive domestic politics of the USSR and its republics. For the United States, fear of the mortal military threat posed by the once “monolithic” Communist Empire has been replaced by anxiety about the threat to world peace and stability arising out of the profound weakness of a possibly disintegrating Soviet Union. For the Soviet Union in this new phase, the United States no longer represents its principal competitor in a struggle for world supremacy but the potentially decisive voice in organizing a Western rescue of a failing Soviet state.

THE DECLINING ROLE OF ARMS CONTROL

The Summer 1991 Moscow summit will almost certainly be the last for a long time in which a big arms control treaty will provide even the ceremonial centerpiece. The signing of the START Treaty following completion earlier of the CFE Treaty and the U.S.-Soviet chemical weapons agreement, largely winds up the agenda of big, complex and comprehensive arms control negotiations in which the two sides have long been engaged. The question now is whether to go still further in the direction of new comprehensive structural treaties, or to shift emphasis and aim instead for a series of smaller, incremental, “bite-size” agreements, building on the established CFE and START frameworks. Such “strap-on” agreements would be more readily and quickly negotiable and less likely to be overtaken by events.

Whatever the scope or format of any new negotiations, the June 1990 joint U.S.-Soviet statement on future nuclear arms control negotiations lays out a rich menu of agreed on objectives from which to choose. The sides agreed that upon signing START they would hold consultations on future talks on strategic offensive arms and on the relationship between offensive and defensive arms, with the broad objective of “further
stabilizing reductions.” More specifically, they agreed to place emphasis on removing incentives for a nuclear first strike, reducing the concentration of warheads on strategic delivery vehicles, giving priority to highly survivable systems, and “implementing an appropriate relationship” between strategic offenses and defenses.

Once the two sides have ratified START, presumably by the late fall, consultations called for in the June statement could begin. The impulse to reengage quickly in a new comprehensive negotiation to achieve substantially deeper cuts in the near future is not present in Washington and perhaps not in Moscow either, although the temptation to seize the diplomatic high ground may prove irresistible to Nobel Prize laureate Gorbachev. Soviet enthusiasm for the kind of nuclear abolitionism espoused by Gorbachev in his 1986 disarmament program has appreciably waned. The USSR now finds itself increasingly more dependent on nuclear deterrence for safeguarding its security as it completes the withdrawal of its military forces behind Soviet borders and faces the imminent prospect of what will technically amount to NATO conventional superiority in Europe.

Nevertheless, building on the comprehensive framework provided by START, additional steps could be taken, without interruption, to increase transparency and predictability in the strategic nuclear behavior of the two states. Both sides have a strong common interest in preventing nuclear anxieties, arising out of secrecy and technological surprises, from once again poisoning the atmosphere of U.S.-Soviet relations.

The June 1990 statement also calls for continued discussions on offense-defense relationships, which START effectively sidesteps. The experience of the Persian Gulf War has strengthened interest in Washington—and even in some quarters in Moscow—in limited ABM defenses for their homelands. The sides might want to explore the desirability and feasibility of adjustments in the present arms control regime that would
allow limited defenses without opening the door to a new round of costly and potentially destabilizing competition in comprehensive space-based thick defenses.

Almost forgotten in the rush of events is the existing U.S.-Soviet commitment to begin negotiations on limiting short-range nuclear forces (SNF) in Europe once implementation of the CFE Treaty has begun. Given the ongoing Soviet withdrawal of all military forces, including their nuclear armaments, from Eastern Europe and the planned removal from Germany of many U.S. short-range nuclear systems that have lost their targets on the reconfigured political map of Europe, it is quite possible that reciprocal unilateral reductions by the United States and the Soviet Union will be sufficient. Formal negotiated limits would reduce U.S. flexibility and possibly place otherwise avoidable pressures on U.S. relations with some of the NATO allies; on the other hand, a negotiated agreement might gain for the Western allies a handle on Soviet SNF levels in the European part of the Soviet Union. The Soviet Union is no longer pressing for a “third zero” and may just as well prefer to rely on political forces inside NATO countries to constrain modernization of remaining U.S. air-based SNF.

Radical change in the geopolitical situation in Europe since the CFE mandate was completed and the negotiations launched has also sharply diminished interest in a new comprehensive round of conventional arms reduction negotiations. The withdrawal of the Soviet military from Eastern Europe, an agreed ceiling on the size of united Germany’s armed forces, and especially the momentum of domestic pressures to reduce conventional forces still further have left the conventional reductions agenda with greatly reduced appeal. There are still CFE “clean-up issues” to be worked out now that compliance issues have been settled. The so-called CFE1a negotiations are charged with settling details of the air inspection element of the CFE verification regime. The consideration of personnel limits, a category not covered in the CFE Treaty, is also on the agenda, but in light of the collapse of the alliance-to-alliance structure, Western interest in
personnel limitations has been substantially reduced. The possible advantages to NATO of codifying limits on Soviet personnel stationed in the USSR west of the Urals seem to be outweighed by the stresses and tensions that working out personnel limits among the NATO allies might entail. Moreover, it is quite likely that the momentum of internally generated reductions will bring Soviet force levels down below those that are likely to emerge from multilateral negotiations. In the end, the Soviet General Staff might conceivably welcome negotiated personnel limits as providing a floor below which reductions in the USSR would not be permitted to fall!

Apart from CFE “clean-up” issues, between now and the next meeting of the Helsinki CSCSE, the United States and its allies will have to work out a position on CFE follow-on. One possibility is to move toward simple percentage reductions from current national limits that have emerged from intra-alliance arrangements. Given the asymmetrical situation created by the collapse of the Warsaw Pact, and the downward trend of force levels in any case, the advantages of such across-the-board percentage reductions are not self-evident, and the disadvantages in wear and tear on NATO alliance relations could be quite substantial. A more promising tack might be to emphasize confidence and security building measures (CSBM) designed to strengthen still further the already stable conventional forces balance created by the CFE Treaty. Although many of the most widely discussed CSBM objectives have already been met in the Paris Agreements, which greatly reduce the prospects of full reconstitution attacks, a variety of additional limits on mobilization, training, and exercises could also reduce the threat of less-than-full reconstitution attacks, making preparations for them more transparent and more difficult.

While there does not appear to be a strong impulse for another round of comprehensive CFE-type negotiations either in NATO or in the Soviet Union, the process of implementing the monumental CFE Treaty will itself engage the signatory powers
deeply in arms control activities, including extensive and intrusive monitoring and verification of compliance and data exchange. Indeed, implementation of both START and CFE treaties will keep the United States and the Soviet Union actively engaged in ongoing arms control dialogues for years to come. These exchanges, plus the CSCE framework for CSBM, will probably shift the emphasis in the coming phase from the “hardware” of arms control—limits on combat potential—to the “software”—limitations on the deployment and operations of military forces.

Having largely dismantled the structure of confrontation that has kept them preoccupied so long with the military threat posed by the other superpower, the United States and the Soviet Union share common interests in preventing or limiting the proliferation of weapons of mass destruction and high tech conventional weapons—interests that will make themselves increasingly manifest in their relations. Both superpowers have a strong interest in seeking to strengthen and extend the NPT regime. In the run up to the 1995 NPT review, both sides will want to show progress in fulfilling the superpowers’ commitment to reduce their own arsenals. The United States will seek to secure Soviet cooperation for measures to strengthen the IAEA inspection regime, particularly improving the enforcement machinery. Given the growing common U.S. and Soviet concern with nuclear nonproliferation, this may also be the appropriate time for the United States to review its interests in negotiating a Comprehensive Test Ban Treaty.

The most important potential source of new large gains in U.S.-Soviet military relations is the process of demilitarizing Soviet society, a process that also represents the most important potential vehicle for directing additional high quality resources into the Soviet economy. While arms control can marginally contribute to that process—by providing an internationally sanctioned framework and some measure of reciprocity that may be needed in Soviet domestic politics—the progress of demilitarization will depend primarily on the evolution of political and economic change in the Soviet Union itself. In
that sense the most important arena of U.S. security policy toward the Soviet Union has now shifted to internal Soviet affairs.

U.S.-SOVIET COOPERATION IN THE “NEW WORLD ORDER”

President Bush has hailed U.S.-Soviet cooperation in the Persian Gulf as “crowning proof that we are overcoming old Cold War animosities.” The Soviet role, while not unambiguously helpful, was crucial in securing United Nations approval for the actions taken in the field by the U.S.-led coalition, which did not include the USSR. The Persian Gulf crisis clearly did move the evolving process of U.S.-Soviet international cooperation to a new and higher level. Until then, superpower cooperation had been restricted to old Cold War era regional conflicts that were in large part the result of their own rivalry and interventions, as in Afghanistan, Angola, Ethiopia, Cambodia, and Nicaragua. It would be a mistake, however, to overestimate the contribution that the Soviet Union is likely to make in regulating the international environment as we move beyond the “post-Cold War” era to cooperation, or even partnership.

After decades of pursuing an overextended foreign policy that proved increasingly counterproductive and economically unbearable, the Soviet Union is now completing a monumental strategic retreat and global retrenchment. This retreat, reflecting a radically new Soviet calculus of foreign policy interests, is primarily responsible for the sea change that has occurred in international relations, including great progress in settling regional conflicts. But that retreat has just about reached its limits. The Soviet Union has already produced most of the gains to international security that it was capable of delivering. There are no more Eastern Europes to be liberated and virtually no more Soviet armies to be withdrawn behind Soviet borders. Cuba now seems to loom so prominently in the list of sore points in Soviet-American international relations, not because Cuba’s intrinsic importance has grown—it has actually diminished—but because there is precious little else left on the agenda. Japan’s Northern Territories are very important to Japan, and the
United States supports Japan's position, but the issue is marginal in the larger field of U.S. foreign policy concerns. Much more substantial and potentially explosive is the Baltic issue, but its outcome is inextricably tied to the larger issue of Soviet internal development, which has now moved to the center stage of U.S.-Soviet relations.

As the Soviet Union completes its strategic retreat from Cold War forward positions and becomes increasingly dependent on its erstwhile adversaries for economic assistance, the inclination of its leaders to cooperate with the West internationally is likely to grow, but its capacity to make a large difference will decline. The present high profile of the Soviet Union in the Middle East does not belie this trend. It is precisely the diminished capacity of the USSR to obstruct the peace process and its evident lack of interest in doing so that has made Soviet participation welcome to both Washington and Jerusalem. The American obsession with keeping the Soviet Union out of the Arab-Israeli peace process is over, but greatly reduced Soviet influence in the region means that its ability to play a strong positive role has been diminished along with its capacity to obstruct. Syria has altered its position on direct negotiations with Israel not because the Soviet Union "delivered" Assad, but because Assad can no longer count on Moscow for very much and sees the United States as the only superpower that matters in the region.

This is not to say that cooperation with the Soviet Union in seeking to manage regional conflicts will cease to be a major aspect of U.S.-Soviet relations. Soviet cooperation will frequently be sought and welcomed, particularly if the international peacemaking and peacekeeping roles of the United Nations are to be enhanced. If and when the time comes for a political settlement on the Korean peninsula, Moscow could still play a useful role, if it has not by then burned all its bridges to Pyongyang.

How long this diminished international role for the Soviet Union will last and what will replace it depends almost entirely on the internal evolution of the Soviet Union. It is the increasingly direct and multifaceted involvement of the United States and the West in
that process that is the novel and in the next years the most important new aspect of U.S. policy toward the Soviet Union.

**U.S. POLICY AND THE FUTURE OF THE SOVIET UNION**

The recent Moscow summit and the London G-7 meeting that preceded it marked new milestones in the evolution of U.S. policy toward the reform of the Soviet Union and in the degree of its involvement in helping to shape the future. U.S. policy has come a long way since the question of “helping Gorbachev” first emerged on the public policy agenda in the waning months of the Reagan presidency. Initially, the debate about whether to “help” the Soviet Union was posed in essentially geopolitical terms: Given the sheer size, weight, and inherent military power of the USSR, is a modernized, and therefore potentially stronger, Soviet Union, even under greatly “liberalized” leadership, in the Western interest? This very cautious way of posing the question was suddenly made obsolete by Eastern Europe’s revolutionary transformations. Soviet acquiescence in these changes, on top of Moscow’s earlier concessions in CFE negotiations, provided dramatic evidence of a change in both the policies and geopolitical position of the USSR that could not possibly be explained away as a ruse or a temporary tactical retreat.

These events helped to resolve residual U.S. doubts about whether Soviet perestroika was a good thing for the West, but they also created in the newly independent states of Eastern Europe what were perceived to be worthier claimants for even more urgently needed Western economic assistance. As Western governments grappled with the question of how to help the former Soviet satellite states, the issue of “helping Gorbachev” receded into the background. Meanwhile, in the USSR, newly emerging political forces with more unambiguously democratic and free market agendas than

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Gorbachev's urged Western governments to abstain from providing any substantial economic assistance to the Soviet government pending adoption of an economic reform program keyed to the devolution of decision-making power and property ownership from the center to the republics.

In the United States, the deepening split between Gorbachev and his democratic opposition in the fall and winter led to the emergence of a "two track" approach to the Soviet Union. Its purpose was to sustain the foreign policy benefits of the maturing American relationship with Gorbachev while establishing ties with rising new political forces in the republics. But the net effect of Gorbachev's shift to the right, especially the aborted effort to repress independence movements in the Baltic republics, was the virtual suspension of decisions on economic assistance to the Soviet Union and concentration on efforts to limit the damage to major outstanding East-West security issues, notably to prevent a split with Moscow in the Persian Gulf crisis.

By the spring of this year it became clear that Gorbachev could neither end the crisis of governance nor stabilize the deteriorating Soviet economy by allying with authoritarian forces against the democratic opposition, at least not within the limits of the coercive measures to which he was prepared to resort. So Gorbachev, ever flexible and agile, again sharply reversed political course, negotiating with the leaders of nine Soviet republics a political truce, guidelines for a new union treaty that would involve substantial power-sharing between the center and the republics, and an agreement to hold new elections of central "organs of power."

The United States and other Western governments greeted the so-called "Nine Plus One" agreement with considerable relief because it substantially relieved the tension in Western policy between working out the foreign policy agenda with Gorbachev and supporting democratic forces arrayed against him. Among other things, the "Nine Plus One" statement brought the issue of economic aid to the Soviet Union back to the
forefront of Western policy. Concern that Western aid to the Soviet Union might inadvertently strengthen authoritarian forces has now been substantially reduced. The renewed Western debate is no longer focused on the desirability of helping the Soviet Union, but on the conditions under which aid might be offered and its probable effectiveness. While differing about the appropriate character, magnitude, and timing of Western assistance, Western leaders individually or jointly released holds that had been placed on various assistance measures after the January events in the Baltics; agreed to accelerate the relaxation of political restrictions on trade with the Soviet Union and to offer technical assistance of varying kinds; and adopted a more positive stance toward Soviet access to and participation in international economic organizations. With the agreement of the G-7 leaders to invite Gorbachev to London, the Western governments also signified their willingness to conduct a direct dialogue with Soviet leaders on a longer term program of cooperation in support of Soviet reform. In Moscow a few weeks later, President Bush presented a package of specific U.S. assistance measures, including the granting of MFN status to the USSR, the removal of restrictions on Soviet eligibility for U.S. government credit and credit guarantees, and measures affecting taxation and investment, which he will propose to the Congress.

The significance of this evolution in U.S. and Western policy has been largely obscured, however, by a surging debate about the possibility of a quantum leap forward that would move the United States and its allies beyond piecemeal, specialized assistance to what would amount to a full Soviet-Western partnership in Soviet economic development. The partnership would take the form of what has been called a “grand bargain” in which the West would provide massive inputs of capital, technology, and know-how in exchange for Soviet adoption of a Western-approved blueprint for the transformation of the Soviet Union into a democratic, free market, “normal” (in the
Western sense) society. The scale of Western assistance suggested in various versions of this program ranges from $100 billion to $250 billion over a period of three to five years.

The debate about the “grand bargain” has helped to place squarely on the United States policy agenda the question of how much further we should go and how deeply involved we should become in trying to shape the outcome of the Soviet Union’s systemic crisis. Some have argued that the stakes are so high, the dangers associated with Soviet collapse so great, and the potential benefits of a democratic free market transformation of the USSR so large, that maximum commitment is essential. For the time being opposition to the “grand bargain” has been voiced on grounds that the United States simply cannot afford to give substantial direct financial aid to the Soviet Union; that such aid would be inconsistent with U.S. security interests so long as Soviet military spending was not substantially reduced; and that Soviet reform programs thus far produced do not measure up to our standards of what a genuine free market reform should entail. These are hardly trivial objections, but they may in time be overcome or worked around, and there are larger political questions that need to be addressed.

For the time being, a “grand bargain” is clearly premature if only because there is as yet no appropriate Soviet partner with whom to conclude such a compact. The “Nine Plus One” agreement only lays out a road map for ending the crisis of governance that has paralyzed the ability of Soviet governments at all levels to make and implement coherent economic programs of any kind. The agreement is very fragile. Given the bitter legacy of past political struggle, it will take time for sufficient mutual trust and confidence to be established, particularly between Gorbachev and Yeltsin.

Even with a major good faith effort, the timetable for political reform envisaged in the joint statement will almost certainly not be met. The “Nine Plus One” agreement calls for the union and the republics to conclude a new union treaty “in the immediate future,” but each of the republican legislatures insists on its own say, and the process of
ironing out differences could consume months rather than weeks. Moreover, the 
conservative-dominated USSR Congress of Peoples Deputies, most of whose members 
would not be returned to office in free elections, is unlikely to rush completion of a new 
USSR Constitution within the six-month time period called for in the “Nine Plus One” 
agreement. The nonbinding time limit specified reflects the republics’ suspicion that the 
USSR parliament will be in no hurry to disestablish itself with more than half of its term 
remaining under the existing constitution.

Gorbachev’s own political future will depend on the details of how the new 
constitution divides power between the union and the republics and on the mode of 
election of a USSR president that it specifies. At this point it is not clear that Gorbachev 
could stand up to a popular election, even if he had the endorsement of Yeltsin and other 
republican presidents.

In any case, the political consensus required for the adoption of a blueprint for 
transformation as ambitious as the “grand bargain” envisages, virtually demands new 
elections, or at the very least, a new union government answerable to the republics as well 
as to the USSR president. Valentin Pavlov, the present head of the Soviet government, is 
openly and sharply critical of the whole “grand bargain” approach. His anti-crisis 
program, criticized by Western observers and Soviet liberals alike as too reliant on 
administrative measures and insufficiently concrete about the transition to the market, 
still provides the backbone of the program Gorbachev outlined to the G-7 in London. 
Given popular opposition to many of the key precepts of Western-style market economies 
recorded in recent major polls conducted by the Times Mirror Center for the People and 
the Press, it is by no means assured that new all-union elections would produce the 
required consensus. This raises a difficult question for the “grand bargain” concept: If 
the Soviet Union, in partnership with the West, were to adopt the key political reforms 
mutually agreed upon, what would happen if the democratically elected representatives of
the Soviet people next year were to reject key measures of the agreed upon economic reform? Would the Western “partners” then demand that the Soviet government abide by the bargain over the heads of the people, or would we continue to support a Soviet reform program watered down by what our free market economists considered crippling detours and departures from the true path?

What kind of quid pro quos would it take to sell the “grand bargain” to the United States public and to the Congress? Given our severe liquidity constraints and well-documented public opposition to direct financial assistance to the USSR, any large-scale aid deal would almost certainly have to be front-loaded with far-reaching Soviet political concessions in order to pass domestic political muster. Already in the Congress there is strong support for amendments to foreign assistance legislation that would attach long lists of exacting political conditions to any extensions of new kinds of financial assistance to the USSR. A recent amendment proposed by Representative Jon Kyl (R, Ariz.) would virtually mortgage Soviet defense and foreign policy to the United States Congress. While the objectives of these amendments may be commendable from a U.S. perspective, no “grand bargain” that had to satisfy such conditions could conceivably be negotiated. Gorbachev himself will surely reject any explicit linkage between what he calls “economic cooperation with the West” and the conduct of Soviet foreign policy. He alternates between calling for Western economic assistance as payment due the Soviet Union for ending the Cold War and appealing to Western self-interest in helping to avert the threatening spillover consequences of the Soviet Union’s disintegration.

This is not to say that “grand bargains” involving incommensurable values cannot in principle be struck in interstate relations, but they require subtlety, sensitivity, confidentiality, and an indirect approach that political processes in the democratic West and in today’s Soviet Union are most unlikely to permit.
Finally, it is doubtful that such a "grand bargain," even in the unlikely event it could be struck, would survive very long. Its failure might in the end do more damage to U.S. interests in promoting a stable cooperative relationship with the Soviet Union than it would help toward easing the USSR's transition to political and economic "normalcy." A "grand bargain" of the kind presently envisaged implies nothing less than Western co-responsibility for the success or failure of the Soviet Union to remake itself in accordance with a jointly drawn Western-Soviet blueprint. This is a formula for continuing tension and perhaps even crises over compliance issues of a kind that would be infinitely more complex than in the arms control realm and far less susceptible to unambiguous verification. Political, social, and economic conditions in the USSR will change during the coming months and years many times in ways that cannot possibly be anticipated in any plan or blueprint. Mutual recriminations and disputes over conditionality and compliance would be inevitable. As the most painful parts of economic reform began to bite hard in Soviet domestic politics, Soviet authorities would almost certainly seek more assistance abroad, or blame the West for imposing unbearable conditions. In the West, slow progress or failure of Soviet reform would be attributed to Soviet noncompliance with agreed upon aid conditions. Political fallout from failures in implementation of the "grand bargain" could pollute the international environment, adding an extraneous obstacle to cooperation on outstanding international issues.

This does not mean that the alternative to a "grand bargain" is indifference or benign neglect regarding economic assistance to the Soviet Union. There is much that can and should be done now short of providing massive direct financial aid. The appropriate issues to which direct financial aid may eventually be applied, however, are narrower and more specific than what is implied by a "grand bargain." The Soviet Union's more or less autonomous process of political development must first advance to the point where a sufficiently strong consensus has evolved about what is a socially
acceptable new economic system to replace the old command economy. The issues at stake are not mere technical ones susceptible to technocratic solutions. They involve the very essence of the new societies that are evolving out of the Soviet imperial-communist system. As these fundamental issues are resolved, the Soviet Union’s economic development will be brought to the point at which specific and focused kinds of Western financial aid will become relevant. Within the framework of a Soviet designed economic reform that commands a sufficiently strong political consensus to be implementable, strategically targetted Western financial aid could help substantially as a shock absorber against the severe jolts to which a reforming Soviet economy will inevitably be subjected. International economic organizations such as the International Monetary Fund and the World Bank will be more appropriate than individual Western governments for negotiating agreements on conditionality with the Soviet Union. The range of issues likely to be relevant include policy on rate of growth of money supply, interest rates, and exchange rates.

No matter what prevailing Western convictions, preferences, and tastes about economic development may be, our vital interests in the future of the Soviet Union are not keyed to any particular model of the Soviet economy per se. The West’s vital interests are not directly affected by the precise balance that will ultimately be struck in the Soviet economy between free-wheeling entrepreneurship and a predictably heavy dose of social welfare. What matters is that the economy of the USSR, and especially the Russian economy, should evolve in ways that do not make its viability dependent on authoritarian political structures or leave its assets and outputs too freely at the disposal of authoritarian rulers.