Managing U.S.-Soviet Relations in the 1990s

Abraham S. Becker, Arnold L. Horelick

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PREFACE

A surprising feature of the 1988 presidential election campaign was the absence of any debate on U.S.-Soviet relations. Perhaps this may be explained by the shift in American policy in recent years, evoked by and paralleling the unfolding of new policies in the Soviet Union. The American Center and Left seem to have been largely disarmed by the policy changes in the second Reagan administration; much of the Right seems disoriented by developments in the USSR, uneasy with the Reagan administration's rapprochement to Moscow, but unable yet to formulate a viable alternative course.

In the meantime, the Soviet Union continues to surprise the world (and its own citizens as well) by changes in policies, expressed views, and, to some extent, even institutions. The reinvigoration of Kremlin policy with Gorbachev's arrival on the Soviet scene challenges the West to rethink its own attitudes and policies. Unfortunately, the West has responded to Soviet initiatives in ad hoc fashion, without reexamining either its objectives or its strategy. The result has been some confusion and disarray. The new American administration just coming into office has the opportunity and the obligation to review the U.S. perspective and to help develop an alliance-wide dialogue that should lead to a reformulation of Western strategy for dealing with the Soviet Union in the last decade of this century. This study, prepared under RAND Corporation sponsorship, is presented as a contribution to the U.S. national discussion of these tasks.

SUMMARY

This report considers the effects of the process of change initiated by Gorbachev on the Soviet Union's probable future internal development and external behavior, and the appropriate U.S. strategy toward the USSR under these conditions.

The Soviet Union has been perceived as a major security threat to the West largely because of its formidable military capabilities and aggressive external behavior; the threat appeared magnified by the apparent connection of Soviet power and external behavior to the central features of the Soviet system—communist ideology, totalitarian/authoritarian social-political structure, and centralized, military-favoring economic organization. Western views have varied on the relative weight of the internal or external factors and therefore on the advisability of directing Western policy to one or the other ends of this nexus. With the advent of Gorbachev, Soviet domestic and foreign policy change seem to be coming together, and many people in the West now believe that the Soviet system is at last being transformed.

How much has the Soviet Union changed in fact?

Gorbachev came into office in 1985 with an apprehensive view of the Soviet economy and society as well as of its internal and external policy; he spoke of the country being in "pre-crisis." Over the next few years in a now familiar litany, he built up a scathing indictment of his predecessors' misrule and of the USSR's "administrative command" system generally. He charged them with bringing on economic stagnation, assorted social pathologies, and ethnic conflict at home and costly setbacks and isolation abroad.

Gorbachev has undertaken to resolve this multi-layered "pre-crisis" with a far-ranging program of change that has both domestic and external components. The hallmarks of domestic Gorbachevism are *demokratizatsiia, glasnost,* and *perestroika.* Among the three, "democratization" has so far produced the least change in Soviet society, glasnost the most. In a remarkably short period, the constraints on free expression in the Soviet Union have been substantially relaxed.

Perestroika, the process of social transformation, has had mixed results. The principal content of "restructuring" is economic, which has had two emphases—industrial modernization and economic reform. The former was initially Gorbachev's main concern, but his gradual recognition that the Soviet system itself stood in the way of achieving that goal impelled him in the direction of more substantial reform. Because the progress of economic reform has been largely stymied by

opposition, foot-dragging, and inertia, Gorbachev is now pursuing a set of political changes that would weaken or eliminate anti-reform forces, break the hold of the ministerial bureaucracy on economic progress, and curb the Party's micromanagement of economic activity without sacrificing its strategic control of the economy or its monopoly of political power. However, bloody disturbances in Armenia and Azerbaidzhan and agitation for economic and political autonomy in the Baltic republics have shown that the relaxation of social controls deemed desirable for perestroika is having unintended consequences that could threaten the entire Gorbachev program.

Gorbachev's foreign and security policy changes, said to be the product of "New Thinking," have included concessions to Western arms control positions, steps to terminate Soviet and client military interventions in several Third World countries, conciliatory declaratory overtures to the West, and generally restrained international behavior thus far during his tenure. But the most radical assertions about Soviet readiness to alter established behaviors and security structures—e.g., by restructuring Soviet military forces to render them incapable of large-scale offensive operations—remain to be tested. Many of these promised changes have been deferred to the future, and others have been made contingent on mutual agreement with the West.

The ferment in Soviet policy has evoked a wide spectrum of reaction in the West, ranging from considerable skepticism on the reality and durability of the apparent changes to jubilant acceptance of the changes as evidence of the imminent transformation of the Soviet Union into a democratic state with "normal," peaceful foreign relations. Underlying these contrasting views on the meaning of Soviet developments are multiple uncertainties and divergent assumptions about key variables. The major uncertainties include Gorbachev's ultimate goals, his role in the changing Soviet picture, and his political survival; the character of his foreign and security program; the actual results of domestic and foreign programs; the current goals and relative strengths of various leadership factions; the likelihood of developments (such as major changes in the regime's ability to control national minority agitation) that could substantially affect the political balance; or the effect of momentum and expectations in preventing retrogression and maintaining the course of reform.

These uncertainties point to alternative possible near to mid-term Soviet futures, discussed here in terms of the connection between internal system change and Soviet external behavior. We consider three alternative states of domestic reform:

1. **Limited reform.** Three subcases of effects on system performance and external behavior are examined:

a. Improved economic performance makes more resources available for external purposes without changing the present system of essentially authoritarian-oligarchical political decisionmaking, thus leading to increased external competitiveness. This scenario is judged unlikely on both political and economic grounds.
b. Poor economic performance drives an authoritarian regime to external diversions. This strategy seems risky given the inadequate resource base and the likelihood of Western resistance.
c. Poor economic performance under conditions of growing internal social-political tensions leads to lowered external involvement. This subcase seems less unlikely than the others, but perhaps transitory, because internal forces would tend to push the Soviet Union onto one or the other of the remaining alternative paths of change.

2. **Retreat and reaction** resulting from economic stagnation or internal political-social crises might mean a return to cold war with the West and revived Soviet foreign and military policy assertiveness, but Soviet ability to implement a militant external strategy would presumably continue to be resource-constrained.
3. **Radicalization of reform** leading to accelerated growth and political pluralism might result in a Soviet foreign policy of accommodation with the West. The combination need not mean abandonment of great power ambitions, and it would probably mean enhanced economic wherewithal to pursue such ambitions.

Other combinations of domestic change and external policy consequences can be imagined, including a prolongation of the present situation; but the tensions of the present—unresolved economic, political, and social problems—are likely to threaten the stability of such other scenarios too.

The most important conclusion we draw from this assessment of alternative Soviet futures is that there are grounds for hope for substantial improvement in East-West relations, but the uncertainties besetting this prospect are large enough to warrant reservation and even some skepticism about its likelihood. Perception of economic, technological, and social weakness has been driving the Politburo to domestic and foreign policy change. The initiatives for change could take on a dynamic that may escape central control, leading possibly to internal system and external policy transformation. However, success in meeting the challenges of national weakness could induce the leadership to halt or reverse much of the progress toward a more benign

USSR. That systemic reforms lead to benign attitudinal changes is in part a statement of faith that can be tested only over a period of time that may amount to decades.

We identify four principal alternative Western strategies for dealing with the USSR at this juncture:

1. **Perestroika is irrelevant or dangerous: Impede Soviet modernization.** Proponents of this course maintain that there has been and will be no substantive change in Politburo goals or in its efforts to maintain and expand the Soviet empire. The West should therefore attempt to impede Soviet modernization, which would be used to enhance Soviet strategic capabilities, by denying all economic assistance and straining Moscow's capabilities to match the West's military modernization.

We reject this strategy as counterproductive, making for a more belligerent, less cooperative USSR and precluding any possibility of favorable outcomes for East-West relations that might result from unobstructed Soviet reform. Our allies would unequivocally reject this strategy, and it would be highly controversial in the United States as well.

2. **Perestroika is benign: Help Gorbachev.** Supporters of this strategy are confident that Gorbachev's world outlook is accommodationist and that perestroika, if unobstructed, is likely to lead to internal democratization, thence to the Soviet Union's behaving like a "normal" state. The political survival of Gorbachev and his program are vital to the West, but these are threatened by internal opposition. Therefore, helping Gorbachev should essentially drive Western policy toward the Soviet Union.

We reject this strategy too: (a) It would put too many Western eggs too soon in one basket of uncertain structure and durability; (b) there is no theory of Soviet politics that would permit reliable judgments about how to effect a particular direction of internal political and economic development; (c) to concentrate on advancing Gorbachev's fortunes could prevent us from identifying and pursuing our own interests, which might be opposed to his.

3. **Soviet future uncertain, West's role negligible: Wait and see.** In view of the multiple uncertainties and the demonstrated impotence of the West in affecting Soviet developments, the

only rational policy is to sit on the sidelines, waiting until the dust settles.

We reject this course as well. There are costs to waiting out the game—opportunities for further Western gains as Soviet policy develops and tactical advantages the Soviet Union would derive from U.S. obstruction or indifference to Soviet initiatives, because America's allies are unlikely to be persuaded to follow a do-nothing course.

4. **Uncertainties, true, but Western engagement is inevitable and desirable.** The Soviet future is uncertain, and we can have little confidence in our ability to shape the Soviet course. Unwarranted optimism or pessimism about Soviet developments would both be dangerous for Western interests; agnosticism that translates into passivity and inaction could lead to our missing transitory opportunities for breakthroughs. The U.S. policy problem is not only how to remain open to possibilities for major improvements in U.S.-Soviet relations but also how to limit the costs of adverse developments. We believe that a strategy of step-by-step engagement is the most appropriate instrument for achieving those goals.

Of course, the United States "engaged" the Soviet Union before, and did so on a broad front during the years of detente. But now there are unusually favorable international conditions for pursuing long-standing Western interests on the traditional U.S.-Soviet agenda—controlling and, if possible, reducing the risks and costs of the competition. Unlike the situation in the detente period, global trends have been running against the Soviets in the 1980s, and they know it. Whatever Gorbachev's long-term foreign policy plans or intentions may be, the current circumstances of the Soviet Union constrain the Soviet leadership in ways that make it less inclined, at least for the time being, to fish in troubled waters abroad, and more open to agreements and arrangements to ease competitive pressures.

Where long-standing Western interests in managing East-West relations more safely, reliably, and at lower cost intersect with current Soviet interests in providing a congenial international environment for perestroika, the case for engagement is compelling and unambiguous. But deep structural and institutional change in the Soviet Union and a major reorientation of Soviet foreign policy raise the possibility of our engaging the Soviet Union on a new agenda that might shift the balance in East-West relations from competition toward cooperation.

A substantially demilitarized and increasingly cooperative relationship such as Gorbachev expounded at the UN in December 1988 would

signify a paradigm shift in East-West relations. Because movement toward such a shift would entail perhaps irreversible changes in Western security structures and strategies on which we have for so long successfully relied, the case for engaging the Soviets on this new agenda is much more complex. So long as a visibly reforming Soviet Union continues to put forward cooperative options, backed by meaningful concessions and a general policy of self-restraint, the United States should begin to explore the new and wider horizons in East-West relations. This will require a broader conceptual dialogue with the Soviets and a parallel one among the Western allies.

In exploring these new horizons with the Soviets, however, we should proceed carefully and step by step.

- Radical uncertainties about the outcome of Soviet reform will be resolved only gradually, and we can't know how they will be resolved.
- Anticipatory responses to Soviet changes merely promised could trigger a process of structural weakening of the Western security system that might easily outpace actual change on the Eastern side.
- Progress is bound to be uneven. Gorbachev remains a highly competitive adversary who will seek offsetting compensations for any concessions he offers.
- A Western, and especially a U.S., domestic consensus that is sufficiently broad and enduring will need time and confidence-building experience with the USSR to mature.

To prepare for this kind of broad strategic dialogue with the Soviets, U.S. policymakers need to begin thinking through and articulating the kinds of fundamental changes in the Soviet Union that the West would need to see; what we might regard as persuasive evidence that such changes were actually taking place; and what the West might be prepared to offer in return.

Soviet policy changes such as have already occurred may be sufficient for further incremental progress on the traditional agenda; but for a more far-reaching reordering of East-West relations, the changes required go to the heart of the Soviet political and economic system and to its core relationship with Eastern Europe.

Changes in the domestic political and economic systems. Democratic states, where leaders are accountable to their electorates and are constitutionally constrained, are limited in the extent of accommodation they can make with the leaders of an enormously powerful state who can command the resources of their society for

potentially hostile purposes with no effective constitutional or systemic constraints; with leaders who can change policy course quickly and without warning, and who are under no domestic obligation to debate alternative courses of action. This is why the domestic evolution of the Soviet political-economic system *is* a vital foreign policy matter for the United States and why we would have to see evidence in the actual workings of the political-economic process of institutionalized domestic political constraints on the external behavior of Soviet leaders.

The Soviet military priority. The most substantial change that would be required in the military sphere would presuppose radical reform of the Soviet economic and political systems. To be credible and reliable, greater transparency and consistency of Soviet force size, posture, and deployment with stated Soviet policy and doctrine should not occur merely as a concession to the West for foreign policy purposes, but as an integral domestic political function of an accountable Soviet leadership.

Self-determination of Eastern Europe. The corollary of change required in the Soviet domestic political system is the evolution of the socialist states of Eastern Europe toward greater self-determination. Western willingness to move toward substantially less reliance on nuclear weapons and stationed forces would depend not only on Soviet force reductions and restructuring but also on fundamental changes in the nature of the USSR's relations with its Warsaw Pact allies, such that their territories and resources would no longer be so readily at the disposal of the Soviet Union.

What could the West offer in return for such far-reaching Soviet changes? Initially, the United States could offer assurance that Washington prefers to deal with the Soviet Union rather than to squeeze it during a period of adversity and difficult domestic change. Moscow would take seriously this kind of assurance from a new administration because of Kremlin concern that some quarters in the West perceive Gorbachev's concessions as signs of weakness calling not for reciprocation but still more pressure.

If and as changes in the Soviet Union deepen and become less readily reversible than they are now, the Soviets could hope for accommodating Western responses across a wide range of issues of longstanding concern to them:

- Reducing the pace and scope of Western military competitive efforts, especially in the high technology areas of Western advantage (linked to progress in eliminating Soviet offensive advantages).
- Western agreement to consider further nuclear reductions, which the Soviets seek (as the conventional balance is made

more acceptable and as Eastern Europe achieves more autonomy).

- Wider acceptance of the Soviet Union as a full-fledged participant in the world community, and
- Progressive liberalization of Western political restrictions on trade, acceptance into international economic organizations, such as the International Monetary Fund (IMF) and the General Agreement on Tariffs and Trade (GATT), and, ultimately, even Western economic development assistance (in parallel with transformation of the Soviet system and its foreign policy).

We have suggested that the new, broad conceptual dialogue with Moscow should proceed in parallel with the ongoing discussion and negotiation of issues on the current U.S.-Soviet agenda. The latter discussion could provide a bridge to the dialogue appropriate for exploring the new limits of the possible that may be emerging in relations with the USSR. The following discussion suggests directions of progress on the four sets of issues making up the current agenda—arms control, regional issues, bilaterals, and human rights—as well as a fifth, East European instability, likely to be important in the near term.

In *arms control*, there is chiefly the unfinished business of START and the launching of the Conventional Stability Talks (CST) negotiations.

A START-like agreement is important on several counts: It would

- keep the existing arms control regime, whose legal basis is now in disarray, from unravelling;
- improve prospects for further reducing first-strike instabilities, thus helping to stabilize a strategic balance that both sides seem to believe is already quite robust;
- strengthen the viability of the strategy of nuclear deterrence by bolstering public confidence in Western leaders' ability to manage nuclear deterrence prudently;
- prevent damage to alliance and domestic U.S. consensus that would result from perceived U.S. responsibility for a breakdown of START negotiations;
- make it easier for NATO to hold the line against further nuclear cuts until the conventional balance is more stable.

The preferred NATO strategy for CST negotiations has been to seek reductions in Pact, especially Soviet, tank and artillery holdings down to levels just slightly below NATO's, thus obviating the need to make more than token reductions on the NATO side and avoiding the issue

of substantial reductions in stationed U.S. forces. Gorbachev's unilateral cuts announcement has complicated the West's approach. This makes all the more urgent a high-level NATO dialogue on how to define Western interests in the new circumstances. It is true that a new Western security review—in effect, revisiting the Harmel Doctrine—would risk divisive debate; but without confronting these fundamental issues it will be very hard for the alliance to make politically viable and strategically sensible responses to Soviet proposals. This would leave the initiative in Soviet hands and, in the end, probably invite just the kind of alliance dissension that avoiding the issue tries to duck.

Because instability in *Eastern Europe* poses what is probably the greatest single threat of a major discontinuity in international politics, the status of that region is almost certain to become an increasingly prominent issue in the East-West dialogue. The paradox of persisting East European instability in the face of Soviet reforms whose spread might add fuel to the fire sharpens the dilemmas of Western policy for Eastern Europe: how to promote self-determination for these countries, removing the security threat posed by the USSR's massive military presence there, while avoiding triggering a Soviet military intervention that would disrupt ongoing Soviet as well as regional reforms, divide the Western alliance on how to respond, and threaten the peace of Europe.

The new circumstances call for at least some changed emphasis in traditional Western policies. We should tie prospects of far-reaching change in European security arrangements more closely to Soviet acceptance of greater autonomy for East European states. In the upcoming negotiations on CST and Confidence and Security Building Measures (CSBM), we should try to devise explicit, contractual inhibitions against the cross-border movement of Soviet forces in any East Europe contingency, such as Budapest 1956 or Prague 1968. And on the incentive side, particularly in any East European crisis in which Moscow did *not* intervene, we should be prepared to reciprocate Soviet acceptance of greater East European autonomy by being more forthcoming on such issues of Soviet concern as trade with the West.

In the past few years, there has been accumulating evidence of overlapping U.S. and Soviet interests in making political arrangements in several *regional* conflicts to facilitate the military disengagement of the Soviet Union or its clients (Afghanistan, Angola, and Cambodia). The United States should continue to exploit opportunities to cooperate with the Soviets in facilitating regional settlements that are consistent with U.S. interests. This may entail continued U.S. support for insurgencies against pro-Soviet regimes employing communist military

forces from the outside to keep them in power, which has helped bring the Soviets to make more sober cost-benefit calculations in the Third World.

A strategy of step-by-step engagement would call for extending the same political approach and diplomatic style for resolving issues on which there has as yet been little if any progress: Central America (establishing agreed limits on Soviet military aid); Middle East (testing Soviet readiness to move its clients toward settlement of the Arab-Israeli conflict); Persian Gulf (arms export limitations and noninterference in post-Khomeini Iran); Korean peninsula and other future hot spots.

Bilateral relations. In economic policy, the United States should try to phase liberalization of trade (relaxing technology transfer controls, repealing the Jackson-Vanik and Stevenson amendments, reopening the Export-Import Bank credit window, admitting the USSR to international economic organizations (IEOs)) with indications of substantial change in the structure of East-West relations and in the nature of Soviet society. But this does not mean trying to repeat previously failed efforts to design explicit quid pro quos (such as Most Favored Nation treatment and U.S. government loans in exchange for higher levels of Jewish emigration), because the values involved are not coordinate and we can't fine-tune the economic quids very well, especially with our allies. In the 1970s the United States sought Soviet performance that would be an exception to the generally repressive practices then prevailing. Now Soviet domestic policy is moving toward liberalization to an unprecedented degree, reinforcing the case for a more generalized linkage of Western trade liberalization to continued positive change in the USSR.

It may now be appropriate for Washington to end U.S. denial of Soviet access to U.S. government loans and guarantees. In this initial phase, the United States should still seek to minimize the transfer of militarily relevant dual-use technology. With our allies, we should emphasize sustainable export controls, recognizing this probably means reducing their number and frequently reviewing lists. With continued positive Soviet change, the West might consider agreeing to greater Soviet involvement in IEOs, under the condition that the Soviet Union has to adapt to the practices and goals of the IEOs—a process we should favor—rather than the other way around—a contingency we shouldn't fear all that much in any case because Soviet economic leverage is so limited.

Placing *human rights* on the agreed official agenda is an important innovation of the new phase in U.S.-Soviet relations, because it provides a legitimized vehicle for direct U.S. access to the evolving Soviet domestic scene, which will be very useful in monitoring and assessing

Soviet change. If Soviet human rights performance continues to improve, it will be as part of a sustained process of internally driven societal change. The West exerts enormous influence primarily by our very existence and the force of our example. We can perhaps nudge the pace of such change by holding the Soviet leaders up to the highest standards of their new-found commitment to human rights. We should welcome evidence they are living up to those standards, condemn departures from them, and highlight remaining obstacles.

Human rights issues play a less immediate role in the imperative security aspect of our relations than in optional aspects, such as trade. But in the long run, the condition of human rights in the Soviet Union will determine the upper limits on progress toward a more cooperative East-West relationship generally, including security relations. Consideration of fundamental alterations in the existing international security system will be warranted only in the advanced stages of gradual systemic change in the Soviet Union itself, in which the overall condition of human rights will be the most sensitive indicator.

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CONTENTS

PREFACE iii

SUMMARY v

ACKNOWLEDGMENTS xvii

Section

I. INTRODUCTION 1
- Purpose of the Report 1
- The Domestic Policy-Foreign Policy Nexus 2
- A Strategy for U.S.-Soviet Relations in the New Phase . . 5
- Outline 6

II. THE USSR YESTERDAY, TODAY, TOMORROW 7
- The Brezhnev Legacy 7
- The Gorbachev Program 9
- Contrasting Western Views on Soviet Change 14
- Alternative Soviet Futures 18

III. IMPLICATIONS FOR U.S.-SOVIET RELATIONS 23
- General Implications 23
- Alternative Western Strategies 24

IV. A STRATEGY OF STEP-BY-STEP ENGAGEMENT 29
- A New Dialogue with the USSR 29
- Why Step by Step? 34
- What Fundamental Soviet Changes Are Required? 36
- What Can the West Offer in Return? 39
- Building on the Old Agenda 41
- Reprise 55

I. INTRODUCTION

PURPOSE OF THE REPORT

U.S.-Soviet relations form a central issue of any administration's agenda, if only because no power other than the USSR is capable of destroying the United States. The issue assumes new and particular importance now because the Soviet Union is engaged in a wide-ranging program of internal change that General Secretary Mikhail Gorbachev describes as "revolutionary." At the same time, the Kremlin seems to be rethinking its national security interests and strategy. What difference has the advent of Gorbachev made to the character and behavior of the USSR? How has this affected U.S.-Soviet relations since he took over? How might Soviet internal and external behavior develop in the foreseeable future? How would that development affect the nature of the Soviet threat? What should U.S. policy toward the USSR be under these conditions? These questions, fundamental to any consideration of U.S.-Soviet relations at the present, are the concern of this report.

Discussions of these fateful issues are taking place across the United States, and counterpart debates have been in process throughout the Western world. In the past, the American public was often hard-pressed to understand the issues because the participants in the debate, whatever the quality of their contributions, and whether these were analytical or policy-prescriptive, tended to talk past each other. They often failed to come to grips with their different assumptions, perceptions, forecasts, and values. One of the purposes of the first half of this report is to expose the logical and empirical underpinnings of conflicting analyses and divergent policy recommendations in this area. We will try to distinguish what we believe we know about Soviet policy and behavior from what we do not know and from what may be unknowable. We will try to define differences among various currents of thought and opinion, in terms of the structure of their argument and in relation to our sense of the uncertainties about the present and future of the USSR. In the second half, we will set out our personal views of an appropriate U.S. strategy.

THE DOMESTIC POLICY-FOREIGN POLICY NEXUS

Debate in the United States on policy to the Soviet Union centers on whether the USSR is changing sufficiently to justify or require a change in U.S. policy. At issue on the Soviet side are changes in both internal and external policy, in leadership views and behavior, and in the processes and structures of Soviet society.

Why has the West seen the Soviet Union as presenting a major security threat? In the first instance, of course, it is because of Soviet military capabilities and external behavior: the creation of formidable military power, with the military structure, doctrine, and deployment patterns that accentuated the Soviet forces' offensive potential; insistence on maintaining hegemony over the unwilling nations of Eastern Europe, enforced by massive Soviet troop deployments on their soil that also threatened Western Europe; a policy toward Western Europe that sought to remove the U.S. nuclear umbrella and sever the Atlantic alliance; involvement in the Third World that seemed bent on substituting Soviet presence and influence for Western positions. For many Westerners the threat presented by Soviet goals, external policy, and behavior was magnified by their apparent connection to the central features of the Soviet system—communist ideology, totalitarian or authoritarian social-political structure, and centralized, military-favoring economic organization, erected on geographical-historical foundations that surely also influenced Soviet behavior patterns.

The nature of the links between these domestic foundations and Soviet external behavior has presented an enduring problem for Western policy. One Western view, emphasizing the systemic rootedness of Soviet external behavior, has seen the USSR as aggressive and expansionist by its very nature, a product of the fusing of Russian geography, history, and culture with communist ideology. Soviet expansion and aggression could be contained or deterred by appropriate displays of Western strength; but meaningful and enduring change in Soviet external behavior—certainly, in Soviet expansionist aspirations—could come only from the fundamental transformation of the Soviet system itself or from its collapse. The decisive impetus for transformation of the Soviet system could only be internal crisis; from the outside, internal change could best be promoted by denying Soviet leaders external sources of relief from growing internal strains, assistance that might enable them to escape the need to risk truly system-altering change. On the whole, this viewpoint was associated with American political conservatives.

A competing view conceded that the communist system imparted some distinctive features to Soviet external behavior. It held, however,

that Realpolitik considerations (a pragmatic politics of objective realities rather than ideology), especially those arising from the U.S.-Soviet nuclear superpower relationship, had since the 1960s come increasingly to dominate the Soviet foreign policy calculus. Long-term Soviet goals might be "ambitious" and the rhetoric unsettling, but Soviet external behavior could be modified in important ways by appropriate Western policy. Acceptance of Realpolitik made the USSR amenable to a broad range of cooperative arrangements with the West that could be mutually beneficial. This school, moreover, was skeptical of Western ability to influence internal Soviet processes. Thus, the policy conclusion was to try to influence Soviet external behavior by concentrating on the international environment of Soviet decisionmaking, rather than attempt to change the Soviet system. This viewpoint was generally held by American political liberals but also by many moderates in both parties.[1]

The first view, focusing on the Soviet system, was consistent with the mainline American conception of the conflict with the Soviet Union as more than a contest of military power and over international influence and presence, but as ultimately a struggle of values concerning human rights and the good society. The second view, which concentrated on Soviet foreign behavior, reflected American hopes that it would prove possible to live peacefully with the USSR, even though it remained Soviet. The guiding strategic conception of U.S. policy since World War II, the doctrine of containment, supposedly integrated these contrasting outlooks by suggesting that sustained containment pressures would ultimately mellow, dissolve, or transform the Soviet system. However, whereas containment was a clear imperative for U.S. and Western security, Soviet system change was only a probability estimate, with varying likelihood values attached by different observers at different times.

The uneasy and unstable coexistence of these views makes the West prone to wide, sometimes wild, swings of national emotion in response to particular events and changing circumstances. Summit meetings featuring jovial and personal exchanges humanize the adversary and reawaken Western inclinations to believe that, at bottom, they are "just like us." A KAL 007 shootdown or Afghanistan invasion evokes the charge that the Soviets are showing their "true nature" and brings into the foreground a tendency to view the USSR as an immutable enemy. In the optimistic environment of detente in the early and mid-1970s, little importance was attached to whether the domestic

[1]Many political liberals, however, emphasized improvement of human rights in their approach to policy toward the Soviet Union.

foundations of Soviet foreign policy were changing (they were not). When detente turned sour after the mid-1970s, it was difficult to see or credit the (admittedly weak) signs of gradual Soviet security accommodation with economic realities at home (flattening of the growth of Soviet military procurement from 1975) and political-military realities abroad (increasing skepticism about the value of Third World commitments in the first half of the 1980s).

With the advent of Gorbachev, domestic and foreign policy change seem to be coming together. This has proceeded far enough for many people in the West to believe that for the first time since the death of Stalin, the Soviet system *is* being transformed. Gorbachev himself interlinks the domestic and the foreign: He proclaims that Soviet foreign policy is now framed to create a favorable environment for domestic restructuring, which, he recognizes, has favorable effects on the Soviet image abroad and, therefore, on Soviet foreign policy prospects. More eye-catching and arguably more important, Gorbachev's declaratory foreign and defense policy is explicitly different from that of his predecessors, and he seems determined to force through substantial economic and political change.

Naturally, Americans are debating whether we are witnessing the triumph of containment and, if so, whether the policies of the Reagan administration were instrumental in bringing it about. More important to the development of U.S. policy is the fact that these developments have had a paradoxical and disorienting effect on U.S. liberal/conservative policy predispositions toward the Soviet Union. Liberals, as noted, have been more inclined to attach greater weight to the international environment in general and to Western policy in particular as factors determining Soviet international behavior. Now, with Gorbachev, liberals emphasize the favorable foreign policy consequences of Soviet internal change and they argue for a Western policy that deliberately seeks to promote internal change in the USSR. Conservatives, however, have tended to argue that only internal transformation could make the Soviet Union the kind of state with which "normal" relations might be possible. But now that far-reaching Soviet internal change is at least a serious possibility, they are skeptical of the potentially favorable implications for Soviet external behavior and wary of Western policy that supports such internal Soviet changes.

A STRATEGY FOR U.S.-SOVIET RELATIONS IN THE NEW PHASE

The old anchors of the Western policy debate on East-West relations seem to be floating away before our eyes. New possibilities appear on the horizon that many Westerners believe (or hope) are transforming the parameters of the West's debate. New linkages between internal and external Soviet developments are unfolding. Some Western leaders and analysts, who see Soviet external accommodations as flowing almost inevitably from internal reform, identify Gorbachev's success so closely with Western interests that they would make "helping Gorbachev" and promoting Soviet reform objectives of Western policy. Other Western observers fear that shadow is being mistaken for substance and promise for reality already attained. They see in successful Soviet economic reform only one certainty—that the resource base at the disposal of Soviet leaders would become larger and more sophisticated. Western interests, in this view, would be better served by a policy of impeding rather than promoting Gorbachev's modernizing reform.

How then should the United States conduct itself in this new phase of Soviet-American relations? Our conclusions are developed at length in this report. Briefly, they are as follows:

In the nearly four years of Gorbachev leadership, important changes have indeed taken place in Soviet policy and behavior, foreign and domestic. More significant than the alterations that have already occurred is the potential for further change, in the nature of the East-West relationship and in the character of the Soviet system itself, the foundation of Soviet external behavior.

At the same time:

- The West cannot be certain at present whether Gorbachev is committed to a long-term process of accommodation with the West or whether he is seeking a mid-term breather to strengthen the domestic foundations of Soviet military might, preparatory to more effective resumption of the competitive struggle.
- Powerful forces in Soviet society are resisting radical change in various spheres. Partly for this reason, the pattern of change in Soviet domestic and foreign policy is complex; "new thinking" and "old thinking" coexist in Soviet behavior in varying mix.

- The outcome of the domestic political struggle, as well as of other internal and external processes affecting the course of Soviet development, is highly uncertain.
- The West's ability to affect these processes is limited, except at implausible and unacceptable policy extremes of military belligerence or Marshall-plan benevolence.

Under the circumstances, U.S. strategy, as part of a broad-based alliance approach, should actively search out such changes in Soviet policy as would advance long-term U.S. and Western interests, especially the interests of peace and security. We should continue to pursue long-standing objectives of regularizing the East-West competition in existing frameworks for peaceful encounter with the Soviets. But the international environment brought about in the last few years makes it possible to explore new horizons of understanding with Moscow. At the same time, we should hedge against the multiple uncertainties of Soviet development, including the possibility of Moscow's reversion to a more hostile, more adversarial stance.

OUTLINE

In Sec. II we discuss the character and extent of change under Gorbachev in the context of his perception of the problems inherited from his predecessors. We consider the principal uncertainties about Soviet change and sketch out alternative Soviet futures that might result from divergent patterns of change in key factors of the current scene. The main lines of the U.S. debate on Soviet development and the belief systems that underlie the various Western approaches are also examined. Section III then draws the general implications for U.S.-Soviet relations of Soviet change, its uncertainties, and alternative outcomes, and examines possible Western strategies of East-West relations that have been advanced. Our preferred strategy for conducting U.S.-Soviet relations in the next decade is developed in Sec. IV, which sets out the overall rationale and then the possibilities, opportunities, and requirements of a broad-gauged dialogue with a changing Soviet Union; finally, we examine the links to the recent agenda of American-Soviet discussions.

II. THE USSR YESTERDAY, TODAY, TOMORROW

THE BREZHNEV LEGACY

To appreciate where Gorbachev wishes to take the USSR, it is necessary to understand his point of departure—an apprehensive view of the state of the Soviet economy and society, of its internal and external policy: He spoke of the country being in "pre-crisis." A survey of the domestic and foreign scenes in the early 1980s would indeed have revealed a sobering array of problems. Domestically:

- Economic growth, once robust and a basis for Kremlin boasts about the superiority of the Soviet system, slowed in the 1960s, but the retardation became precipitous in the late 1970s and 1980s. Near or actual stagnation also meant widening of the technological gap with the West, continued inability to diversify Soviet exports away from dependence on raw materials (particularly oil), and even deterioration of living standards. The prospect of continued economic decline relative to the West threatened not just the military power and international prestige of the Soviet Union but also the stability of its internal order.
- The Soviet Union appeared a sick society as well as economically stagnant. Alcoholism was rampant and, as we are learning now, drug addiction and various categories of crime (on a smaller scale) were also increasing. Public health conditions were bad enough to be screened from public knowledge: The sensitive indicators of deteriorating birth and death rates were banned from publication until the mid-1980s. A shadow economy, operating side by side with the official, engendered widespread official corruption, undermining public respect for authority and belief in the probity of the nation's leaders. Indifference to politics and official ideology were pandemic.
- Despite official assurances of harmony among the numerous ethnic-national minorities of the USSR, nationalist resentment boiled not far beneath the surface in a great arc from the Baltics through the western and southern regions of the USSR to Central Asia.
- Possibilities of change—economic, social, or political—seemed frozen under an ageing, sclerotic leadership whose chief goals seemed to be stability and continuity.

In foreign affairs:

- Brezhnev's military buildup and modernization, as well as his Third World interventionism, evoked a backlash in the form of a countering Western military buildup, especially in the United States.
- After several years of continuing real decline (net of price change) in the U.S. military budget, spending increased under President Carter. The buildup was greatly accelerated and broadened under President Reagan and, to Moscow's expressed consternation, moved increasingly in the direction of high technology (SDI, sophisticated conventional weaponry), an area of conspicuous Soviet weakness.
- In Western Europe, Soviet threats and warnings failed to head off NATO's deployment of intermediate range missiles. NATO's resolve and the collapse of the Soviet campaign came as a shock to Soviet leaders, dealt a blow to Moscow's prestige, and encouraged a U.S./Western hard line.
- In Eastern Europe the debt crises of the early 1980s were (temporarily) overcome almost entirely at the expense of economic growth and consumption standards. The persistent economic weakness of the bloc underscored the handicaps of undemocratic regimes in asserting the legitimacy of their authority and in defending the hegemonic role of the Soviet Union. Because of these connections between economic troubles and political resentment, major economic reform, so badly needed to reverse economic stagnation, carried with it threats of destabilizing the communist regimes and the Soviet-East European relationship.
- Brezhnev's policies toward China deepened and hardened the Sino-Soviet split. The lavishly excessive Soviet military buildup opposite China drove Chinese suspicion and hostility so far that even the death of Mao initially made no difference. Indeed, by the end of the 1970s, there was profound concern in Moscow about a "two-front" threat, as Beijing and Washington seemed to be edging toward an anti-Soviet security partnership. The USSR was the odd man out in a strategic triangle in which the only set of good relations was Sino-American.
- In the Third World, the cost of maintaining Soviet commitments escalated, particularly because of the appearance or strengthening of anti-regime resistance in Afghanistan and other Soviet-allied or Soviet-leaning countries of Africa (Angola, Ethiopia, Mozambique), Southeast Asia (Cambodia), and Central America (Nicaragua). Under the Reagan doctrine,

the United States was more willing to actively support anti-communist insurgencies. Moscow seemed incapable of crushing these counterrevolutionary threats, or unwilling to undertake the costs.

- As clients weakened, Soviet prestige declined, and the West was emboldened, the Kremlin felt increasingly isolated.

Gorbachev would undoubtedly demur on some of the characterizations used above, but the general tenor and most of the particulars of what amounts to a damning indictment of the Brezhnev leadership and the Soviet system in the early 1980s can be documented in his speeches and writings, as well as in those of his colleagues and close supporters. Certainly, most Western students of the Soviet Union would accept the picture as accurate. Western analysts were indeed generally familiar with the elements of this picture, although with few exceptions they would not have used quite as gloomy colors in the early 1980s as is customary now in both Soviet writings and Western assessments. Gorbachev himself claims he did not have a full appreciation of the extent of the "pre-crisis" when he came into office (although he may have tactical reasons to claim partial initial ignorance). In any case, his public sense of the gravity of the national disorder visibly deepened with time.

THE GORBACHEV PROGRAM

The program of change Gorbachev has undertaken to resolve this multi-layered "pre-crisis" has evolved over time, and it has distinctive domestic and external components. At this point, the hallmarks of *domestic* Gorbachevism are contained in the slogan troika of *glasnost, demokratizatsiia,*and *perestroika.* It is a tribute to his showmanship and the remarkable worldwide interest in recent Soviet affairs that these Russian terms need no translation for educated Western audiences. Among the three, "democratization" has produced the least Soviet change in Soviet society. Until recently it was chiefly a means to encourage greater worker participation in factory production management and greater popular involvement in discussion of local, regional, and national issues. The June 1988 Party Conference may have set in train more important changes in the relation between the Communist Party and the economy and government, as well as in electoral procedures for Party and government bodies, but as Soviet liberals have protested, many of the proposed changes seem far from democratic.

The process of societal transformation is perestroika; so far it has produced mixed results. The principal content of "restructuring" is

economic, which has two main thrusts—industrial modernization and economic reform. Gorbachev's initial concern on coming into office was to rescue the economy from stagnation. He pledged to accelerate growth, sharply upgrade the economy's technical level (in Gorbachev's words, "reequip all sectors of the economy on the basis of contemporary achievements in science and technology"), and raise the quality of Soviet output in order to satisfy the demands of domestic users and broaden the appeal of Soviet goods to foreign purchasers. His gradual recognition that the Soviet system itself stood in the way of achievement of these goals apparently impelled him increasingly to propose substantial economic reform—complete financial autonomy of enterprises; sharp reduction in the functions of central planning and administration; much greater reliance on wage, income, and price differentials for incentives and decisionmaking.

The scope and scale of reform enacted into law look impressive, but actual change lags uncomfortably behind. The ministerial bureaucracy in the first instance but, more important, perhaps, the central planning organs that supposedly reflect the will of the Party leadership have resisted and subverted a set of reforms that was incomplete to begin with. Soviet managers have not really been liberated from the grip of centralized administration; there is almost no competition among producers and distributors; prices are still largely administered from above, yielding misleading signals for resource allocation decisions. Intellectual and ideological resistance also plays a part in obstructing the course of reform. The result of partial and obstructed reform is decidedly unsatisfactory economic results. Little progress has been made in raising consumer satisfaction or production quality; the goal of meeting foreign competition other than in raw materials remains distant.

Having been largely stymied in economic reform, Gorbachev is now seeking a set of political reforms that would weaken or eliminate antireform forces, break the hold of the ministerial bureaucracy on economic progress, and curb the Party's micromanagement of economic activity without sacrificing its strategic control of the economy or its monopoly of political power. The process is in its early stages, so it is too soon to assess results, but getting Party leaders to relinquish venerable power positions is bound to be a difficult and politically delicate task.

The most important changes thus far in Soviet life have been brought about by glasnost. No observer of Soviet affairs can fail to be struck by the extraordinary difference in the content and tenor of Soviet public discussion, compared with the situation prevailing just a few short years ago. One by one the former taboos and sacred cows are

being discarded or destroyed. Even Lenin has been criticized, although gingerly and rarely to be sure. Current Politburo members, with the still conspicuous exception of Gorbachev, are no longer automatically immune, although there is by no means an open season in the Soviet press; and the military and the security forces are gradually coming under the glare of public examination. The Soviet Union is far from a free society, but in a remarkably short period the constraints on free expression have been substantially weakened.

Glasnost continues to be the main lubricant of political change. It has transformed the attitude of most of the intelligentsia to the regime, making that group Gorbachev's most important ally in the struggle for change. Glasnost helps enlarge the pool of bright ideas, thereby helping Gorbachev escape the limitations of narrow circles of Party and government specialists. By the harsh light it has cast on the errors and crimes of the past, glasnost undermines perestroika opponents, while the elimination of former taboos makes the idea of change respectable. Thus, glasnost helps generate and maintain a momentum for change.

Along with desired change, however, the regime has also encountered less palatable effects of reform and liberalization. The considerable easing of censorship of ideas and the loosening of social controls has brought to the surface ethnic-national tensions, of which the bloody disturbances in Armenia and Azerbaidzhan are only the most visible sign. Agitation for economic and political autonomy in the Baltic republics has been formalized in regional legislative resolutions and has spilled over into massive street demonstrations. Still other nationalist problems, in other regions of the country, are waiting in the wings. Conflict among nationality groups and between the central authorities and the minorities could seriously affect the balance of political forces in the Soviet Union, threatening the political survival of Gorbachev personally and of his reform program. More generally, glasnost, perestroika, and demokratizatsiia have escalated popular demands on the state that are difficult or even impossible to meet, and these demands are being articulated with increasing vociferousness.

Gorbachev's *foreign and security* policy is said to be the product of a "New Thinking." Among the leading propositions of this new orientation are:

- the interdependence of all parts of a highly interrelated world,
- the dependence of superpower national security on international mutual security,
- the prevention of war as the guiding principle of military preparations, and

- the need for sharp reductions in military force levels.

Perhaps the most remarkable intellectual manifestation of "New Thinking" is the increasingly bold criticisms of Moscow's foreign and military policy under Stalin and his successors as having been at least partly responsible for Western hostility to the Soviet Union. Broad new initiatives and major concessions in the arms control arena, as well as in the Third World, have also been advertised as concrete applications of the "New Thinking."

The most radical shifts involved in the "New Thinking" are associated with Soviet security policy. As noted, it is now asserted that Soviet security cannot be assured by Moscow's defense efforts alone: To prevent an endless, dangerous, and counterproductive arms competition (that incidentally also accentuates Soviet economic weaknesses), assuring Soviet security requires the satisfaction of the basic security needs of the USSR's adversaries as well. Soviet military force planning is now supposedly governed by criteria of "reasonable" (more accurately, "rational") "sufficiency," with goals limited to defense of the homeland and its Warsaw Pact allies. At the same time, the Soviet Army under Gorbachev will seek to implement a military doctrine of "nonoffensive defense." These purported changes in attitude seem to imply Soviet readiness not only for restraint in military force development and use but, more important, willingness to eliminate imbalances between East and West and to restructure Soviet forces in ways that would substantially diminish their offensive threat.

Most Western observers of Soviet military affairs have been inclined to take a wait-and-see attitude on these assertions, because the evidence that they are being realized in Soviet defense policies and programs is either unavailable, deferred to the future, or made dependent on mutual agreement with the West. In the unprecedented sets of meetings between the highest level Soviet and American defense officials in 1988, the American side was assured that the evidence of real change would soon be forthcoming. Before the UN General Assembly on December 7, 1988, Gorbachev promised to withdraw six Soviet tank divisions from the GDR, Czechoslovakia, and Hungary as well as to thin out the tank complements of the remaining forces in those countries, as a result of which, he said, the forces' structure "will become clearly defensive." The Soviet military budget, however, remains secret, except for a single number that Moscow now admits is only part of the whole; Soviet force modernization appears to be continuing at its recent pace; Soviet military operations and doctrine have shown few changes that might reflect the announced new military philosophy.

There have been important shifts in Soviet arms control negotiating positions, however: Soviet consent to remove the intermediate range missiles deployed in Europe and Asia and to intrusive verification procedures made possible the signing of the INF treaty; Soviet acceptance of the principle of deep cuts in strategic nuclear forces, particularly in heavy ICBMs, where they have had a major advantage, has enabled substantial progress toward a START agreement. Looking to a set of negotiations that is still in preparation, Moscow has also agreed in principle to asymmetric reductions of conventional forces. The announced unilateral cut in Soviet forces in Eastern Europe, if it appears to be implemented, is likely to accelerate the movement to Conventional Stability Talks (CST). However, Soviet spokesmen, apparently unwilling to accept a concept of net asymmetry, have insisted on unbalanced cuts in elements of Western forces—for example, "strike" aircraft—where, the Kremlin maintains, the West has the advantage, to compensate for deeper Soviet cuts in tanks. Also, Moscow continues to press for complete denuclearization of Western and Central Europe, which would undermine American extended deterrence and erode trans-Atlantic ties. Thus, the proposal raises doubts in Western minds about ultimate Soviet intentions.

In Soviet external behavior, too, there are mixed signals, although the changes in policy are important. The most prominent and dramatic of these is the Politburo's decision to withdraw Soviet forces from Afghanistan, a decision that few Western analysts or politicians believed possible just a few short years ago. At this writing, there is still some uncertainty whether the withdrawal will be completed on time, or indeed at all. In the West it seems to be the general belief, nevertheless, that Moscow has little choice but to complete the withdrawal. In Angola, clearly, and in Cambodia, less certainly, Moscow is supporting settlements that would include withdrawal of its clients' forces (Cuban and Vietnamese). More generally, the Soviet leadership appears to have recalculated the costs and benefits, political as well as economic, of Brezhnev's Third World interventionism. In consequence the priority of that arena in the Kremlin's perspective seems to have been sharply reduced, especially with regard to the poorer and strategically marginal parts of the Third World, where the USSR had invested fairly heavily. There is no evidence at present of substantial new Soviet commitments, and in view of the heavy resource requirements of domestic restructuring, one would expect Moscow to be wary of costly reengagement in the near future.

With regard to China, the application of "New Thinking" has accelerated the process of normalization that was already in train at the very end of the Brehznev era. While Gorbachev's conciliation of

the Chinese, for which he will presumably be rewarded by a summit in Beijing later this year, hardly serves the West's strategic interests, it cannot be faulted as a hostile act. China and the USSR, huge communist states in the throes of difficult and complex internal reform, share an interest in a less stressful political relationship, reduced military competitiveness, and quiet boarders. But China has nothing to gain and much to lose from moving beyond normal relations with the USSR toward a renewed security partnership against the West; and Moscow seems well aware of the limits of Sino-Soviet rapprochement. Thus, Soviet foreign policy, and particularly its Asian policy, is now less hemmed in by what was for so long an obsession with the "Chinese threat," but from the West's perspective China will continue to serve as a massive—if now more passive—counterweight to any revival of Soviet expansionism in Asia.

Has Soviet foreign policy then changed in a fundamental and enduring sense? It would be entirely premature to believe that Moscow has abandoned all efforts to gain advantage directly or indirectly at the expense of the West. The Kremlin is still trying to exploit internal differences in the Western alliance, to erode or break U.S. extended deterrence in Europe (by, for example, pushing complete denuclearization). Remarkably, the systematic and substantial intrusions by Soviet submarines into Swedish harbors and coastal waters that began in the 1970s are continuing to this day. In the Third World, too, the USSR will remain in sometimes vigorous competition with the West, as Moscow seeks to play a more effective role in regional politics (e.g., in the Near and Middle East).

CONTRASTING WESTERN VIEWS ON SOVIET CHANGE

Tens of thousands of people demonstrate in the capitals of Estonia, Latvia, and Lithuania, *with official sanction*, in bitter commemoration of the 1939 Nazi-Soviet agreement that led to Soviet annexation of the Baltic republics. The Estonian parliament, led by the regional Communist Party chief, asserts its sovereign prerogatives over Soviet law. Stalin is denounced on Soviet TV screens as a criminal responsible for millions of unnecessary deaths. Soviet citizens openly and with impunity call for democratic elections in a multi-party system. In the words of A. M. Rosenthal in the *New York Times* (August 12, 1988), "Is Soviet Tyranny Dead? Are the Struggles Over?" One answer offered to that question is still in the negative: In this skeptical view, Gorbachev is maneuvering the West into granting him a badly needed respite from a losing competition, so as to rebuild the USSR's

competitive potential. The well-publicized changes of glasnost and perestroika, the argument proceeds, are temporary concessions reversible at the appropriate time. A French journalist (Annie Kriegel of *Le Figaro*) dubbed perestroika "a formidable happening, a gigantic logorrhea." From the other end of the spectrum, Gorbachev's goal, or the ultimate outcome of the dynamic of current Soviet change, is seen as conversion of the Soviet polity to democratic pluralism and the Soviet economy to a variant of market socialism that will differ little from the regulated capitalism of many European countries.

These polar views of the significance of Soviet domestic change have counterparts with regard to Soviet foreign and security policy. At one end, the "New Thinking" is seen as a smokescreen, behind which Soviet military modernization for offensive superiority proceeds as usual, and the Kremlin is only waiting for favorable opportunities to advance its geopolitical aims at the West's expense in the manner of the mid-1970s. Those at the other end of the spectrum believe the Soviet military apparatus is coming under as radical a restructuring as the economy and society, one that will sharply reduce force levels and transform their doctrinal orientation; these changes are judged in keeping with a new Soviet foreign policy perspective that sees cooperation bringing greater benefits than aggressive competition.

Between these poles there are, of course, many intermediate positions. There are those who are also skeptical about the extent of change already achieved or about the dedication of Gorbachev's Politburo colleagues to reformist and internationally cooperative goals but who, like Margaret Thatcher, view these considerations as

> secondary to whether [Gorbachev] or indeed anyone can limit change once it starts. If we believe that the human spirit's deepest urge is for freedom, then we have to believe too that the more freedom is granted, the more it will be wanted, and this convinces me that I am right to be giving full support to the policies of perestroika and glasnost. (Speech in London, January 13, 1988.)

Others are more impressed with the political, bureaucratic, and national-psychological obstacles to change in the USSR and therefore less optimistic about the outcome. Still others grant the novelty and excitement of current Soviet developments but give greater weight to concerns about the modernization of Soviet military and economic capabilities.

Underlying these contrasting views on the shape and meaning of current Soviet developments, but unfortunately rarely articulated, are both multiple uncertainties and divergent assumptions about key variables. A critical set of issues revolves around Gorbachev, his goals and

his role. Unlike Woody Allen, who claimed to have failed a philosophy class because he peered into his neighbor's soul, most of us cannot read the inner thoughts of any leader, at home or abroad. Gorbachev's ultimate goals must be assessed from what he says, how he behaves, and how others relate to him. This is equally true, of course, of the other top leaders who are his allies or opponents. Much of the existing evidence bearing on these difficult questions is unknown to us, and the rest is subject to interpretation, in which the mind-set of the interpreter is an important screen. Not unexpectedly, those who ascribed global-expansionist objectives to Gorbachev's predecessors are more inclined to see Gorbachev as an astute tactician dedicated to traditional goals; others, who believed Soviet objectives were realistically limited even in the 1970s, are more likely to credit Gorbachev with the intent to lead a troubled society into democratic consumerism and true coexistence with the West.

Whether Gorbachev will remain in office and, if not, who would take his place are judgments that should be made on the basis of assessments of the current balance of political forces and the factors acting on that balance in one or another direction—all with large elements of the unknown and the unknowable. Even if Gorbachev were assured a long term of office, prediction of the Soviet future would require forecasts of his future goals, assessments, and perceptions, as well as of a host of other important domestic and foreign variables, all distinguished by their uncertainty.

There is little dispute in the West on the immediate character of Gorbachev's domestic program—for example, the goals of economic progress and the means chosen to accomplish them—because the Soviet information here is detailed, specific, and copious. Not so Gorbachev's foreign and security program, on which the discussion in the Soviet press tends to be general and vague with regard to key details. Consequently, the meaning and intent of the Soviet "New Thinking" is controversial in the West. The new slogan of "reasonable" or "rational sufficiency" of military forces, for example, seems unclear even to many Soviet writers; and no wonder, because among other difficulties, the concept is not embodied in a published five- or ten-year defense plan and budget. There is considerably more room for subjective interpretation of the immediate purposes and instruments of Gorbachev's external than of his internal program.

Assessing program results, actual change, is inherently a more subjective exercise than reviewing program ends and means. The pace of change in different spheres of program activity is generally uneven, and various observers may average divergent outcomes very differently. The quality of Soviet information on implementation is decidedly

inferior to that on programs, and the imperative to make the record look good persists even under glasnost. It is not surprising, therefore, that there is a wider dispersion of Western judgments on the extent of realized than of intended change. If this applies in the first instance to domestic economic and social programs, it is even truer of security policy, where the paucity of hard evidence opens the door to sheer speculation.

There is much less dispute about the qualitative economic and social progress achieved under Gorbachev, not because different schools arrive at convergent results, but because most analysts are dependent on Soviet reports and on the more or less independent evaluations of Soviet data performed by the U.S. government, especially the CIA. In the past, such government analyses have been criticized as both understating and overstating Soviet economic growth and its major components. The bulk of the criticism, however, is directed at possible overestimation, charging that the Soviet raw statistics, which are inevitably the foundation of all outside evaluations, overstate quantitative increases and qualitative improvements and understate price inflation. Those who regard these criticisms of CIA analyses as merited may also discount in varying degree the estimates of Soviet change under Gorbachev, although these display little optimism from a Soviet point of view.

Controversy over the degree of progress in economic reform takes place less over the facts of change than on the potential of reform and the intentions of the leadership. We know, for example, how few individual and cooperative profit-oriented enterprises have actually been established; we have a reasonably good sense of the degree to which the autonomy of state enterprises and collective farms is still constrained by central regulation. But those who take a particularly jaundiced view of reform's prospects are factoring in perceptions about Soviet ideological rigidity, political and bureaucratic resistance, and perhaps also criteria of "real" or effective reform that are judged to require more or less capitalist forms of economic organization. On the other side, reform optimists tend to downgrade the importance of these factors and to place more emphasis on the Soviet leaders' perception of the necessity of reform and the possibilities of perfecting the present, admittedly incomplete, mechanisms.

The uncertainties of political change encompass not only the "real" goals of the various leadership factions but also their current relative strengths and the likelihood of developments that could substantially affect the balance. An example of such a development might be major changes in the center's ability to control national minority agitation for greater economic, cultural, or political autonomy: for example, an

attempt, perhaps even a successful one, by a minority republic to exercise its nominal right to secede from the Soviet Union. Another important issue concerns the reality, extent, and political importance of the Soviet military's discontent with constrained budgets, enforced doctrinal-operational restructuring (to the degree that proves real), arms control concessions to the West, and erosion of the sacrosanct status enjoyed by the military under Brezhnev. Under what circumstances could that discontent weigh heavily in the balance of leadership forces? Those Westerners who are bearish on Gorbachev's chances of political survival, or on the continuation of a radical reform thrust, attach great weight to the likelihood of degenerative strains on the leadership balance and the power of conservative traditions in the society. To be bullish about Gorbachev's chances, in contrast, suggests confidence in the ability of the reform camp to overcome these challenges.

A major factor in such an evaluation is the importance of "momentum," whose potential is suggested in the metaphors of "stuffing the genie back into the bottle" or "closing Pandora's box." Alexis de Tocqueville concluded from studying the Old Regime in 18th century France that authoritarian regimes are most vulnerable to radical change when they begin to reform. Those who, like Margaret Thatcher, emphasize the factor of momentum may be right in believing that Gorbachev's Soviet Union has aroused expectations to a degree that will not easily tolerate retrogression or even standing pat. The formulation is vague, however, in the critical details of the political scenario that drives such an outcome, and one cannot rule out an alternative outcome of current uncertainties—reaction and retreat from major societal change, for example.

Whither the USSR, then? We suggest that in a period of such intellectual, social, and political ferment, the uncertainties about Soviet change are particularly numerous and great. They point to divergent alternative possibilities, and it is therefore important to be specific about the principal alternative directions of Soviet change.

ALTERNATIVE SOVIET FUTURES

The broad, multi-dimensional spectrum of alternative possible outcomes that results from the uncertainties about Soviet trends can be "sliced" in different ways, depending on the particular factors of change singled out. Some observers might choose to concentrate on the role of ideology, others on foreign and security policy, and so on. Because we have stressed the importance of the internal-external

nexus, we choose to focus on the degree of internal system change—primarily economic and political—and its connection to Soviet external behavior. We examine the possible external consequences of three states of domestic reform: the status quo or slow progress, retrogression, radicalization and rapid progress. In each case, the foreign policy implications of a particular scenario of domestic change are far from self-evident.

Limited Reform

In this alternative, a combination of system inertia, bureaucratic footdragging, popular suspicions, and political opposition would sharply limit the reform impetus, confining it to actual achievements or perhaps with minor further progress. Three subcases of effects on system performance and external behavior suggest themselves.

Improved Performance, External Competitiveness. Despite the constraint on reform, economic performance might improve tangibly through a combination of campaigns for disciplined labor, improved incentives, the payoff of high investment in modernization, and luck—for example, sustained good weather, which would increase agricultural output. (The last element would contrast with the misfortunes that have plagued Gorbachev's restructuring effort so far, especially the disasters of Chernobyl and the Armenian earthquake.) The result would be growth of the total resource pie, easing the leadership's allocation choices among consumption, economic growth, and defense and making more resources available for external purposes. All this would take place without changing the present system of essentially authoritarian-oligarchical political decisionmaking. Soviet foreign policy objectives and behavior might then be less accommodating to the West than now appears to be the case: Domestic economic problems might seem less pressing, resources would be available for continued military force growth and qualitative improvement, and the leadership would be fairly unconstrained by public and interest group pressures to move in a contrary direction.

We do not attach high probability to this scenario. It assumes that Gorbachev is driven only by economic weakness and that some minimal resolution of the economic problem would induce him to abandon "New Thinking" and resume where Brezhnev left off. Further, we are skeptical of the economic growth potential of limited reform. Even if it achieved some economic success it would be unlikely to provide a long-run solution to the Soviet economic problem, so that the Kremlin's satisfaction with this scenario and therefore its duration would probably be short-lived.

Poor Performance, External Competitiveness. If inertia and opposition stifle the reform movement, if Gorbachev is unable to accomplish his program goals, a likely short-run outcome is economic stagnation accompanied by intensified internal unrest and political conflict. There is some tendency in the West to believe that the natural reaction of an authoritarian regime under these circumstances is to seek external diversions to restore unity and erode threats to the regime's control. The ability of Soviet leaders to pursue a competitive foreign policy, however, would still be hamstrung by the inadequate domestic resource base. Western resistance would have to be expected, and failure in the foreign adventures could feed back into strengthened threats to regime control. A rational leadership would have to view such a strategy as risky.

Poor Performance, External Quiescence. The combination of frustrated reform, stagnant (perhaps even falling) living standards, loosening social controls, and political in-fighting would probably strengthen the centrifugal forces of national minority discontent. From the "pre-crisis" that Gorbachev perceived on his arrival, the USSR would pass into genuine crisis and perhaps develop a momentum of degeneration. In those circumstances, the regime would probably have little energy and fewer resources than before for external involvement. This sounds like good news for the West, except that a fragmenting USSR would raise our anxieties about who controlled Soviet military forces, especially their nuclear weapons. In addition, Moscow's effort to hold on to rebellious colonies, in the USSR or in Eastern Europe, could present a genuine threat to East-West peace.

Although this case seems less unlikely to us than the previous one, both appear unstable in the medium or longer term; internal forces might push the USSR onto one or the other of the remaining alternative paths of change.

Retreat and Reaction

This is one quite possible outcome of the present-day clash of policies and ideas. The conditions that could lead to a reactionary movement include stagnation of living standards or their erosion through inflation; rapid dissolution of social controls, expressing itself in increased crime, youth rebelliousness, and general political unrest; and eruption of national minority discontent into demands for secession from the Soviet Union. Such developments would exacerbate the fear of social-political chaos that has been a major theme of Russian and Soviet debates on societal change since the 19th century and would strengthen the forces calling for a restoration of "order." A Soviet

military coup seems unlikely; but a military peeved at reduced resources, unilateral force reductions, and a constrained political role could reinforce the anti-reform faction. Whether it appears in a neo-Stalinist "national Bolshevik" form or is joined to militant great-Russian nationalism, reaction to the fruits of glasnost, demokratizatsiia, and perestroika could substantially alter the internal and external face of Soviet policy.

The platform of reaction would vary depending on its political makeup. A neo-Stalinist version would probably combine accelerated economic modernization with public discipline and minimum reform. The counterpart based on Russian patriotism would attempt to rally the public with a plea to "save the country" from impending catastrophe, and it would call for substituting moral impulses for the profit-making, income-maximizing slogans of perestroika.

A reactionary USSR exploiting the mobilization potential of Russian or Soviet patriotism might mean a return to cold war with the West, diminishing probabilities for arms control agreement, heightened East-West military tensions, and revival of Soviet militancy in the Third World. These do not, however, seem inevitable consequences of retreat and reaction, if only because the economics of reaction would be unlikely to yield a substantial narrowing of the technological gap with the West. As in the poor performance, external competitiveness case, Soviet ability to implement a militant external strategy would probably continue to be resource-constrained. Would-be neo-Stalinist leaders of the nineties might be guided by the example of the prototype a half century earlier, whose hostility to the West was generally kept in check by prudent consideration of the weaknesses of the USSR and the risks of confrontation with a stronger enemy.

Radicalization of Reform

In this alternative, the Kremlin would have recognized the inadequacies of the present situation, as well as the dangers embodied in the previous alternatives, and would sharply accelerate economic and political reform in the direction of market socialism and political pluralism. This could bring economic dividends of qualitative and quantitative growth, as well as the development of formal and informal groups and institutions that would substantially enlarge the circle of policymaking and circumscribe Kremlin decisionmaking.

The foreign policy of such a Soviet Union might indeed be as imagined by those who place great confidence in Gorbachev—accommodation and cooperation with the West, especially in reducing the threat of Soviet military power. Less benign outcomes, however,

cannot be ruled out. Pluralistic political structures do not necessarily imply abandonment of great power ambitions, and the hypothesis of a flourishing Soviet economy with successful technical modernization does imply the economic wherewithal for pursuing such ambitions: Soviet military competition with the West could be raised to a new and potentially worrisome qualitative level. In short, the combination of substantially greater economic efficiency with political stability ruling the Eurasian expanse of the USSR is not automatically a reassuring prospect for the West. East-West partnership on behalf of a secure and stable globe is a conceivable prospect, but it cannot be assumed; it would have to be worked for in ways not unlike those of the recent past.

How likely is radicalization? Gorbachev is certainly seeking to maintain the momentum of reform, but political opposition, bureaucratic inertia, and resistance, as well as popular indifference or even hostility, are still strong. These barriers have driven him to pursue changes in political organization and process, including limitation of the Party's role in running the economy. The needs of thoroughgoing economic reform are increasingly seen to require transformation of the Party's role in the economy and society. But will the Party in fact preside over its own disablement? The alternative of radicalization is by no means assured.

Other combinations of domestic change and external policy consequences can be imagined, most important, perhaps, a fairly prolonged period of slow internal change. Foreign and security policy might then also evolve gradually in the current direction. In short, it would be the present situation indefinitely projected. But the unresolved problems of economic reform, political order, and social accommodation will also continue to threaten the stability of such a scenario.

III. IMPLICATIONS FOR U.S.-SOVIET RELATIONS

GENERAL IMPLICATIONS

The most important conclusion we draw from this assessment of Soviet change now and in the foreseeable future is that the achievements and process of change hold out hope for substantial gains for the cause of international peace and security, but the uncertainties besetting this prospect are large enough to warrant reservations and even some skepticism about its likelihood.

The reasons for optimism depend on two phenomena, the first short term, the second bridging over to the longer term. Until now, recognition of economic, technological, and social national weakness has been a powerful force driving the Politburo to a change of course at home and abroad. The perception of weakness impels a concentration on domestic restructuring and an effort to tailor external policy so as to protect that concentration. It is therefore substantially responsible for Soviet retrenchments in the Third World (reflecting a more sober assessment of cost/benefit ratios), improvements in international atmospherics, and concessions in arms control negotiations.

The second reason for optimism emerges from the Kremlin's attempt to repair the most obvious weakness, poor economic performance. In the process, the Soviets identified systemic roots of the problem, which led to bolder economic and political reform initiatives than had been contemplated originally. These initiatives take on a dynamic that may escape central control, particularly as feedback relations develop among greater liberality in public discussion, political change, and economic reform. The next step is part historical generalization and political analysis but also part assertion: Marketization, competition, and political pluralism would shape a Soviet Union that would reject traditional communist ideology and increasingly institutionalize the attitudes and policies of democratic socialism, perhaps even of liberal capitalism. Even over the longer term such a Soviet Union would be more interested in internal progress than in external rivalry. It might insist on its "rightful" role in international relations, but it would be concerned about insuring a peaceful environment for domestic progress rather than sponsoring destabilizing, pre-Soviet change.

These foundations for hope also contain the basis for reservation and skepticism. If the impetus to change stems from the challenge of weakness, success in meeting that challenge could threaten to halt or reverse much of the progress toward a more benign USSR. There would be less need for single-minded concentration on domestic affairs and greater capability for external involvement. To refute the implied conclusion that Moscow would revert to more aggressive policy requires an argument about benign attitudinal changes that develop from systemic reforms. As noted, this is at least in part a statement of faith. The reliability of these analytical judgments, assumptions, or hopes can only be tested over time, which may amount to decades.

Uncertainties about current and future Soviet trends are extensive and largely irreducible in the near term. It seems prudent to conclude that U.S. policy cannot take a Western-favored outcome of the current Soviet struggles for granted. To act on that basis would risk unpleasant, costly, or even dangerous surprises. Neither are we justified in assuming the inevitability of malignant outcomes, and acting on such an assumption could risk our failing to identify and to promote favorable Soviet developments. The U.S. policy problem is how to remain open to possibilities for major improvement in U.S.-Soviet relations but also how to limit the costs of possible adverse developments. How can the United States posture itself so as to benefit if our hopes regarding Soviet system and behavior change are realized but to avoid the costs if our doubts and suspicions prove true instead?

ALTERNATIVE WESTERN STRATEGIES

In the face of a complex picture of Soviet change and against a background of diverse perspectives on the Soviet Union pre-Gorbachev, Western views on desirable strategy toward the USSR vary substantially. We discuss the various Western views in terms of their stance on the following dimensions:

- Soviet leadership goals and basic attitudes to the West
- Extent of system change under Gorbachev
- Likely future Soviet outcome
- Chief U.S./Western interests to be advanced
- Implied U.S./Western policy prescription

Here we find four main alternatives:

1. Perestroika Is Irrelevant or Dangerous: Impede Soviet Modernization

This alternative insists that the USSR is hardly likely to be transformed into a democratic society with a benign foreign policy and that the probable Soviet future is in "Limited Reform" or "Retreat and Reaction," possibly in that time sequence. In all these cases, proponents assert, there would be little change in the Politburo's goals inherited from the Brezhnev period and continued efforts to improve capabilities for maintaining and expanding the Soviet empire. Economic modernization would probably not alter external goals, but it could make the USSR a more dangerous rival by qualitatively upgrading Soviet military industry. Therefore, the cardinal Western objective should also be unchanged: defense against Soviet expansionism.

Short of egregious acts of Soviet provocation, which appear highly unlikely at present, a deliberate Western effort to thwart perestroika is not politically sustainable. However, the argument continues, the West should make every effort to impede Soviet military modernization, principally by disciplined embargoes on the export of "dual-use" technology (that may be of use to the military as well as in civilian pursuits) and by denying all economic aid (e.g., subsidized credits) and even loans at market rates to the USSR. At the same time, the West must press forward on its own military modernization. In doing so, it is contended, the West should, where the choice is available, opt for measures that are likely to force Soviet planners into responses that would strain Soviet resource allocation, if Moscow wishes to stay in the global race. With respect to regional conflicts, raising Soviet costs would take priority over settlement of the conflict, which might only ease the Soviet burden of empire. Convinced that Soviet goals are and will remain inimical to the West, proponents of this strategy seek means to frustrate Soviet purposes.[1]

As explained in Sec. IV, we favor maintaining controls on technology exports and market criteria for other economic intercourse with the USSR, at least in the first phase of relations with a reform-minded Soviet Union. Nevertheless, we reject this strategy because, as a package, with the indicated assumptions, goals, and policies, it promises to be counterproductive: It is likely to make for a more belligerent, less cooperative Soviet Union. It could provoke hostile Soviet responses

[1]Supporters of this strategy might regard it as equally appropriate if the Soviet future were poor performance and external quiescence; the aim would then be to accelerate the apparent process of dissolution of the Soviet system.

that Moscow might otherwise wish to avoid and oblige the West to accept the risks and pay the costs of countering them. Such risks and costs could be high: Even a declining Soviet Union will remain a militarily powerful state. Western hostility could thus help make retreat and reaction a much more likely Soviet future. Moreover, a successful Western effort to undermine Soviet reform would preclude any possible favorable outcome for East-West relations that might result from it.

On these and other grounds, most of our allies would unequivocally reject this strategy, forcing us largely to go it alone. It would undoubtedly be highly controversial in the United States as well, making it more difficult to reach a domestic consensus on foreign policy, which a new administration will badly need.

2. Perestroika Is Benign: Help Gorbachev

Partisans of this alternative are confident that Gorbachev's world outlook is realist and accommodationist, spurning obsolete communist shibboleths, and that perestroika provides a unique opportunity for radical reform, which would be accompanied by or would lead to democratization, thence to the Soviet Union's behaving internationally like a "normal" state. Gorbachev's political survival and program success are taken to be vital to Western interests. However, the argument continues, conservative opposition to Gorbachev's reform program threatens that outcome. To prevent the victory of the conservatives and to advance the cause of reform, helping Gorbachev should be among the governing criteria in fashioning Western arms control, economic and political initiatives and responses for dealing with the USSR. This alternative would advance exactly those measures that proponents of the previous alternative might reject.

We reject this strategy too, but for different reasons. It is premature, in view of the multiple uncertainties indicated earlier, to entertain such confidence in Gorbachev or in the favorable significance of his activities. Should the reform, after some period of progress, peter out or be terminated on political grounds, Western policy would have been mortgaged to a losing cause. If Soviet foreign policy turned hostile, Western aid would have, so to speak, provided rope to the hangman. Selective Western responsiveness seems appropriate to us as a mode of reciprocating and thus encouraging meaningful Soviet domestic and foreign policy change, as explained in Sec. IV, but the strategy of "helping Gorbachev" puts too many eggs too soon in one basket of uncertain structure and durability.

In rejecting the strategy of impedance, we argued that it could help move the Soviet Union in an undesirable direction. Presumably, a

massive Western Marshall Plan for the USSR could exert influence in the other direction. But short of such beneficence, which is not being seriously considered anywhere in the West, our ability to shape Soviet developments to our benefit is limited. The fate of Soviet internal change hangs essentially on the balance of internal forces, and there is no theory of Soviet politics that would permit reliable judgments about how to effect a particular direction of internal political and economic development. Indeed, efforts to intervene would stand a good chance of hurting rather than helping the intended beneficiaries. It is one thing for the West to respond favorably to evidence of major Soviet change attained, quite another to attempt to shape Soviet processes to a particular mold.

A U.S. policy goal of advancing Gorbachev's fortunes could easily prevent us from identifying and pursuing our own interests. In some of the circumstances suggested earlier, Soviet interests could be opposed to ours. Moreover, an effort to "help Gorbachev" would inevitably open us up to counter-manipulation from Moscow, and in such a contest the Soviets enjoy a distinct advantage.

These three arguments provide sufficient grounds to reject this alternative. In addition, it is likely to complicate the Western alliance's decisionmaking, unless one assumes that substantial economic aid to the USSR would be an unalloyed good for the West. But if that is far from self-evident, as we believe, then the strategy of helping Gorbachev would have to devise means of influencing Soviet policy toward desired ends, in short to fashion instruments of leverage. It would therefore need to incorporate provisions for denial as well as extension of benefits: Carrots without sticks are nourishing but do not promise much leverage. Historically, however, the alliance has been able to agree to relax constraints and extend benefits to the USSR far more easily than to impose sanctions and withdraw rewards.

3. Soviet Future Uncertain, West's Role Negligible: Wait and See

The third alternative is so impressed with the uncertainties surrounding the identification of ultimate leadership goals, the degree of system change already achieved, and the projection of present trends, as well as with the West's impotence in affecting Soviet developments, that it sees the only rational policy as sitting on the sidelines, watchfully waiting until the dust settles.

We reject this course as well. We certainly share the stand on the importance of uncertainties, as we have made clear, but not the implicit assumption that there are no substantial costs to waiting out the

game. There may well be opportunities for further Western gains as Soviet policy unfolds, adding to and building on the gains derived from recent Soviet concessions in arms control, for example, or in the budding Soviet willingness to explore cooperation in regional conflicts. The costs of inaction include, in addition, the tactical advantages the Soviet Union would derive from U.S. obstruction or indifference to Soviet initiatives, because it seems highly unlikely that the Western alliance can be persuaded to follow a do-nothing course.

4. Uncertainties, True, But Western Engagement Inevitable, Desirable

The future cannot be forecast with reasonable certainty, nor is there any basis for confidence on how to bring one or another Soviet future into being. Because the uncertainties are so great and the stakes are so high, we cannot afford to mortgage our strategy to bets about the Soviet future that are either too optimistic or too pessimistic. Unwarranted optimism about how far and how quickly Gorbachev will lead the Soviet Union toward accommodation with the West could cause premature weakening of Western security and political arrangements that have served us so well for so long against a distinctly uncooperative Soviet Union. Unwarranted pessimism could become a self-fulfilling prophecy, if it generated purely adversarial Western policies toward the Soviet Union on the assumption that the doom of Soviet reform was a foregone conclusion, or that reform in any case held out no prospects for more acceptable Soviet external behavior. Yet agnosticism that translated into passivity and excessive fear of rocking the boat could lead us to miss the boat, if it turned out there was one, and to forgo possibly transitory opportunities for breakthroughs. We need to position ourselves to exploit any opportunities for enhancing Western interests that positive Soviet policy development may offer. The fundamental strategic questions are then how to frame sensible policy criteria and how to develop safeguards against unfavorable turns of the Soviet wheel. Section IV develops our sense of an appropriate strategy for dealing with the Soviet Union in this new phase of our relations.

IV. A STRATEGY OF STEP-BY-STEP ENGAGEMENT

A NEW DIALOGUE WITH THE USSR

For the new phase of U.S.-Soviet relations we are entering, a strategy of what we call step-by-step engagement is more appropriate than trying either to impede or "help" Gorbachev, or just to wait on the sidelines to see what happens after the dust settles in the USSR. Of course, the United States has been "engaging" the Soviet Union actively now for several years, and did so on a broad front during the years of detente. But this new phase of engagement begins under conditions that are strikingly different from those in either the early 1970s or the 1980s.

We start now with unusually favorable international conditions for pursuing long-standing Western interests in relations with the Soviets. This is quite different from the detente period, when American strategy rested on the premise of a shifting correlation of geopolitical forces moving against the United States and the West. In retrospect, this was a more pessimistic view than was objectively warranted, but its broad acceptance in the West gave Moscow some reason to believe that the United States and the West would accept Soviet expansion in peripheral areas in exchange for Soviet restraint at the center.

The phase we have now entered also rests on a widely shared premise about the correlation of forces, but it is the converse of the underlying premise of detente, and the Soviets all but explicitly acknowledge it. The new premise is that in almost all components of the global competition the tide is running against the Soviet Union. It is not the military equation per se that has changed adversely for them but the domestic, systemic foundations of Soviet global political influence and its future military prowess that the Soviet elite now perceive to be in a state of acute disrepair.

For U.S. strategic purposes, this means that whatever Gorbachev's long-term foreign policy plans or intentions may be, and no matter what the ultimate fate of his reform program, current Soviet circumstances constrain the Soviet leadership in ways that make it now less inclined to fish in troubled waters abroad and more open to international agreements and arrangements to ease competitive pressures that are potentially mutually beneficial. Where long-standing Western interests in managing East-West relations more safely, reliably, and at

lower cost intersect with current Soviet interests in providing a congenial international environment for perestroika, the case for engagement is compelling and unambiguous.

Moreover, the course of U.S.-Soviet and East-West relations during a possibly prolonged time of Soviet international self-restraint, even if its leaders should now regard such self-restraint as "temporary" or "tactical," could shape the international environment over the next decade in ways that Soviet leaders might not wish or could ill afford to disrupt. In the long term, an international environment that continued to be inhospitable to Soviet self-aggrandizement but was congenial to Moscow's self-restraint and cooperation could condition not only its international behavior, but also the formulation of its foreign policy goals.

In fact, Gorbachev has been telling us, his foreign policy goals are now radically different from those of his predecessors. He holds out a vision of a greatly demilitarized East-West relationship in which the balance between competition and cooperation will have swung sharply toward the cooperative pole in an increasingly interdependent world. With such proclaimed goals, the agenda of East-West discussions would go far beyond the traditional issues of conflict management. The arms control issues would not be merely reductions to several thousands of strategic nuclear weapons on each side but radical denuclearization, not merely parity of conventional power in Europe but radical restructuring of forces to strip them of the capability to conduct large-scale offensive operations. At the same time, Gorbachev's campaign for internal reform holds out the possibility of such structural change as would transform the domestic foundations of Soviet external behavior.

Even without the fulfillment of these grandiose foreign policy promises, there is room for substantial improvement in East-West relations within the framework of existing Western security structures, alliance relationships, and strategies. Expectation of such progress presupposes that Soviet foreign policy continues, in the short to mid-term, more or less on present vectors, for the same reasons that have propelled it in those directions since 1985; it does not require the kinds of fundamental systemic changes in the Soviet Union that a wholesale reordering of the global system, along the lines projected in Gorbachev's December 7 UN speech, would demand. By contrast, moving to the much higher levels of cooperation envisioned in the rhetoric of that speech implies a genuine paradigm shift in East-West relations. This would entail significant changes in the framework of international and alliance arrangements that has evolved since World War II, including far-reaching changes in Western security structures and strategies. To

engage the Soviet Union politically and diplomatically on this level is therefore a much more complex matter and far more challenging than pursuing the traditional East-West agenda. Gorbachev's call to transcend the tried and true paths of East-West relations has aroused deep ambivalence in the West and, in some quarters, even outright resistance.

Nevertheless, in addition to pursuing long-standing Western interests in a more propitious environment, we believe the West should begin to explore the new and wider horizons opened up by the possibility of far-reaching changes in the external aspirations and internal structure of the Soviet Union. The West should seek to determine what Gorbachev's millennial visions may mean, into what they may be concretely translatable, by a broad conceptual dialogue with the Soviet leadership. The most important justification for such a venture lies in the implications for East-West relations of the possible deeper changes in basic Soviet economic and political structures and institutions, changes that go beyond the important, but still readily reversible, shifts in policy that have fueled the recent improvement in U.S.-Soviet relations.

At issue here is exploration of the logical conclusions of successful containment, the underlying strategic concept guiding our relations with the Soviet Union over the past four decades. Our strategy of containment was designed to create a system of alliances that would block Soviet expansionism and compel Soviet leaders to live with the internal contradictions of their own system. Eventually, in some distant future, it was hoped that successful containment might lead to the gradual "mellowing" of Soviet power and to a Soviet Union with which a more civilized balance of competition and cooperation would be possible.

Until recently, the prospect of such a changed Soviet Union seemed so remote that we took little trouble to consider its policy implications. That prospect remains highly uncertain, but it is no longer merely a theoretical possibility. Few in the West, and especially few in the United States, challenge the contention that containment and its military corollary, deterrence, will continue to be indispensable elements of Western strategy for dealing with the USSR in the present more dynamic phase of East-West relations. But now the possibility of systemic change in the Soviet Union is no longer purely theoretical; it is sufficiently plausible to justify serious consideration of an important shift in the overall balance of competition and cooperation in the relationship, to move it more heavily toward the latter, perhaps even to breakthroughs in relations with the USSR.

While proceeding cautiously and building incrementally on successes in regularizing and stabilizing East-West relations, we should not reject

the opportunities for major discontinuous gains for the West that might inhere in the grand future vision that Gorbachev is holding out. Clearly, the Soviets will have to see gain in it for themselves as well, and our strategy for this period in the relationship must not resist new departures that are in our interest just because they also benefit the Soviet Union. Pursuing bolder and more ambitious goals may now be in our interest or become so in the near future, and we should raise our sights in exploring new possibilities with the Soviet Union. The West should test Gorbachev's conversion to the "New Thinking" with new thinking of our own that is not so tightly constrained by old notions of what the Soviet Union can be brought to accept. This calls for a deeper dialogue with the Soviet Union (as well as a parallel dialogue within the West, as we indicate below).

This is the first Soviet leadership with which such a dialogue has any chance of being fruitful. At the level of Gorbachev, Yakovlev, and Shevardnadze, this is the first leadership that is not so ideologically blinkered as to make such a dialogue futile. Although the outcome of their reforming efforts is still highly uncertain, the direction of the internal and external changes to which these leaders have committed themselves is more congenial to Western interests and more consonant with Western values than anything we have seen before from the Soviet Union.

In any case, the West may have little choice but to begin this broader dialogue with Moscow. Western governments are already under some pressure to take up Soviet offers for a sharp turn away from competition and toward greater cooperation. So long as the Soviet Union continues to put forward cooperative options and to back them up by periodic, meaningful concessions and a general policy of self-restraint, and so long as the USSR appears to be continuing the process of internal reform in the direction of economic decentralization and political democratization, Western publics will demand that their governments explore the new possibilities. Resisting on the grounds that Gorbachev's "sincerity" remains suspect, or that his political survival is in question, or on any other grounds except Soviet backsliding will seem increasingly like an evasion of responsibility. It will be viewed as a pretext for avoiding the intra-Western risks of pursuing what are widely regarded as the increasingly plausible as well as promising changes in East-West relations.

It is appropriate now for the West to conduct a dual-level dialogue with the Soviets—a broad conceptual set of discussions about the possibilities of and the requirements for major changes in the East-West competition, proceeding in parallel with the ongoing interchange that seeks greater stability and reduced risks and costs within the

established framework. There are grounds for believing that such a dialogue would benefit both East-West and West-West relations:

- It could help deal with understandable Western anxieties about "runaway peace," "preemptive dismantling," etc. by providing conceptual grounds for distinctions between (1) within-system improvements that are possible on the strength of the USSR's current predicament, the policy changes it has already made, and the thrust of its still not realized reforms; and (2) the necessary assurance of irreversibility to justify movement toward a transformation of the East-West relationship.
- It would help the West to fashion a strategy for the new circumstances that combines the essentials of containment and deterrence with pursuit of opportunities for moderating the adversarial character of East-West relations during what could be the early phase of Soviet evolution toward structures and behavior more compatible with Western interests.
- It would provide the West with a conceptual basis for calibrating the process of change in the Soviet Union to Western requirements for appropriate guarantees against Soviet backsliding, reversals, or deception. The feedback we might get from such a dialogue could help our policymakers to elaborate criteria for measuring and assessing progress or retreat in the Soviet Union's evolution toward more compatible domestic structures and international postures.
- It could be used as a vehicle for encouraging the Soviets to take unilateral steps that address Western concerns, in cases where negotiated agreement may not be appropriate, or for which conditions may not be ripe. The United States could encourage these unilateral Soviet steps by signalling that they would be assessed positively, and not downgraded or dismissed, without hint of reciprocation, in the normal pattern of superpower responses to the other side's unilateral steps.
- Finally, the conceptual dialogue suggested here could help U.S. policymakers, in concert with the allies, to shape and elaborate a detailed specific agenda for negotiations, and as conditions warrant, to advance particular issues from the broad, long-term agenda to the immediate concrete one.

The modalities of such a dual-level dialogue will depend on the styles, proclivities, and staff capabilities of the U.S. and Soviet leaders. In any case, it would be an iterative process with continuous monitoring of progress and with appropriate corrections and reinforcement.

The risks of prematurely relaxing constraints on Soviet aggressive options and thereby structurally crippling the Western security system require that the dialogue with the Soviets be accompanied and supported by a far-reaching dialogue within the West. For these and other reasons, the West's engagement with the new Soviet policy must also proceed cautiously and incrementally.

WHY STEP BY STEP?

Gorbachev's foreign and security policy initiatives, as well as the unusually favorable international environment, argue compellingly for engagement; but the large uncertainties and high stakes involved argue with equal force for engaging cautiously and proceeding step by step. To proceed cautiously and incrementally does not mean to abandon the initiative to Moscow, and it requires a well-developed and well-publicized rationale. At present, Western leaders are increasingly on the defensive—reactive, welcoming, but not reciprocating or initiating—and giving no politically persuasive rationale for their caution and conservatism. There are indeed good reasons to be cautious, but U.S. and other Western leaders have not articulated them:

1. The enormous uncertainties about the changes in the Soviet Union, upon which so much in the future of East-West relations depends, will only gradually be resolved; and there is at least a fair chance these uncertainties will in the end be resolved adversely from our point of view. As indicated earlier, premature Western commitment could be costly.

2. There are serious risks of our mistaking promise for accomplishment and of responding prematurely and irreversibly to possibilities that may never materialize, or only with long delay. In this respect, glasnost and demokratizatsiia notwithstanding, the asymmetries between East and West are real and could be politically decisive. Anticipatory responses to Soviet promises, or to partial accomplishments that were still not institutionalized, could trigger a process of progressive military builddown in the West and structural weakening of the alliance. That deterioration might easily outpace actual change on the Eastern side; and in Western societal and alliance conditions, it would be well-nigh irreversible absent the most egregious kinds of Soviet provocations, which Moscow would have no reasonable incentive to offer. Alliance cohesion is crucial for successful Western engagement with the Soviet Union. Allied unity has met the test of Soviet pressure, but it may be more difficult to maintain in conditions of sudden decompression.

3. A West whose capabilities and political will were weakened by anticipatory responses to Soviet change would be unable to compete effectively and maintain the international conditions that helped induce the Soviets to make the new kinds of promising cost/benefit calculations we have seen recently. A change in the external environment that made renewed Soviet assertiveness more promising could well play into the hands of Moscow conservatives already chafing at what they may regard as Gorbachev's foreign policy retreats.

4. In making a series of policy changes—in START, INF, Afghanistan, conventional arms reductions—that the West has rightly regarded as concessions to its long-standing positions, Gorbachev has succeeded in making a glistening virtue of hard necessity. But he has not yet converted the "evil empire" into a philanthropic organization. Even in his currently constrained circumstances, Gorbachev remains a highly competitive adversary who will seek offsetting compensations for any concessions he offers. Progress toward an improved relationship with the Soviet Union that accords with Western goals and interests will inevitably be halting and uneven.

5. In the absence of a robust domestic consensus, no U.S. policy toward the Soviet Union can be effective or survive the snags and setbacks that are certain to occur. Given the deep ambivalence about the Soviet Union in American public opinion, a consensus that is sufficiently broad and enduring will need time and confidence-building experience with the USSR to mature.

For these reasons, we should follow an approach that builds progressively on successes. Initially, we should minimize the extent to which we rely on trust and on the sincerity of the Soviet conversion to "New Thinking" in reaching new agreements or making new arrangements with the Soviets. We should resist the kinds of "one fell swoop" solutions that Gorbachev from time to time proposes, such as his calls for radical denuclearization and demilitarization of Europe. Because Gorbachev has more credibility in the West than his predecessors who made similarly grandiose proposals, it may not always be sufficient now merely to reject "grand" Soviet proposals flatly. We should be responding with Western alternatives that restructure, refocus, and reorient those Soviet proposals so that they seriously address our real concerns. And we should use new departures of our own to test Soviet willingness to cooperate for mutual benefit by pushing the limits of their flexibility.

A word of caution is in order here. We should be careful not to be too clever by half in designing proposals and positions to seize the political initiative or throw the Soviets off balance. The fate of the "zero/zero" INF arms control option shows that, in dealing with

Gorbachev, we can no longer afford the luxury of making tactically attractive proposals whose implications we have not taken the trouble to think through, on the assumption the Soviet Union is certain to reject them.

Finally, we should identify areas of actual or potential mutual concern not yet explored jointly that could usefully be placed on the U.S.-Soviet agenda. Gorbachev has already broached the question of international cooperation to cope with the problems of global ecology. In the same vein, we might propose building on the Armenian earthquake experience to involve the United States and the USSR in multilateral disaster relief planning and organization. The West has been urging the Soviet Union for many years to cooperate in combating international terrorism. Agreement may be more likely now in the light of Gorbachev's UN speech and the shift in Soviet practice suggested by Soviet-Israeli cooperation in a recent Soviet hijacking case.

WHAT FUNDAMENTAL SOVIET CHANGES ARE REQUIRED?

To prepare for this kind of broad strategic dialogue with the Soviets, U.S. policymakers need to think through and articulate the kinds of fundamental changes that the West would need to see before moving to higher levels of mutual accommodation and cooperation with the Soviet Union. Western policymakers must consider what they might regard as persuasive evidence that such changes were actually taking place and to think about what the West might be prepared to offer in return. On the traditional agenda of East-West relations, Soviet policy changes, such as have already occurred, may be sufficient for incremental progress to be made. But for a more far-reaching reordering of East-West relations, the changes required go to the heart of the Soviet political and economic system and to its core relationship with Eastern Europe.

Changes in the Soviet Domestic Political and Economic Systems

For leaders of democratic states, accountable to their electorates, and operating in a constitutional system of checks and balances, there are limits to the extent of accommodation with the leaders of an enormously powerful state who can command their resources for any purposes with no effective constitutional or systemic constraints, who can change policy course quickly and without warning, and who need not

debate alternative courses of action. This is why the evolution of the Soviet political system *is* a vital foreign policy concern for the United States. A substantially transformed East-West relationship almost certainly requires an institutionalized regime of effective domestic constraints on the international behavior of Soviet leaders.

What would be indicators for us that the Soviet Union was in fact moving toward the internal changes the West requires for confidence that a far-reaching accommodation with the USSR is desirable and possible? Reforms that effectively decentralized Soviet economic decisionmaking, replacing producer with consumer sovereignty, would signify to the West that basic changes had occurred in the Soviet economic system that could make the USSR a more appropriate potential international partner. Among the specific measures we would expect to see would be meaningful price reform, real competition in production and distribution, sharp limitation of central planning, and the elimination of the state monopoly of foreign trade.

Glasnost has clearly stimulated a great deal of critical self-examination of Soviet society and history, including, to a lesser extent, criticism of past Soviet international behavior. The Soviet past has become appreciably more transparent, but the present decisionmaking process on foreign policy and military issues of greatest concern to the West remains as much a "black box" as it was in the past. Moreover, the limits of glasnost and the process itself continue to be controlled from above, with no effective constitutional guarantees of continuity. So long as glasnost is not institutionalized, it will remain tenuous, requiring for its preservation individual risk-taking and periodic acts of civic courage. The "Andreeva affair" in the spring of 1988, when glasnost was choked off for more than a month by fear that the "party line" on reform might be changing, suggests that the practitioners of glasnost may not always be ready or willing to rise to the occasion. The adoption of appropriately drafted constitutional amendments in themselves would tell us little; we would be looking for evidence of effective implementation in the actual workings of the political process, including open debate of alternatives and leadership accommodation to opposing views.

There are, of course, no constitutional guarantees against aggressive foreign policies. The "popular will" is not always benign toward foreign nations. Political pluralism and economic efficiency might combine to nurture great power ambitions. But in a pluralistic political system with a regime of institutionalized constraints on decisionmaking, state leaders have limited capacity to allocate shares of GNP that are blatantly disproportionate to declared goals for military and foreign policy ends, to reverse policy directions covertly, and to violate

or circumvent international agreements. The confidence of other states will thus be correspondingly greater. Leaders who are accountable to electorates must publicly justify the policies they wish to pursue; although publics can often be persuaded to endorse dangerous foreign policies, the requirement that they must be persuaded gives other states early warning that would otherwise not be available.

The Soviet Military Priority

The most substantial change required in the military sphere presupposes radical reform of the Soviet economic and political systems: termination of the heretofore unchallenged priority enjoyed by the military in claims on Soviet human and material resources and a far-reaching reduction in the weight of the military establishment generally.

Much greater transparency and freer flow of information about Soviet military expenditures, military development plans, and data on forces and force deployments would also be required. Apart from measures taken in connection with the INF Treaty—which represent an important change in the Soviet position on verification but have been applied only in a limited sphere of activity— glasnost has thus far not opened defense decisionmaking up to searching public (and therefore foreign) scrutiny. Indicators of progress along these lines would include, for example, reporting of the Soviet military budget in the detailed United Nations format, publication of annual and five-year military development plans, and disclosure of data in detail comparable to that in the West on the composition and deployment of Soviet military forces.

In such a transformed domestic environment for military decisionmaking we would expect to see the size, character, and deployment of Soviet military forces brought more clearly into line with the strictly defensive purposes attributed to them by the regime. Many of these changes could and should be accomplished unilaterally in the interests of the Soviet Union's domestic reform program, as well as of its larger foreign policy purposes; Gorbachev's December 7 announcement of unilateral Soviet force reductions is a welcome step in this direction. But the most far-reaching changes in this connection would clearly require negotiated agreements, and the further the dialogue moved in the direction of denuclearization and demilitarization, the more confidence the West would require in the effectiveness and irreversibility of systemic changes in the Soviet Union.

Self-determination in Eastern Europe

Far-reaching arms control agreements that would fundamentally alter the East-West security regime in Europe will inevitably run up against limitations imposed by the satellite status of Eastern Europe. Western willingness to move toward a security regime in which there was sharply reduced reliance on nuclear weapons for deterrence and in which stationed forces (including American troops) were substantially reduced would depend not only on appropriate Soviet force reductions and restructuring, but also on fundamental changes in the nature of the USSR's relations with its Warsaw Pact allies.

The corollary of change required in the Soviet domestic political system is the evolution of the socialist states of Eastern Europe toward greater self-determination. From the perspective of Western security, the basic requirement is the end of Soviet hegemonial control over Eastern Europe, such that its territories and resources are no longer so freely at the disposal of the Soviet Union for potential hostilities against the West. This need not require the dissolution of the Warsaw Treaty Organization—for which the dissolution of NATO would surely be the price—but it does presuppose an evolution of Soviet political relations with increasingly autonomous allies that would substantially reduce decisionmaking asymmetries in the two alliance systems.

WHAT CAN THE WEST OFFER IN RETURN?

These would be very profound changes indeed, and if the Soviet Union moved very far in these directions, its leaders would not do so merely to impress the West for public relations purposes. Most of these changes, especially in the domestic political and economic system and in Eastern Europe but also, up to a point, in military and foreign policy, would have to be driven by irresistible internal needs and priorities, if they were to occur at all. Although Gorbachev has skillfully exploited Western sympathy for his internal reform program to advance his foreign policy interests, he is not seeking to reform the Soviet Union as an exercise in foreign policy, or as a favor to the West. However, the Soviet leadership's expectations about the Western response, especially about Western propensities to exploit or reciprocate Soviet change, could greatly affect the pace and scope and, in some instances, even the direction of their own moves.

Initially, the West, and particularly the United States, could offer assurances that its leaders have no interest in undercutting perestroika, or to back the Soviet Union to the wall during a period of adversity and difficult domestic change; in short, that they prefer to deal with

the Soviet Union rather than to squeeze it. Coming from a new U.S. administration, this kind of assurance would be taken seriously in Moscow. There is evidence that some at least in Moscow are concerned that the Soviet Union is being perceived abroad as weak and vulnerable to pressure; and there may be resistance to new Soviet steps that we might regard with favor on the grounds that the West might interpret them as signs of weakness and exploit them.

Further down the line, if and as changes in the Soviet Union deepen and become less readily reversible than they are now, the Soviets could hope for accommodating Western responses across a wide range of issues of long-standing concern to them:

- They could hope that we would link the pace and scope of our military competitive efforts, especially in the high technology areas of Western advantage, to progress in eliminating what the West regards as Soviet offensive advantages.
- Similarly, they could expect that the West would become more amenable to further nuclear reductions, which they seek, as the conventional balance became more acceptable to us and as Eastern Europe achieved more autonomy.
- Politically, they could look forward to wider acceptance of the Soviet Union as a full-fledged participant in the world community, in all of its dimensions. A current example of what the Soviets would be looking for is their proposal to hold an international conference on human rights in Moscow, to which the United States has now conditionally agreed. For the Soviets, Western agreement to attend such a conference in Moscow signals the lifting of the stigma of anti-human rights that has so long been attached to the USSR. For the Western democracies, such decisions are typical of the kinds that will have to be made in the coming months and years in response to the Soviet reform process, if it is sustained.
- In economics, a Soviet Union that had changed in the ways indicated, including radical decentralization of its economic decisionmaking, could expect progressive liberalization of Western political restrictions on trade, acceptance into such international economic organizations as the General Agreement on Tariffs and Trade (GATT) and the International Monetary Fund (IMF), and, ultimately, even some forms of Western economic development assistance.

BUILDING ON THE OLD AGENDA

We have suggested that the new, broad conceptual dialogue with Moscow should proceed in parallel with the ongoing discussion and negotiation of issues on the current U.S.-Soviet agenda. The new Bush administration will hardly be starting from scratch in developing an approach to the Soviet Union. Both sides agreed to a practical, four-part agenda several years ago, and it has provided the organizational basis for the most recent summits and for the extensive ministerial meetings between Secretary Shultz and Foreign Minister Shevardnadze. That agenda includes arms control, regional conflict, bilateral relations, and human rights. Further discussion of the large range of issues developed under these four headings, as well as on a fifth, Eastern Europe, with high destabilizing potential, will provide a bridge from the established practical agenda to the broader dialogue appropriate for exploring the new limits of the possible that may be emerging in relations with the USSR.

Arms Control and the Military Competition

Security issues have always been central to U.S.-Soviet relations, and regulation of the military competition will almost certainly continue to be the primary area of U.S.-Soviet political engagement in the emerging phase of their relations. In arms control, there is chiefly the unfinished business of START and the launching of the conventional arms stability talks (CST).

To maintain a suitable international environment for exploring what a strategy of step-by-step engagement is capable of producing, it will be important for a new administration to try to keep the nuclear arms control regime from unravelling. The legal basis of that regime—consisting of lapsed, unratified, and contentious treaties of the 1970s—is now in great disarray. It is primarily the prospect of a new START agreement that keeps the tenuous arms control regime reasonably stable.

A START agreement more or less along present lines would preserve and, from the Western vantage point, marginally improve the U.S.-Soviet strategic balance that provides the nuclear underpinning for extended deterrence. Although it surely would be preferable for the United States to resolve all outstanding strategic force modernization issues before concluding a START agreement, achieving a consensus on modernization has proven politically elusive, largely because of uncertainties about arms control. So long as a new agreement left sufficient headroom for the United States to move in the major alternative strategic modernization directions being considered, completing the

agreement could help produce precisely the domestic consensus required for decisions on modernization to be taken.

Strategically, a START-like agreement would do more to enhance than to weaken the viability of the strategy of nuclear deterrence that remains the linchpin of Western security. Although there is theoretically a tension between very deep cuts and the credibility of deterrence as a function of adequate coverage of the adversary's target base, the reductions likely to come out of START—actually more like 25 to 30 percent than 50 percent—are still well below that threshold. By concentrating cuts in the most threatening Soviet capabilities—heavy ICBMs and throwweight—START would improve prospects for further reducing residual first-strike instabilities, thereby helping to stabilize and maintain a strategic nuclear balance that both sides appear to believe is already quite robust.

The political benefits of a START-like agreement would be more substantial than the strategic ones; and, at this point, the political costs of turning back from START would be still greater. It is extremely unlikely that the Soviet Union will offer a new administration a plausible pretext for backing away from a START agreement along the lines of the current negotiations. A breakdown in START that was perceived to be U.S.-abetted would almost certainly damage alliance cohesion and seriously jeopardize the prospects for developing a U.S. consensus on strategic policy and on relations with the Soviet Union early in a new administration.

Finally, by serving as a kind of nuclear arms control placeholder, a new START agreement could provide a more favorable environment for progress in negotiations on conventional arms reductions, where there is greater potential for substantially improving the West's security position. Completing START should make it easier for NATO to adopt and stick to the position that there must be no further nuclear cuts until the conventional balance is made more stable. START would make such a position more credible in the West and more difficult for the Soviets to erode.

Before Gorbachev's December 7, 1988, UN speech, it was generally expected that the CST negotiations would be a very long drawn-out affair, with little prospect of substantial reductions early on. Therefore there would be no urgent pressure on NATO to develop proposals involving any substantial cuts on the Western side, so as to make required heavy Soviet reductions more negotiable. In some Western quarters, there was deep skepticism about the readiness of the Soviets to "negotiate away" their large conventional advantages in any case. These considerations may have prompted the Soviet decision to announce sizable unilateral reductions before the start of the CST negotiations. Evidently Moscow did not wish to defer indefinitely the

savings to be realized from trimming some excess manpower and equipment from the swollen Soviet conventional force structure. No doubt with political effects on the West very much in mind, the Soviets were willing to include in the unilateral reductions cuts in Soviet tank forces in Eastern Europe and the western military districts of the USSR sufficiently large that they could not reasonably be dismissed as cosmetic.

This development has complicated the preferred Western strategy, which is to seek reductions in Pact, especially Soviet, tank and artillery holdings down to levels just slightly below NATO's, thus obviating the need to make more than token reductions on the NATO side and avoiding the issue of substantial reductions in stationed U.S. forces. It has also dealt a blow to chances that NATO governments will go ahead with the modernization and deployment in Europe of an extended-range Lance surface-to-surface missile. At a minimum, it has assured that any effort to go forward now with Lance modernization will again bring up the NATO debate on extended deterrence and the relationship between the conventional balance and reliance on nuclear weapons in NATO strategy.

Gorbachev has imparted political momentum to negotiations that before December 7 seemed fated to endure a prolonged phase of inconclusive maneuver. His announcement of substantial unilateral reductions has won a higher degree of credibility for his previously expressed willingness to accept deep and asymmetrical cuts in Soviet ground forces and to restructure remaining ones so as to weaken their capability for large-scale offensive operations.

The change in the political atmosphere surrounding the opening of the CST negotiations makes even more urgent a high-level NATO dialogue on how to define Western interests in the new circumstances. Failure to do so would impede the West's ability to develop politically viable and strategically sensible responses to Soviet proposals. It would leave the initiative in Soviet hands and, in the end, probably invite precisely the kind of alliance dissension that avoiding the issue tries to skirt.

The new administration should consider early on whether it wishes to call for a new, concerted look at alliance security interests and objectives in the altered circumstances of the late 1980s. Changes now occurring in the USSR, and especially the potential for even more far-reaching change in the future, indicate the need for such a review. The Western dialogue with the Soviet leaders on alliance issues—conventional arms control being the quintessential alliance security issue—requires alliance consensus.

A decision to initiate a systematic broad security review, in effect to review the Harmel Doctrine adopted in the late 1960s, carries real

political risks of divisive allied debate; but the risks of avoiding review may be greater. The alliance and its individual members need broad, agreed-upon alliance guidelines to anchor and defend their own force development policies. They need an authoritative rationale for rejecting superficially attractive Soviet proposals on conventional arms reductions that do not satisfy Western concerns, to defend what may otherwise seem to many in the West as "inequitable" asymmetrical proposals favoring the West. And they need such a display of cohesion about basics to disabuse the Soviets of any idea that they can have the relief they seek in the military competition without giving up major advantages they now enjoy.

Eastern Europe

Although Moscow is unlikely to permit the status of Eastern Europe and Soviet relations with its allies to become an explicit item on the U.S.-Soviet agenda, that issue is almost certain to become increasingly prominent in the East-West dialogue generally.

For many years it has been widely believed that the most likely path to an otherwise unlikely East-West crisis in the heart of Europe runs through Eastern Europe. Today, Eastern Europe's persisting structural instability poses the greatest single threat of a major discontinuity in international politics. A political explosion in Eastern Europe could derail the movement toward reform in the USSR, and a Soviet military intervention to deal with it would surely cut short the warming trend in East-West relations. At the same time, for the West, the most fundamental test of the Soviet Union's adherence to genuinely "New Thinking" is precisely Moscow's willingness to tolerate the evolution of more autonomous states in Eastern Europe, such that the region would no longer present itself as a Soviet salient thrust into the heart of Europe.

The present search by a reformist Soviet leadership for a more "organic" relationship with the socialist states of Eastern Europe is not without precedent, and the precedent is not encouraging. The last far-reaching Soviet reform effort was the de-Stalinization of 1955–56. Nikita Khrushchev's anti-Stalin "secret speech" in February 1956 clearly helped to spark the near rebellion of Poland and the violent revolution in Hungary in the fall of 1956; it may have contributed to the mistaken perception in Eastern Europe at the time that Moscow's threshold for tolerating diversity there was now much higher than under Stalin. The massive Soviet military intervention in Hungary demonstrated to East and West Europeans alike the undiminished commitment of even a reformist Soviet leadership to maintaining Soviet hegemony in Eastern Europe, by brute force if necessary.

What is different in the Gorbachev era? Just as before, the USSR continues to be the ultimate "enforcer," limiting change in Eastern Europe. But now, an avowedly reformist Soviet leadership is also the most important agent for change acting on the region from the outside. The countries of Eastern Europe confront bleak economic prospects, demoralization, and generational leadership change, all of which combine to present grave threats to stability. The elites of Eastern Europe are increasingly aware that their countries are falling steadily behind both the West and the newly industrialized countries of the world; there is a widespread sense of desperation because solutions within the framework of the present systems seem so unpromising. Poland is, of course, the extreme case, but structurally the dilemmas confronting the other socialist countries are the same.

Against this background, a reforming Soviet Union is proselytizing its fraternal East European comrades, carefully to be sure, to embark on Gorbachev-style reforms. At the same time, at least verbally, Moscow is displaying a growing reluctance to contemplate forcible intervention. Soviet forces in East Germany, Czechoslovakia, and Hungary are to be reduced over the next two years, with the prospect of further cuts under the provisions of a CST agreement.

This new Soviet posture presents a deeply contradictory set of prospects. The example of Soviet reform may spur and accelerate change in Eastern Europe. Soviet force reductions and perceptions of Soviet reluctance to enforce limits may encourage Eastern European elites seeking greater autonomy, or new political forces seeking to alter the system, to aggressively test what the traffic will bear. Gorbachev's zeal for reforming socialism and his preaching of "New Thinking" in international relations could combine to increase the chances of destabilization and, in the end, of Soviet intervention, in Eastern Europe.

For the West, this paradoxical situation sharpens the long-standing dilemmas of policy toward Eastern Europe: how to promote the political independence and self-determination of the countries of Eastern Europe, diminishing the security threat to the West from the USSR's massive military presence in Eastern Europe, without triggering a Soviet military intervention. Such an intervention would victimize the people of Eastern Europe, disrupt any ongoing reforms in both Eastern Europe and the Soviet Union, probably divide the alliance on how to respond, and, possibly, threaten the peace of Europe.

In these altered circumstances, some changes at least in emphasis are in order in the traditional Western policies that have evolved to deal with this continuing dilemma. The West should tie the prospects for far-reaching change in European security arrangements more

closely to basic change in the political configuration of Eastern Europe—namely, to Soviet acceptance of greater autonomy for those states. The alliance as a group should be clear and make clear to the Soviets that a reordering of the European security system, such as would be entailed by Gorbachev's vision of a "common European home," would be possible only if it were the culmination of a larger political process that ended hegemonial Soviet control in Eastern Europe.

This linkage would help the West to deal politically with Soviet proposals to denuclearize and demilitarize Europe that ignore the underlying geopolitical basis for Western security concerns. It should also be reflected in the positions put forward by the Western side in the upcoming CST and Confidence and Security-Building Measures (CSBM) negotiations. The West should seek to add explicit contractual arms control inhibitions to the political costs the Soviet Union could expect to incur in the event of another cross-border military intervention in an East European crisis.

The willingness of the Soviet Union under Gorbachev to tolerate greater diversity and even internal crisis in Eastern Europe may very well be put to the test during the term of the new U.S. administration. Particularly in the event of an East European crisis in which Moscow did not intervene, we should be prepared to reciprocate Soviet acceptance of greater East European autonomy by being more forthcoming on some issues of Soviet concern. Liberalization of Western economic policy toward the Soviet Union in response to clear manifestations of such Soviet self-restraint could be an important form of such reciprocation.

Regional Conflicts in the Third World

Together with the continuing buildup of Soviet military power in the post-SALT I years, growing Soviet involvement in Third World regional conflicts, both by proxy and with the direct use of Soviet forces, was at the root of the tension and acrimony that characterized East-West and especially U.S.-Soviet relations from the late 1970s through the mid-1980s. By contrast, since then, and especially in the past year or two, there has been accumulating evidence of overlapping U.S. and Soviet interests in facilitating the military disengagement of the Soviet Union or its clients from several regional conflicts, thus removing a major source of continuing irritation in Soviet relations with the United States, China, and other countries supporting anti-Soviet resistance movements in the Third World.

As noted earlier, a Soviet retrenchment process is clearly in evidence, much more selectivity with respect to making new

commitments, and a process of cutting losses, most dramatically so in Afghanistan. If fully implemented, the Soviet decision to withdraw its military forces from Afghanistan may turn out to have been a watershed event. Ensuring the completion of the Soviet withdrawal will almost certainly be the first priority issue on the U.S.-Soviet regional conflicts agenda under the new administration. In Angola the Soviets have cooperated in facilitating an agreement, under U.S. auspices, among Angola, Cuba, and South Africa that is consistent with objectives the United States has sought for many years. And in Cambodia, both superpowers have been using their influence with the contending parties to secure withdrawal of Vietnamese military forces.

These are important developments for which there are many reasons: Some may turn out to be transitory, some more fundamental. U.S. assistance to insurgencies resisting Soviet-supported Marxist regimes has surely been an element; so has a Soviet reassessment of the damage that these excursions have done to broader Soviet interests with the United States and others; but so, too, has been a Soviet recalculation of the elusive nature of benefits to be gained from supporting inherently weak, unpopular, poor, and unreliable clients.

The United States should continue in the next administration to exploit opportunities to cooperate with the Soviets in facilitating regional settlements consistent with U.S. interests that local conditions make ripe and to test Soviet intentions in still other areas of contention where the United States and Soviet Union have some influence they can bring to bear. This means not only being prepared to engage the Soviets diplomatically where appropriate, but also to help perpetuate the conditions that have helped bring the Soviets to make new cost-benefit calculations in the Third World: continued U.S. support, as long as needed, for insurgencies against pro-Soviet regimes that employ external Communist military forces to keep them in power. To be effective, this U.S. support must be politically sustainable, especially at home, and be so perceived both in the region and in Moscow. Where the role of external Communist forces has been clear and where the deep indigenous roots of resistance have been evident, as in Afghanistan, congressional and public support for U.S. military aid to the resistance has been strong and U.S. staying power unquestioned. Where these conditions have not obtained, or when there has been great domestic controversy about them, as in Nicaragua, congressional and public support has been inadequate to sustain effective U.S. policy.

In Angola and perhaps also in Cambodia, the long and what seemed to many inconclusive U.S.-Soviet dialogue on regional settlements has finally begun to bear fruit. The sides have shown considerable flexibility and ingenuity in the variety of modalities they have devised for

participating in the settlement processes in those countries, as they did in Afghanistan. The outcome still depends largely on the behavior of actors over whom neither the United States nor the Soviet Union have decisive influence. The political approach and diplomatic style, however, seem appropriate; and a strategy of step-by-step engagement would call for more of the same.

In other regions, there has as yet been little progress. Chances for reducing Soviet involvement in Nicaragua probably depend on the prospects for a regional settlement in which the Soviet Union is not and should not be a direct participant. But any plausible regional Central American settlement would include a ban on the creation of a Soviet base in Nicaragua or a Soviet military presence in that country. In the context of a regional settlement in Central America, the United States should seek to secure a Soviet undertaking to observe agreed limits on military aid to Central American countries.

In the Middle East, some issues are riper for parallel or joint U.S.-Soviet diplomatic moves than others. Both the United States and the USSR have been moving off traditional positions with regard to the Arab-Israeli conflict. The opening of a U.S.-PLO dialogue and movement by the USSR toward restoration of diplomatic relations with Israel increase the chances of more active U.S.-Soviet engagement on the Arab-Israeli settlement process during the term of the new U.S. administration. The Soviet Union was among the parties encouraging Arafat to make the rhetorical adjustments required to meet U.S. conditions for talking to the PLO. But the test of Soviet readiness to promote a settlement, and not just to gain a seat at the table as the Arabs' lawyer, will be its willingness to press its Arab clients, especially Syria, and also the PLO, to make the kinds of concessions on substance required for progress in the settlement process.

In the Persian Gulf, as the Iran-Iraq war winds down, and in the context of eight years during which the United States and USSR at least tacitly cooperated to prevent its widening, a U.S. probe of Soviet willingness to join in broad, multilateral limitations on arms exports into the post-war Gulf might be in order. In addition, as the Khomeini regime in Iran approaches its inevitable end, the ongoing process of U.S.-Soviet regional consultations might profitably be extended to include consideration of an agreement to avoid external interference in the turmoil likely to occur in Iran after Khomeini departs the scene.

Finally, building on whatever may be achieved in Afghanistan, Angola, and Cambodia, the U.S.-Soviet dialogue could move on to the exploration of possibly convergent interests in stabilizing other potential hot spots, such as the Korean peninsula and any that may show signs of erupting.

Whether the Soviet Union's willingness to pay a substantial price for liquidating lost causes, as in Afghanistan, or reducing the costs of inconclusive or unpromising ventures, as in Angola, will be generalizable to other areas remains to be seen. The formula for success seems to require unpromising conditions for the Soviets on the ground, to which the United States can contribute; greater extra-regional Soviet interests that a local settlement would serve, where the United States looms very large; and a readiness on both sides to find negotiated modalities for Soviet or Soviet-client military disengagement.

Bilateral Relations

Three major sets of issues are contained in this basket: exchanges and contacts, economic relations, and human rights. The first of these can be disposed of quickly. The break in *exchanges and contacts* that occurred after the Soviet invasion of Afghanistan has been repaired and then some, and there is now a large and growing set of programs underway. With further improvement in the general climate of East-West relations, the organized and unorganized streams of personal contacts and exchanges should broaden and deepen. As in the past, such contacts and exchanges provide the West on balance with greater opportunities for influencing Soviet development than vice versa. And under conditions of glasnost in the USSR, the United States is in a better position than ever before to press for maximum reciprocity in exchanges.

Whatever changes may take place in the next few years in East-West *economic relations*, they will not play the same role in this new phase of U.S.-Soviet relations as they did during the period of detente. At that time, expectations about economic relations were central to the strategies of both sides. The Soviets offered and much of the West was inclined to buy an implicit trade of Soviet forbearance in exploiting its newly gained military advantages in return for Western economic concessions. Now it is Gorbachev who is seeking to ease competitive pressures in the military arena, both for its own sake and to improve the general environment for perestroika. The West may still seek to use economic instruments to affect Soviet policy, but the emphasis is likely to be on Soviet domestic policy or relations with Eastern Europe.

Until recently, Gorbachev appeared to be assigning a less central place to resource transfers from the West in his domestic programs than did Brezhnev, perhaps because he sought to avoid dependence on the West. The Kremlin's decision during the second half of 1988 to establish substantial credit lines with a number of European banks, primarily to finance modernization of Soviet consumer goods

production, must be largely associated with poor domestic economic performance in the past couple of years, but it may also herald a longer-term renewal of interest in capital and technology transfer from the West, in order to cope more successfully with Soviet economic problems. The apparent decision to create a few "special economic zones" in broader regions of the USSR is probably similarly motivated. At the same time, the new emphasis on "international cooperation as a major component of international security," in Gorbachev's words at the UN, is reflected in a more outgoing Soviet international economic policy.

Soviet leaders, with Gorbachev in the fore, have been proclaiming their interest in stepping up the Soviet Union's participation in the international economy. They seem determined to join the major international economic organizations—GATT in the near future, IMF and the World Bank perhaps later. After prolonged negotiations, the European Community and the Council for Mutual Economic Assistance (CMEA) have concluded a framework agreement that will permit follow-up negotiations with the USSR (as well as with the individual Eastern European countries). Reform of the Soviet foreign trade organization that has decentralized trade decisionmaking authority is aimed at enhancing the quality and quantity of Soviet trade flows. For the first time in more than half a century, direct foreign investment on Soviet soil (joint ventures) is being encouraged to step up exports of manufactures, improve domestic management skills, and raise the qualitative level of Soviet production. Soviet leaders may recognize not just the value of foreign technology, but even the importance of foreign competition in enhancing domestic economic efficiency.

There are, nonetheless, substantial constraints on the growth of East-West and particularly U.S.-Soviet trade flows that can be expected to persist in the next few years. Western controls on technology exports have been eased in recent years and may be further relaxed in the benign climate of "New Thinking," but the system is unlikely to be dismantled in the near term. Even if the political climate encouraged substantial removal of Western political restrictions, an important economic barrier to the flowering of East-West trade would remain—severe limits on Soviet ability to pay for Western imports. Until such time as the USSR can become competitive with the West in manufactured goods, Moscow will remain dependent on the export of oil and gas, with all the well-known limitations of that export monoculture. And even with signs of increasingly permissive Western attitudes toward export controls, the Soviets will be reluctant to incur the political and economic risks of dependence on the West.

The main economic policy issues for the United States in the new phase are, with one exception, familiar old questions to be revisited in altered circumstances:

- Should unilateral U.S. and COCOM (Coordinating Committee for Multilateral Controls) controls on technology transfer to the USSR be loosened?
- Should the Jackson-Vanik Amendment be repealed and Most Favored Nation (MFN) status granted to the USSR?
- Should the U.S. Export-Import Bank credit window be reopened?
- Should we continue in effect to subsidize grain sales to the Soviet Union?
- Should we pressure our allies for a common credit policy toward the USSR?

Finally, Soviet bids for a role in the international trade and banking systems raise a new issue:

- Should we attempt to deny Soviet Union membership in GATT, IMF, the World Bank, or other international economic organizations?

Specific positions on these issues will depend heavily on circumstances and agreements among the allies that cannot now be foreseen, but what follows are some principles for making choices in economic policy that are in accord with a strategy of step-by-step engagement:

1. The provision of economic benefits and the levying of economic sanctions constitute the second most important instrument of leverage on Soviet policy and behavior, after security measures, to be found in the Western arsenal. This instrument has often been misused in the past and few successes can be chalked up to its account, but its potential remains great by virtue of the productivity gulf between East and West and the Soviet Union's fervent desire to close that gap. Accordingly, as far as it is politically possible, the West should husband that scarce resource, expending it prudently in exchange for an equally valuable Soviet quid pro quo. That means, it seems to us, that the West should seek to phase the extension of economic benefits with indications of substantial change in the structure of East-West relations and in the nature of Soviet society.

In the past, efforts to apply Western leverage have attempted to match concrete Western economic packages with Soviet behavioral modification. Almost uniformly, these efforts were unsuccessful. The Soviets were always reluctant to allow specific linkages of their

external posture or internal policy to East-West economic relations. Invariably, there was great doubt in the West that the exchange values involved were coordinate, since a specific Western sanction or benefit was traded against a frequently intangible, subjective Soviet policy change. Efforts to establish explicit quid pro quos between U.S. economic benefits and Soviet human rights performance, as with Jackson-Vanik, ran afoul of domestic politics in both countries.

The United States sought to dangle a specific economic reward (MFN) before Moscow to secure a specific kind of political performance (higher levels of Jewish emigration) that would be an exception to the generally repressive practices characterizing Soviet domestic policy. Now, however, the prevailing Soviet domestic policy trend is toward liberalization to an entirely unprecedented degree, and Soviet performance on Jewish emigration, though still unsatisfactory, is improving. These changed circumstances reinforce the argument in favor of a different Western strategy for seeking to bring its economic potential to bear politically.

An additional reason for the failure of past leverage attempts was that the United States never obtained alliance consensus on the utility and feasibility of such an approach to altering Soviet behavior. Indeed, the Achilles heel of most previous U.S. efforts to use economic instruments to sway Soviet behavior has been the difficulty of obtaining alliance support. The major obstacles to developing a coordinated Western approach, at least on American terms, have been the greater importance of East-West trade to Western Europe than to the United States, differences in fundamental outlook on East-West relations, and the increasing assertiveness of Western Europe and Japan. This history suggests that the U.S. government should carefully weigh the alleged benefits to the USSR of future economic measures that our allies may undertake before we incur the political costs of attempting to restrain them. More important, it suggests, first, that isolated efforts of that kind, which generally turn out counterproductive, might be unnecessary if we invested more energy in developing a consensual economic strategy; and second, that consensus is more likely if the strategy aims for generalized improvement in East-West relations rather than for specific Soviet policy or posture modifications as the price for Western economic help.

The development of an alliance consensus, even on this altered strategy, will not be easy, but the task may be less difficult now than it was in the early 1980s. Then Moscow was in open conflict with Western interests and the deterioration of East-West relations appeared to threaten international peace. Today, Soviet policy appears to be moving steadily, if unevenly, in directions generally compatible

with Western interests, and East-West tensions are melting in the warmth of Soviet rhetoric. As long as Soviet policy continues on its present course, it should be easier for the alliance to agree on the desirability of further progress in the same direction. A generalized linkage of improvements to economic benefaction to the Soviet Union should then be a manageable alliance objective.

Is the effort worthwhile at all, in view of the unfortunate history of leverage attempts? But Western governments and businessmen seem eager to explore the economic opportunities presented by perestroika and "New Thinking." To forgo an attempt to develop an alliance economic strategy now is to risk an uncontrolled effusion of the potential energy of Western leverage under the pressures of competitive response to Soviet blandishments. At least let us try.

2. The chief U.S.-Soviet bilateral economic issues on the agenda of the last decade—Jackson-Vanik and Stevenson amendments, MFN and Eximbank credits—should be handled on these principles. An appropriate starting point, it seems to us, can be found in the appreciation of both the achievements and limitations of Soviet policy change, as well as in the recognition of the readiness of our allies to extend credit to Moscow on favorable terms. The positive turn in Soviet policy suggests that an American policy oriented simply to denial of economic benefits to the USSR is obsolete; however, the limited progress of Soviet internal reform, as well as other factors noted earlier, caution against premature Western commitment to all-out support of Gorbachev's cause. European banks and governments are even less amenable than they were a few years ago to arguments about the undesirability of lending to Moscow. Under these conditions, therefore, Washington could end U.S. denial of Soviet access to U.S. government loans and guarantees. Such a move would represent a conciliatory gesture to Moscow, and it might also improve Washington's ability to seek a coordinated alliance credit policy. Granting the USSR MFN treatment need not be immediately on the agenda, but could be visible on the horizon, if and as Gorbachev makes good on the human rights promises of his December 7, 1988, UN speech.

3. In the initial phase of our rapidly evolving relations with the USSR, we should still seek to minimize the transfer of military-relevant, dual-use technology. We should emphasize in concert with our allies sustainable export controls, recognizing that this probably means reducing their number and maintaining the lists under frequent review.

4. In response to continued positive change in Soviet domestic and foreign economic organization, we should move to greater accommodation with Soviet wishes for increased involvement in international economic organizations (IEOs), provided that the integrity of the IEOs

and Western interests in them are preserved. This means that the Soviet Union will have to adapt its system to the practices and goals of the IEOs. The West should favor such an outcome, which would require the decentralization and "democratization" of the Soviet economy; a Soviet effort to mold the IEOs to its own current image is a contingency we need not fear, because Soviet leverage is so limited.

Placing *human rights* on the agreed official agenda of U.S.-Soviet relations is an important innovation. It reflects both U.S. persistence and Gorbachev's recognition that refusal even to discuss human rights had become counterproductive. The United States can now directly address the Soviets on a wide range of American concerns about the domestic conditions of the USSR that in the past would have been rejected as interference in Soviet internal affairs. This legitimized vehicle for access to the evolving Soviet domestic scene will be very useful in the process of probing, monitoring, and assessing Soviet change.

There has already been welcome change in the condition of human rights in the Soviet Union: glasnost in general, the release of many political prisoners, the granting of exit visas to refuseniks, and the beginnings of an internal dialogue on creating a legal system more responsive to individual rights. Most of what needs to be done, however, still lies ahead. Tension between what is required to secure and institutionalize respect for individual rights, on the one hand, and maintenance of the party's political monopoly and its control over the Soviet Union's minority republics, on the other, is likely to grow.

In this more promising but still severely constrained Soviet human rights environment, certain principles should guide our approach:

- The promotion of human rights, universally as well as specifically in the Soviet Union, is the foundation of American policy, but it is not and cannot be its exclusive focus. How directly we bring human rights considerations to bear depends in part on the issues. Human rights play a less immediate role in the imperative security aspect of U.S.-Soviet relations, a more immediate role in optional aspects of the relationship, such as trade.
- A sustained process of broad societal change in the Soviet Union, in response to perceived Soviet need to revitalize the Soviet system, offers the best hope for continued improvement in Soviet human rights performance, but the United States and the West are deeply engaged in the processes of change in the Soviet Union even without trying: Our very existence and the force of our example exert enormous influence. This influence

has grown greatly as the communications revolution and Soviet glasnost have dramatically increased the exposure of Soviet citizens to the outside world.

- We can nudge the pace of internally driven change by holding Soviet leaders up to the highest standards of their self-proclaimed, new-found commitment to human rights. We should welcome evidence they are living up to those standards, condemn departures from them, and highlight remaining obstacles. In this connection, the nationalities ferment unleashed by reform in many parts of the USSR could present the West and particularly the United States with delicate human rights policy challenges, where it will be necessary to balance our fundamental commitment to self-determination against concern that explosive protest could play into the hands of "law and order" anti-reformers in Moscow.

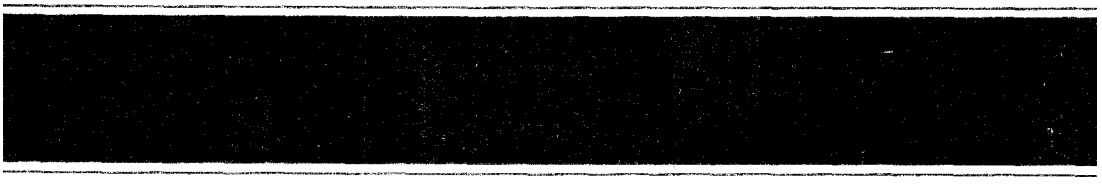
In the long run, the evolution of human rights in the Soviet Union will determine the upper limits on progress toward a more cooperative East-West relationship generally, including security relations. Fundamental alterations in the existing international security regime will be warranted only in the advanced stages of a process of gradual systemic change in the Soviet Union itself, in which the overall condition of human rights will be the most sensitive indicator.

REPRISE

To sum up, there are real and promising changes occurring in the Soviet Union, and in Soviet foreign policies. Although future prospects of Soviet reform and the implications for East-West relations in the long term are uncertain, a strategy of step-by-step engagement holds out good promise of early progress.

Where long-standing Western interests in managing East-West relations more safely, reliably, and at lower cost intersect with current Soviet interests in providing a more congenial environment for perestroika, the case for engagement is compelling and unambiguous. But while exploring the limits of Soviet cooperativeness, we should guard against Soviet backsliding, avoid advance payments against unrealized promises, hedge against uncertainties, and build progressively on successes. Far-reaching alterations in existing Western security structures, alliances, and strategies, especially in Europe, will be warranted only in the advanced stages of a process of systemic change in the Soviet Union itself, in its relations with Eastern Europe, and in its patterns of international behavior.

We need to begin exploring the kinds of fundamental changes in the Soviet Union that might permit us to move beyond containment and deterrence to a better balanced, more substantially cooperative East-West relationship; to consider what we would regard as persuasive evidence that such changes were actually taking place; and to think through what we might be prepared to offer in return.

In practice, in addition to responding broadly to positive Soviet change, we should graduate our own willingness to be forthcoming in addressing outstanding Soviet concerns to Soviet behavior in addressing ours. This means that we have to continue to resist any new Soviet efforts at self-aggrandizement, but we must also be ready to reciprocate Soviet self-restraint and cooperation.

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