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Mikhail Gorbachev's meeting with Alexander Dubcek

PRESIDENT Mikhail Gorbachev received Alexander Dubcek, Chairman of the Federal Assembly of the Czech and Slovak Federative Republic (CSFR), in the Kremlin on May 21.

When warmly greeting the guest, Gorbachev said the meeting was significant in may respects and meant a lot.

"First of all, it illustrates the vitality of the idea of humanistic, democratic renewal of society in the interests of the working people," he said.

he said.

"The vitality of this idea is in people's increasing aspiration to live and work in conditions worthy of the contemporary human being, to develop their abilities on the basis of social justice and be masters of their destiny, and not an object of manipulations on anyone's part.

"Actually speaking this has been and remains the dominant feature of Soviet perestroika which signifies a radical turn of the country's entire life towards overcoming the alienation of citizens from government, property, culture and towards enriching and ennobling society with the best achievements of the entire civilisation.

"The turn to such a scope is a laborious affair. It is being accompanied by a number of painful processes. Contradictions in the social consciousness, the existence of ideological blinkers and ingrained levelling sentiments are now the main obstacles, on the one hand, and extremist outbursts of radicalist rally type, on the other.

"A desire to spur history forward and political adventurism resulted in hard consequences for the country in the past and pushed it far backward.

"It is exceptionally important to avoid all that now that a course is being set towards radicalising the economic reform, adding substance to the Soviet federation and moving to the sovereignty of the soviets (councils)," Gorbachev said.

"The success of the cause requires as wide public consensus as possible. With this end in view, it is necessary that all really responsible political and social forces, not excluding either left radical or moderate conservative circles and all those who can realise the futility and harmfulness of selfish group interests and ambitions, get down to constructive work."

Touching upon the August 1968 theme, Gorbachev said that "on the political plane it was closed to us by the statement made by the Soviet Government that recognised the unfounded nature of the military interference in the internal affairs of Czechoslovakia."

"That action had a negative effect on the development of the Soviet Union itself, led to a freeze of planned reforms and slowed down the

natural development of progressive processes and pushed the country to the blind alleys of stagnation."

Dubcek said that he from the very outset and up to this date, at all levels and already at the present high state post, has been invariably Soviet perestroika and the course towards new political thinking

The destiny of Europe and the world depends without exaggeration on the success of Soviet perestroika. If anyone tried to turn the Soviet Union and Czechoslovakia back to the past, that would be a step into the abyss, he said.

Dubcek explained the current spread of anticommunist sentiments in the CSFR primarily by basic sectarian-dogmatic errors of the old Czechoslovakian leadership and by the interests of certain political circles.

In this connection Gorbachev noted the recent statement by President Vaclav Havel of the CSFR who declared against banning the Czechoslovak Communist Party and sweeping denigration of communist party members.

This makes it possible to hope that Czechoslovakia will not allow a new 'witch-hunt' and will consistently further the democratic traditions characteristic of it, Gorbachev said.

The two statesmen agreed that full and final overcoming of negative aspects in relations between the two neighbouring states, the renewal of their contacts on the basis of equality, respect for sovereignty and territorial integrity, and mutually advantageous nature of relations will make it possible to keep and multi-

ply everything good and mutually beneficial that has been and is existing in co-operation between the peoples of the Soviet Union and Czechoslovakia.

The two sides pointed out that, with all the changes taking place in the two countries it is important not to lose the realistic vision that the Soviet Union and Czechoslovakia need each other in the new conditions as well.

Gorbachev again emphasised that the Soviet Union firmly and unambiguously proceeds from respect for the right of the people of Czechoslovakia, just as of other countries, to freely choose ways and models of their own development.

Touching upon the international situation, the participants in the meeting noted the proximity of the Soviet and Czechoslovak approaches to the tasks of strengthening European stability.

The Soviet President pointed out in this connection that dangerous attempts by some political forces to "turn to their advantage" the difficulties connected with perestroika in the Soviet Union and complexities in transformations in East European countries should not prevent Europe from overcoming its division into blocs and from advancing towards the establishment of a new system of European security and equal, fruitful co-operation among all states participating in the CSCE process.

The meeting, in which Czechoslovak Ambassador Rudolf Slansky took part, was notable for its warm and friendly atmosphere and mutual interest in the development of fruitful Soviet-Czechoslovak relations.

Gorbachev urges unity among perestroika forces

PRESIDENT Mikhail Gorbachev on May 17 warned against possible confrontation between different properestroika forces, saying at the same time that concord will be reached.

He made the comments during a break in the proceedings of the new Russian legislature, which was in session in the Kremlin.

Sharing his impressions from its work with deputies, he said that the process of forging new parlimentary machinery in Russia, the largest Soviet constituent republic, was not smooth, with speakers often using expressions befitting a street rally, rather than a congress.

The President, however, was positive that this will not last long. Reality will compel deputies to speak less and do more. "Whereas yesterday we searched for a stronger word, today we have to look for the best solutions to problems of updating socialist society." he said

ting socialist society," he said.

Gorbachev added that these problems are already well known and the deputies' task is to set the order of priorities in dealing with them.

He reminded the deputies of their responsibility, saying that each of them represents thousands of constituents and has Russia, the whole country and the entire world behind him, watching the progress of democratic change and perestroika with interest.

The President warned against attempts to lead

the Russian Congress astray, but said he believes these attempts will be overcome.

Gorbachev said the political process in the country has been developing normally, with new social movements and new parties emerging since the Communist Party relinquished its monopoly on power.

But it must be remembered that "we have one people, one country, and one earth, for which we are responsible." If everyone remembers this, agreement will be reached, Gorbachev stressed.

"I am an incurable optimist in this respect," he said.

The President pointed to the need to avoid clashes between different pro-perestroika forces. "This should be remembered by all. And all should abandon the old stereotypes like 'my opinion is right and the others' is 'wrong'," he said.

Asked about measures planned by the Presidential Council to combat ministerial monopoly, Gorbachev said that "we have struggled against monopoly capitalism for more than 70 years, but ended up being in fact the most powerful monopolists in the economy." He said, however, that the projected transition to a market economy will put everything in its place.

Economic restructuring will continue, with further decentralisation achieved through the establishment of new concerns and other economic associations, Gorbachev said.

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Mikhail Gorbachev receives US Secretary of State

PRESIDENT Mikhail Gorbachev received US Secretary of State James Baker in the Kremlin on May 18. Joined by Soviet Foreign Minister Eduard Shevardnadze, they discussed the forthcoming Soviet-US summit for more than two and a half hours.

Gorbachev said that intensifying Soviet-US dialogue is one important hallmark of bilateral relations at a time when international developments are increasingly dynamic, a time crucial for the Soviet Union, Europe and the world.

He suggested a careful look at how actions by both sides match the understanding of fundamental changes in world development that was reached at previous meetings with the US President and Secretary of State. He also touched on some aspects of the transformation of this understanding into practical steps.

From this point of view, an exchange of opinions was held on the European policies of both countries, especially in connection with German reunification. The discussion was very frank and trustful. The problem was discussed in the context of responsibility of the four wartime allies and prospects for the Conference on Security and Co-operation in Europe process.

Much attention was paid to the attitude in the US to recent developments in the Soviet Union and priorities in the assessment of what is needed for the progress of perestroika, which, Baker

confirmed, is supported both by the administration and by a considerable number of Americans.

The discussion also concerned, particularly in view of projected major economic measures in the USSR, the need to furnish an economic basis under Soviet-American interaction, in order to lend them proper stability, the subject was directly linked to the basic principles of relations between the two powers at this watershed juncture.

The meeting was then joined by members of the delegation. Shevardnadze and Baker expressed their views on the intensive talks to draft a treaty to halve strategic offensive weapons. The two men discussed in detail all outstanding issues related to counting long-range air-launched nuclear cruise missiles on heavy bombers, including the upper ceiling on their deployment, the range of air-launched cruise missiles, and the upper equal ceilings on sealaunched long-range nuclear cruise missiles which the Soviet Union and the US can deploy.

The exchange of views on other matters of the future treaty was also constructive. As a result, progress was achieved that will pave the way for the positive completion of the summit meeting.

Generally speaking, the thorough, deep discussion helped elaborate many conceptual and specific problems, for which the leadership of the two countries bear special responsibility before their people and the world community, in the run-up to the Washington summit.

Soviet President's decree on housing

SOVIET President Mikhail Gorbachev has declared as unlawful a law 'On the Fundamentals of the Provisional Government Order in Estonia' adopted by the Estonian Parliament on May 16. He state that any actions based on this law were illegal.

A decree of the Soviet President published in Moscow on May 19 stresses that the law was passed without any preliminary consultations with the union bodies of state authority and government and without taking into account the interests of Estonia's population as well as economic and political ties with other Soviet republics and the Soviet Union on the whole.

"The law is designed to end unilaterally the subordination of the Estonian bodies of state authority and government, the court and public prosecutor's office to the corresponding union bodies and is, therefore, violating the Soviet Constitution and the USSR law 'On the Procedure of Resolving Issues Connected with a Withdrawal of the Union Republics from the Soviet Union,' the decree says.

Soviet President declares new Estonian law illegal

SOVIET President Mikhail Gorbachev has issued a decree on new measures to resolve the housing problem. It was made public in Moscow on May 19.

There have been some positive shifts in the solution of the housing problem in the Soviet Union in recent years, the decree said. However, the problem is still acute. Nearly 4.5 million families live in housing with less than five square metres per person.

About 30 million flats and individual houses

About 30 million flats and individual houses are to be built to provide each family with an apartment or house of their own by the year 2000, the document said.

The Soviet President said it was impossible to resolve the problem by old methods and instructed the Soviet Government to draw up a package of measures by September 1.

The decree removes the whole number of

The decree removes the whole number of restrictions on building individual housing in the Soviet Union, grants the right to own and inherit housing and plots on which it is built and creates conditions for forming a housing market.

Joint Communique on Dubcek's visit to the USSR

ALEXANDER DUBCEK, Chairman of the Czechoslovak Federal Assemb-

Presidential decree on higher education

THE Soviet President's decree on a state programme for the development of higher education in the country was issued in Moscow on May 15.

The programme, which is planned to be drafted within six months, will provide for radical reforms in higher education and in teacher training.

The decree instructs corresponding organisations to consider without delay concrete proposals for providing financial, technical and organisational support to higher educational establishments and increasing their independence, set forth at the May 11 meeting of rectors of higher education establishments, and to take decisions on these proposals within a month.

The Council of Ministers has been instructed to submit to the Soviet Parliament legislative proposals for the economic and legal protection of higher educational institutions in conditions of a regulated market economy.

Nuclear Deterrence: Past and Future

By Konstantine Nikolayev

price 50p from: Soviet Booklets (SN), 3 Rosary Gardens, London SW7 4NW ly, has ended his visit to the Soviet Union.

The Soviet-Czechoslovak talks focussed on a wide range of issues related to the implementation of socio-economic and political transformations in both countries, a joint communique released in Moscow on May 22 says. Dubcek and other Czechoslovak representatives set out their evaluations of the events of 1968.

The sides favoured the further development of relations between the Soviet Union and Czechoslovakia on the basis of the principles of equality, good-neighbourliness and mutual benefit, formulated in the Soviet-Czechoslovak Declaration of February 26, 1990.

In this regard, the sides emphasised the importance of deepening contacts between the USSR Supreme Soviet and the Czechoslovak Federal Assembly, mutual familiarisation with the experience in the activity of the two countries' parliaments, their committees and commissions, and deputies.

The sides discussed from identical or close positions several important issues of the development of the situation in Europe and the world. The issues raised by Mikhail Gorbachev and Vaclav Havel in their speeches in Strasbourg were also a topic of discussion.

In this regard, it was emphasised that parliamentarians' role in achieving stability and progress on the European continent on the basis of transition from the bloc system to new European security structures, in restraining the arms race, in handling ecological and other global problems faced by mankind was being enhanced.

On behalf of the Czechoslovak Federal

On behalf of the Czechoslovak Federal Assembly, Dubcek invited Soviet Parliament Chairman Anatoli Lukyanov, Ivan Laptev and Rafik Nishanov to visit Czechoslovakia. The invitations were accepted with gratitude. The terms of the visits will be agreed upon later.

PERESTROIKA

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Mikhail Gorbachev's speech at dinner for Egyptian president

"THE visit by the Egyptian leader opens a new chapter in Soviet-Egyptian friendly relations and the revival of mutual understanding and confidence between our countries," said President Mikhail Gorbachev.

He was speaking at an official dinner on May 15 in honour of visiting President Hosni Mubarak of Egypt.

Gorbachev noted that "under the leadership of President Mubarak, Egypt has entered a period of sweeping changes, which positively influenced the life of its people, the country's prestige in the international community and raised its constructive role in the Arab world."

Speaking on international affairs, Gorbachev said that important results have been achieved in defusing conflicts. However, confrontation, including military, continues in some important regions, despite growing trends for the demilitarisation of world politics.

"We want to tell all sides involved in conflicts: turn to each other, remember that you have a common destiny and you should live together and that nobody can and will achieve security at the expense of others," Gorbachev said.

The sides made a Middle East settlement a priority at their talks. Gorbachev noted that "the Middle East is a concern and pain, common to the entire international community."

"It is long overdue to begin turning the Middle East towards peace and stability, to

normal relations between the people of that area," he added.

"This means ensuring equal security and equal rights to all peoples living there. Above all, to create conditions for the implementation of the right of the Palestinian people to self-determination."

The Soviet people sympathise with the peaceful intifada, because it symbolises the determination of the Palestinians to decide their own destiny.

Gorbachev called the Israeli occupation of Arab territories unjustifiable and unacceptable.

Dealing with the Soviet Union's approach to a Middle East settlement, Gorbachev said it should be a "result of equal interaction of all participants in the conflict, also involving the mechanism of the United Nations."

The Soviet Union believes that an international conference involving all interested sides, including the PLO and the five permanent members of the UN Security Council, remains the main orientation point in the settlement.

It would be very important for the disarmament process on the whole and the Middle East settlement proper, if the states of the region sign the Nuclear Non-Proliferation Treaty and state their intention to join the convention on banning chemical weapons.

"The Soviet Union," Gorbachev continued, "is prepared to seek ways to limit arms supplies to the Middle East countries, provided that priority is given to reciprocity and all aspects of the problem are taken into account."

Speaking about the settlement of emigrants, including some from the Soviet Union, on the Israeli-occupied Arab lands, the President said that "pushing people who resettle in Israel to this means to dangerously and immorally play with their fate."

The Soviet Union regards this as an encroachment on the rights of the Palestinian people and the continuation of the fait accompli policy pursued by Israel's extremist forces. "We urgently press for the Israeli leadership to give up these perfidious schemes. We insist that the UN Security Council take a decision, making it incumbent to observe international laws."

Speaking about Soviet relations with Arab states, Gorbachev stressed that the Soviet Union cherishes its relations of friendship and cooperation with Arab countries. "Here lies one of the most important directions of our entire foreign policy," he said. The Soviet Union confirms its desire to broaden contacts with the Arab League, the Organisation of African Unity, and the Organisation of the Islamic Conference.

The essence of Soviet Middle Eastern policy is to end inter-ethnic and inter-state strife, to promote co-existence on the basis of justice and right, and the progress of all nations living in this important part of the world.

"We want to build and develop friendly and mutually advantageous relations with all countries and peoples of the Middle East without exclusion. New thinking, all our philosophy and the policy of perestroika are a guarantee of our sincerity," the President said.

Gorbachev and Mubarak hold one-to-one talks

PRESIDENTS Mikhail Gorbachev and Hosni Mubarak held one-to-one talks in the Kremlin on May 15, followed by discussions involving delegations from the two countries.

"We regard the Egyptian President's visit as a major event for the two countries, the Arab world on the whole and for world processes," Gorbachev said. "In the person of Hosni Mubarak we welcome the leader of a great nation. Establishing a personal contact at summit level has special significance."

At the current crucial, highly responsible stage of world development, the presidents noted, it is extremely important for politicians to act from positions of realism and common sense, to sincerely strive to improve world affairs. This eventually brings long-term results and serves the true national interests.

The previous day's meeting of the two presidents had been marked by an atmosphere of frankness and trust. Gorbachev was interested in the details of reforms carried out under Mubarak. For his part he described the perestroika

GENNADI LISICHKIN SOCIALISM: An Appraisal of Prospects

price 60p from: Soviet Booklets (SN), 3 Rosary Gardens, London SW7 4NW. reform programme in the Soviet Union over the past five years and outlined the current situation and measures that are being taken. This unconventional exchange of expertise and views about the two countries and ways to realise their potentials revealed a lot that deserved reciprocal attention.

In connection with the great interest abroad in the current events in the Soviet Union, the two men assessed the results of the policy of new thinking and the importance of the successful attainment of the goals of perestroika for positive world developments.

The Middle East featured prominently at the talks. The two countries stressed their similarity of views and goals, taking account of the natural difference in each state's role in the settlement of the conflict.

Gorbachev reaffirmed the well-known principled positions of the Soviet Union and drew attention to the two circumstances needed for the success of the just cause of the Arabs: their own unity, involving the co-ordination of actions, and awareness of the Soviet Union's invariably friendly role. No one should be allowed to harm these two factors of settlement. But such attempts are being made.

The Egyptians President raised the issue of settlement of Soviet immigrants on Israelioccupied lands. Gorbachev said the Soviet Union realised how serious the problem was and that relevant agencies have been instructed to study the problem, taking account of the profound concern of Arabs.

Issues of bilateral economic and other cooperation were raised. They are being discussed in detail at appropriate levels in the atmosphere fostered by the presidents' meeting, which revealed huge potential for developing fruitful relations in all areas.

Nikolai Ryzhkov meets Egyptian President

SOVIET Prime Minister Nikolai Ryzhkov met visiting President Hosni Mubarak on May 15. Expressing satisfaction that a positive trend for all-round and consistent development has been restored in Soviet-Egyptian relations, Ryzhkov noted that good-neighbourly relations and cooperation between the USSR and Egypt meet the interests of the two countries and promote stronger peace, including in the Middle East.

During the meeting, the two sides examined key questions of Soviet-Egyptian relations and the state of trade, economic, scientific and technical relations between the two countries.

They positively assessed prospects for their development in the forthcoming period. The long-term programme for trade, economic, scientific and technical co-operation for the period of up to the year 2000, signed during Mubarak's visit to the Soviet Union, will be a solid basis for this development.

The earliest possible signing of a new long-term trade agreement for 1991-1995 will be an important step to implement the programme.

The sides noted that the participation of Soviet organisations and enterprises in the retooling, modernisation and construction of new industrial and other projects in Egypt would help boost the purchase of Egyptian goods, including products of the light and other industries.

Ryzhkov informed the Egyptian President of the nature of Soviet changes in foreign economic operations, pointing to possibilities for new forms of co-operation between Soviet and Egyptian enterprises, firms and organisations.

The meeting was held in a business-like and friendly situation. $\hfill\Box$

Soviet-Egyptian declaration

"THE USSR and the Arab Republic of Egypt emphasise the urgent need to assert new political thinking in international relations, the priority of human values, and the rights of each people to choose their own path of development and to self-determination," says a Soviet-Egyptian declaration signed on May 16 by President Mikhail Gorbachev and President Hosni Mubarak of Egypt.

Mubarak paid an official friendly visit to the Soviet Union on May 14-16.

The declaration underlines the sides' readiness for co-ordination and co-operation in handling international security problems. This primarily concerns work to scale down the race in nuclear and conventional armaments, lower military confrontation in the world and settle conflict situations by peaceful means.

The USSR and Egypt called for setting up zones free from weapons of mass destruction in the Middle East, the Mediterranean, Africa and in the Indian Ocean.

The sides favoured enhancing the United Nations' role and effectiveness in solving the pivotal problems of our time. The Soviet Union and Egypt praised the constructive role played by the Non-Aligned Movement in strengthening positive tendencies in the world.

They declared for intensifying joint efforts to solve such urgent issues as narrowing the social and economic gap between industrialised and developing countries, and ensuring a balanced and stable development of the world economy.

The sides also supported the idea of an early

convocation of an international conference on Africa's foreign debt, which has an adverse impact on prospects for Africa's economic growth and development.

The USSR and Egypt emphasised that the Organisation of African unity has a positive role to play in unifying African countries, consolidating their efforts in tackling political and socioeconomic problems, and in establishing peace and security on the African continent.

The sides think that a fair and durable peace, secure existence and free development should be ensured to the peoples of the Middle East, the declaration says.

It points out that the all-important condition for this is reaching a comprehensive Arab-Israeli settlement on the basis of international law and a balance of the sides' lawful interests. The principles recognised by the world community and, above all, a just solution of the Palestinian people's right to self-determination and creating an independent state should also form a basis for the settlement, the declaration says.

The USSR and Egypt consider that the situation in the Middle East calls for intensifying the efforts by all parties concerned both on a bilateral and multilateral basis, making use of the mechanisms of international organisations, above all the United Nations.

The sides advocate a varied approach to fostering the peace process and welcome constructive proposals and inititatives, which help to move it forward, including proposals for conducting a Palestine-Israeli dialogue.

These efforts would be instrumental in the preparations to convene a UN-sponsored international conference involving all parties concerned, including the PLO and the permanent members of the Security Council. This con-

ference is viewed by the sides as the correct way towards achieving a comprehensive settlement.

The sides noted with concern that Israel's policy to settle immigrants on the Arab territories, which have been occupied since 1967, including eastern Jerusalem, is unlawful and a serious impediment on the way towards peace in the Middle East.

The USSR and Egypt urged Jerusalem to honour international law standards, the provisions of the 1949 fourth Geneva convention and respective UN Resolutions.

Both sides strongly opposed Israel's settlement of immigrants on occupied lands. They think that immigration should not infringe upon the rights of other peoples, specifically, the Palestinian people.

The USSR and Egypt expressed serious concern over the situation in Lebanon and declared for preserving the territorial integrity and respecting the national sovereignty and independence of Lebanon.

They stated their support for the lawful government in Lebanon and also efforts by the Arab League and the three-nation committee set up by it, which help normalise the situation in Lebanon on the basis of the Taif Accords.

The declaration says that transition from the state of ceasefire between Iraq and Iran to solid peace is possible through implementing Security Council resolution 598 in full.

The Soviet Union and Egypt stated their determination to continue to develop friendly relations and co-operation in all areas. They also pledged to deepen political dialogue and co-ordination at international forums in the interests of world peace and security, the declaration says.

Soviet people: taking the rough with the smooth

By Vladimir Simonov, Novosti political commentator:

WITH the policy of perestroika in its fifth year, the Soviet people are eager to see their country overcome the problem of empty shelves in the shops.

But how? Towards a regulated market economy, the authorities say. This spring Premier Ryzhkov's team has been drafting a package to help the country towards a market economy, a strange enigmatic and, for many Soviet people, sinister phenomenon. The reluctance of Ryzhkov's men to share their ideas with the press has fuelled rumours. As a result, many here still see a free market as an incarnation of capitalist horrors – unaffordable prices, massive unemployment, and a handful of rich shady operators fleecing the public.

A survey involving 1,000 Moscow residents has shown they do not expect anything good from a market economy. For instance, 69 per cent of workers, 48 per cent of intellectuals, and 83 per cent of pensioners are sure that a free market will make life harder. Are a market economy and the Soviet people's mentality distorted by decades of 'real socialism' incompatible? There is no simple answer. Judging by the poll mentioned above, most people are, paradoxically enough, for an early transition to a market economy.

Gorbachev being cautious and outwardly slow is precisely because he wants this transition to be as painless as possible for the public. Especially as far as the underprivileged groups are concerned. Talking to Moscow communists recently, Gorbachev again highlighted co-operatives and

denationalisation of small enterprises or, to be exact, their becoming the employee's common property through personnel stock ownership plans. Private ownership of land and an individual's right to hire labour to organise major private businesses are taboo even under the most recent legislation. For Gorbachev, a viable public sector will be the backbone of a remodelled Soviet economy.

Political observers who see this as Gorbachev's compromise with his fundamentalist opponents are wrong. Gorbachev is dedicated to socialism, although he is also for the differential in earnings that will come with a market. This differential, he believes, would stimulate enterprise and businesss initiative.

Westerners in high positions are also racking their brains over Soviet economic problems. For instance, the US Secretary of State, James Baker, recently in Moscow, has some ideas about how it would be best for the USSR to change over to a market economy. Addressing the House Ways and Means Committee in Washington, he said the USSR should not go over to free-market prices until the paper money overhang had been liquidated. This could be done by selling machinery and land to private individuals and boosting expensive imports. Baker's sixpoint plan also calls for unemployment insurance and a corporate bankruptcy law.

Baker's ideas have much in common with the programmes of some Soviet economists. To me, there is something more important in all this. It looks as if the West sincerely wants, and seeks to help, the emergence of a Soviet market economy. People on the either side of the Atlantic have become increasingly convinced that a

weakened Soviet Union would not have been able to favourably affect the recent international developments.

For all its socialist specifics, a Soviet market economy will become another universal value connecting the West and the East.

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Soviet Prime Minister meets British Defence Minister

ON May 18 Soviet Prime Minister Nikolai Ryzhkov met British Defence Secretary Tom King.

The sides spoke highly of Soviet-British relations. They noted their dynamic development in the economic, political, cultural and humanitarian spheres and pointed out the establishment of more active official contacts.

It was emphasised that the forthcoming Soviet-British summit would give a new impetus to bilateral co-operation.

The British Defence Secretary said he was satisfied that both countries were restoring trust and mutual understanding characteristic of the British-Soviet relations during the joint struggle against Nazism during World War II.

Ryzhkov answered King's questions on economic and social restructuring in the Soviet Union and measures to deepen the radical economic reform.

King expressed the British Government's sup-

port for the current changes in the Soviet Union and conveyed its intention to work for their success

King visits Soviet air base

THE visit to a Soviet air base with advanced aircraft testifies to the fact that the levels of confidence and mutual understanding between the Soviet Union and Britain is very high, British Defence Secretary Tom King, on an official visit to the Soviet Union, told correspondents on May 15.

King held an impromptu news conference while seated in the cockpit of a Soviet Mig-29 fighter during his visit to an air base at Kubinka near Moscow.

Nikolai Ryzkhov receives West German economics minister

SOVIET Prime Minister Nikolai Ryzhkov on May 21 received West German Minister of Economics Helmut Haussmann, who had come to Moscow to attend the 18th session of the Soviet-West German Commission for Economic, Scientific and Technical Co-operation.

Ryzhkov and Haussman discussed economic relations between the two countries.

They expressed satisfaction with the way

agreements, reached at a Soviet-West German summit, were being implemented. It was said that a joint statement, signed on June 13, 1989, in Bonn, which put bilateral relations on the level of partnership, marked a new page in their development.

Speaking about co-operation and trade during the process of the unification of East and West Germany, Ryzhkov said economic relations between the Soviet Union and the two Germanys during this process "will develop in the line of ascent, because that would meet their common interests."

In connection with the signing of a treaty on the establishment of a currency, economic and social alliance between East and West Germany, the Soviet Premier pointed to the need to ensure "continuity of Soviet-East German economic ties and the legal protection of financial and economic interests of the Soviet Union in the German Democratic Republic."

Haussmann said the treaty would create reliable prerequisites for the Soviet Union's becoming one of Germany's major economic

He noted that this would also help form a common European system that should be open also to East European countries and the Soviet Union, as was pointed out at a recent Bonn conference for economic co-operation in Europe

The basis for harmonising political and economic ties between a united Germany and the Soviet Union will be also extended, Haussmann said. The Soviet Union, which has been one of West Germany's major political partners, has accounted for only two per cent of its foreign trade turnover.

Ryzhkov said that the Soviet Union's planned transition to a "regulated market economy, which will invigorate and radically change the work of the entire foreign economic sector of the country, can make Soviet-West German cooperation more dynamic."

The meeting was attended by Soviet Deputy Premier Ivan Silayev, Soviet minister for foreign economic ties Konstantin Katushev, Soviet Deputy Foreign Minister Yuli Kvitsinsky, Soviet Ambassador to West Germany Vladislav Terekhov, State Secretary of the West German Foreign Ministry Lautenschlager and West German Ambassador to the Soviet Union Blech.

The Soviet combat equipment greatly impressed the British Defence Secretary. He also highly assessed Soviet pilots' skill, demonstrated to him on Mig-29 and SU-27 fighters.

Speaking with the air base commanders, King stressed that military men should maintain the dynamics of new relations in Europe in order to safeguard stability there.

In the current political situation in Europe, both NATO and the Warsaw Treaty Organisation could considerably reduce their armaments and military spending, King said, adding that during his visit he saw that the Soviet Jnion realises the need for such moves.

Later in the day, King spoke to cadets of the Lenin Military and Political Academy. He expounded on the NATO nuclear deterrence doctrine and Britain's view of Europe's future, particularly, the German problem.

The audience's reaction to the British Defence Secretary's statement that nuclear weapons guarantee peace and that a future Germany should become a member of NATO, was not identical.

In the evening, King was received by Soviet Foreign Minister Eduard Shevardnadze. They discussed European security issues and the conventional forces talks in Vienna.

Shevardnadze told journalists that he and King discussed the German issue and that the sides informed each other of their principal approaches to the problem, making no attempts to convince each other of the correctness of their stand.

"We had a very good discussion on other issues," Shevardnadze said. He said he hoped that participants in the Vienna talks on conventional arms reductions will "manage to prepare a good agreement and sign it" this year.

Foreign Ministry spokesman on Soviet troop withdrawal from Europe

TWO Soviet tank divisions and other military units have been withdrawn from the German Democratic Republic, Foreign Ministry spokesman Gennadi Gerasimov told a briefing in Moscow on May 17.

He was commenting on reports that the USSR had suspended the withdrawal of its troops from the country, released on May 16 by Western news organisations.

The decision to reduce Soviet Iroops in East European countries was taken by the Soviet Union unilaterally, the spokesman said. There were no official agreements on this score with the governments of either country. At present the Soviet Union has such agreements with Czechoslovakia and Hungary, from there the Soviet Union is completely withdrawing its troops.

"How issues relating to the Soviet withdrawal from the GDR are solved will depend on the results of the conventional forces in Europe talks and the political solution of the German issue," Gerasimov stressed.

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Eduard Shevardnadze meets leaders of World voters Congress

ON MAY 21 Soviet Foreign Minister Eduard Shevardnadze received Dr. Bernard Lown (USA), USSR People's Deputy Olzhas Suleimenov and Academician Mikhail Kuzin of the USSR Academy of Medical Sciences, leaders of the organising committee of the International Congress of Voters of the World Against Nuclear Weapons.

Prospects for the complete termination of nuclear tests were discussed in detail during the meeting. Speakers emphasised the importance of this issue in efforts to eliminate nuclear arms.

A ban on nuclear tests or a radical curb on them as an intermediate stage would put a serious obstacle to the modernisation and development of new types of nuclear weapons, they said.

Special attention was paid to the ecological dimension of the nuclear testing problem. Speakers shared the concern of the public at large in the Soviet Union, the United States and other countries about hazards to people's health during the continuous upgrading and build-up of nuclear arsenals.

Participants in the meeting praised the Soviet Union's efforts to ban nuclear tests and noted

the importance of the unilateral moratorium, introduced by the USSR in 1985-1986, on nuclear explosions. The Soviet Union's readiness to resume the moratorium at any time on the basis of reciprocity with the United States was reaffirmed.

Shevardnadze informed the guests of an agreement reached during US Secretary of State James Baker's recent working visit to the Soviet Union. The two sides agreed to sign verification protocols to the 1974 and 1976 Soviet-American treaties on the limitation on underground testing of nuclear weapons and on nuclear explosions for peaceful purposes, with a view to continuing Soviet-American talks in order to further limit and ultimately ban nuclear tests.

Speakers noted the close interrelationship between efforts to ban nuclear tests and to enforce non-proliferation of nuclear weapons. They emphasised the importance of internationalising the actions of states in these two directions, including within the framework of the conference on disarmament and at the forthcoming conference to review the Nuclear Non-Proliferation Treaty in August-September.

The need to synchonise the efforts of governments and the public to stop nuclear tests completely was pointed out during the meeting.

Soviet Union seeks full membership of GATT

BY 1992 the stage will be set for the Soviet Union to apply for full membership of the General Agreement on Tariffs and Trade (GATT), Ernest Obminsky, Soviet Deputy Foreign Minister, said in Moscow on May 17, commenting on the granting of observer status in GATT to the Soviet Union the previous day.

USSR Yearbook '90

The USSR 1990 Yearbook provides information about the progress achieved in restructuring all aspects of life in Soviet society. It contains information on:

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The book includes a record of the key events that took place in the Soviet Union from July 1988 till June 1989.

obtainable at £1.50 from: Soviet Booklets (SN), 3 Rosary Gardens, London SW7 4NW. GATT is now especially important for the Soviet Union, wrestling to reform its economy, he said.

The transition to a regulated market economy requires radical changes in the management of foreign trade – the Soviet Union is introducing new customs tariffs, a system of non-tariff regulation measures and globally-accepted foreign economic statistics.

Membership of GATT will rid the Soviet Union of the need to renew more than a hundred bilateral trade agreements, he said. Meanwhile, the state spends huge sums of money on the signing of these agreements.

GATT membership will also help speed up internal economic reforms, he believes.

Asked by reporters about the factors that determine Soviet incorporation into GATT, Obminsky said this will depend on "the liberalisation of the trade regime" and the drafting of a law on foreign trade, including anti-dumping procedures.

Commenting on trade relations between the Soviet Union and the United States and the granting of most-favoured nation trade status to the Soviet Union in the light of the Moscow talks Secretary of State James Baker and Foreign Minister Eduard Shevardnadze, Obminsky said: "in technical terms, the agreement is basically ready, since expert teams have no more differences on the document's content and its signing now depends on higher-level decisions."

Speaking about delays in Soviet payments on foreign loans, the diplomat said that the Soviet leadership was taking measures to solve the pro-

The delays have been prompted by erratic borrowing by Soviet enterprises after they were allowed to deal on the international market independently.

The state however, still bears responsibility to foreign creditors, Obminsky said.

Academician Abalkin: "Don't be afraid, take action."

"DON'T fear the transition to a market economy, take action – decisively," Soviet Deputy Prime Minister Leonid Abalkin told a meeting of party members in three agrarian regions of Krasnoyarsk territory, Siberia. The meeting is reported by the newspaper Selskaya Zhizn on May 17.

The academician explained that the country's economy is in the grip of a grave crisis. For the first time in the post-war years industrial production in the USSR has slumped. It has registered a decline for the fourth consecutive month. In the first three months production went down by 1.2 per cent. Inter-ethnic strife, catastrophes and natural calamities also contributed to the decline. Over the same months the production of consumer goods increased by 6.3 per cent. Owing to conversion, defence industries increased consumer production by 15 per cent.

To attempt to dodge the market, to recklessly boost the savings of the population unbacked by commodities, to introduce more new ration cards and to close distributing outlets amounts to aggravating the situation and exacerbating social tension, Abalkin said.

The transition to a market economy will probably lead to higher prices, he said. But there are a number of protective measures. First, prices of foodstuffs and prime necessities will be state controlled. Second, a price rise on all goods making up the so-called 'consumer basket' (this does not include gold and cars) will lead to a rise in the wages of people with fixed incomes, people on grants and pensions. Third, monopolist manufacturers will lose their right to raise prices.

Naturally some enterprise will go under: those who work badly will go bankrupt. But there is no cause for panic, the academician said. These enterprises can be leased by workers, converted into joint-stock societies, or be incorporated into larger unit. That is what self-management is all about. Once this is done, labour collectives and local councils will have to become the real masters.

"One model of the economy cannot be replaced by another without someone being hurt," Abalkin stressed. "There are losses to be made. But the long-term strategy is clear: the transition to the market is perhaps the last chance history gives to socialism. Only a market can heal our sick society and even bring prosperity."

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Legalising exit from the USSR

By Igor Drobyshev

LATER in May the USSR Supreme Soviet is planning to adopt legislation on exit from and entry into the USSR for Soviet citizens, which is looked for not only in the Soviet Union. It may do away with the problem which has for a long time been a stumbling point in Soviet-American relations. US congressmen will thus be enabled to revise their attitude toward the Jackson-Vanick amendment conditioning the granting of the most-favoured nation's treatment to the USSR by the emigration policy in this country.

"What was implied is not emigration in general but Jewish emigration," said Valentin Falin, Chief of the CPSU Central Committee International Department and member of the USSR Supreme Soviet. "As to the law under review, it grants all Soviet citizens the right to decide where to live and where to go and when and on what conditions to come back. It brings the Soviet law in line with the Vienna agreements and the UN General Assembly's resolutions, and is evidence of the State's confidence in its citizens and recognition of their right to choose. But one should not expect complete carte blanche. Some states, including Western countries, have even tougher restrictions on exit for reasons of secrecy, some of which are valid for a person's lifetime.

Characteristically, the emigration practices have changed so radically under the influence of perestroika that the coming law will have just to catch up with life. Thus, the number of Soviet citizens who over the past three years went abroad on short-term visits as well as for permanent residence has grown 20 times and had reached 2.5 million by last year. The Visa and Registration Board of the USSR Ministry of the Interior (UVIR) expects the stream of temporary trips to grow to 25-30 million a year with the adoption of the law.

"On the other hand," says Fyodor Burlatsky, editor-in-chief of *Literaturnaya Gazeta* and a member of the USSR Supreme Soviet, "All states are prepared to accept those who are going there for permanent residence. There are difficulties with housing, social security and employment. Therefore, the USA and some West European countries have imposed their quotas. These questions will be decided in the process of bilateral talks. We have already entered into negotiations with the pertinent human rights commissions of the US Congress and parliaments in the north European countries."

The law is to affect certain moral aspects as well

"Some prefer to travel." said Falin, "thinking that it is the most interesting part of life and that living in the West they can come to their homeland, the USSR, to undergo medical treatment. Indeed, dental prosthetic appliances, although not as good as in the United States, can be done in the Soviet Union virtually gratis with the only payment being for material. But the medical budget in this country is made-up of donations from working Soviet citizens."

The law will demand specific conditions: the OVIR personnel (dealing with exit visas) in the centre and the provinces should be increased by several thousand people, new premises and computers are to be provided. This also applies to the customs service.

Airplane tickets are in great demand and planes and fuel are not adequate for such a demand. So, the Aeroflot company is going to increase the number of weekly flights to the USA from 5 to 15-20 and open 20 more airline offices in other cities of the Soviet Union.

As the rouble is not convertible, this country is badly in need of hard currency. As a result, a Soviet citizen going abroad on invitation (which is for the time being an official reason for getting visas for private trips) can buy from the state 330 dollars for every trip.

In the words of lawyer Alexander Yakolev, member of the USSR Supreme Soviet, the law on hard currency should be cancelled it says that a Soviet citizen is allowed to keep foreign currency earned at state service abroad for only one year and then exchange it in a bank for roubles.

"I wonder why the state should decide how its citizens use their own currency," says Yakovlev. "We have just adopted the law on property. But it doesn't work if people cannot do whatever they want with their hard currency."

Still, says Yakovlev, the adoption of the new law will entail social pressure in favour of widening its economic basis.

"Anyway, this law will make us one of the members of the world community that we want to be and that others want us to be," said Falin.

(Novosti)

Shevardnadze on Soviet-Chinese relations

THE Soviet Union and the People's Republic of China are firmly and consistently pursuing good relations, Soviet Foreign Minister Eduard Shevardnadze told the newspaper *Izvestia* on May 15

The principles of these relations were formulated in the Soviet-Chinese Communique of May 18, 1989. With every passing day it becomes increasingly obvious that a turnaround in relations between the two countries is one of the major achievements of the policy of peace and dialogue which goes beyond the framework of bilateral relations between the Soviet Union and China and affects the world situation on the whole.

Political dialogue at various levels has expanded and contacts between government and parliamentary bodies and other circles of the two countries, Party, union and public organisations have become broader. Comprehensive economic, trade, scientific, technological and cultural links at state level and between union autonomous republics, territories and regions of the USSR and provinces and autonomous regions of China have strengthened. Border ties were boosted. Talks began on easing military confrontation, reducing the armed forces, on confidence-building measures in the military field in the area of Soviet-Chinese border. Talks on border issues and an exchange of information on international issues of mutual interest interest continued.

The recent official visit to the Soviet Union by Chinese Premier Li Peng marks a new milestone on the road to strengthening Soviet-Chinese relations, which reflected the reciprocal desire of the Soviet Union and China to promote further implementation of agreements reached last year's summit meeting.

The fact that the talks in Moscow had ended with the signing of six major intergovernmental documents underlines the scale and character of the visit, bears witness to its high effectiveness and widening co-operative basis. A long-term programme of economic, scientific and technological co-operation, agreements on co-operation in exploring and using outer space for peaceful purposes, on the credit for the chinese deliveries of consumer goods to the USSR and the Soviet credit to build a nuclear power station in China were adopted.

The entire atmosphere of the visit was marked by mutual interest and goodwill. This atmosphere marked, in particular, the reciprocal exchange of information on internal processes in both countries, on the nature and areas of econ-

(Continued on next page)

CMEA facing great change

By Georgi Mikhailin, TASS correspondent:

A SPECIAL commission of pleniopotentiary representatives of CMEA member-countries will submit to their governments at the end of May proposals to radically reform the organisation.

It is no longer a question of economic integration and the establishment of a common market for the member-countries of the Council for Mutual Economic Assistance. The point at question is how to preserve the organisation as an instrument of transition to the mechanism of truly economic co-operation of its members, said Alexander Nekipelov, a leading specialist in the field and a deputy director of the Institute of the Economy of the World Socialist System at the USSR Academy of Sciences.

The Soviet Union is now passing through a critical moment in its economic relations with its CMEA partners, he told TASS. They are the USSR's actual creditors.

This country could just as well cut some goods from these countries without detriment to its own economy. But the partners insist on its increasing exports.

However, their estimates, as well as those by independent experts, show that the transition to payments in freely convertible currencies at world prices will benefit the Soviet Union, Nekipelov stressed.

For the new rules for mutual trade to become effective, CMEA member-countries will have to give up the co-ordination of their state plans and export quota, he believed. But these radical changes would leave the Soviet Union's partners in dire economic straits, as their economic structures are geared to meet the needs of the Soviet Union, their domestic markets are shallow and the quality of products way below world standards, Nekipelov explained.

A way out of this vicious circle, he said, consists in a fair distribution of costs ensuing from the transition period among all CMEA member-countries. The partners would do well to coordinate a five-year schedule for dismantling state supplies. This would enable their enterprises to adjust to new conditions of cooperation with other CMEA member countries.

The structures, which have taken shape in the Council for Mutual Economic Assistance, can be useful for the development organisation.

If economic reforms in the Soviet Union and other CMEA member-countries succeed, integration projects can arise in the future, Nekipelov said.

USSR: huge country or great power?

By Vyascheslav Nostikov, Novosti political affairs writer:

THIS question wasn't asked by chance. It assumes particular importance on the eve of the Gorbachev-Bush summit. Now that the Soviet Union is living through an acute crisis (some, who are fond of catchy phrases and historical parallels, even talk about a 'crumbling empire'), certain people are making hasty judgements and saying that the Soviet Union is no longer a great power.

The recent Moscow-Washington TV-bridge, in which a number of prominent US congressmen took part, has shown that even some of them couldn't resist the easy temptation to 'demote' the Soviet Union, so to speak. The Americans' didactic speech manners irritated the viewers, who have already started to forget the cold war rhetoric.

I don't want to accuse the US side of trying to psychologically prepare its Soviet counterparts on the eve of difficult talks. But such tactics are typical of the American propaganda routine. The problem is much more serious, and the US side isn't the only one here. The fact is that the Soviet conservatives have long been attacking the reform policies launched by Mikhail Gorbachev. They allege that his home and foreign policies destabilise the situation in the country and are leading to the loss of the great power

They have few arguments to offer. The most primitive one is – "back in the good old days everyone was afraid of us." I understand perfectly well why Soviet philistines sympathise with this sort of logic. But I'm unable to understand those Americans who share the same kind of concepts. They grew up with Roosevelt's, not Stalin's, teachings.

Whom will George Bush meet in the person of Mikhail Gorbachev - a president of a huge country or a leader of a great power?

Speaking on the subject of state grandeur, Soviet historian Roy Medvedev, who was branded as a 'dissident' not so long ago, wrote in the magazine Kommunist the other day: "few people, even those who wish ill of this country, have denied the power of the Soviet State. Of course, some attentive researchers did note some weaknesses, such as bureaucratism and incompetence at many government levels, glaring mismanagement and a sizeable lag behind the West in many crucial areas of science, technology and production management.

"There is no doubt that in the years, now referred to as 'stagnation', the USSR remained a mighty super-power with a sizeable reserve of strength. Despite the above-mentioned shortcomings, this enabled our country to expand its influence in the world . . .

Both the allies and potential adversaries held the USSR in esteem. Medvedev names fear as the main reason for this.

And what do we have now? The fear is no longer there, Soviet diplomacy speaks in a calmer voice... However, according to the perverted logic of the cold war, Soviet and foreign critics of Gorbachev allege that this country has been weakened to such an extent that it can no longer engage in great power politics.

But, then, what trump cards has the USSR lost in the course of perestroika? But for the dubious 'fear' card, it has lost nothing that has made it a great power in the eyes of itself and others. Despite all the current problems at home, the Soviet Union remains the world's largest country in terms of territory, with all the resulting geopolitical and economic factors. As a result of Gorbachev's policies, the nation has lost any of its natural resources, none of its

gainfully employed population, and its scientific potential, plus some of the best engineers in the world are still there. Thanks to the new Soviet policy of openness, this nation's culture is becoming more and more influential. One must agree with the fact that a strong culture is a major component of national grandeur. After all, the size of one's fists doesn't really matter.

Speaking of fists, the Soviet military-industrial

complex is capable of supplying the armed forces with everything for defence.

Rumours about Soviet weakness are greatly exaggerated. Even the Pope has drawn the public's attention to this. Such assertions are fed by an avalanche of critical articles dealing with the economic crisis and the utterly dislocated national market that have appeared in the Soviet press. All this is true. But did the great depression of the late 1920s and early 1930s make America less powerful? Did the economic catastrophe that Japan suffered after the Second World War and the overcoming of which demanded huge sacrifice from the population (a fact that is little-known in the world), erase that country from the map of the world?

It would be erroneous to speak of a weakened Russia while basing oneself on her present-day difficulties. This would entail the disengaging of oneself from the parameters of historical development. It's like saying that the stars have disappeared only because the sky is overcast with clouds. For many centuries now Russia czarist, imperial or Soviet - has firmly retained the great power status. If someone tries to review these assessments, proceeding from shortterm negative factors, this would only mean that he or she doesn't heed the voice of history.

Yes, the USSR has been in a state of deep crisis, ever since the late 1970s. Perestroika has been launched with the aim of awakening the nation and taking it out from protracted apathy. One may argue about how much time this process is going to take an whether centrifugal tendencies will manifest themselves in some union republics. One may make conjectures as to the ideological symbols that may be fluttering over the Kremlin in 10 years' time. But, despite the future colours of power and the number of union republics, each time the president of this country goes on a foreign tour, he will be regarded as a representative of a great power, whether Russia's critics like it or not.

(Novosti)

TASS comment:

Washington Post on Soviet military budget

By Vladimir Chernyshev, TASS military analyst:

THE American newspaper Washington Post has published an article by Rowland Evans and Robert Novak, who write about Soviet military spending and arms production.

Citing President Mikhail Gorbachev's April 27 statement that Soviet military growth was set at 45 per cent, or nine per cent a year in the five-year plan ending in 1990, the authors made it look as if these plans are still being implemented and the Soviet arms production is rising.

This should "set the stage for tense summit confrontation," Evans and Novak write.

This is a half-truth at best. The five year plan drafted nearly five years ago did envisage a growth in Soviet military spending. However, it has been drastically revised - a fact, missed by Evans and Novak.

Otherwise, they would have to admit that in 1987 and 1988 the Soviet Union froze its military spending and no growth was registered during

Moreover, the freeze actually meant a reduction, compared to the target set, by 10 million roubles

Further still, the Congress of People's Deputies of the USSR proposed cutting military spending in 1990 and 1991 by another 10 billion roubles, or by 14 per cent.

This proposal is now being implemented with 70.9 billion roubles allocated for defence purposes in 1990, 8.2 per cent less than in 1989.

The move will save the Soviet Union nearly 30 billion roubles that would have been allocated under the unrevised plan - nearly 40 per cent of the current annual Soviet defence budget.

Soviet spending on arms procurement has been reduced by 4.8 per cent (to 31 billion roubles), compared with last year's figures.

The emphasis has been put on reducing offensive arms production. All in all, weapons production will be reduced by 19.5 per cent in

The production of tanks wll be halved and that of ammunition will be cut by 30 per cent, helicopters – 20 per cent, armoured vehicles – by 20 per cent, Mikhail Moiseyev, chief of the Soviet General Staff told participants in a Vienna seminar on military doctrines on January 16.

Allocations for the production and delivery of nuclear warheads in 1990 have also been reduced by 43.2 per cent, compared to 1989.

These facts prompt conclusions that are very different from those suggested by the Washington Post.

The Soviet and American presidents are not in for the confrontation, envisaged by Evans and Novak, but for a discussion of further cuts in military spending, including on the part of the United States.

(Continued from previous page)

omic reform and socio-political transformations. It was noted that the Soviet Union and China will seek ways of socialist development proceeding from the specific conditions of their states, stressed reciprocal respect for a choice made by the people of each country.

Considering the normalisation and improvement of Soviet relations with China in the context of long-term interests of the two countries, one cannot but see that these processes open up new possibilities in tackling economic problems through the mechanism of Soviet-Chinese cooperation and in enhancing the standard of living of the two peoples, lead to the strengthening of the international positions of the Soviet Union and China, Shevardnadze said.

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