<table>
<thead>
<tr>
<th>Summary</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Summaries in English of Major Articles</td>
<td>158-159</td>
</tr>
<tr>
<td>Information on Authors</td>
<td>148</td>
</tr>
<tr>
<td>‘Institute Theses’ Portray EC as Largely Successful</td>
<td>5-18</td>
</tr>
<tr>
<td>Role of Competition in Restructuring of U.S. Corporate R&amp;D</td>
<td>34-46</td>
</tr>
<tr>
<td>CEMA Institute Scholars Comment on Perestroyka in Own Countries</td>
<td>47-51</td>
</tr>
<tr>
<td>More Attention to Western Critiques of Soviet Society Urged</td>
<td>52-61</td>
</tr>
<tr>
<td>Current State of U.S. Debate Over SDI Surveyed</td>
<td>67-77</td>
</tr>
<tr>
<td>General Surikov on Technical Problems Facing SDI</td>
<td>78-87</td>
</tr>
<tr>
<td>USSR Urged To Learn From Western Pricing Mechanisms</td>
<td>101-103</td>
</tr>
<tr>
<td>Activity of UN Peacekeeping Force in Lebanon Chronicled</td>
<td>118-122</td>
</tr>
<tr>
<td>Mirskiy Article on Roots of Third World Terrorism Critiqued</td>
<td>123-125</td>
</tr>
<tr>
<td>USA Institute's Kokoshin Urges Further ‘Case Studies’</td>
<td>126</td>
</tr>
<tr>
<td>Chronicle of Institute Activities</td>
<td>149-150</td>
</tr>
<tr>
<td>Index of Articles Published by Journal in 1988</td>
<td>151-157</td>
</tr>
<tr>
<td>Articles in MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA Not Translated</td>
<td>65</td>
</tr>
<tr>
<td>Publication Data</td>
<td>65</td>
</tr>
</tbody>
</table>
The European Community Today (Theses of the Institute for World Economy and International Relations). The article gives a clear-cut review of the role played by the European Community in the present-day world, and specific emphasis is laid on the analysis of economic, political and other factors which contribute to the processes of integration in Western Europe—e.g., the expansion of transnational corporations, the growing competition in the world market, the emergence of a new balance of forces, etc. Due to the above reasons, further integration of the Community has led to the emergence of a new institutional structure that combines both the elements of a traditional international organisation and of a confederation of states. In the field of economy, the Community has a powerful impact on the development of the productive forces in the region. In the field of politics it has significantly affected the balance of power between the parties and political groups within the member states. Noteworthy in this respect is the potential role of left forces, since integration will inevitably consolidate their joint efforts on the regional level and improve their overall impact on the Community policies. At the same time, integration does not eliminate the differences in the economic and political development of the member countries which try to resolve them on the basis of a compromise, avoiding an overt confrontation. Taking into account recent international developments, particularly an improvement of Soviet-American relations, the Community may play an important role in the world, contributing to a better security and cooperation in Europe. This ultimate objective of all European nations can be further advanced through the establishment of the official relations between the two major European economic groups—European Community and the Council for Mutual Economic Assistance.

Other facets of the role and policies pursued by the Community are also thoroughly reviewed in the article.

V. Kachalin in the article “Principles of Organization of Research-Production Complexes of American Corporations” studies organizational structural changes in the US present day industrial corporations. The competition under the conditions of scientific and technological progress is considered to be the main factor influencing such process. Leading companies are trying to optimize their structures in conformity with the task facing them in order to strengthen their positions in the market. The following means are applied. Firstly, companies often change the direction and character of intracorporate ties as well as coordination and cooperation between divisions, departments, groups etc. Project teams are widely used when a new kind of product is developed or when R and D or technological problems are to be solved. Secondly, evolution of the structure of such complexes is influenced by partnerships and relations with other corporations. Many small and medium-sized partners are integrated into a single scientific and technological entity by big companies. Cooperation in production is also important. Very often such contacts are of a stable and long-term character which gives reason to speak about certain extent of mutual penetration of the structures of corporations.

Interviews: “The Economic Mechanism of the CMEA Countries—the Directions of Perestroika”. The article based on the interviews with researchers of the International Institute of Economic Problems—from Poland, Bulgaria, Hungary and Czechoslovakia—explains the essence of economic and managerial reforms in the above countries. The researchers give a profound and comprehensive analysis of the current economic situation in their respective countries, investigate into the possibilities of modernization in the economic and administrative spheres in order to achieve a higher standard of living and improved competitiveness in the world market. They indicate, inter alia, that the existing mechanism does not meet adequately the objectives of reforms and new forms and means should be sought and established in order to achieve the desired objectives: new price formation policies, improved institutional knowledge (conjuncture of information), image of importance (enemy or friend) and image of desirable future (a term which indicates the desirable future of the object state from the viewpoint of the observer). Not necessarily being a social category, the forms of perception are always engendered by the conditions of development of a socium, its different strata. The authors believe that it is possible to single out three aspects which are first connected with the forms of perception and later transformed into foreign and domestic political actions. They include the leadership of the country, the intellectual elite and the masses. Of great importance in international relations is misperception—false or obscure ideas concerning the opponents. Thus a wrong notion about the main characters on the international arena in the 30s drove the leaders of Britain, France and Stalin to a rapprochement with Germany, disastrous for the fates of mankind.
arrangements, greater market orientation, higher efficiency both in agriculture and industry, better quality, etc. Only a comprehensive set of political and economic measures can contribute to the attainment of the desired goals and give a new impetus to further development.

Yu. Igritsky in the article "Sovietology in Changing Conditions" states that not so long ago it was supposed that only limited criticism of the Soviet reality was considered as anti-communism. Those who in their criticism of Soviet realities stepped beyond the framework, permitted by the Soviet press, were regarded as ideological and political opponents. Western observers' comments only replenished the existing stereotypes formed by Sovietology. Thus an exclusive circle of negative stereotypes, influencing both public consciousness and professional thinking, took shape. The author points out that now when the Soviet mass media deepens its criticism of the Soviet reality, foreign comments on perestroika reveal a broad range of opinions, which is difficult to classify according to their common features. The course for radical perestroika in different spheres of Soviet life, proclaimed by the CPSU, has made Western sovietologists reconsider anew the scale of the charted transformations and analyse the ways and means of their realization. The eternal question about socialism as a social phenomenon also requires new answers. Hence not all sovietologists have the same opinions about perestroika. The author stresses that in the new conditions it is highly necessary to analyze profoundly and reliably the non-marxist understanding of the USSR. It should be realised that disagreement with the Soviet position alone does not amount to anti-communism.

Conversation with Seweryn Bialer. The journal publishes a conversation with well-known American politologist from Columbia University, expert on Soviet history and policy—Seweryn Bialer. Editor-in-chief G. Diligensky and other members of the staff took part in it. In the conversation some interesting issues were touched upon dealing with the evaluation by the Western politologists of the process of perestroika which S. Bialer considers to be very interesting. As to the economic reforms they, according to his opinion, are far from having been elaborated: the master plan of economic perestroika is lacking, there is a shortage of economic information, science and technology lag behind the West and Japan. He noted that there are few in America who doubt that events of exceptional importance are taking place in the USSR. Disagreement only exists concerning the extent to which the charted reforms have been realized. S. Bialer noted the importance of the Summit meetings in 1987-1988 and the 19th CPSU Conference. In reply to the question what topics are of interest to American sovietologists the American scholar specially singled out the development of the Party as such, the structure of the management, legislation and changes in it, integrating and disintegrating processes which are taking place in the society, the shaping of public opinion.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda".

"Mirovaya ekonomika i mezhdunarodnyye otnosheniya", 1988

Information on Authors
18160005b Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 12, Dec 88 p 148

Kamaludin Serazhuddinovich Gadzhiev, doctor of historical sciences, lead scientific associate of the World Economy and International Relations Institute, USSR Academy of Sciences.

Prof Anatoliy Nikolaevich Melnikov, doctor of economic sciences, head of the Leningrad Shipbuilding Institute Political Economy Department.

Eduard Semenovich Nukhovich, doctor of economic sciences, professor of the CPSU Central Committee Social Sciences Institute Political Economy Department.

Andrey Anatolyevich Movchan, candidate of economic sciences, deputy chief the USSR State Bank Economic Currency Administration.

Vera Andreyevna Rube, doctor of economic sciences, assistant professor of the Political Economy Department of the Moscow State University imeni M.V. Lomonosov Economics Faculty.

Valdimir Vladimirovich Razmerov, candidate of historical sciences, lead scientific associate of the World Economy and International Relations Institute, USSR Academy of Sciences.

Sergey Nikolaevich Solodovnikov, candidate of economic sciences, senior scientific associate of the World Economy and International Relations Institute, USSR Academy of Sciences.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda".

"Mirovaya ekonomika i mezhdunarodnyye otnosheniya", 1988

‘Institute Theses’ Portray EC as Largely Successful
18160005c Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 12, Dec 88 pp 5-18

["The European Community Today": “Theses of the World Economy and International Relations Institute, USSR Academy of Sciences"]

[Text] The European Community (EC)—a regional association of 12 Western European states—has been in existence for more than three decades. Its initiators and first participants were France, the FRG, Italy, Belgium, the Netherlands and Luxembourg. In 1973 the EC was joined by Great Britain, Denmark and Ireland, in 1981, by Greece, and in 1986, by Spain and Portugal. In the
years of its existence the Community has become an influential international organization and a notable factor of economic and political development both in Europe and beyond.

The creation and activity of the European Community are most closely connected with the integration processes developing in the world. They have expressed the objective historical trend toward the internationalization of economic life, policy, science and culture and the peoples' natural aspiration toward mutual rapprochement and cooperation. Integration has a different socioeconomic coloration under different social conditions, reflects the specific interests and contradictions of the states participating therein and bears the imprint of the actual historical situation. Taken as a whole, processes of regional integration have become an inalienable feature of the international relations of the latter half of the 20th century and a characteristic sign of the modern world—a world which is complex and contradictory, but increasingly integral, interconnected and interdependent.

While attaching priority in its European policy to cooperation and integration with the CEMA socialist countries, the Soviet Union at the same time takes fully into consideration the economic and political realities of the modern world, to which pertains the EC also. The peoples of European countries as a whole are united not only by geographical proximity but also history, traditions, culture, mutual trade and economic relations and a common responsibility for the fate of Europe and its future. The EC is a natural partner and contracting party of CEMA, which was reflected in the Joint Declaration signed in June 1988 on the establishment of official relations between CEMA and the EEC. On the other hand, the two organizations are rivals in the peaceful economic competition of socialism and capitalism.

It is not the first time that the USSR Academy of Sciences IMEMO has analyzed West European integration. As practice has shown, the theoretical propositions advanced at the start of the 1960's concerning the objective basis of capitalist integration and its socioeconomic essence and contradictions have stood the test of time and been borne out in the most important respects. However, the profound economic, social and political changes which have occurred in the past 25 years both in West Europe and on the international scene as a whole demand that a new look be taken at the results of the activity and prospects of the further development of the EC and its place and role in the modern world.

1. The very appearance of the EC has undergone changes in the years which have elapsed. Its members have doubled compared with its original composition. Some 323 million persons live in the EC countries, and these states' aggregate gross domestic product is close to the American GDP and almost twice as big as the Japanese GDP. They account for more than one-third of world trade, over one-fifth of spending on R&D and approximately one-third of the gold and currency reserves of the capitalist world. Important scientific forces and highly skilled worker and employee personnel are concentrated here.

From a conglomerate of different countries the West European grouping has become a close economic and political association of states and a leading center of the modern world. It is playing an increasingly notable part in world economics and politics and in international relations. The Community has trade and economic agreements with more than 100 countries and maintains relations with the United Nations and other international organizations. It participates on behalf of its members in the GATT and the work of international forums and conferences. The ambassadors of more than 130 countries are accredited at the EC's headquarters in Brussels.

A marked evolution is under way in the Community itself. Integration is developing not only in breadth, embracing new countries, but also in depth, spreading to new fields of the members' interaction, and invading increasingly powerfully the sphere of their national sovereignty.

A major step forward in this direction was the signing by the EC countries in 1986 of the Single European Act (SEA), which coincided in time with the organization's enlargement to 12 states. According to the agreements which were reached, the spheres of coordination of the EC countries' economic policy will expand appreciably. The task of completing the creation of a common internal market by the end of 1992 has been set. Elements of the supranational activity of the Community's institutions are increasing. The members' foreign policy cooperation is being given a legal basis. With the adoption of the SEA the Community is entering a new stage of development.

2. The driving forces of integration within the EC framework are both objective economic processes and various political factors. Regional integration was brought about primarily by the requirements of the development of the productive forces, which are increasingly outgrowing the national-state framework, which is leading to a constant extension of the international division of labor and the increased interdependence of the national economies. Despite the acute competition and interstate contradictions, the coupling of national reproduction processes is becoming increasingly close, the national economic and political structures are converging, a regional economic complex is coming into being and a new culture of intercourse between nations and people is taking shape.

The rapid growth of transnational corporations and banks and the increasing interlacing of national finance capital have become a powerful factor of the development of integration processes. The transnational monopoly capital which has taken shape on the basis thereof is
acting the part of main integrator of the capitalist national economies. Ignoring intercountry barriers, it is linking in common production-engineering complexes the activity of hundreds and thousands of enterprises and companies functioning in different countries.

The objective prerequisites of integration came to be actually embodied in West Europe thanks to specific-historical singularities of the region. A discrepancy between the high level of economic development of the main countries and the narrow framework of their domestic markets was manifested most strongly here. The national customs barriers which had taken shape in these countries were increasingly impeding the international division of labor and the transnationalization of production and capital. The West European states sought a way out of these contradictions on the path of unification of these domestic markets and the pursuit of joint economic policy.

Great significance was attached to political factors. The idea of integration was broadly supported on the part of various social forces. Having experienced the horrors of two world wars, the peoples of West Europe saw integration as an opportunity to put an end to mutual armed conflicts and mistrust, primarily the traditional Franco-German antagonism.

The creation of the integration grouping was closely connected with the major changes in the international arena as a result of WWII and the emergence in East Europe of socialist states. The ruling class of the West European countries saw integration as a method of the defense and consolidation of capitalism in the western part of the continent as a counterweight to the socialist community. It hoped with the aid of integration to also compensate for the loss of colonial possessions and to preserve and strengthen by joint efforts influence in Africa, Asia and Latin America.

The new alignment of forces in the capitalist world itself, where, following WWII, the hegemony of the United States was established, played its part also. The West European states aspired to consolidation for the purpose of restoration of their economic and political independence and the recovery of their lost positions on the international scene.

Many long-term factors of West European integration retain their significance today also. But new ones have been added to them in recent decades. The new stage of the S&T revolution, which began in the 1970’s, and the structural reorganization of the economy which it brought about are giving a powerful boost to integration. The Community countries are endeavoring to unite their resources to overcome the lag behind the United States and Japan which has shown through in certain spheres of science and technology, primarily microelectronics, biotechnology and the production of new materials, and accelerate the modernization of the economy on a progressive technological basis.

The sharply intensifying competition on the world market, primarily on the part of the American and Japanese TNC, the increased instability of capitalism’s international monetary system, the ecological crisis which has developed in West European countries and the social tension connected with mass unemployment are operating in this same direction.

Changes in the international-political situation are playing a particular part. The Soviet Union’s achievement of military-strategic parity with the United States, the broad-based Soviet peace initiatives and the development of a powerful public movement for a reduction in nuclear and conventional arms are prompting the EC states to carefully considered collective foreign policy actions. They are being prompted to this also by the dangerous regional conflicts in the Near East, the Persian Gulf zone and a number of other areas with which the Community countries are closely linked economically.

All this is leading to the fact that, despite the constant rivalry, competitive struggle and clash of national interests, the EC countries are finding themselves forced to operate in unison, formulate a concerted position and make more active use of the interaction mechanisms contained in integration. The centrifugal trend in this region is gaining the ascendancy over the centrifugal trend.

3. The results of EC activity are far from unambivalent. If they are compared with the original goals advanced by the Community’s founders, they have far from been achieved. According to the Treaty of Rome on the establishment of the EC, its mission was “to promote the harmonious development of economic life within the Community, steady and even economic growth, higher stability, an accelerated rise in the living standard....”

For this it was contemplated, first, uniting the national markets of the participants in a single commodity, capital, services and manpower market free of internal barriers and reliably protected against outside competition. The creation of a customs union was planned as a first step.

Second, it was intended bringing the members’ national economic policy closer together and then switching to the pursuit of a common policy in the field of agriculture, transport, finance and regional development and in the social sphere and a number of others, thereby laying the foundations for future economic union. The task of creating monetary union was put forward subsequently also. Third, as these goals were accomplished, it was contemplated forming a political union of the members—some suprastate of the confederal or even federal type. The politicians who were at the sources of West European integration actively pronounced the idea of the Community’s growth into a “United States of West Europe”.

JPRS-UWE-89-005
18 April 1989
Life made many adjustments to these plans. Some of the set goals proved unrealistic. Others presuppose profound transformations in the participants' economy and policy whose realization would take many decades. Yet others have been realized only partially.

The practice of three decades has shown convincingly that there can be no question of either the harmonious development of economic life or even, stable economic growth. The economic upheavals which the world capitalist economy encountered in the 1970's-1980's not only did not pass the EC countries by but were in a number of instances manifested more strongly there than in other Western states.

The idea of turning the Community into a West European superpower had to be abandoned also. The national state-monopoly complexes proved tenacious, and the states' interaction switched to an entirely different plane. The coordination of the members' positions, given their retention of a vast swath of sovereign rights, moved to the forefront. For this reason the intention confirmed in a number of recent Community documents to create a European union contains a meaning different to that with which the "political union" of the 1950's-1960's concept was invested.

Having created by mid-1968 a customs union, the EC countries stopped half-way toward the unification of their markets in a common European market. Having taken down some barriers in reciprocal economic exchange, they began to introduce others, which were more concealed. As a result, experts estimate, the annual losses caused by these obstacles in the way of the national economies' economic interaction had amounted by the mid-1980's to 2.5-6.5 percent of their GDP. The process of formation of an economic union has gone on for many years, and only its foundations have been laid. Completion of the formation by 1980 of monetary union had to be postponed also. The term of 30 years has thus proven manifestly insufficient for the accomplishment of the strategic goals of West European integration proclaimed at the time of the creation of the Community.

At the same time its participants have succeeded in the course of integration in formulating methods and mechanisms of interaction which correspond to the actual conditions which have taken shape and make it possible, albeit more slowly than expected, to move forward, toward the increasingly close economic and political unification of the states and the nations and nationalities inhabiting them.

The basis of these mechanisms is the formation of a joint (and in the future, single) market. This process was facilitated thanks to the EC countries' introduction at the end of the 1950's-start of the 1960's of freely convertible currencies. Together with the abolition of customs dues in reciprocal trade in industrial commodities a common agrarian market with a single system of regulation of the prices of many agricultural products was created. Partial liberalization of the movement of capital was implemented, and the legal conditions for the free migration of manpower within the Community were created.

Certain progress has been made in parallel with the market integration in coordination of the states' economic policy—tax, credit and finance, fiscal and so forth. A common antitrust policy is being pursued. Medium-term programs of the members' economic development are being elaborated. The European Monetary System has been in operation since 1979. Despite its incomplete nature, it has made it possible to noticeably stabilize the participants' currency exchange rates and jointly confront the American dollar. The collective monetary unit—the Ecu—created within the framework of this system has come to be recognized in international credit and financial circles.

Energy and S&T policy, environmental protection, the fight against unemployment and the solution of a number of other problems have become subjects of active coordination in recent years. Joint interstate research programs operate and large-scale information systems for supporting accelerated technical progress are being created in the EC.

As a whole, market integration geared to a stimulation of the forces of competition is being supplemented increasingly by the formation of a system of interstate regulation and collective influence on the economic and social processes occurring in the region. The availability to the Community authorities of centralized financial resources is contributing to the creation of such a system. Together with the national resources connected with realization of the joint programs they constitute approximately 100 billion Ecu. The Community also has the quite large European Investment Bank and other credit institutions mobilizing financial resources on the international financial markets.

The EC authorities have a relatively efficient mechanism of the regulation of commercial relations with other states. The common commercial policy is employed extensively not only to protect the EC market against outside competition but also to conquer the markets of third countries.

Granted all the difficulties and contradictions in the Community, on the whole, a higher degree of convergence of the national markets, coordination of economic policy and formulation of joint actions has been achieved than in any other region of the world.

4. The process of integration in the EC has been and continues to be uneven. Movement forward has repeatedly been interrupted by periods of stagnation. It was manifested particularly acutely in the first half of the 1980's, when, owing to profound disagreements in the sphere of budget, agrarian and structural policy, the
brakes were applied sharply to the Community's development. The situation was complicated by the impending entry into the EC of Spain and Portugal, which required certain privileges for adaptation to the Community's conditions. A situation was created whereby only a radical reform of the EC on the basis of the mutual concessions and compromises of its participants could restore the lost dynamism, stimulate the structural transformations which had been developing in the Community countries and secure a breakthrough in the sphere of science and technology.

Such a compromise was the Single European Act, which set the goal of the completion by the end of 1992 of the creation of a single internal market of the Community, that is, the removal of all remaining obstacles to the movement within the EC of commodities, capital and services and also citizens. It is anticipated abolishing customs formalities and border controls between participants and unifying standards in respect of basic commodity groups. It is planned to provide the firms of EC countries with free access to the government orders of any other participant, standardize tax legislation and create a single services market in the field of banking and insurance transactions, transport and information, introduce the reciprocal recognition of academic degrees and so forth. The Community's budget resources will grow appreciably. The principles of the future reform of the Common Agricultural Policy have been agreed.

The political-legal prerequisites for a new twist of the integration spiral in the sphere of the economy, science and education and environmental protection, in the social field and in the sphere of humanitarian relations are hereby being laid. One of the said measures is already being implemented, the others will take time. It is highly likely that the completion of the creation of a single market will go beyond the limits of the established timescale, not to mention the more complex tasks, whose accomplishment will take the whole of the 1990's. But one way or another, the transformations scheduled in the Community testify to the aspiration of the EC countries' ruling circles to make extensive use of the advantages of the integrated market and the close interaction of the 12 states' economic and intellectual potential.

5. A particular role in the development of the Community's integration processes belongs to its institutional-political structure, which differs markedly from other international organizations. The organ of political leadership in the EC is the European Council (consisting of heads of state and government); the legislative authority is the EC Council of Ministers; the executive body, the European Communities Commission (ECC); the consultative authorities, the European Parliament and the Economic and Social Council; and the organ of justice—the EC Court. A relatively flexible working instrument of the preliminary coordination of the members' positions—the Committee of Permanent Representatives under the auspices of the EC Council of Ministers—has been formed. Despite the swollen bureaucratic machinery and most complex negotiating procedure, such a structure affords, on the whole, relatively broad opportunities for the achievement of compromise between members.

An important feature of the Community institutions are the elements of supranationality in their activity. This is characteristic primarily of the ECC, which acts on behalf of the whole Community. As distinct from traditional international practice, the EC Council of Ministers is empowered to also adopt, besides recommendations, decisions, directives and injunctions binding upon the members and, in certain instances, upon legal entities and physical persons.

Together with the adoption of decisions on the basis of unanimity the principle of simple majority vote is coming to be practiced here also. With the signing of the SEA it has been extended to decisions pertaining to the creation of a single internal market and the development of the EC countries' cooperation in the sphere of science and technology and sea and air traffic. There is simultaneously an expansion of the control functions of the ECC, and of the consultative functions of the Europarlament. As a whole, these measures will accelerate the decision-making procedure and increase the supervision of their fulfillment on the part of the Community authorities.

A mechanism of foreign policy cooperation has taken shape in the Community also. The members' interaction in the foreign policy sphere has been practiced at the most diverse levels—from top-level meetings and foreign minister conferences to the consultations of experts of foreign policy departments (within the Political Committee framework) and also between foreign embassies and missions of the EC countries. A standing body—the Secretariat—on European political cooperation has been operating since 1986.

Thus the institutional structure of the EC combines features of both a traditional international organization and a confederal-type association of states. This enables the Community to effectively influence the members' economy and policy. At the same time, however, it is the interim, incomplete nature of the institutional system which is a source of contradictions between two trends: toward an increase in the supranational powers of the EC bodies on the one hand and preservation of the states' sovereignty on the other. The continued extension of economic integration requires a strengthening of the supranational principle in the EC's political and legal superstructure. But considerable differences persist on this fundamental issue in the positions of the participants and the Community authorities themselves.

A serious problem born of integration is the growth of the so-called "regional bureaucracy" (there are over 25,000 officials in the EC authorities). The activity of the bureaucratic upper stratum in the shape of the EC
Council and, particularly, the ECC is lending itself increasingly less to supervision on the part of the national authorities, not to mention the local authorities. The need for the democratization of the Community institutions is growing particularly in connection with the adoption of the SEA and could in the 1990's be a problem of paramount importance.

6. West European integration is having an appreciable impact on the development of the region's productive forces. Thanks to the extensive liberalization of exchange on the EC market, new opportunities have been revealed for the technical modernization of production, an extension of specialization and the mutual division of labor, joint investments and commercial, credit and other relations among the participants. As a result more than half the products which they export (compared with one-third prior to the formation of the Community) is sold on this market, and approximately 40 percent of exported capital (less than one-fourth in the 1950's) is channeled hither.

The joint agrarian policy has enabled the EC countries to increase self-sufficiency in agricultural products. The equalization of the conditions of competition has stimulated positive changes in the territorial location of the productive forces. All this has contributed to the continuance of economic growth and a rise in productivity.

But the effect of integration is being manifested unevenly. It was reflected distinctly in the first 15 years following the formation of the EC—the time of the most active integration efforts. Subsequently, with the deterioration in the situation in the world capitalist economy and the state of stagnation in the Community itself, the stimulating effect of integration declined markedly. The average GDP growth rate of the EC countries declined from 4.8 percent in the period 1961-1973 to 2.2 percent in 1973-1980, and to 1.4 percent in 1981-1986. There has also been a deterioration in recent years in some economic indicators of the EC states compared with the United States and Japan.

The social consequences of integration are contradictory. In the first period of the EC's activity, which coincided with a comparatively high rate of economic growth, employment increased, working conditions improved and the working people's living standard rose. The liberalization of the labor market contributed to the growth of the population's mobility and an influx into the Community countries of foreign manpower. The overproduction of farm products led to a departure of manpower from agriculture and an exacerbation of social contradictions in the region. Long-term unemployment amounted to 16 million persons or 11 percent of the able-bodied EC population—the highest level among the developed capitalist countries. The rate of growth of the workers' and employees' real wages slowed. The number of persons living below the poverty line exceeded 30 million, considerable numbers of them being foreign workers, what is more.

The exacerbation of economic and social problems forced the EC to step up efforts to invigorate integration, accelerate the pace of economic development, implement structural transformations and raise production efficiency, speed up S&T progress and reduce the army of "superfluous people".

It is anticipated that, thanks to the new round of integration, the Community countries will be able to save 200 billion Ecu on production costs, increase the GDP 5-7 percent, lower consumer prices 6-7 percent and create from 1.8 million to 5 million new jobs. How realistic these calculations are time will tell.

7. West European integration has tangibly affected the alignment of party-political forces within the Community. Three decades ago "European building" was actively supported by the bourgeois right and clerical circles (the CDU/CSU in the FRG, the Christian Democratic Party in Italy and so forth) on the one hand and reformist social democracy on the other. "Europeism" was intended to be the ideological basis of the cohesion of each of these forces at both the national and international levels for combating the worker and communist movement.

However, in line with the development of the integration processes and the growing recognition of their social consequences the "Euroconsensus" of the parties at the sources of the Community began to wobble. Different social and political currents began to invest the "European idea" with their own content. The alignment of domestic political forces in the EC countries became appreciably more complex.

Demonstrating increasingly open hostility toward the workers movement, the parties of the neoconservative spectrum adopted a policy of confrontation with it and are manifesting a growing disposition toward authoritarian methods of political leadership, at Community level included. On the other hand, the parties associated with the workers movement and the unions support fuller consideration of the interests of the working masses in the course of "European building" and the development and implementation of social programs and are opposed to neoconservative authoritarianism. Whereas the social democrats here are putting the emphasis on social partnership and various forms of the "cooperation" of labor and capital at Community level, the communist parties are championing a policy of defense of the interests of the working class and all working people and a change in the very nature and class content of EC policy. And only individual communist parties advocate their countries' withdrawal from the Community.

The political struggle goes increasingly often beyond national boundaries and acquires a regional dimension. On the one hand "European" employers' unions and, on
the other, “European” trade union associations have emerged on a Community scale. Employers and representatives of the unions, farmers and other social groups are on the EC Economic and Social Council. Certain regional associations of political parties have taken shape also: so-called Christian democrat, liberal and social democrat Europarties, which do not, however, substitute for the national parties. A broader spectrum of political forces operating at the Community level is represented by factions of the European Parliament. These include the faction of social democrats, communists and other parties of the left and also a faction with the participation of the “greens”.

The forces of the left consider as their most important task the consistent democratization of the Community and its institutions, the increased role of the working people and their organizations in the EC political mechanism and the promotion of a democratic alternative to the state-monopoly model of integration. Questions of war and peace, struggle against the arms race and the development of all-European cooperation have been included increasingly often in recent years on the agenda of the Europarliment and other official and nongovernmental organizations at Community level. This is influencing the entire political and socio-psychological atmosphere of West Europe.

However, the intensity of the actions of the forces of the left at the regional level and their adaptation to the new conditions of political confrontation still lag behind existing potential and the demands associated with the extension of integration. This has been caused largely by the continuing disagreements between parties of the left spectrum, the communist parties included, on most important questions of the EC’s political development and methods of achieving the unity of forces of the left. But as the integration processes continue to develop, the material and other prerequisites for the increased international solidarity of West European working people and their effective concerted action at Community level are being created.

8. The integration processes are not removing the contradictions born of the unevenness of the states’ economic and political development. Although the Paris-Bonn axis, which took shape back in the 1950’s, remains the political pivot of West European integration, the configuration of forces in the EC has changed markedly in the last quarter-century.

The FRG has firmly occupied the leading position in the region’s economy. Relying on powerful economic and S&T potential, it has enhanced appreciably its share of the Community’s GDP and industrial production and exports of commodities and services; the role of the Deutschmark in the EC’s monetary system has strengthened. For this reason the FRG is displaying the greatest assertiveness in the creation of a single internal market.

As before, France lays claim to the role of political leader in the Community. Its leaders have presented a number of initiatives providing for a strengthening of supranational aspects in the activity of the EC authorities, an expansion of scientific, cultural and other exchange and the creation of a monetary union.

Great Britain, whose economic positions have strengthened in the 1980’s, aspires to seize the initiative in the formulation and solution of such Community problems as budget, tax and agrarian policy, the EC’s relations with the United States and others. There is frequently a clash of interests within the triangle of these states on account of their struggle for leadership in the Community. Italy is increasingly persistently forcing its way through into the category of leading EC countries. Thanks to its active position, its influence in the West European grouping has grown noticeably in recent years. As far as the small countries, which are numerically preponderant in the Community, are concerned, the unity of their positions is being impeded by the heterogeneousness and imbalance of interests born of the great differences in levels of economic development and specifics of political structures.

A particular feature of the development of interstate contradictions within the Community is the fact that they do not assume the form of open confrontation and are resolved, albeit with considerable difficulties, by way of compromise. But the more deeply the countries become involved in the integration process, the more difficult it is for them to coordinate their interests and formulate joint mutually acceptable solutions. Thus the 5-year-plus preparation of a special “package” of proposals based on a consideration of the EC countries’ different interests and a search for mutual concessions was required for the adoption of the SEA. The appearance of new contradictions within the Community connected with the pace, priorities and sequence of the planned transformations and their possible repercussions not only for the EC countries themselves but also for other states may be expected in the coming years.

9. The activity of the EC and the common foreign trade policy pursued by its countries have profoundly affected the interests of other states, primarily the other West European countries. The struggle concerning the future model of the region’s unification which developed in the first postwar years in West European political circles culminated in its division into two competing trade and economic blocs. In the wake of the creation of the Community, in which France and the FRG had played the leading part, there arose the European Free Trade Association (EFTA) headed by Great Britain. As distinct from the Community, which had set far-reaching goals of economic and political integration, EFTA confined itself merely to the integration of commodity markets by way of the removal of barriers in reciprocal trade, given the participants’ preservation of complete autonomy in relations with the outside world.
The creation of the two groupings reflected both the common objective need for integration and differences of the political interests of the West European states. Only some of them were ready to accept the idea of the future economic and political union of the EC and to delegate their powers to regional institutions. Others, on the other hand, aspired to preserve political independence, their neutrality status and so forth.

The EC leadership regarded EFTA as a temporary grouping whose participants would subsequently join the Community as equal or associated members. Reality has proven more complicated. In three decades three participants have switched from EFTA to the EC. The association itself not only has not disintegrated but has strengthened even, extending its functions to certain new spheres of cooperation.

The high degree of interdependence of the countries of the two groupings (their reciprocal commodity turnover constitutes approximately 8 percent of world trade) is nudging them toward a settlement of trade and economic relations and the development of close S&T and other ties. Within the framework of arrangements between the Community and the EFTA countries seven "industrial commodity free trade zones" were created back in 1973-1974. An important agreement was reached between the EC and EFTA in 1984 on the creation of a "European economic space" by way of the extension of cooperation to the spheres of science and technology, environmental protection, agriculture, power engineering, transport, culture, tourism and so forth. The Community expressed a willingness to cooperate with EFTA in 25 different fields.

However, with the Community's adoption of the SEA the situation has become more complicated for the EFTA countries. The EC is moving increasingly further away along the path of economic and political integration, as a consequence of which the external boundary of the Community is becoming a palpable barrier to third countries. This is forcing each EFTA country to agree to separate negotiations and agreements with the EC. Some of them are attempting to find a solution with the aid of some forms of association and even membership of the EC, although for the neutral states this is attended by serious political risk.

Another way more in keeping with political realities is being proposed also: the further strengthening of EFTA and the development of its institutions and the imparting to them of quite extensive powers, which would make it possible to extend integration between the members and afford them an opportunity to participate in the "European economic space" on an equal basis with the Community. In one way or another the future appearance of West Europe will depend to a large extent on the development of the two groupings' relations.

10. Having accelerated the formation of the West European center of rivalry, the creation of the Community contributed to the transition from monocentrism to polycentrism in the world capitalist system. As a result of the unevenness of economic and political development there has been an intensive regrouping of forces in the past 25 years. The EC has succeeded in reducing its lag behind the United States in terms of per capita GDP (from one-half of the American level in the first half of the 1960's to two-thirds in the latter half of the 1980's). The leveling of development has been based on the Community's superiority to the United States in productivity growth rate, which, in turn, has testified to a lessening of the technological gap between them. Only in the 1980's has a certain lagging of the EC behind its main competitors, primarily in the development of certain types of high technology, been revealed. Despite this, the Community remains a most important center of international trade: the states which are a part of it export 3.7 times more goods and services than the United States (1987), and 4.1 times more than Japan.

The main thing, however, is that whereas 25 years ago the Community countries opposed the United States and Japan in unconnected fashion, as a conglomerate of states, at the present time they are operating—the more so as time goes by—as a common front. The EC was able to establish its positions in the international arena to a considerable extent thanks to the fact that it has relied on an integration mechanism and a common foreign trade policy. This has enabled the Community to withstand—and not unsuccessfully—more than one "trade war" with the United States and other rivals and win reciprocal concessions.

At the present stage the EC is looking to make extensive use of the single internal market which it is creating and joint S&T and monetary policy to consolidate its competitive positions in relation to the United States and Japan. Forced to come to terms with the new conditions of the Community's development, American and Japanese ruling circles are developing a strategy of "counter-measures," of a protectionist nature included.

Together with the intensifying rivalry among the EC, the United States and Japan a process of the transnational interweaving of private monopoly capital, of American and West European TNC primarily, is under way. U.S. corporations were locating hundreds of affiliates on the territory of countries of the Community back in the 1960's. In the 1980's capital of West European TNC has, in turn, begun to actively assimilate the American market. A close alliance of American and West European monopolies is taking shape via numerous joint-labor relations and mixed companies. Japanese capital, which is increasingly persistently penetrating not only the United States but West Europe too, has become a part of this process also. The companies of the latter aspires to cooperation with American and Japanese business possessing strong positions in the sphere of scientific research and the latest equipment and technology. The
credit transactions of the EC's financial centers in conjunction with banks of the United States and Japan have assumed unprecedentedly large proportions. A new wave of mergers and takeovers and the cooperation of American and Japanese companies with West European companies in the most varied spheres of activity is developing on the threshold of the creation of the single internal market.

The increased interdependence of the economies of the three centers of capitalism has intensified the need for the concerted regulation of economic development. Extensive use is being made to this end not only of the OECD, the GATT and the IMF but also of meetings of leaders of the United States, Japan and Canada and the four leading Community countries and also the ECC president.

Thus while continuing to serve the interests of consolidation of the members' positions in the international competitive struggle the EC is also a participant in broader economic cooperation in the world system of capitalism.

11. The EC has contributed much that is new to the relations of the industrially developed capitalist center with the periphery of the world capitalist economy. Of the 12 of its present participants, 7 are former metropoles, which were historically connected with many countries of the "third world". An endeavor to preserve these relations, profitable to themselves, and at the same time to defend the sphere of their influence against the active neocolonial pressure of the United States led the EC states to collective forms of economic and political relations with the developing countries.

Together with bilateral relations on a traditional basis (the export of capital, trade, the granting of credit on special terms and so forth) the Community states are establishing multilateral relations with the developing countries. In quarter of a century there has been a sharp widening of the circle of the EC's partners per "collective" agreements. The first of them was concluded in 1963 with 18 developing countries. Some 66 African, Caribbean and Pacific (ACP) states currently subscribe to the Lome Convention alone. The Community has special trade and economic agreements and cooperation treaties with ASEAN and the Andean Group and many countries of the Mediterranean, the Persian Gulf, South Asia and Latin America.

Within the framework of such multilateral agreements the EC grants the developing countries privileges at the time of the export of commodities to its market, allocates substantial grants and loans and renders technical assistance in the development of industry and agriculture. Special funds have been set up to stabilize the export income of the ACP states from the sale of many types of mineral and agricultural raw material, the modernization and reconstruction of enterprises of the extractive sectors and so forth. In exchange for this the Community states have obtained broad access to the markets of the ACP countries, where they sell approximately one-third of their products which pass outside of the EC. Thanks to supplies from these countries, the Community covers a considerable amount of its import requirements in nonferrous metals, nonenergy mineral raw material and tropical farming products. Up to two-thirds of the overseas investments of the West European TNC invested outside of the Community is channeled into the developing countries. The outflow of profits from the young states appreciably exceeds the influx into them of private capital and all kinds of official financial injections on the part of the EC.

At the same time the multilateral relations with the Community of a large group of emergent countries is to a considerable extent a stabilizing factor of international relations. It affords new opportunities for these countries' consolidation and their joint actions in defense of their interests connected with a strengthening of political independence and tasks of the democratization of international relations.

12. The West European integration association is an active participant in international life. While operating on the world scene primarily as an economic force, the Community is at the same time extending foreign policy interaction with the surrounding world. The emergence of the system of "European political cooperation" has become a fundamentally new phenomenon in international development. The foreign policy assertiveness of the EC is manifested in all the main directions in which its participants' interaction with the outside world is developing. They are using the Community to consolidate their positions in relations with the other power centers of the capitalist world. An object of growing attention on the part of the EC are African, Asian and Latin American countries. The Community's activity also touches on the sphere of relations between states of the different social systems. The EC countries are endeavoring to coordinate their positions in connection with the conflict situations arising in various parts of the world. The Community displays a certain independence here in its approach to many international problems.

But the conclusion concerning the emergence in the EC of such a phenomenon as a "common foreign policy" would be manifestly premature. The policy pursued by the Community is determined by the capacity of its participants to reduce their foreign policy positions to a common denominator. However, owing to the difference in the interests of the participants, the process of foreign policy coordination proves painful and difficult, as a rule, and frequently fruitless also. Nonetheless, mobilizing the entire arsenal of weapons of an economic, diplomatic and propaganda nature, the EC is attempting to confirm its presence on the world scene as an equal
participant in and specific subject of international relations. The stimulation of the Community's international-political activity is a most important aspect of the formation of the West European center of capitalism.

13. A pronounced increase in the extent of military-political and military-industrial relations is being observed between West European countries. This process is developing both within the framework of the North Atlantic bloc and outside of the NATO structures. The Western European Union is stepping up its activity; the region's countries are expanding joint arms production; the idea of a "European Defense Initiative" is being discussed; interest is being displayed in military cooperation on a bilateral basis, primarily between France and the FRG, and also between France and Great Britain.

Plans to use the West European integration association to this end are appearing also. A number of both international and internal (for the Community countries) factors is impeding military-political integration within the EC framework. However, discussion of the "nonmilitary aspects of security" have since the start of the 1980's officially been attributed to the sphere of its powers. Calls are being heard also for the organization within the Community of permanent consultations on military questions and even for the creation based on the EC of a "common defense" mechanism. This subject is being developed in certain statements of the European Parliament, the speeches of rightwing-conservative leaders and a number of studies of West European military experts and international relations specialists. The public opinion of the EC countries is gradually being prepared for the idea of the possibility (and necessity even) of a transformation of the Community which does not preclude its conversion into a military alliance.

The question of the scale, pace and forms of the development of West European integration in this direction remains open. Such an evolution would evidently have ambivalent consequences for the alignment of forces within the North Atlantic bloc, specifically for American-West European relations. The Community's material potential for the pursuit of a more or less independent policy is neutralized by the fact that in the military sphere the United States remains the undoubted leader of the Western world. It is frequently dissatisfaction with this subordinate position which is the starting point for various plans for military-political integration within the EC framework. The aspiration of West Europe to an enhancement of its role in the military sphere is becoming a factor undermining America's preponderance in the system of Atlantic relations.

At the same time the EC's conversion into a military-political alliance in the event of it being a question of a buildup of the military potential of the countries of this grouping would have negative repercussions for relations between states of the different systems in Europe. Such a policy would also undermine the positive trends which have shown through in connection with the signing of the Soviet-American INF Treaty. Some circles are attempting to portray it as a graphic symbol of the "uncoupling" of the United States and West Europe, which should prompt the latter to create an "independent" military potential. However, what is in fact meant here is the mobilization of additional material and organizational resources precisely in the sphere in which East-West relations are of the most complex nature and in which any actions aimed at the achievement of unilateral advantages are fraught with the direct consequences.

14. The development of West European integration naturally poses the question of its correlation and interaction with the process of a strengthening of security, trust and cooperation between all states of Europe, regardless of their social differences dividing them.

Europe, granted all its diversity and different states, possesses a certain wholeness brought about by historical, cultural and economic factors. In advancing the idea of a "common European home" the USSR proceeds from the fact that states with different sociopolitical systems and organizations created by them may not simply coexist but also establish creative interaction. Essential for this is an orientation not toward perpetuation of the economic, political and military division of Europe but toward the gradual surmounting thereof; not toward the counterpoise of some groups of states to others but toward the establishment of relationships within the framework of the entire continent; not toward unilateral efforts to ensure military security but toward joint actions to lessen and overcome mutual apprehensions in an all-European context.

The EC could be an active participant in the restructuring of the whole system of political and economic relations on the European continent. The integration processes in West Europe reflect the basically progressive trend toward states' increased interconnection, the increasingly close rapprochement of the nations and nationalities inhabiting them, the peaceful solution of interstate contradictions and thereby the removal of the deep-lying factors engendering military conflicts and confrontation. In this sense West European integration possesses considerable potential capable of having a positive impact on international relations in Europe and contributing to a lowering of the level of military confrontation and the development of truly equal mutually profitable cooperation. Particular significance is attached to the interaction of the two main integration associations in Europe—CEMA and the EC. Prospects are afforded with the establishment of official relations between them both for the direct ties of the two organizations and the expansion of cooperation of the countries participating in them. This affords fundamentally new opportunities for positive tendencies of political and economic development in Europe.

The available potential of the West European integration association could be used not only in the interests of the establishment of all-European cooperation but also for
the democratization of international relations as a whole, the removal from them of elements of discrimination and political pressure, the settlement of international conflicts and an acceleration of the disarmament process.

The EC could perform a notable role in the accomplishment of all these tasks. It is on this path that West European integration could be an important constructive factor of international-political development and make a substantial contribution to the consolidation of peace and to general security.

Footnotes
1. In 1951 these countries created the European Coal and Steel Community (ECSC), in 1957, the European Economic Community (EEC) and the European Atomic Energy Community (Euratom). There was an amalgamation of the institutions of the three communities in 1967, which in practice became a single organization. Inasmuch, however, as the three independent treaties at the basis thereof remain in force, they bear the official name “European Community”. The appellation “European Community” (EC) is employed extensively in the political vocabulary, however, and publications of the organization itself.


3. The EFTA was formed in 1960 of Great Britain, Denmark, Austria, Sweden, Switzerland, Norway and Portugal. Subsequently, in connection with entry into the EC, Great Britain and Denmark quit the association in 1973, as did Portugal in 1986. Iceland joined EFTA in 1970, and Finland became a full member from associate member at the start of 1986.

COPYRIGHT: Izdatelstvo TsK KPSS “Pravda”. “Mirovaya ekonomika i mezhdunarodnyye otnosheniya”, 1988

Role of Competition in Restructuring of U.S. Corporate R&D

Changes in Corporations’ Organizational and Production Structure

As a rule, companies of the science-intensive sectors are distinguished by the greatest assertiveness in the reorganization of their research-production complexes. This is brought about by the dynamic change in the market situation in connection with the acceleration of products’ obsolescence. Under these conditions the particularly flexible mobilization of resources for tackling the tasks confronting them is required of the corporations. Those which have been successful in winning leading positions on the market also undertake frequent and large-scale renovations of the organizational structure. Attesting to this is, specifically, the practice of the leader of American and world electronics industry—IBM—in whose example the changes in the organization of leading firms’ research-production complexes characteristic of the 1980’s have been manifested graphically.
IBM manufactures over 2,000 types of product. This corporation's turnover in 1986 amounted to $51.3 billion, net profit, to $4.8 billion, assets, to $57.8 billion, and market share of all types of electronic products, to 50 percent.

The rest of the companies of the sector are appreciably inferior to IBM in terms of their research-production potential. Thus the turnover of its nearest competitor, Digital Equipment, amounts to $7.6 billion, that is, almost seven times less. However, the threat of the capture of new product markets by other corporations is forcing IBM to implement intensive measures to increase competitiveness, by way, specifically, of the regrouping of internal resources. From 1968 through 1982 IBM changed its structure 20 times. The restructuring of the corporation's entire research-production complex in 1982 completely changed the internal organization and co-ordination of practically all its main components. However, even after this the intensity of the structural changes in the concern has not diminished in the least. In the next 4 years the corporation switched from an organizational structure consisting of 12 divisions (each of which, in turn, also includes several components) united in 3 groups to a structure of 13 divisions united in 5 groups and 1 directly under the jurisdiction of the concern's management. Of these, the composition of the production enterprises and research laboratories was changed to this extent or the other in 5 divisions (compared with 1982), and a further 6 were fundamentally reorganized.

In the first half of the 1980's some 10 project groups were formed to tackle specific research-production assignments. Subsequently 6 of them were merged with other subdivisions, but 7 new groups were created simultaneously. The marketing system has been reorganized many times over.

The frequency and nature of the reorganizations of the research-production complex carried out by IBM testify that the regrouping of its resources has become a way of tackling not only strategic but also tactical assignments. A change in the organizational structure represents the corporation's reaction to a change in market conditions or the emergence of some problems within it. The very principles at the basis of the control of this process testify to this.

Conquering new product markets is becoming a basic assignment. A special subdivision operating like an independent firm (that is, independently elaborating its production and market policy) while the volume of sales and profit grow dynamically is often created for the development and production of new products. If growth slows, on the other hand, a reorganization is scheduled: the merger of the subdivision with others or a change in its internal structure, including division into further subdivided independent components and so forth.

In the event of common S&T complications arising simultaneously in several subdivisions, it is deemed expedient to create a special component to overcome them.

Given the emergence of contradictions between the interests of two subdivisions, a so-called "umbrella" group looking after both of them simultaneously is formed, as a rule. In the event of a third component finding itself pulled into the conflict, the structure is reorganized.

It is deemed expedient to unite specialists in this specific question or the other in a single component specializing in a given problem, and not scatter them among several.

A most important principle of the organization of IBM's activity is the allowing of competition among its divisions on the market in order that they may reveal their potential to the maximum. Strategically this often produces bigger results than the imposition of limitations on the activity of this division or the other aimed at preventing its competition with others. However, if the costs connected with competitive struggle grow inordinately, the divisions involved therein are reorganized. Thus in the 1970's the General Systems Division secured for IBM leading positions on the middle-range commercial computers market. But its competition along commodity substitute lines with the Data Processing Division manufacturing large-capacity computers became so serious that the corporation had to break up both divisions and regroup the enterprises which were a part of them.

For making prompt changes to a concern's structure the so-called modular principle is made the basis of its construction. The basic blocks (modules) of which it is composed are plants manufacturing large computers, PC's, data-storage aids, office equipment, communications equipment and so forth; marketing organizations scattered per the geographical principle; administrative institutions, the vast majority of which is located in New York or in its vicinity. Each of these blocks specializes in the solution of "its" specific problem and unites highly skilled specialists in the given field. Several such modules are united in a division, and the divisions, in a group. The composition of the divisions and groups changes depending on the nature of the assignments being tackled by the corporation.

The corporation's activity in the sphere of the development and production of electronic office automation systems may serve as an example of a regrouping of its resources in the process of accomplishment of a specific task. This type of hardware is being developed along the lines of the unification of discrete data-processing facilities in uniform systems encompassing the institution as a whole. This has been reflected directly in IBM's structural policy. In the 1970's the enterprises of three divisions which were a part of three different groups were employed in the manufacture of various types of
electronic office machinery. A specialized division, whose mission was the development of means of communication between separate data-processing facilities—Communication Products Division—was created in 1982. The division incorporated two production enterprises (one manufactured communications equipment, the other, electronic office systems) and one research laboratory. As it became increasingly apparent that the main type of office equipment would be PC's there was an increased tendency within IBM to concentrate the production of other varieties thereof also within the framework of its Entry Systems Division manufacturing this type of computer. The enterprise creating electronic office systems, which had previously been a part of the Communication Products Division, was transferred to it in 1983. These divisions constituted the group producing the institution automation equipment complex—Information Systems and Communications Group. A further division—Office Systems—for the development of means of automating office activity, was formed within its framework in 1984. It played a key part in the preparation and realization of IBM's strategic plan in this field. A further division of the group—Telecommunication Products Organization—for the production of means of communication unifying in a single system office automation electronic facilities, and an "umbrella" group responsible for the coordination of its functions and the activity of the Communication Products Division component performing similar assignments were created the same year on the basis of the taken-over Rolm company. At the end of 1985 this latter component was transferred to the Telecommunication Products Organization, which was thus entrusted fully with IBM's entire activity pertaining to the creation of in-house communications facilities. The laboratory which had been a part of the Communication Products Division was transferred to the Entry Systems Division.5

As a result of the reorganization the development and production of office automation facilities' communications systems was fully concentrated in the Telecommunication Products Organization. The Communication Products Division, on the other hand, was oriented mainly toward equipment for communication between institutions and provided with the material and technical facilities necessary for its production. Nonetheless, IBM's management deemed it expedient to leave the Communication Products Division as part of the Information Systems and Communications Group for greater coordination between the production of external and in-house communications facilities.

So when, in the first half of the 1980's, the strategic direction of the development of the office automation process (the creation of institution information networks whose principal components are PC's and interfaces between them) had finally crystallized out, a special group of divisions—Information Systems and Communications Group—was formed in IBM as a result of a structural reshuffle. Divisions developing the key aspects of this problem—the creation of PC's and communication systems—were formed within the framework of this group.

A number of other corporations considerably inferior to IBM in scale of activity lacks the opportunities for such a regrouping of its components. However, to increase the efficiency of the research-production complexes they also are making use of many of the methods of structural policy characteristic of this organization such as a stimulation or lessening of the intensity of interaction between subdivisions, a restructuring of intra-firm relations and also a periodic change in the correlation between the centralization and decentralization of management.

Centripetal trends and intra-firm relations intensify, as a rule, given the need for consolidation of a corporation's resources to accomplish a specific large-scale assignment. In particular, Digital Equipment carried out such a reorganization to create a comprehensive information system based on a new minicomputer model.

In the 1970's Digital Equipment's basic market policy had been the expansion of horizontal integration within the framework of electronics industry. Several programs had been implemented in the company for this whose purpose was attaining leading positions on the markets of individual types of product such as video terminals, printers, data-storage tools, semiconductor products, computer interface systems, software, CAD and automated process control systems and so forth. The development, design, production and marketing of each product type here were performed by one and the same division, which functioned autonomously from others and enjoyed considerable managerial independence. The corporation's central management confined itself to the formulation of the strategic reference points of the divisions' activity. At the end of the 1970's such divisions constituted the basis of the structure of Digital Equipment's research-production complex.

However, at the turn of the decade the interests of strengthening market positions required of the corporation the adoption of a large-scale program of the development of a new type of minicomputer united in a unified in-house system with distributed computing capacity. Back in 1979, when the design work on this type of computer had only just begun, the corporation embarked on an appreciable renovation of the structure. Management centralization was intensified, and divisions which had previously functioned autonomously, none of which could have accomplished this program independently, were unified. In 1983 the company abandoned the divisional self-financing principle. Divisions which had earlier enjoyed considerable managerial independence were united in a single whole.

The increased centralization of Digital Equipment's research-production activity does not indicate the bankruptcy of the principle of decentralized management,
autonomization and the self-financing of individual components of the corporation. The reason here was not a reduction in the efficiency of their activity (the majority of the programs implemented in the corporation's subdivisions proved commercially successful, and the annual growth rate of sales throughout the decade was the highest in the sector—28.8 percent on average) but the need to mobilize the company's resources.

The correlation of centralization and decentralization in the organization of American corporations' research-production complexes and the changes in their structure are determined by the concerns' strategic priorities, and not the merits of organizational models. Simultaneous reorganization in both directions testifies to this. For example, in the mid-1980's Apple Computer corporation on the one hand switched to a centralized system of management and, on the other, created the Pixar organizationally independent daughter company specializing in the development of minicomputers for the processing of graphic data. Apple Computer exercises control of Pixar only on the basis of ownership of the bulk of the latter's capital.

A most important principle at the basis of the organizational structure of the modern corporation is the project principle. It consists of the unification of part of a corporation's material, human and financial resources within the framework of so-called project groups oriented toward the accomplishment of a specific assignment. Such assignments may be by nature very varied: from the creation of a new product type to the solution of this S&T problem or the other. The project group enjoys considerable organizational and managerial independence. The concern's management determines the timescale of the accomplishment of the assignment set it, the extent of material resources and the financial ceiling and does not interfere in current questions of its activity. Organizationally the project group may be structured as an independent component of the corporation and a daughter firm or, on the other hand, exist "under the roof" of one of its divisions.

As a rule, the project principle of organization is used at the time of a commercial experiment connected with the assimilation of a new type of product and the development of technology not employed hitherto and also management methods, which presupposes a considerable degree of risk of failure and financial losses. The advantage of this principle consists of the testing of wide spectrum of possibilities of development of the corporation's activity. This makes it possible to ascertain the most promising of them, which compensates with interest for the financial losses from the activity of the project groups which are unsuccessful.

According to certain figures, 80 percent of them proves incapable of fulfilling their set assignments, attaining the necessary level of competitiveness, switching to self-financing and making a profit. Thus as of the 1960's a leading chemical company, Dupont de Nemours, began to create a multitude of small daughter firms engaged in the development of new types of product, the majority of which failed. However, the successful development of the remaining minority covered the losses: in 1982 Dupont obtained half of its income from the sale of products made by these firms.

The mechanism of the functioning of the project group (in this case separated into a special subdivision of the corporation) may be traced distinctly in the example of the Entry Systems Division. At the time of its organization it represented a small group of managers and specialists for whom a timeframe of the appearance on the market of a new type of product had been determined and to whom considerable financial resources had been allocated to this end. This was the extent of their organizational connection with the central management of the corporation. At the time of the purchase of the necessary materials and components for the Entry Systems Division, placement of contracts for R&D, the attraction of specialists and so forth, the IBM subdivisions enjoyed no priority compared with other companies. For the sale of their computers the group leadership preferred to avail itself of the services of independent dealers, and not the ramified and well-oiled IBM marketing network. Thus at the time of choice of suppliers and commercial agents this subdivision set the goal of reducing costs, enhancing quality, shortening the time taken to develop the new product and establishing the closest relations with the consumers, and not an orientation toward the other enterprises of "its" corporation at all costs. With the help of the Entry Systems Division IBM surged through in a short time to first place among PC manufacturers. This subdivision acquired the status of a division whose job it was to develop, produce and sell PC’s and a number of other types of office equipment in the United States and overseas.

The organization of project groups and the subdivisions formed on the basis thereof for the development of new types of product are more a strategic than tactical step by the corporation. Practice shows that a subdivision developing successfully switches, as a rule, to self-financing 7 years after it has been organized and begins to show a profit in 10 years. This is two-three times longer than the timescale of product obsolescence (in electronics industry, for example, new models come onto the market every 1-2 years). For this reason the corporations orient such subdivisions not toward the creation of a specific product with preset parameters but toward the development of a family of products consisting of several generations like PC's, CAD, data-storage aids and so forth, for example. In other words, it is a question of the appearance of a new type of companies' commercial activity, and not simply of a new specific product.

Upon elaboration of the criteria of evaluation of the activity of the subdivisions a trend toward a certain diminution in the role of financial indicators and a growth in the significance of such a criterion as the enterprise's market share may be traced. As a result,
based on a comparison of the corporation's market share and also the sum total of capital investments necessary for the development of the subdivision its management makes the decision concerning the expediency of its continued existence.

The high proportion of the project groups which failed to achieve the goals set them pertaining to the assimilation of new markets contributed to the revision by a number of corporations of the range of tasks for whose accomplishment their use is advisable. Thus while having adopted in 1982 a program of the creation of independently operating subdivisions for capturing new markets, IBM was reconsidering it by the mid-1980's. Not one of them had succeeded in achieving as impressive indicators as the Entry Systems Division. The corporation organized a number of similar components oriented not so much toward the winning of a specific market as toward the solution of this S&T and production problem or the other which had confronted it. Specifically, subdivisions were created for the operational development and removal of bugs in the development of disk drives for the Winchester-type magnetic disks, R&D pertaining to the creation of CAD, study of the development of demand for electronic equipment for school and college students, coordination of training programs conducted or financed by IBM and so forth.

In many cases the creation of subdivisions operating per the project principle within the framework of a corporation was geared to the testing of principles of the organization and management of production which had not been employed previously. The most typical and biggest is General Motors' Saturn project. 10

In a number of cases part of the corporation's resources for the creation of a new type of product is mobilized not by means of their concentration in some one subdivision but by way of the release of some of its components or individual employees from intra-firm obligations and the organization of their interaction exclusively among themselves and their unification in a project group.

An example of the broad-based use of such a principle is the activity of the Veraldi Group in the Ford Motor auto giant. It was formed in 1980 for the rapid development of the Taurus and Sable new automobile models. The accomplishment of this assignment began with the abandonment of the stage-by-stage system of the development of a new product which had existed in the concern previously. According to it, the product concept was mapped out by the planning department. Then the design department would prepare the plan thereof. The planning and design work was carried out simultaneously, with regard for the proposals made by the foremen and engineers of the production shops and also individual workers. As an executive of the corporation declared, "in the past we had hired people to use their hands, but it is only now that we have thought to use their intellect." 11 This made it possible to solve problems connected with the docking of individual phases of the development at the time they arose, not allowing them to grow.

The commercial success of the models created by the group contributed to the management of Ford Motor's decision to switch the entire system of the concern's new product development to the project principle.

Role of Mergers and Inter-Firm Relations in the Evolution of Corporations' Organizational Structure

Changes in corporations' organizational structure and its adaptation to the dynamically changing conditions of the competitive struggle are effected not only thanks to internal regrouping but also by way of integration in the concern's research-production complex of enterprises which were not previously a part of it. It occurs in several directions, one of which is the takeover of independent companies.

The first half of the 1980's was a period of a considerable stimulation of capital-redistributive processes. The United States experienced the fourth wave in the country's history of a sharp increase in the centralization of capital (prior to this similar phenomena had occurred in the 1890's and the 1920's and 1960's). It was considerably superior to the preceding ones in terms of scale. Its peak was 1984, when 2,543 mergers and takeovers of industrial companies were recorded. The sum total of such deals amounted to $122 billion. Companies the number of whose employees constituted 4.5 million or 4.3 percent of all people in employment in the country were involved in the 100 biggest of them. 12

The intensification of these processes was undoubtedly connected with the effect of certain subjective factors such as changes in the financial sphere, an easing of antitrust legislation and a number of other measures of the Republican administration creating a climate more conducive to the growth of the number of mergers and takeovers. At the same time, however, it is important to differentiate between the financial-speculative and organizational-institutional aspects of this process. The latter reflects changes in the structure of ownership providing for the increased efficiency of the corporations' research-production complexes. The centralization of capital represents a method of diversification of the leading concerns and is also seen by the management of many of them as a way to enhance competitiveness by means of an improvement in the structure of a company's research-production complex and its optimization depending on the change in its strategic priorities.
In a number of cases even the biggest corporations are incapable of creating S&T process stock and a production base for diversification in good time. The time factor plays a significant part here since companies which have become entrenched on new markets are continuously creating new, more competitive types of product and perfecting technology. The solution of the problem in such a situation is a takeover of the firm which has accumulated considerable S&T and production experience, which supplements the takeover-corporation’s intrinsic process stock. According to FORTUNE magazine, in the first half of the 1980’s the characteristics of the commercial activity of the companies “buying” and “selling” stock were close.

Such tactics are being employed increasingly extensively by IBM, which regards them as a method of assimilating markets which have already acquired considerable dimensions (as distinct from markets which are only just emerging and which the corporations are attempting to penetrate with the aid of project groups). This method, described by one concern executive as the “critical mass method,” was used for penetration of the telecommunications sphere.

For penetrating the in-house communications market IBM acquired the Rolm company for $1.3 billion, which amounted to 231.3 percent of the latter’s stock value at the time of original issue. It is highly significant that prior to this the electronics giant had for 20 years practiced diversification only from the resources of its own research-production complex. However, they proved insufficient for penetration of the telecommunications market. The lead corporations in this market—AT&T (60 percent of the market) and Rolm (8 percent)—were far ahead of current and potential competitors, including IBM, in the sphere of R&D and manufacture of this type of product and also in terms of the level of contacts with the consumers. IBM had twice tried unsuccessfully to organize the manufacture of telecommunications systems both with its own resources and by means of inter-firm research-production cooperation with Mitel. Only the takeover of Rolm enabled IBM to increase considerably the efficiency of the development and production of telecommunications and become entrenched on the market.

IBM similarly accomplished a breakthrough onto the ultra long-range satellite communications market. To this end it acquired the Satellite Business Systems company. However, the organization of broad-based competitive production was possible only following purchase of the MCI Communications company, its merger with Stallite Business Systems and the creation in this way of a powerful ultra long-range telecommunications subdivision.

Besides diversification, the driving motive of takeovers is an aspiration to enhance the overall efficiency of the research-production complex by means of the integration of new components therein. In this case takeovers represent an integral part of the process of optimization of the corporation’s structure, whose other side is ridance of certain components which have not been written into it. A frequent change in the structure of corporate ownership and its attendant institutional regrouping are an important subsystem of the economic mechanism of U.S. industry. It functions with certain costs caused by the fact that the desired result is not achieved immediately or, in a number of cases, is not achieved at all, and the takeover leads to losses. Specifically, a survey of the profit dynamics of 3,000 companies of U.S. manufacturing industry conducted by staff of Swarthmore College testifies that for a long time the companies which had been taken over had, as a rule, a lesser rate of profit than prior to the takeover.

Statistical data testify that the bigger the scale of the mergers, the greater the likelihood that the acquired company will “not fit” into the structure of the company doing the acquiring. According to data of the McKinsey and Company consultancy firm, in half of the 58 biggest takeovers which occurred from 1972 through 1983 the takeover company was unable to recoup its invested capital. This was connected with the exceptional complexity of combining the integral economic organisms which had taken shape, even though they functioned efficiently independently of one another, and coordination of their activity in accordance with the plan formulated by the management of the takeover company. The practice of General Motors corporation, which in the 1980’s accomplished the biggest takeovers in the U.S. economy after the mega-mergers in the oil industry, may serve as the most typical example in this case.

At the start of the 1980’s the concern adopted the guideline of transition to production of a qualitatively new level by means of the introduction of flexible automation and automatic production control systems and CAD’s. Within the framework of this strategy General Motors realized two major takeovers, purchasing in 1984 the Electronic Data Systems company and 1985 Hughes Aircraft. The sum total of these deals amounted to $7.6 billion. Both the corporations taken over occupied a leading position in their spheres of business. Specifically, for the package of shares of Electronic Data Systems General Motors paid $2.5 billion, which was almost eight times more than their original value. With the help of these companies, which had scored considerable successes in such science-intensive sectors as electronics and aviation and missile industry, the management of the auto giant hoped to bring the management methods which had been perfected in them into the practice of the concern. However, the attempts to integrate the absorbed companies in General Motors’ research-production complex did not lead to the anticipated increase in its efficiency. On the contrary, the expenditure of colossal resources on their acquisition served as a factor holding back the influx of investments in other areas of the concern’s development. At the present time its management is studying the question of the possible sale of Electronic Data Systems’ stock.
Thus mergers and takeovers are a highly contradictory economic phenomenon. In a number of cases they prove effective from the viewpoint of an increase in the competitiveness of the companies participating therein and their penetration of new markets. However, no less typical is a situation where these goals are not achieved or where there is a deterioration even in the indicators of the commercial activity of the absorbed and absorbing corporations. The increased capital-redistributive activity of American business under the conditions of the considerable uncertainty of its results reflects an active search for ways to optimize corporations' research-production complexes by means of a reorganization of the institutional structure and the ownership structure.

A most important factor influencing the organization of American corporations' research-production complexes is the development of inter-firm relationships both in the sphere of R&D and in reciprocal supplies. Depending on corporations' specific goals at the time of the establishment of commercial relations with other companies, inter-firm ties may be of both a short-term nature, when the concern practices a frequent change of suppliers and contractors, and long-term. From the viewpoint of impact on concerns' organizational and production structure the second type of intercorporate relations is more important. Their intensification makes it possible to speak of the mutual supplementing of concerns' research-production complexes. This process is of a dialectical nature. The basis thereof is the contradiction between the intensification of competition on the one hand and the interdependence of the contending concerns on the other. A most characteristic example in this respect is semiconductor industry, where there is between competing companies a ramified network of stable S&T and production relations.

The growth of the interdependence of competing companies is connected with the fact that in a number of sectors, science-intensive particularly, even the leading corporations are not in a position to simultaneously fully cater for a progressive level of R&D and production and to maintain a rate of profit "acceptable" to them here. Under such conditions cooperation with competitors is more expedient in a number of cases. Specifically, even such a giant as IBM has a growing proportion of materials and components purchased elsewhere. Whereas in the mid-1970's this concern independently manufactured the vast majority of them, at the end of 1983 it purchased elsewhere half of its semifinished products. In the mid-1980's, it is estimated, the proportion of materials and components acquired by IBM from other companies amounted to 60-70 percent.15 In the first half of the 1980's the leading electronics corporation was implementing over 20 inter-firm cooperation programs.16 Practically all IBM's PC's use chips supplied by the Intel corporation or produced on license therefrom.

A trend toward corporations' increased interaction with suppliers and contractors can be traced. Thus in the course of the development of the new Taurus and Sable models the Ford Motor concern abandoned the traditional principles of the placing of contracts for the supply of materials and semifinished products, where the suppliers are sent the products' specifications and the order was obtained by the firm undertaking to manufacture them for the lowest price. Within the framework of the new forward contracting system representatives of the supplier firms are enlisted at the stage of development of the new automobiles even. Agreements of a long-term nature are concluded here.

Of the biggest U.S. industrial companies, the AT&T concern is distinguished by its activity in the organization of a wide-ranging system of inter-firm research-production relations. It has struck up a number of "strategic partnerships"—agreements with other major corporations and comparatively small firms on cooperation in the sphere of R&D and the creation and marketing of the product. With the help of this cooperation AT&T is attempting to fill in the gaps in its research-production complex limiting the possibilities of diversification and emergence on the market of PC's and a number of other types of electronic equipment and to enhance its competitiveness. In particular, joint R&D is being conducted with the Amdahl company on unifying the products of the two corporations within the framework of in-house data systems. Long-term S&T ties have been established with the Convergent Technology company specializing in the production of multiterminal systems. Within the framework of cooperation with AT&T it developed the Unix switching system, which may be used as systems software for various types of computer and permits the exchange of data between them with the aid of a telecommunication system.

It should be noted that American corporations are participating actively in international S&T cooperation. Specifically, an agreement has been concluded between Sperry Rand and the Japanese Hitachi (seysakuse) on the reciprocal exchange of technological information for the purpose of the use of semiconductor components manufactured by Hitachi in certain Sperry computer models.17

Inter-firm research-production ties are also a form of integration of small companies in the research-production complexes of leading corporations. A considerable amount of the turnover of many small and medium-sized firms is connected with the sale of goods and services to some one major firm. Thus the share of IBM's purchases in the turnover of the Microsoft company, which developed the MS-DOS operating system for the concern's PC's, constitutes approximately 20 percent. Its continued growth is anticipated.

The leading corporations' interest in ascertaining promising small firms which could subsequently be taken over or used as partners in inter-firm relations is manifested in the active participation of big industrial capital in venture business. It is practiced in two basic forms: the creation of in-house "risk" capital funds and investment
in such funds created by “independent” investment companies. Of the 509 companies specializing in “risk” capital investments which existed by the end of 1984, some 44 belonged directly to major corporations, whereas 271 were considered “independent,” and the rest belonged mainly to financial corporations. The latter also are controlled to a considerable extent by the major corporations, but on a “shared” basis. The investors also include various financial institutions, individual businessmen and so forth.

The assets of the venture funds are invested simultaneously in several pilot firms, which broadens the major corporations’ possibilities in respect of the ascertainment and control of those of them which conduct promising studies of interest to them. Subsequently these companies are frequently either taken over by the corporations concerned or close inter-firm relations are established with them. Thus participation in venture business is also a form of development of the leading industrial concerns’ research-production complexes.

The changes which have been occurring in the 1980’s in the structure of the American corporations testify that an indispensable condition of the effective development of a timely research-production complex is the mobility of its resources, which makes it possible to concentrate them on the accomplishment of strategically important tasks and regroup them in accordance with the changing conditions of activity. The possibility of such restructuring is achieved thanks to both the concerns’ appropriate internal reorganization and inter-firm cooperation and also mergers and takeovers. The mobility of the production and organizational structure is a most important and necessary condition of receptiveness to S&T progress of both the economy as a whole and each individual corporation.

Footnotes

1. What is meant by a concern’s research-production complex is the system of its research and production subdivisions performing particular functions within the framework of the intra-corporate division of labor and united in a single whole by the control of the central management of the corporation and the network of intra-firm cooperation relations.


4. The enterprises and research laboratories which are a part of IBM are unified in production divisions, which constitute groups. The leadership of the groups is directly subordinate to the corporation’s central management authorities. Groups and divisions are distinguished depending on their specialization in the manufacture of this type of product or the other. The strategic directions of the activity of the groups and divisions are determined by the corporation’s management, whereas the tactical directions are decided chiefly at the level of these subdivisions.

5. For more detail see DATAMATION, 1 January 1986, pp 64-66.


7. The project group should be distinguished from the concern’s divisions group.

8. See MANAGEMENT TODAY, August 1986, p 49.


10. For more detail see MEMO No 1, 1987, pp 98-103.


16. See DATAMATION, 1 January 1986, p 64.

17. At the present time Sperry Rand has ceased to exist as an independent corporation. The Unisys concern was formed as a result of its merger with Burroughs.

The MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA editorial office asked staff of the CEMA International Institute of Economic Problems of the World Socialist System to answer several questions. Answers came from:

Ferenc Radic, candidate of economic sciences, counselor, senior scientific associate (Hungary);

Georgi Mirov, candidate of economic sciences, counselor, senior scientific associate (Bulgaria);

Barbara Durka, candidate of economic sciences, counselor, senior scientific associate (Poland);

Jiri Vlcek, candidate of economic sciences, expert, scientific associate (CSSR);

Rene Lastovka, candidate of chemical sciences, counselor, senior scientific associate (CSSR).

[Question] To what extent, in your view, does the country's current economic mechanism correspond to the current requirements of economic development? What are the possible paths of its modernization?

F. Radic. As a whole, Hungary's economic mechanism does correspond to the requirements of economic development. It incorporates elements of planning, regulation and an organizational decision-making system, regulates the forms and methods of activity of the basic economic components and determines the degree of independence and responsibility of the enterprises, the possibilities of self-financing and the conditions of the practice of export-import transactions, within the framework of specialization and cooperation with foreign partners included, and also the use of capital and manpower.

At the same time, however, the current situation requires greater balance of the national economy and the solution of a number of strategic questions of development. The main problem today is the contradiction between the need for a reduction in the large foreign debt and the need for a high economic growth rate.

In recent years Hungarian Government authorities have adopted strict restrictive measures for a growth of capital investments in the production sectors and wages. These measures are, naturally, making more difficult a reorganization of the production structure, slowing down technical and technological progress and hampering a rise in the quality and competitiveness of products. Restrictive measures have been adopted simultaneously also in the sphere of imports from capitalist countries, which, in turn, has been reflected in export potential.

This suggests the need for a differentiated approach to restrictions on investments and imports. In addition, it is necessary to reduce the amounts of government subsidies to unprofitable industries. It is essential to achieve a situation where that which is unprofitable to the state is unprofitable to the enterprise also. An overall reduction in the amount of subsidies should be combined with support for promising industries.

An important area of an improvement in the economic mechanism is an increase in the independence and responsibility of the enterprises and their guaranteed scope for action. At the macrolevel it is essential to create conditions wherein the enterprise has a constant interest in an enhancement of the quality of commodities and an increase in the amounts of their production and sale.

Subjective factors play a significant part in the functioning of the economic mechanism. It is necessary for their fuller mobilization to convey to people the expediency of the said government measures and the new demands on enterprise activity. As is known, some of these measures not only do not improve but, on the contrary, make worse material living conditions. In addition, the need arises in connection with the structural changes for the regrouping and retraining of the workers, which causes difficulties in the employment sphere.

It has been deemed necessary in Hungary to improve pay such that a growth of production efficiency be reflected directly in earnings. This is leading to a pronounced differentiation in wages and income at different enterprises and among different groups of working people. The majority of workmen agrees with this requirement in principle, but conflicts frequently arise in practice.

Consideration of subjective factors requires an increase in the efficiency of ideological and political work. The need for an improvement in the political system of society, which should to a great extent contribute to an increase in the efficiency of the national economy as a whole, is closely connected with this.

A bill providing for the freer movement of capital between sectors and individual enterprises is being drawn up in the country currently. The enactment of such a law will make it possible to unite the efforts of different enterprises for the achievement of specific economic goals. Work is proceeding on the creation of a uniform taxation system, whose purpose is to ensure equal conditions for all enterprises.

G. Mirov. The economic mechanism which has taken shape does not correspond to the interests of development of the national economy. A great deal of work has been performed in recent years on the creation of a new mechanism of management of the Bulgarian economy. Experiments are being conducted with different versions thereof. At the start of 1986 the Council of Ministers confirmed "Rules Governing Economic Activity," which reflect the new aspects of the management mechanism. It is a question of self-managing economic organizations, state administrative bodies, planning, pricing,
income distribution, the budget, wages, investments, research and technological, commercial and supply activity and business contracts.

Big difficulties sometimes arise in practice in the solution of these questions. Let us take, for example, the principle of the economic organization's self-financing. There have been successes in its application, but failures, which have been caused by factors of a varied nature, have been encountered also. These latter are the persisting inertia of the directive, command-administrative approach, the absence in executives of the basic production component of an ability to operate under the new conditions, insufficient coordination in changes in individual components of the mechanism and so forth.

B. Durka. Economic reform began in Poland in 1982. Appreciable, although insufficient, changes have occurred in the material base of the economy and in the public mind. Positive results have been achieved in agriculture, and the situation on the market, the food market particularly, has improved.

At the same time, however, economic equilibrium has not been achieved. A serious obstacle has been the uneven introduction of the reform in different spheres of the economy and at different levels of management. There was a danger that a system wherein the old components and methods of management would be preserved together with the new components would become firmly established, which would undoubtedly have reduced the efficiency of the reform. In this connection the 10th PZPR Congress adopted in 1986 a decision on its second stage, on an acceleration of the strategic changes in the national economy.

The main goals of the second stage of the economic reform are a comprehensive restructuring of the management system contributing to the freeing of collective and individual enterprise; the creation of the conditions for productive, efficient and better organized human labor; the imparting of stable features of development, precision and innovation to the national economy; maximum benefit from participation in the international division of labor; creation of the firm material and systemic foundations for the fuller satisfaction of the citizens' requirements and a broadening of the accessibility and increased quality of service.

A specific program containing targets which are to have been met prior to 1990 has been drawn up. The second stage of the reform is geared to the achievement of a threshold beyond which the components of the economic mechanism interact better and their efficiency increases. It is essential to create incentives and conditions for the development of the initiative and enterprises of economic units and individual citizens, restructure the price and income system, make changes to the functions and structure of the apical and central organs of administration and remove the administrative and legal barriers impeding the development of activity. The imparting of a realistic nature to economic parameters is a condition of realization of the fundamental principles of the Polish reform: enterprise self-financing, independence and self-manageability and the active use of market mechanisms of self-regulation.

J. Vlcek, R. Lastovka. The current economic mechanism does not correspond to modern requirements. This evaluation was made at the 17th CPCz Congress in March 1986.

What are the principal shortcomings of the operating mechanism? They are primarily the dominating role of administrative methods and instruments of management; concentration of the work of the central economic management authorities on current, short-term tasks instead of problems of a strategic nature; the extensive use of directive targets negatively reflected in the independence and initiative of the producers; the production organizations' insufficient interest in the introduction of the achievements of modern science and technology and so forth.

All these shortcomings of the economic mechanism have long been known to Czechoslovak economists. The "Set of Measures To Improve the System of Planning and Management of the National Economy After 1980" and "Guidelines of the Further Development of the Set of Measures To Improve the System of the Planned Management of the National Economy" were drawn up to remove them, for example. But this produced no significant positive results since the measures were of an individual nature and were implemented inconsistently.

A decisive step forward for the all-around and in-depth improvement of the economic mechanism was the adoption of the "Principles of the Restructuring of the CSSR Economic Mechanism" at the end of 1986-start of 1987. They were made the basis of the economic reform, which mapped out the main paths of modernization. The essence of the document amounts to consistent application of the principle of democratic centralism in management of the economy, an extension of the role and an increase in the quality of central planning and management and an increase in their efficacy and also in the responsibility and powers of the enterprises for fulfillment of the state plan quotas based on cost accounting methods.

The main instrument of the management of the CSSR's social and economic development remains the state 5-year plan, which specifies the strategic long-term goals. But, as distinct from the present situation, the plan will be more comprehensive and interconnected. It will incorporate also plans for the development of science and technology, currency, credit and cash plans and the plan for the development of prices, the budget and such. The use of commodity-money instruments, the law of value and the functions of the socialist market is intended to orient the producers toward satisfaction of the requirements of society and all its members.
Thus on the one hand central management will be strengthened where this is necessary, on the other, the powers and responsibility of organizations will increase, the working people's participation in management will be extended and not only the possibility but also the necessity of independent decisions and a display of initiative will be revealed. Economic life is being democratized.

Despite certain specific features of the Czechoslovak economy, the main directions of the restructuring of the economic mechanism coincide with the restructuring being undertaken in the USSR. Czechoslovak specialists are keeping a close watch on the progress thereof and carefully studying the Soviet experience. The experience of the economic reforms being conducted in other socialist countries is being studied also.

[Question] How do you assess the level of the country's international competitiveness, what are the possibilities of an increase therein?

F. Radic. Making an unequivocal evaluation of Hungary's positions on the world market is difficult because, first, we have been forced to augment the export volume to compensate for current imports and pay off the debt. Second, our competitive commodities are frequently sold without appreciable profit under the conditions artificially created by the capitalist countries. Third, competitive commodities are not yet being produced on a scale such that the results of their sale on the international market may be regarded as a significant resource of the acceleration of development.

The position on the world market and questions of competitiveness may realistically be examined only in respect of individual commodities. Thus Hungarian medical instruments and medicines, equipment for nuclear power engineering, certain types of metalworking products, including new-generation machine tools, and others are in demand. A number of meat products, wines and so forth are widely known abroad. To consolidate Hungary's positions on the world market it is essential to enhance the quality and reduce the production costs and also increase the series nature of the manufacture of competitive products and sales thereof.

The main thing here is an increase in the quality and competitiveness of the product of mechanical engineering, electronics and electrical engineering, chemical, light and food and gustatory industry and such. On the one hand these sectors provide the means of production for the entire national economy and, consequently, directly influence the overall level of production and, on the other, shape the export volume.

To raise the level of competitiveness of the products and services produced and supplied by Bulgaria it is necessary, first, to fully mobilize the reserves of the country's S&T and production potential and, second, make the maximum use of the possibilities of socialist integration as a factor of the development of the national economy.

B. Durka. Different Polish commodities are competitive to a varying extent on the world market. Thus foodstuffs (ham and fresh, frozen and canned fruit and vegetables) produced and exported by Poland correspond to the world standard. Polish ready-to-wear clothing, knitwear and linen articles are characterized by comparatively high competitiveness. Polish coal, sulfur and copper are competitive.

The picture changes sharply when it is a question of mechanical engineering and chemical industry products. Certain types of sea craft, hydraulic cranes, electronic and radioelectronic instruments and components, controlling, regulating and monitoring devices, calculators, measuring instruments, means of communication, medicines and construction services correspond to the average world standard. However, the level of international competitiveness of mechanical engineering and chemical industry is comparatively low, as a whole.

A rise in the level of international competitiveness is connected with a change in the production structure. A selective structural policy—the concentration of investments on the development of a narrow circle of specialized industries—is needed. This would make it possible to solve more rapidly and fruitfully questions of the organization of production and problems of S&T progress and an increase in productivity and the competitiveness of the commodities on foreign markets.

[Question] How can the working people's participation in management of the economy be expanded? What has been done in recent years and on what does attention need to be concentrated now?

F. Radic. Considerable successes have been scored in the sphere of the working people's participation in enterprise management. Democratic forms of management which supplemented and enriched the system of management established by the State Enterprise Act (1982) were introduced legislatively in 1986. Councils, of which workers constitute 50 percent, have been formed at the majority of enterprises. They make decisions on questions which previously were the prerogative of the ministry, including those of a long-term and strategic nature.
The enterprise council has the right to confirm the rules of the functioning of the enterprise and to discuss and adopt 5-year and annual plans, the annual balance sheet and the report on the results of economic activity; decide most important questions connected with the development of the enterprise, investments and the reconstruction and modernization of production; determine the enterprise's profile; confirm the organizational-managerial structure; adopt decisions on the enterprise's amalgamation with others or on the expulsion therefrom of individual subdivisions and on the creation of daughter enterprises and affiliates; elect a director and determine the amount of his pay; approve decisions on the purchase and sale of producer goods and stock; determine the principles of income distribution; and so forth.

The country is discussing extensively currently a number of problems concerning the functioning of these councils. These are primarily the question of responsibility for ineffective decisions, full information concerning economic activity and changes therein and the training of personnel capable of managing under modern conditions. A system of the training of such personnel is being created.

G. Mirov. An experiment is currently under way in the course of which a version of the mechanism of economic management is being studied. Specifically, a process of the transfer of ownership of the means of production from the state to the workforce of each enterprise is taking place. The movement of plans from the bottom up enables all members of the workforce to participate most actively in its formation, and the principle of complete economic accountability affords an opportunity for combining the interests of the state, the workforce and each member thereof. Wages depend on the end result and on one's personal contribution. This is changing people's attitude toward production, management and technical progress appreciably and contributing to the growth of the economic interest of each member of society and his responsibility for the results which are achieved.

However, these principles and approaches are not being applied universally as yet. The workforce is more adapted to the fulfillment of assignments issued from above than to their independent formation and the mobilization of intrinsic potential. Only the first steps toward the active enlistment of the masses in management of the economy are being taken. Successes here will largely depend on how deeply the working people recognize the need for transition to a new mechanism of management and the extent to which they are supported by knowhow and procedural studies and standardized documents.

B. Durka. An important direction of the economic reform is the expansion of self-management. Self-financing, independent, self-managing enterprises—this is the main component of the economic mechanism. It was acknowledged at the Ninth PZPR Congress that the working people's self-management was a legitimate component of the country's social system and economy. A process of the creation of self-management bodies began at the enterprises as of September 1981. They now operate at 6,400 enterprises. The worker councils are participating actively in the elaboration and confirmation of enterprise production plans, taking part in the preparation and introduction of an incentive system and adopting decisions on the use of profit. Permanent problem-solving commissions and groups operate under the auspices of the councils.

At the same time there are certain problems also in the process of expansion of the working people's participation in management of the economy. These include the establishment of correct relations and forms of cooperation between the worker councils and the enterprise director and between the worker council and party and trade union organizations. In addition, participation in the self-management bodies requires of the working people economic, sociological, political and psychological knowledge. A system of training for the members of the worker councils is needed and is already developing in this connection. All this testifies that the working people's participation in management of the economy is expanding, but is a complex process requiring constant efforts and time.

J. Vlcek, R. Lastovka. The development of democratic principles in economic life includes an appreciable expansion of the working people's participation in management, which will be realized in two forms. The first form is socialist self-management at enterprise, plant, shop and workshop level. It is to increase the workforce's influence on management of the enterprise, preparation of the most important decisions of social and economic development, control of their fulfillment and the placement of executive personnel. The meeting of workers (or their delegates) and the workforce council are the organs of socialist self-management.

The workers' meeting has the right to elect and dismiss an enterprise director by secret ballot and discuss long-term programs of the enterprise's economic and social development, 5-year plans, the annual summation of results, the method of profit distribution and such. The meeting also elects the workforce council, which is responsible jointly with management for the effectiveness of the enterprise's social and economic development.

The second form of the working people's participation in management is via the activity of the trade union organization. In the CSSR it is extensively developed in the sphere of control of compliance with labor law and also in the sphere of socialist competition, social insurance and recreation. Both forms are mutually complementary.
The workforce's election of management executive personnel and the formation of collective socialist self-management bodies—workforce councils—are practiced within the framework of the experiment to increase economic organizations' independence and responsibility for efficient development. Ten directors and three collective socialist self-management bodies were elected in 1987-start of 1988. Although this system has been operating for a comparatively short time (directors have been elected mainly), it may already be said that the elections are stimulating the activity of the workforce. Naturally, the right to elect presupposes also the workforce's responsibility for possible failure.

In 1988 some 25 percent of industrial enterprises manufacturing almost one-fourth of output will be included in a comprehensive experiment to increase enterprise independence and responsibility for efficient development. This will make it possible to obtain a large amount of information in order, following collation, to use it in all spheres of the national economy.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda". "Mirovaya ekonomika i mezhdunarodnyye otnosheniya", 1988

More Attention to Western Critiques of Soviet Society Urged
18160005f Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 12, Dec 88 pp 52-61

[Article by Yuriy Ivanovich Igritskiy, candidate of historical sciences, head of the USSR Academy of Sciences Social Sciences Information Institute: "Sovietology Under the Changing Conditions"]

[Text] Quite recently even, when it was so comfortable not noticing the discrepancy between theory and practice, slogans and our surrounding reality, critical utterances addressed to our country (particularly from North America and West Europe) were perceived solely as "ideological sabotage" of anticommunism endeavoring to discredit the USSR's achievements and create a negative image of the "society of developed socialism".

And, indeed, there were, are and will continue to be, without a shadow of doubt, anticommunists, militant ones included, among politicians and ideologists of the nonsocialist world; their goals really do include the creation of an extremely negative image of the USSR in the eyes of world public opinion and, as far as possible, discrediting communist ideals. But in accordance with some incomprehensible logic we identified with our ideological and political foe all who upon an analysis of Soviet reality went beyond the framework of the limited, local-sectoral and ritual (the "certain shortcomings" formula) criticism which had become with us a substitute for the social criticism which is necessary for each society. We hereby reinforced in our minds two essential aberrations: an inadequate perception of our own society and an inadequate evaluation of foreign public opinion.

I

If anyone could have entertained doubts concerning the illegitimacy of the unequivocal approach to overseas scholars of the USSR of non-Marxist beliefs, in the fourth year of perestroyka they should have disappeared: a far more profound critique of our reality is unfolding in the Soviet mass media than anywhere else, and foreign comments on perestroyka, on the other hand, reveal such a wide spectrum of opinions that it would take a great deal of effort simply to group them according to common characteristics. This is essentially a profoundly natural phenomenon: as complex, differentiated and contradictory practice is, as complex, differentiated and contradictory are theoreticians' evaluations thereof.

Of course, there is also the temporal, evolutionary aspect, without which no ideological phenomenon can be correctly understood. The comments of Western observers—both scholars and commentators—on the changes in Soviet society did not arise in a void but have been superimposed on stereotypes which had already taken shape (and taken shape firmly, what is more). An important part in their formation was played and continues to be played by Western Sovietology—literature created by hundreds of qualified historians, political scientists, sociologists, economists and legal experts specializing in problems of the Soviet Union and world socialism.

Not only from the viewpoint of approaches of the present day but also from the standpoints of scientific criteria of the past this literature also has always been heterogeneous. The very process of formation of Western society's ideas about the Soviet Union was heterogeneous. It is sufficient to recall that in the first post-October years the bourgeois press was telling its readers about the "nationalization of women" and the creation of "bureaus of free love" in Soviet Russia; and at the same time, on the other hand, democratic observers were noting there the unprecedented upsurge of the political assertiveness of the masses. By the 1980's the public of Western countries had, for the most part, become accustomed to perceiving all that was happening in our country through the prism of the "totalitarianism" concept. A closed circle of negative stereotypes had taken shape: being the creation not of the everyday mind but subtle theoretical thought, this concept influenced both the everyday mind and the thinking of professionals.

Whence the paradoxes of Sovietology, particularly from the viewpoint of the canons of area studies. World practice has for many centuries testified that the motive in the choice of country as the subject of study has been either a conscious or subconscious attraction to a given country and some primordial sympathies. However, in the United States, say, many Sovietologists frankly
accompany in private (to which your author has himself been witness) that, when beginning to specialize in foreign countries and regions, American students and graduates are initially sympathetic toward Japan, China and other Asian, African and Latin American states, not to mention West Europe, but not toward the Soviet Union.

One further paradox is as follows. There is in the West a multitude of university programs for study of the USSR and research institutions under whose aegis numerous professionally trained specialists prepare and publish scholarly works about our country and its history and contemporary life. It is estimated that in the United States alone more than 200 books and 2,500 articles on the Soviet Union (even if many of them are not the fruit of scholarly research) are published annually. And at the same time until very recently—a striking paucity of knowledge and the most absurd notions about our country. We would recall if only the information obtained in the course of a telephone poll conducted by the NEW YORK TIMES editorial office in September 1985, when only 6 percent of those polled had positive things to say about Russians. A 34-year-old actress from St Louis, a college graduate, declared that Soviet citizens “are allowed only one pair of shoes a year.” An excavator operator from Pennsylvania expressed the sincere belief that Soviet workers had no leave, holidays and free time for recreation.

Professional Sovietologists disclaim responsibility for such primitive ideas, believing that they arise under the influence of the mass media. However, here is an impartial evaluation of American Sovietology from within. “Study of the USSR had by the 1950’s,” S. Cohen, professor at Princeton University, pointed out, “become an extremely politicized occupation fed by political tasks of the moment and a crusading spirit and proceeding from the know-thine-enemy principle.... Instead of explanations, the pinning on of labels and the creation of images, metaphor and a technological approach.” The description given by the American authors D. Nimmo and J. Combs of representatives of political science in the United States applies to Sovietologists in full. “An aspect of the contact of this discipline with the world of politics is the development of contacts with government bodies and many private groups,” the authors write. “The interests of politics require myths, and political science supplies them. Political science is a service industry.”

Some Sovietologists have truly set about not only the creation of a myth industry but also the day-to-day political practice of the U.S. Administration. The implacable anticommunist and Russophobe Richard Pipes, the former director of Harvard University’s Russian Research Center, who was for some time R. Reagan’s adviser on Russian history and Soviet reality and who believes that our country has been hostile to the West since earliest times and is now prepared without batting an eyelid to sacrifice the lives of several tens of millions of its citizens for the sake of the achievement of ultimate victory over America in a nuclear war.

And before Pipes? Two further names are mentioned by Nimmo and Combs: “The political scientists Henry Kissinger and Zbigniew Brzezinski (they are major authorities in the sphere of the USSR’s domestic and foreign policy—Yu.I.) became learned presidential counselors because they shared and expressed views which the future presidents wished to hear.” We would add: having become J. Carter’s national security adviser, Brzezinski persuaded the President that the United States had no interests in common with the USSR—even in spite of the position of then Secretary of State C. Vance, who was urging the mutual understanding of the two great powers.

Nonetheless, we need to correct the idea that has been encountered in our press to this point that virtually any specialist trained in Sovietological centers of the United States and writing on problems of our country automatically participates in “psychological warfare” against socialism, contributing to the creation in Americans of the “enemy image”. It is a most curious phenomenon that whereas the mass media (primarily the audiovisual media) of the West’s most important country were at the end of the 1970’s-start of the 1980’s lending its administration’s confrontational policy strong support, reproducing on an extensive scale the versions concerning the “Soviet military threat,” “human rights violations in the USSR” and the “insurmountable crisis of socialism,” a so-called “revisionist” school, whose representatives were calling for a renunciation of the cliched dogmas of anticommunism, was strengthening in academic (more precisely, university) Sovietology. Some of them were even calling in question the applicability to the Soviet Union of the “totalitarianism” concept and the traditional division of Soviet society into the elite and the passive masses, controllable merely from above.

As a “revisionist,” J. Hough, professor at Duke University, observed in his preface to a study of the activity of the people’s control authorities in the USSR which appeared at the end of the 1970’s, “our trouble is that we have not taken the citizens’ participation in social life seriously.... We have not the slightest idea of the intersection and the role even of people’s control, trade union committees, Komsomol committees, party committees, academic councils and other types of standing and temporary commission functioning within them.” Sharing many of Hough’s ideas, S. Cohen proceeds from the fact that some “social contract” and tacit understanding between people and government, at the basis of which is concern for national security, order and legality, patriotic urges, well-being and everyday comforts, has been developed in the USSR.

The applicability in this case of the social contract theory, which arose in the era of absolute monarchies and the Enlightenment, to modern conditions is a special...
question: But whatever the case, it brings the non-Marxist scholar closer to an understanding of the socialist society than the arbitrary “totalitarianism” concept attributing to the state and the ruling party undivided and all-embracing, invariable power over amorphous masses devoid of rights.

Scientific conferences and special works have been devoted to “totalitarianism”. These works have not, it is true, appeared convincing to exacting scholars; a most authoritative American Sovietologist, G. Kennan, observed, not without sarcasm, that it is easier to judge “totalitarianism” from the novels of Kafka and Orwell than from scholarly literature. But the doubts which have been expressed have hardly reached ordinary Americans or the citizens of other Western countries, many of whom have been inclined to reason, without undue philosophizing: since Soviet people are not permitted leave, holidays and more than one pair of shoes a year, this is a real “totalitarian regime”. Could they know that men of learning are toiling away at the ascertainment of a typology of “totalitarian regimes,” attributing thereto, besides the USSR, fascist states, England of the time of the Tudors, Ancient Sparta, Egypt of the time of the Ptolemies and so forth.

II

This is why when your author met during a work assignment in the United States with American specialists on the Soviet Union, one of the first questions put to his interlocutors (and there were about 30 of them altogether representing five universities and as many coordinating, research centers) was worded thus: are Sovietologists doing their bit for the creation of the public image of the USSR and is, in their opinion, the “totalitarian” concept adequate to a description of our country? For the sake of convenience a 10-point questionnaire which had been compiled in advance was preferred. My hosts were readily obliging: Americans are used to questionnaire methods of ascertaining public opinion and have a deferential attitude toward them...

And some time later I had to hand eight copies of the questionnaire containing the answers of American Sovietologists. They vary in terms of size and degree of certainty and are frequently contradictory in terms of content. The answers to the first question appear as follows:

—The “totalitarian model” is, perhaps, characteristic of the ordinary public’s ideas concerning the Soviet Union, but specialists abandoned it long since (R. Legvold, director of Columbia University’s Averell Harriman Institute for Extended Study of the Soviet Union, New York);

—Americans do indeed regard the USSR as “basically a totalitarian system,” which has only recently begun to partially change, and the works of not very erudite and “ideologically committed” scholars are contributing to this image, what is more (G. Liska), professor at Johns Hopkins University, Washington);

—The “totalitarianism” concept is inadequate to an evaluation of contemporary Soviet reality (B. Ruble, a leader of the Scientific Council for the Social Sciences, New York). This also is the thinking of P. Juviler, professor at Columbia University, and A. McAdams, lecturer at Princeton University.

What can be done to overcome the prejudices which exist in the United States in respect of our country, make study of the USSR a positive factor of the formation of American-Soviet relations and, finally, improve these relations as a whole?—this was how another question was framed. One could read in the answers to it which were received both concern at the present state of the two countries’ relations and a desire to see them making more headway in the sphere of cooperation. But this, as a number of respondents believes, depends not only on the United States but on the Soviet Union also. Here are some of the most interesting statements.

B. Ruble: A freer exchange of opinions between Americans and Soviet people, a serious and constant quest for points of contact and, what is most important, “honest recognition of the differences between the two societies which do really exist,” which are great and which will for a long time to come be a source of rivalry between the United States and the USSR, are essential.

R. Legvold: The misunderstanding which exists both in the United States and the USSR of certain features of the opposite social system should prompt humility, the comparative use of various sources of information, contacts of scholars of the two countries and their frank dialogue. It is unproductive from any aspect to accuse of the complex development of American-Soviet relations merely the other side, and it is extremely important to reflect in greater depth how one’s own actions may be perceived by the other side. “I am not so naive,” he continues, “as to believe that the growth of knowledge will automatically reduce the friction in American-Soviet relations but am on the whole convinced that a better understanding of the motives of the other side and the forces operating within the other society will lead to the United States’ more intelligent and considered policy in respect of the USSR.” What are the prospects? “My personal viewpoint,” the director of a leading center for study of the USSR specifies, “is that American-Soviet relations will most likely change considerably in the next 5-6 years, moving from the resumed ‘cold war’ in the last 6-7 years to what could be called ‘neodetente’.”

A certain prejudice in American Sovietology is inevitable, P. Juviler believes, owing to the different values of the two societies, but “the greatest prejudice is caused by ignorance.” Closer contacts providing for a comparison of the “fundamental views” in the USSR and the United
States on, specifically, human rights are essential. Ultimately, an improvement in American-Soviet relations may not simply revive detente but lead further—to “accord” (there is a play here on the consonance of the terms “detente” and “accord” in French, whence they originate—“detente” and “entente”—Yu.I.).

In the process of an improvement in relations between the United States and the USSR Prof Juvaler attaches great significance to the changes occurring in our country, specifically, the policy of expanding glasnost. American scholars specializing in the Soviet Union “welcome the glasnost proclaimed by Gorbachev” and hope for “a long aggiornamento and real ventilation.”

III

Truly, the process of perestroyka unfolding in our country is now the focus of attention of all Western observers. Regardless of their attitude toward socialism, the Soviet system, Russia and the Russian people, politicians and ideologists of practically all countries, including the most important capitalist countries, have turned their gaze toward the USSR. The amount of work of professional Sovietologists has grown sharply, and, as they themselves admit, this work has been no burden. Indicative in this respect is a statement by S. Bialer, who is considered a leading American specialist on the USSR: “For the Sovietologist, who has in the past several years been forced to follow not events but the absence thereof, the analysis of Soviet policy has once again become an attractive business.”

The policy of radical restructuring in various walks of life of Soviet society and the first steps in this direction have not only required of Sovietologists a comprehension of the scale of the scheduled transformations and attentive observation of the progress of their accomplishment but have also confronted them anew with the “eternal” question of the evaluation of socialism as a social system. What is it, after all—a “new civilization” which has thrown down a serious challenge to capitalism, as the well-known Labor Party commentators Sydney and Beatrice Webb declared back in the 1930’s, or merely a “failed experiment,” as a throng of Western theorists had been proclaiming right until recently? Is perestroyka serving to strengthen (and, in a number of cases, restore) the principles of socialism or is it a question of returning Russia to the channel of “normal” capitalist development? How profound should the changes in the USSR be in order to extricate the country from the state of stagnation and what changes will society, the state and the party undergo as a result? For more than 3 years now these questions have been a permanent feature of the world, primarily Western, press—periodicals and substantial academic journals.

Naturally, representing a wide, complex and frequently interweaving spectrum of ideological-political currents, Western scholars adhere to ambivalent, frequently differing standpoints in their attitude toward perestroyka, and these standpoints are changing, what is more, under the impact of the restructuring processes themselves. Three basic approaches to an evaluation of what is happening in our country and, accordingly, three groups of Sovietologists may in most general form be distinguished.

The first of them consists of specialists who have a relatively critical attitude toward capitalist reality and accept a whole number of the propositions of Marxism. Regarding socialism as an alternative to capitalism, they believe that both sides must borrow positive features from one another. The Sovietologists who hold to these positions sincerely wish for the success of perestroyka, welcoming therein primarily democratization and pluralism and the condemnation of Stalinism—they see this as the surmounting of “totalitarian” characteristics and methods. Among the well-known representatives of this group are the above-mentioned S. Cohen and J. Hough and also A. Rabinowich (Indiana State University, United States), W. Rosenberg (University of Michigan, United States) and D. Lane (Cambridge University, Great Britain).

The second group incorporates scholars who doubt the suitability of Marxism for an analysis of the modern world, but do not reject it entirely. They consider capitalism a more democratic and economically more efficient system than socialism, but at the same time allow of the possibility of the development of a particular category of countries (less developed than the West) along a noncapitalist path. The Sovietologists pertaining to this group evaluate perestroyka positively, on the whole, although they link its end result (the surmounting of economic and social stagnation) with, as a rule, how radically the reform of management (introduction of this form of political pluralism or the other, decentralization, transition to flexible planning) and ownership (expansion of the cooperative and private sector in agriculture, trade and small-scale industry) is implemented. Well-known representatives of this, the most numerous, group are M. Goldman (Harvard University, United States), the above-mentioned S. Bialer, A. Nove (Glasgow University, Great Britain) and M. Tatu (France).

Pertaining to the third group are ideologues of conservative, avowedly anticommunist beliefs who unreservedly prefer the capitalist system to all others. They are convinced of the immanent inefficiency of socialism, and for this reason the only perestroyka acceptable to them is one which rejects the principles of socialism. At the same time they allow of the possibility of the partial success of perestroyka, seeing therein a danger for the West connected, in their opinion, with a strengthening of the economic and military power of our country and also the creation of a new image of the USSR on the world scene. As the magazine NEWSWEEK wrote in February 1987, “if your enemy becomes stronger and is able to continue to conduct the struggle more effectively, this is bad news.” The representatives of this group include R. Conquest (Hoover Institute of War, Revolution and
Peace, United States), the above-mentioned R. Pipes, G. Wettig (Federal Institute for Study of the East and International Relations, FRG) and A. Besancon (France).

Inasmuch as the main thing for conservative ideologues and politicians is to counteract the strengthening of the USSR's positions in the world arena, they are counting on pereestroyka misfiring and its opponents gaining the upper hand. It has to be noted that in this sense the supporters of conservative, command-bureaucratic methods of administration in our country are, regardless of their initial motives, on the same side of the barricades as extreme reaction outside of our country.

Of course, the added division of Sovietologists into three groups is highly conditional. The boundaries between these groups have been eroded, as a rule, and the positions of many Western specialists on the Soviet Union do not fit within the framework of any of the groups at all. Account has to be taken, in addition, of the authors' understandable cautiousness and reluctance to commit themselves with unduly specific definitions and conclusions, which may not be borne out by fleeting reality.

IV

The conceptual baggage of Sovietology could not, of course, have changed appreciably in so short a time. It should, however, be recalled that a number of its representatives were persistently notifying public opinion of the West in the first half of the 1980's about the "crisis" of socialism. We would emphasize that from their viewpoint it was a question of a natural and inevitable, first, and insuperable, second, decline of all social institutions in the USSR, which was to lead to the failure of the system. Perestroyka largely caught these authors unawares. Many of them have attempted to adjust their former motives, on the same side of the barrier as extreme reaction outside of our country.

They include S. Bialer, whose attitude toward pereestroyka and its scale and prospects has, as he himself admitted in the course of a discussion in the MIROVAYA EKONOMIKA I MEZHDUNARODNYE OTNOSHENIYA editorial office, undergone a considerable evolution. One is persuaded of this also upon familiarization with the American Sovietologist's books and articles which have appeared in the past 2 years.

Thus in the introduction to his book "The Soviet Paradox: External Expansion, Internal Decline" published in 1986 he maintained that the internal disorders of the USSR had been caused by a "crisis of the system," which could be overcome only by way of a change in the system itself inasmuch as "the conditions of development and progress are in contradiction with the imperatives of the centralized control of direct planning." But subsequently the reader encounters in different chapters of the book appreciably different evaluations allowing of reforms—with this degree or the other of success—capable of extricating the country from the condition of stagnation and at the same time not leading to a cardinal departure from the fundamental principles of socialism. Bialer even provides a detailed list of the tasks which, he believes, confront the USSR: a rejuvenation of the personnel and a reduction in the bureaucratic machinery, a strengthening of discipline, concentration of resources in the priority fields and modernization of technology by means of the convergence of science and production, the allowing of small private enterprises in the service sphere, reduced spending on global foreign policy goals and so forth. The author expressed the suggestion that the Soviet leadership embark on the solution of many of the problems he enumerated, but whether they would be solved was a question which he left open, emphasizing merely that perestroyka "is possibly the USSR's last chance for the hammer and sickle to personify something more than the social, political and economic past."11

In fact the contradictoriness of the different propositions of S. Bialer's book and the "paradoxical nature" of his opinions were caused precisely by the fact that he assembled the material for the book in the 1970's-start of the 1980's. Changes had occurred in our country in the time which had elapsed between the moment of presentation of the MS and the publication of the monograph which required changes to be made to the old ideas, which, however, could not be amended completely.

This is a principal singularity of the Sovietological literature of recent years: attempts to comprehend perestroyka have been superimposed on the traditional approaches, and as a result a montage is frequently obtained which no longer corresponds to the former "image" of the USSR (particularly that of the so-called "totalitarian model") but which still does not provide a truly adequate vision of socialism as a social system and of Soviet society as a social organism with inexhaustible development potential.

The time which has elapsed since the publication of Bialer's book has provided the author with new food for thought, a result of which was the lengthy article "Gorbachev's Program of Change: Sources, Significance, Prospects."12 In its first lines he declares that the policy of change has become more definite and that the changes themselves have assumed a broader and more radical nature. If the planned measures are carried through, this will lead, Bialer believes, to a transformation of the USSR's entire social system.

The following of the author's observations deserve attention. "Economically, the Soviet Union is not becoming a capitalist country. The market and capitalist economic levers existed even prior to the emergence of capitalism; they are potentially compatible with various economic models, including nationalized, socialist economies...."
Economic rationality will undoubtedly spread and intensify. But the main economic decisions will remain under the administrative control of the political authority.”

Nor does the legitimacy of the cliched counterpoise of the “authoritarian” system of the USSR to the “democratic” system of the West now appear that obvious to the prominent American Sovietologist. “Politically the Soviet Union is not becoming a Western democracy. Nor are there any signs that the Soviet leadership aspires to this goal.... The Western democratic model is neither an innate feature nor the natural condition of all nations and societies.” And at the same time the most significant changes in the USSR are occurring, the author believes, precisely in the political and spiritual spheres. If we compare these and other propositions of Bialer’s recent article with his former pronouncements, we cannot fail to see what striking changes the American Sovietologist’s position has undergone in some 2 years or so.

Let us, however, be correct in our evaluation of this position. Bialer (like many other Sovietologists also) no longer doubts the resolve of the Soviet leadership to accomplish the tasks on the agenda (he had his doubts, he says in conversation with staff of the MIROVAYA EKONOMIKA I MEZHDUNARODNYE OTNOSHENIYA editorial office, but they were subsequently dispelled) and he views the prospects of perestroyka with optimism, but at the same time he does not conceal the fact that he is not sure as to the capacity of our society for accomplishing the scheduled transformations. Similar doubts are shared (to a greater or lesser extent) by practically all foreign non-Marxist specialists.

On the whole, the majority of them believes that fundamental changes of a political and economic nature are essential for eradicating the causes of social inefficiency and stagnation. But the representatives of each of the three said groups of Sovietologists invest the “fundamental” concept with different meaning here. Inasmuch as the conservatives consider socialism a nonviable society in principle, for them the question of its revolutionary renewal is altogether meaningless. “The past 70 years of Communist Party rule permit the assertion that the real problem is to be found in the Leninist system of control and the economy itself,” P. Kennedy, professor of history at Yale University, maintains. “If it persists, fundamental reform is impossible.” A similar opinion is expressed by a number of other Sovietologists of a conservative persuasion also.

One notices, however, that neither the representatives of this group of specialists nor their more liberal colleagues explain what precisely the USSR should abandon and what should replace the components of the system which have been removed—whether it be a question of the possibility of replacement of the one-party system (the question of the “model” of opposition and alternative parties and also their social base is not examined, as a rule) or of reform of the economic mechanism. Even those who believe capitalism a more efficient system are far from sure that the introduction of private ownership of the means of production would solve the USSR’s national economic problems. For example, the above-mentioned authoritative American Sovietologist M. Goldman (who specializes in study of the Soviet economy) declares in his book “Gorbachev’s Challenge: Economic Reform in the Age of High Technology” on the one hand that the planned system is “particularly unadapted” to the conditions of the present stage of the S&T revolution, but, on the other, does not see “any reason why a high level of economic efficiency cannot be achieved under the conditions of the state’s ownership of a number of leading sectors of production.”

There are even a number of Sovietologists of the conservative school who allow for the possibility of an increase in the efficiency of policy and the economy in the USSR (as a result of perestroyka) given the preservation of the current systemic principles. Thus A. Ulam, professor at Harvard University (United States), declared in the course of a discussion in the journal NATIONAL INTEREST (the platform of U.S. neconservatives) that the Soviet society possesses considerable internal resources of development not requiring the abandonment of the principles of socialism. In his opinion, “brakes” are embedded in this society which will prevent socialism “growing” into capitalism. And A. Brown, a British Sovietologist from Oxford University, emphasized in the same discussion that the very concept of “socialism” is a sufficiently broad category within whose framework a large number of versions of development paths is possible; consequently, socialism could undergo tremendous changes and still remain socialism.

Sovietologists of the bourgeois-liberal and social democratic schools dispute even more emphatically the opinion that the surmounting of economic and political inefficiency and stagnation presupposes a renunciation of the system-forming elements. Some of them see perestroyka as a policy of “re-Leninization”. This policy, E. Schulz, deputy [as published] of the German International Policy Society (Bonn), for example, writes, provides primarily for a reorganization of the entire system of personnel training and a renewal of the principles of social preferment. Schulz compares it with the reforms once undertaken by Peter I. True, Peter was an autocrat who received authority from God, he writes, while Gorbachev lacks such legitimization, but “he is finding it in Lenin.” And here we have the opinion of J. Hardt (Congressional Research Service): “The Leninist system is characterized by flexibility, it changes with time,” he writes, clearly referring to perestroyka. “Centralized political and economic control remains, but fundamental changes in leadership of the national economy are possible.”

The reaction of Western scholars to the processes of the expansion of glasnost and democratization are ambivalent also. The spectrum of opinions here varies from assertions concerning the allegedly “cosmetic” nature of
the ongoing changes in the political sphere not affecting the foundations of the "totalitarian" system to a recognition that these processes "are changing the relations between managers and managed" and undermining Sovietologists' "traditional views" of socialism (R. Hill, Dublin University). Noting that M.S. Gorbachev turns constantly to the works of V.I. Lenin to substantiate the new political thinking, the above-mentioned E. Schultz calls attention to the fact that the emphasis here is put not on formal but real democratism.

V

The course of the 19th CPSU Conference contributed to a large extent to a strengthening of the positions of the Western observers who believe that the policy of glasnost in the USSR is not of a tactical but long-term strategic nature. The American weekly NEWSWEEK noted as its principal feature "the direct, at times caustic exchange of opinions between the ardent supporters of Gorbachev and those who, if they want changes in the system at all, want slower changes." In the opinion of American journalists, the spirit of "free-thinking" which reigned at the conference was impossible even 3 years ago. And the British journal THE SPECTATOR proclaimed the inception of "shop," "meeting" democracy expressed in the lively debate in the workplace and on the street.

As a whole, it is legitimate to speak of pronounced changes in the traditionally negative set of Sovietological stereotypes. The "closed society" concepts and assertions concerning the "utter social apathy" of the Soviet people and the "crisis of social and political life in the USSR" are crumbling; the gloomy forecasts in respect of our country's development prospects are becoming increasingly less convincing. "The supporters of reforms have strengthened their positions," NEWSWEEK affirmed in the wake of the conference. "The system has begun to change, and this in itself is a considerable achievement."

Unfortunately, the versions concerning the internally conditioned "totalitarian" and "authoritarian" nature of the Soviet political system have yet to be withdrawn from the arsenal of bourgeois theoreticians, although they are being used less frequently than before. The paradoxical nature of a situation where it is precisely the allegedly inevitably and invariably "totalitarian" party that forces appeared which initiated perestroika, essentially a most powerful "antitotalitarian" process, has yet to be interpreted in any way profoundly in the Western press. The consistent embodiment of the perestroika concept in specific social, economic and political results should evidently lead many overseas observers to a renunciation of the "totalitarian" image of the USSR which has in the past several decades inflicted immense material and political damage on our country in the world arena.

The belief of many informed and thinking representatives of the overseas public born of liberal-pluralist values in the fact that socialism in the USSR represented a significant alternative to capitalism with its systemic flaws was undermined by the deformations in the period of Stalinism and the stagnation in recent decades. Shoots of the former sympathies and optimism are now reviving in this part of world public opinion, but it has yet to formulate for itself a precise answer to the key question: was the essence of socialism as a social system manifesting itself in the negative phenomena and stagnation or is this essence only now beginning to show through the stratifications of deformations?

In addition, according to an opinion which is very pervasive among foreign specialists, Soviet society is not yet insured against a slide back, toward the authoritarian-bureaucratic system of administration in its quasi-Stalinist or Brezhnevite versions. As T. Colton, director of the Center for Study of Russia and East Europe at the University of Toronto, for example, believes, the open and uncompromising challenge thrown down by perestroika to the supporters of conservative methods makes it incumbent to unfaillingly seek the implementation of reforms aimed at satisfaction of Soviet people's requirements and a rise in their living standard. But are such reforms realistic? the author asks and replies: "In the immediate future, within the next 5 years, the chances of this are almost nil." If, on the other hand, the implementation of economic and other reforms becomes bogged down, in his opinion, reverse movement as the result of a chain reaction is possible in the political sphere also.

T. Gustafson, professor at Georgetown University (Washington), also points to the uncertainty of a situation where revolutionary slogans produce nothing more than slow-moving gradual reforms.

These viewpoints were expressed in the first half of the present year. The comments, however, of overseas observers on the results of the 19th All-Union Party Conference testify that the skepticism in respect of the prospects of perestroika is gradually on the wane. Doubts are being expressed on this score, of course, but no longer as inaptly as a year or two ago even. In the opinion of the British specialist S. Handelman, this is connected, specifically, with the pronounced changes which have occurred in the political culture of the USSR population. There are no opposition parties, but the idea of "popular fronts" is strengthening, and "Soviet people, accustomed to acting in accordance with instructions from above, are beginning to feel themselves to be participants in the process of change." The main question now is whether the impetus to cohesion for the sake of the achievement of the goals set by the leadership will in this new political culture which is springing up or whether inordinate enthusiasm for the "instability of democracy" will gain the upper hand.

The question of the combination of the offices of top persons in party organizations and of soviet chairmen which has given rise to debate in the country is interpreted unequivocally by many Western Sovietologists as
a sign of the party's reluctance to share power. But here is the logic of M. Walker, Moscow correspondent of Britain's THE GUARDIAN. The combination of these offices, he believes, will inevitably lead to a further concentration of power in some hands but to its separation. Why? First, party committee secretaries will be elected by secret ballot to the offices of soviet chairmen by a different contingent to that which presented them with the reins of leadership in the party. Second, the soviets will have no need to resort to the sanctioning of their actions by the party committees, and resources will be transferred to their charge. "Imagine," Walker writes, "that you are a member of a group of citizens which wants to shut down a plant polluting the environment or to build a new truck fleet or improve the performance of the school. In the past you would have addressed the party committee. In the future you will go to the soviet. This is a slight, but important nuance imparting real content to the reforms."26

The discussion and critical speeches at the conference even reminded S. Strasser, correspondent of the weekly NEWSWEEK, of the pointed indictments of the Soviet Union in the Western press of past years. However, he concludes, the fact that these speeches are simultaneously doing away with the stereotypes which have been predominant in the West should be clear "to even the most inveterate capitalist."27

Western scholars who are benevolently disposed toward perestroika are recommending that the political circles of their countries abandon the "enemy image" in relations with the USSR. "The West needs to think hard about its response to the prospect of a freer, more open and more honest communist system," R. Hill believes.28

J. Nye, director of Harvard University's Center for Science and International Relations, is even more definite: "The internal reforms and glasnost in the USSR are in the United States' interests; the U.S. Administration is not in a position to further advance them but it should opt for a policy which at least does not make the situation worse."29 And G. Kennan calls for a more profound and penetrating analysis of Soviet policy and a renunciation of the customary ideological rhetoric. "We should recognize," he emphasizes, "that a sizable part of our concerns and apprehensions lies outside of the Soviet challenge and that part of them lies within us."30

A more in-depth and more reliable analysis of non-Marxist ideas concerning the USSR than hitherto is necessary under the new conditions. An important starting point in an evaluation of these ideas should be an understanding that disagreement with our positions and criticism of Soviet policy (however acute) cannot in themselves be seen as a manifestation of anticommunism. Noncommunism and non-Marxism are not identical to anticommunism and anti-Marxism. Only the specific predetermination of such criticism could be reason for conclusions concerning its ideological-political content.

A salient feature of anticommunism is the attribution to communists of dubious principles, unattractive aspirations and corrupt traits. U.S. President R. Reagan and other figures close to him in spirit may recognize, say, the USSR's contribution to limitation of the nuclear arms race and consent to compromise with the Soviet Union in this sphere, but they remain implacable adversaries of socialism and convinced anticommunists. On the other hand, some liberal professor may criticize, sharply at times even, this or that aspect of the USSR's policy, but if he does not discern in this an expression of the essence of theory and practice of socialism, considering him an anticommunist is hardly legitimate.

We are already beginning to change our attitude toward the Western Sovietologists with whom we are endeavoring to conduct a dialogue. When, 15 years ago, S. Cohen published a funded monograph on N.I. Bukharin, some people in our country hastened to rank him among the "fierce opponents" of socialism. The soundness of many of Cohen's conclusions is now being ascertained, however, and his protests against anti-Soviet cliches in American propaganda are very important for a strengthening of trust in the USSR overseas. Another example. The deceased British Sovietologist E.H. Carr, professor at Cambridge University and author of a multivolume history of Soviet Russia from 1917 through the start of the 1930's, was once called a reactionary and a spy virtually. Times change, and now, in our view, it would be expedient to publish his works in the USSR for Carr was not simply a prolific but also thoughtful and highly erudite historian who had experienced the influence of Marxism and who had a benevolent attitude toward the USSR and socialism as a whole.

Of course, Cohen, Carr and dozens of other serious non-Marxist scholars studying the socialist society (their number has grown considerably in the last 15-20 years) also express, inter alia, impartial, sharply critical and not always fair observations concerning the practice of the socialist society. From the standpoints of dialogue this should be considered natural. It is no longer possible without detriment to ourselves to avail ourselves of such formulas as "whoever is not with us is against us" and to divide the world into "black" or "white," "good" and "evil".31

Broadly speaking, it is a question of further relations between Marxist-Leninist ideology and other philosophies. The processes of the renewal of socialism and the establishment of the new thinking in both domestic and foreign policy affairs are creating the prerequisites for the mounting of the traditional frontal confrontation in the ideological sphere. Although confrontation will persist here (inasmuch as differences between the two systems will persist), its forms can and should be less acute as the dialogue and scientific argument of representatives of different philosophical positions are distinguished from the cannonades of "psychological warfare".
Footnotes

1. The following figure provides an idea of the scale of study of the USSR in the United States alone: the American Association for the Advancement of Slavic Studies has 10,000 members, 2,500 of these being staff members of learned institutions.

2. See THE NEW YORK TIMES MAGAZINE, 10 November 1985, pp 72, 76.


5. Ibid., p 215.


11. Ibid., p 171.


13. Ibid., p 250.


16. NATIONAL INTEREST, August 1987, p 11.

17. Ibid., p 10.


20. See CONTEMPORARY REVIEW, February 1987, p 177.


23. See “Gorbachev’s Russia and American Foreign Policy,” pp 180-181.

24. Ibid., pp 221-222.


26. THE GUARDIAN WEEKLY, 10 July 1988, p 7.


28. CONTEMPORARY REVIEW, June 1987, p 292. Bialer also said in conversation with MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA spokesmen that the conference had done “an important and useful thing”—it had persuaded public opinion in the United States that “something serious really was taking place” in the USSR and that glasnost is not of a “posturing” nature.


30. FOREIGN AFFAIRS, Spring 1987, p 890.


COPYRIGHT: Izdatelstvo TsK KPSS “Pravda”. “Mirovaya ekonomika i mezhdunarodnyye otnosheniya”, 1988

Current State of U.S. Debate Over SDI Surveyed

[Article by Aleksandr Alekseyevich Pikayev, junior scientific associate of the Problems of Disarmament Department of the World Economy and International Relations Institute of the USSR Academy of Sciences, and Aleksandr Georgiyevich Savelyev, candidate of economic sciences and senior scientific associate of the Problems of Disarmament Department of the same institute: “The Strategic Defense Initiative: Supporters’ Arguments and Opponents’ Objections”]

[Text] Debate has been unabating for 5 years now in connection with a most acute and complex problem of current international relations—the “Strategic Defense
Initiative" (SDI) program. Advanced by U.S. President R. Reagan in March 1983, it has had extensive repercussions both within political, military and S&T circles in the United States itself and elsewhere. This is connected largely with the ambitious nature of the proclaimed goals, the planned abrupt change in U.S. military strategy, the unpredictability of the possible consequences and a whole number of most serious objections, of which the opponents of SDI are giving advanced notice. Even today the program has become a considerable barrier in the way of the achievement of agreement between the USSR and the United States on a 50-percent reduction in strategic offensive arms. Even today it has forced the Soviet Union to examine with all due responsibility the question of possible countermeasures in the event of the United States' deployment of broad-based ABM defenses. In the immediate future SDI threatens to undermine the existing international accords in the sphere of limitation of the arms race, specifically, the 1972 Soviet-American ABM Treaty, which is without a time limit, and also, possibly, a deterioration in the entire climate of international relations.

As a result of the 5-year debate a clearer idea of the actual place of SDI in U.S. military policy has begun to crystallize out. The original idea concerning the creation over America of an impenetrable "astrodome" has been gradually pushed into the sphere of pure rhetoric, and the actual purpose of the program has become the development of a predominantly ground-based ABM system of limited efficiency designed to protect not the population but facilities of the strategic forces. Washington has been forced to abandon attempts to portray the SDI as an alternative to the arms reduction process. Assertions that SDI is a guarantor of a reduction have come to be put forward as a new argument in support of it. As the Soviet-American negotiations on nuclear and space-based arms progress, it is becoming increasingly hard for the U.S. Administration to evade serious discussion of the question of prevention of an arms race in space. And although this process is of a highly contradictory and limited nature, it obviously reflects the success of the increasingly realistic viewpoint within the American strategic community.

A policy of an increasingly in-depth analysis of the problems associated with SDI may be traced in Soviet publications of recent times. The initial dramatic tone in their presentations has given way to a large extent to balanced and sober assessments. At the same time the multifaceted nature of the question concerning the non-militarization of space and the rapid shift in the line of reasoning and its contradictory nature may frequently, as before, be confusing and lessen the effect of certain works devoted to SDI. It would seem necessary, therefore, to afford the reader an opportunity to once again independently assess the arguments of the supporters of SDI, who justified this program both immediately it was announced and in the course of the evolution of the debate on this problem, and also the counterarguments of its opponents.

1. A broad-based ABM system will make nuclear weapons impotent and obsolete and make it possible to abandon nuclear deterrence and switch to a strategy of "mutual assured survival".

This proposition was the first and principal argument of the supporters of SDI. As a whole, it is intended to lend attractiveness to this program in the eyes of the public at large. Appeals were often heard in the rhetoric of representatives of the U.S. Administration in 1983-1984 for the "extermination of missiles, and not people" and for "saving the living, and not avenging the dead". The supporters of SDI thereby appealed to people's natural fear in the face of the threat of nuclear annihilation and endeavored to portray the "initiative" as the sole means of ensuring real security.

It should be acknowledged that initially the rhetoric concerning "assured survival" achieved certain goals. According to a number of public opinion polls at the end of 1984-start of 1985, SDI was supported by 51-53 percent against 35-38 percent of the U.S. population. But whereas it was possible to disorient the U.S. public at the initial stage, a more informed audience greeted such arguments with skepticism. A number of authoritative studies conducted in the United States, the Soviet Union and other countries repudiated the myth of the feasibility of the creation of an impenetrable ABM defense and also of the possibility of the renunciation on this basis of nuclear weapons as such.

First, and even the most fervent SDI supporters have been forced to agree with this, a system of defense against ballistic missiles leaves open the question of other nuclear delivery systems—aircraft, cruise missiles, artillery and others.

Second, the dialectic of the development of means of defense and offense testifies that, given their parallel improvement, only the temporary and comparatively limited predominance of the "shield over the sword" is possible. In this case, however, the U.S. Administration was talking about an efficiency of a defensive system close to 100 percent. The creation of "impenetrable" defenses is impossible because the opposite side would adopt active countermeasures against an ABM defense, which, in particular, the Soviet Union has declared repeatedly at the highest level. These countermeasures would reduce to nothing, if not all, many of the advantages which the United States wishes to derive by way of the creation and deployment of a broad-based defense system.

Third, these countermeasures could be considerably less complex and far less costly than space-based ABM components. In the opinion of former U.S. Defense Secretary J. Schlesinger, offensive weapons are at the present time three times cheaper than defensive weapons.
Fourth, there are tremendous technical difficulties in the way of the creation of the "astrodome". For example, even according to the most optimistic forecasts the potentially most efficient weapons systems based on the directed transfer of energy (laser and beam weapons) could not be deployed in effective combat strength for 25-30 years.

2. If the creation of a highly efficient defense against ballistic missiles is impossible, why is the Soviet Union displaying such strong concern in connection with realization of the SDI program?

The propaganda effect of this argument is quite powerful. However, it employs only a superficial aspect of the phenomenon. The creation of an impenetrable “astrodome” would hardly be the result of realization of the SDI. But an ABM system of limited efficiency is quite a realistic proposition. Also realistic is the fact that efforts within the framework of the SDI program could contribute to the appearance of new weapons systems which do not even pertain to defensive systems. This would mean a continuation of the arms race and would force the USSR to take retaliatory steps. In addition, realization of the SDI would inevitably lead to the United States' withdrawal from the ABM Treaty with all the negative consequences for Soviet-American relations ensuing therefrom. Such a development of events would be contrary to the ideas of the creation of a nuclear-free world, which the Soviet Union is advocating, and it is because of this that it has every reason to express its objections to the SDI.

It should be noted that American propaganda is attempting to portray the objections to the SDI on the part of the USSR as fear in the face of “American technical superiority”. It is concluded from this that “since the Russians are afraid of SDI, this program should, consequently, be continued.” In this connection the West calls attention to the large number of publications on “star wars” subject matter in our country, where the exotic arms and space wars of the future are frequently depicted with inordinate hullaballoo.

The realities of our era are more prosaic: in the foreseeable period the creation and, even more, broad-based deployment of such systems are impossible. The shift in SDI research toward “traditional” weapons based on the use of missile interceptors and ABM radars testifies to this also. Nonetheless, continuation of the SDI program cannot fail to disturb all who aspire to a more stable world and security built on mutual trust and a lowering of the levels of military opposition, and not an increase in arms—defensive or offensive.

3. Even if a highly efficient ABM defense is impossible, a system of limited efficiency would be useful also. In the event of a nuclear war starting, it would make it possible to escape total annihilation and permit the survival of at least part of the population.

Despite all its obvious bankruptcy, this argument was for some time employed quite actively in SDI supporter circles. The calculation here was based on that same natural fear of man in the face of nuclear catastrophe. Affording a certain part of the population “hope” of survival, the authors of such statements have been attempting to instill in the public the idea that nuclear war is not that terrible. It would probably be highly destructive and would entail considerable casualties. But as progress is made in ABM technology, the hypothetical losses among the population would allegedly constantly diminish.

Such an assertion is not taken in any way seriously by very many people in the West’s scientific and political circles. At the present time the USSR and the United States have the potential of assured mutual destruction many times over. Therefore in order for an ABM system to protect only a small part of the population it would have to be of extraordinarily high efficiency, of over 75 percent, most likely. But even such a system could not avert the catastrophic consequences of the explosion of even a negligible number of the stockpiled nuclear weapons. Authoritative scientific research of recent years conducted independently in the United States, the USSR and other countries shows as clearly as could be the inevitability of the destruction of flora and fauna on Earth (including man) as a result of the abrupt ecological changes united by the “nuclear winter” concept.

4. Broad-based ABM defenses of even limited efficiency would contribute to a strengthening of deterrence since it would increase the degree of uncertainty for the opposite side, as a result of which first-strike incentives would be reduced.

The dubiousness of this argument is acknowledged by a number of supporters of SDI even, including U.S. President R. Reagan, who in his speech on 23 March 1983 was forced to affirm that “a combination of defensive and offensive arms could contribute to the pursuit of an aggressive policy, and no one wants this.” Indeed, the side which renounced the deployment of an ABM defense might perfectly justifiably fear that the opponent’s partially efficient defense system was intended to intercept a retaliatory strike weakened as a result of an attack inasmuch as it would be incapable of intercepting a first strike. In a period of crisis such a situation could objectively contribute to the increased likelihood of the outbreak of war. This is connected with the fact that the possessor of such an ABM defense of limited efficiency would be inclined to attribute to the probable adversary an aspiration to deliver a preemptive strike for the assured breach of the defenses. As a result of this the “protected” power would have an extra incentive to nuclear aggression. The situation could be even more acute were both sides to possess partially efficient ABM systems. It is for this reason that the Soviet Union declines a symmetrical response to the SDI, that is, the creation and deployment of broad-based ABM defenses.
5. An asymmetrical response would put the Soviet Union in an obviously disadvantageous position. Its territory would remain vulnerable to limited low-yield nuclear attacks while the USSR would not have the opportunity to respond with an adequate (limited) strike against American territory inasmuch as the partially efficient U.S. ABM system would intercept such a strike.

The supporters of this viewpoint believe that under these conditions the USSR would be faced with the choice of either launching a retaliatory strike against U.S. targets protected by ABM defenses—without a guarantee of their destruction—or against more vulnerable inhabited localities—with a likely following American attack on Soviet cities. Such an alternative could allegedly force the Soviet Union in the course of a conflict to accept U.S. terms.

But the USSR has traditionally regarded the logic of limited nuclear war as baseless. In accordance with the defensive Soviet military doctrine, the development of the USSR Armed Forces, nuclear included, is geared primarily toward the prevention of war. A symmetrical response is fraught with a far greater danger of the outbreak of nuclear war and would require substantial outlays here. For this reason such a response would be contrary to the very essence of Soviet military policy.

The said proposition of the supporters of SDI is vulnerable even from the standpoint of limited nuclear war also. The uncertainties connected with a retaliatory strike are such not only for the victim but also for the aggressor. Under the conditions of an asymmetrical response the latter may forecast merely the results of his strike, whereas of far greater significance to him is the estimate of the degree of retribution. A retaliatory strike would not depend here of the "rational" decisions of the aggressor but would be determined by chance and unpredictable factors—miscalculations in respect of the estimate of the efficiency of the ABM defenses and malfunctions in the system itself. For this reason broad-based ABM defenses deployed by one party could not return nuclear war to the sphere of rational policy.

6. The deployment of a target ABM defense to protect strategic arms and the control and communications system would contribute to their increased survivability and serve to strengthen deterrence.

This idea would seem to be a most serious argument of the supporters of SDI. Indeed, the increased survivability of strategic arms and the control and communications system would increase confidence in the dependability of the forces of a retaliatory strike against a nuclear aggressor and could objectively contribute to a reduction in the incentive to launch a preemptive strike.

At the same time it should be noted that both various types of strategic arms and the control and communications system may be protected with the aid of ABM defenses to a varying extent. The easiest task is the defense of ensilo'd ICBM launchers. But the United States has only 20 percent of its strategic warheads deployed on ICBM's. In the event of the United States wishing to protect strategic aviation bases, SSBN's and the ramified control and communications system, it would have to deploy an system of antimissile defense, practically indistinguishable from a partially efficient defense system, of the country's territory with all the attendant destabilizing characteristics which were examined in the preceding question.

The start of such deployment would inevitably be seen by the opposite side as the creation of the first echelon of a broad-based ABM defense, as a result of which it would be forced to embark on the implementation of countermeasures, which would lead to an intensification of the arms race. The arms limitation process would be undermined also since such actions would be contrary to the 1972 ABM Treaty limiting the deployment of "traditional" defense systems to just one area with a radius of 150 km.

7. ABM defenses would strengthen American guarantees in NATO inasmuch as, in the event of a conflict arising in Europe, the United States would be able to use nuclear weapons with less fear of the devastating consequences of a retaliatory strike against its territory. All this would serve the goals of deterring nonnuclear aggression against the West European countries.

The authors of this proposition are artificially attempting to link the problem of preventing war (both nuclear and conventional) with the results of realization of the SDI program. They are relying here on the traditional idea of Western strategy to the effect that the threat of the use of nuclear weapons is the principal means of maintaining peace. But the logic of such reasoning is unconvincing. After all, were the United States to feel freer in the use of nuclear weapons in Europe, unfraid of the consequences of such a step, the greater would be the probability of these weapons being activated. SDI not only would not bring Europe (or the United States also, incidentally) greater security but would increase the risk of the outbreak of nuclear war in precisely this region.

8. SDI would contribute to the parties' transition to more "stabilizing" strategic nuclear systems—bombers and cruise missiles.
First of all, there are no guarantees that SDI would "abolish" strategic ballistic missiles. On the contrary, it would be a powerful incentive to the continued upgrading of these arms, including a strengthening of passive protection, and also the formulation of new launch tactics and the creation of means of "deceiving" and suppressing ABM defenses.

At the same time the proposition that strategic bombers and cruise missiles are "stabilizing" weapons systems gives rise to serious doubts also. Their natural "merit" is their comparatively low flight speed and aviation's capacity for returning to base in the event of cancellation of the decision to launch an attack. However, from the viewpoint of strategic stability a most important indicator is not flight speed but time of warning of the attack. Given the use of cruise missiles, however, this time could be far less than the warning of a launch of ground-based ballistic missiles. The concealment of the flight of aircraft and cruise missiles, in whose design Stealth technology would be incorporated, would also lead to an undermining of stability, considering the fact that these weapons systems have the capacity for destroying such important strategic facilities as radars, command centers, route communications centers and the strategic arms themselves. None of this ties in with the concept of "stabilizing" arms, and their continued upgrading would merely increase the threat of war.

9. The United States would not deploy broad-based ABM defenses were their cost to prove higher than the cost of possible countermeasures and were they to prove vulnerable to a probable enemy's counterweapons.

This proposition, which was put forward by P. Nitze, special arms control adviser to the U.S. President and secretary of state, is a kind of subterfuge of the SDI supporters in the face of the growing criticism of this program. The U.S. leadership is attempting here to pretend that after tens of billions of dollars have been spent on the "initiative," it could easily abandon its far-reaching plans. It is doubtful whether under such conditions the U.S. Administration would be able to acknowledge that these immense outlays had been made to no purpose. Even now statements to the effect that "the nation's security is worth any price" are being heard. Therefore this argument cannot be seen other than as a purely propaganda statement not supported by the actual facts. Were the United States to abide by such logic, many programs in the sphere of military organizational development would not realize. The high cost and vulnerability of weapons have never been an obstacle in attempts to acquire military superiority.

10. The destabilizing consequences of the deployment of ABM defenses could be avoided were the USSR and the United States to engage in these actions in parallel on an agreed basis.

The appearance of this argument is quite symptomatic: many supporters of SDI have been forced under pressure of criticism to admit that the United States' unilateral actions in realization of this program would be of a destabilizing nature. But would stability be strengthened were both sides, even on an agreed basis, to take the path of the creation and deployment of broad-based ABM defenses with space-based components? Nothing testifies in support of such a conclusion. After all, the essence of the arms race would not be altered by whether it is conducted "according to rules" or not. Nor could the destabilizing nature of ABM defenses be changed by political declarations and accords. It would be manifested if only in the fact that the two ABM system partially deployed in space would create a real threat both to artificial Earth satellites and to one another. This threat would be an objective reality and could at any moment manifest itself in the most disastrous manner, increasing tension and suspicion in relations between the two countries. Together with this such an accord between the USSR and the United States would most likely be perceived in other countries as an endeavor to ensure the "superpowers'" own security at the expense of the rest of the world. And this would be fundamentally at variance with the Soviet Union's new political thinking, a proposition of which is the conclusion that in the modern world security may only be general and cannot be achieved to the detriment of the security of other countries.

11. The SDI would not be contrary to the ABM Treaty, being a purely research program.

The question of the ABM Treaty is a most complex and contradictory sphere of the struggle of the supporters and opponents of SDI. The latter uphold the true content of this document unequivocally prohibiting the creation, testing and deployment of mobile-ground- and sea-based, air-launched and space-based ABM systems and components. The supporters of SDI, on the other hand, are resorting for the purpose of confusing the essence of the question to maneuvering, frequently contradicting their own statements. Thus in March 1986 General Abrahamson, leader of the SDI program, asserted the "complete conformity" of the "initiative" with this treaty. But in November 1986 he was speaking of the need for the "modernization" of this document. Big disagreements in the United States have also been caused by the so-called "broad" interpretation of the ABM Treaty, in accordance with which it is only the deployment of "exotic" ABM interceptor systems which is banned, but development and testing are allowed.

In order that there be total clarity on this issue the Soviet Union proposed to the United States in 1987 discussion at the Geneva negotiations on specifically which actions and programs fall under ABM Treaty restriction, and which are authorized. Such an agreement could have contributed to a strengthening of the treaty's terms, in which, according to a number of statements, the United States is interested. But the U.S. leadership turned down
this proposal, which testifies to its endeavor to continue a policy of loosening and weakening the treaty for the purpose of eliminating this most considerable obstacle in the way of implementation of the plans for the militarization of outer space. The U.S. Administration frequently also resorts in its tactics to "accusations" against the USSR of "violations" of the ABM Treaty and the implementation of a program similar to President Reagan's "initiative".

12. Work analogous to the SDI has been going on for many years in the Soviet Union. Therefore the United States must undertake its own program to prevent a "surprise" in the ABM sphere on the part of the USSR.

This assertion began to be put about by the U.S. leadership following the development of work on the SDI. It was intended to justify R. Reagan's "initiative" in the eyes of the American public in the face of the growing criticism of the program. One cannot fail to be struck here by a manifest contradiction in the pronouncements of SDI supporters. Thus on the one hand the "strategic defense initiative" is portrayed as a panacea against nuclear weapons. It is proposed moving along the path of creation of broad-based ABM defenses in parallel with the USSR and also "sharing secrets with the Russians". On the other, the United States has been "forced" to undertake this program inasmuch as similar work is being performed in the USSR. There is no mention here of the "stabilizing" and "salutary" impact of ABM defense on strategic stability. On the contrary, an "accusation" is being leveled at the USSR in connection with its aspiration to military superiority.

The expansion of glasnost in the Soviet Union has made it possible to bring clarity to this issue also. Thus in his interview with the American NBC national television company at the start of December 1987 M.S. Gorbachev declared in this connection that "it is hard to say what the Soviet Union is not doing. Practically everything that the United States is doing." It was also emphasized here, however, that the Soviet Union is engaged in basic research which is covered by SDI research in the United States.

Such acknowledgment of such research in the USSR increased the Western community's trust in Soviet policy. The West began to treat with greater trust the Soviet leadership's statements to the effect that, despite the work that is being performed, the Soviet Union does not intend to mirror U.S. actions in the strategic defense sphere.

If the United States really fears a "Soviet SDI," it would be far simpler to accept the USSR's proposal pertaining to a strengthening of the ABM Treaty terms with frank and comprehensive discussion of all issues connected with this problem.

13. SDI is a guarantee of the Soviet Union's compliance with the ABM Treaty.

This argument is directly connected with the pronouncements of SDI supporters adduced above to the effect that the USSR is engaged in a program similar to the SDI. For this reason the United States, in making efforts in the ABM sphere, is creating assurances that the USSR "will not dare" violate the ABM Treaty in the face of American superiority in the said sphere.

The illogicality of such "arguments" is quite apparent: if the creation and deployment of ABM defenses is a stabilizing action, why must the USSR be "accused" of implementing such a program (which, incidentally, needs to be proved)? If not, why is the United States engaged in SDI? After all, from the viewpoint of stability the response to the deployment of ABM defenses should be asymmetrical steps in other fields of military development. Stability would not be stronger here, of course, than prior to the deployment of ABM defenses but it would at least not be completely undermined by the symmetrical actions of the opposite side.

Finally, in the very near future even a number of SDI projects will come into conflict with the ABM Treaty, which is admitted even by the supporters of this program demanding changes to this document. Thus in accordance with the "logic" of the defenders of SDI, the guarantee of the Soviet Union's compliance with the ABM Treaty is its violation by the United States.

14. SDI is a guarantee that the USSR will comply with an agreement on a limitation of and reduction in strategic offensive arms.

This "idea" is one further example of the ABM supporters' maneuvering in the course of the debate in connection with the SDI. It is "concluded" here that if the United States has a broad-based strategic defense system, a possible violation of an strategic offensive arms agreement would be of no real benefit to the USSR. For this reason the Soviet Union would, it is claimed, do no such thing.

The supporters of this viewpoint are attempting to maintain that the USSR seeks one-sided advantages in arms limitation agreements and is prepared at any moment to violate them in the event of it deeming this to its advantage. But if to guarantee compliance with treaties designed to lower the level of military confrontation and strengthen stability it is necessary to adopt measures to increase arms in other spheres, the very point of such agreements is lost. For this reason SDI is not a guarantee in this context, on the contrary; the United States' continued attempts to achieve military superiority by way of the creation and deployment of broad-based ABM defenses with space-based components guarantees merely that the arms race will assume an uncontrollable nature. The prospects of the conclusion of new agreements in the sphere of offensive and defensive strategic systems would be highly doubtful here.
15. Even an ABM defense of limited efficiency would solve the problem of verification of agreements in the arms limitation sphere since a negligible violation could not afford the violator real advantages.

The so-called “problem of verification,” which in the recent past was actively employed by the United States for propaganda purposes, proved when put to the test to be entirely contrived. The course of the negotiations on nuclear and space-based arms in Geneva shows that the Soviet Union’s readiness for far-reaching measures and forms of verification, as far as on-site inspection, is in practice giving rise to resistance on the part of the United States.

ABM defenses would not facilitate but complicate questions of verification if only because a possible countermeasure is the priority development of such nuclear delivery systems as cruise missiles. It is these systems which are the most difficult to monitor owing to the concealment of basing (on ships and submarines), difficulty of counting and existence of nuclear and nonnuclear versions, that is, the “dual capability” of these weapons.

Questions connected with the verification of agreements which are concluded are very important. They are of no less importance to the USSR here than to the United States. Given mutual interest, methods and forms of verification may perfectly well, as practice shows, be agreed such that no party suspects possible violations of agreements in the disarmament sphere. The general principle of such verification could be quite simple: the deeper the cuts, the stricter the verification.

16. Regardless of future results, the SDI program is even now bearing certain fruit: thanks to it, the Soviet Union returned in 1985 to the negotiating table and was forced to adopt a serious attitude toward the negotiations.

This assertion is contrary to the elementary sequence of events: the “strategic defense initiative” was put forward by President R. Reagan in March 1983. The negotiations in question, on the other hand, were suspended in November the same year in connection with the start on the deployment of American intermediate-range missiles in Europe.

In 1985 the USSR returned to the negotiating table following an all-around assessment of the consequences of the American actions in the firm belief that only political steps could solve the security problem. A whole number of peace initiatives advanced by the Soviet Union in recent years testifies to this also. As far as a “serious attitude” toward the negotiations under pressure from the SDI is concerned, the fact that the SDI is not a topic of discussion at the negotiations on nuclear and space-based arms does not tally with this proposition. The question in Geneva is about strengthening the 1972 ABM Treaty terms, not the United States’ abandonment of this program. It is a question merely of both sides adhering strictly to the limitations of the existing accords and not engaging in actions aimed at undermining them.

17. An ABM defense of limited efficiency would facilitate future negotiations on a reduction in strategic offensive arms inasmuch as it would ensure the relatively slight potential of “third” nuclear powers, the problem of the consideration of which has repeatedly been a serious impediment at the negotiations.

“Third” nuclear countries really are disturbed at the prospect of a devaluation of their forces as the result of the deployment by both the great powers of broad-based ABM systems. However, a consequence of this anxiety is the accelerated buildup of these countries’ nuclear potentials—both numerical and qualitative. By the mid-1990’s, and only then, according to the official version, will a decision on the expediency of the deployment of a broad-based ABM defense be made, the number of warheads on the strategic delivery systems of France and China will have increased several times over, and Great Britain will be embarking on such an increase. The new delivery systems will possess greater penetrating capacity here.

Even if for completeness of the analysis it is assumed that a broad-based ABM defense is deployed, doubts as to its real efficiency and, consequently, misgivings concerning the nuclear forces of “third” powers will inevitably persist. Even at the present time the SDI program is contributing to the young nuclear powers’ more active participation in the race in these arms. And if the limited nature of the potentials of “third” countries makes it possible to place them outside of the Soviet-American negotiations which are under way, this could become impossible in the foreseeable future. The prospects of the creation of an ABM defense of limited efficiency would thus only complicate the strategic arms reduction process.

18. An ABM defense of limited efficiency would make it possible to prevent damage from unsanctioned ballistic missile launches and thereby reduce the danger of an accidental outbreak of nuclear war.

The probability of unsanctioned launches in peacetime is negligible thanks to the nuclear powers’ developed system of control and communications of the strategic forces and the efficiency of the cutoff facilities. As a result of realization of the SDI the possibility of the unsanctioned start of a war would increase. The need for the superfast reaction of ABM components could exclude man’s participation in the process of the adoption of a decision on their use. The survival of mankind would be made dependent on the reliability of the supercomputers controlling this system. Unfortunately,
even the most sophisticated computers are not guaranteed against malfunctions, which authoritative specialists of the USSR and the United States have pointed out repeatedly.

For a reduction in the risk of the unsanctioned or accidental use of nuclear weapons it is essential together with technical measures (increased monitoring of the nuclear arsenals) to also take political steps aimed at a lowering of the levels of nuclear confrontation, as far as the complete elimination of these arms.

19. An ABM defense of limited efficiency would keep a hypothetical small power or organization from using nuclear weapons for terrorist purposes.

The ABM system being developed within the SDI framework is optimized for intercepting ballistic missiles. But it is hardly likely that a hypothetical power or, even less, organization would resort for terrorist purposes to such a lengthy, costly and technologically complex project as the creation of a ballistic missile. There is a mass of incomparably simpler and more accessible methods—delivering a nuclear weapon with a time fuze, for example, on a truck to the center of a large city, blowing up an ordinary merchant ship loaded with such munitions in the proximity of a large port or similarly arranging for an nuclear explosion on board an aircraft over a densely populated area. The progress in the sphere of miniaturization of nuclear weapons expected in the future will afford new methods for the perpetration of acts of nuclear terrorism. The struggle against them cannot be conducted merely by military-technical means alone. It is essential to seek political ways of solving the problem of international terrorism, by way of a strengthening of the terms of the Nuclear Nonproliferation Treaty included.

20. The SDI program will advance civilian R&D appreciably and yield big dividends in nonmilitary spheres.

The yields in civilian fields cannot, of course, be denied. The practice of realization of large-scale military projects in the United States testifies that such a process could occur on this scale or the other in this case also.

Among the possible results of the realization of SDI in the military sectors the supporters of the program cite such fine-sounding projects as the recovery of ore on asteroids, the construction of qualitatively new alloys under the conditions of space and the designing of optical computers using laser beams instead of electrons. However, bigger results would be produced by the direct financing of nonmilitary research in the said fields. The results of military research are classified and frequently cannot be used for commercial purposes. There is a whole number of examples of military contractors, government laboratories particularly, which feel little market pressure, having dragged out the development of new technology and of having been behindhand compared with parallel civilian research. There is also the likelihood that SDI would even undermine the most progressive branches of nonmilitary R&D inasmuch as it would swallow up a growing amount of federal appropriations and attract the most skilled personnel.

The debate surrounding the "strategic defense initiative" is not exhausted, of course, by the issues adduced above. Many disputes are arising in connection with the problem of the technical feasibility of this project or the other, the political and economic consequences of realization of the American program and questions of peace and stability in international relations. Nonetheless, the statements of the supporters and opponents of this program quoted above reveal, in our view, the entire contradictoriness of the United States' plans pertaining to the creation and deployment of a broad-based ABM defense.

At the same time this contradictoriness is not preventing the present American leadership continuing its attempts to "persuade" the USSR of the need for the creation and construction of ABM defenses, which was manifested distinctly at the time of the top-level meeting in Moscow, as also at the preceding meetings of the leaders of the Soviet Union and the United States. Revealed in the course of these meetings was the United States' manifest reluctance to understand that realization of the said plans would hardly contribute to an improvement in the climate of international relations and a better mutual understanding and growth of trust between countries of East and West. Besides the new dangers, they could open the way to an entirely uncontrollable nuclear and space-based arms race. All this only increases the seriousness of the debate on the problems of SDI, which will hardly become less urgent in the foreseeable future also.

COPYRIGHT: Izdatel'stvo TsK KPSS "Pravda". "Mirovaya ekonomika i mezhdunarodnyye otnosheniya", 1988

General Surikov on Technical Problems Facing SDI

[Article by Major General of Aviation Boris Trofimovich Surikov, candidate of technical sciences: ""Star Illusions"]

[Text] The program of research into and development of a broad-based system of ABM defense of the United States with space-based components garbed in the so-called "strategic defense initiative" (SDI) has become a central component of military policy for the R. Reagan administration. That Washington intended in its military-strategic concepts an orientation toward the need for realization of the idea of strategic defense became known for the first time from the "Strategic Arms Modernization" military program announced by Reagan.
back in October 1981. It was emphasized in an explanatory White House note thereto that the “priority” measures included “the vigorous performance of expanded R&D, including the development of the technology for the corresponding space-based systems.”

Reagan’s well-known speech of 23 March 1983 said nothing directly about ABM space-based assault weapons, but the President put the emphasis on the need for a solution of the problem of defense against strategic missiles based on the high level of development of American military technology. He maintained that the United States would be able to “intercept and destroy strategic ballistic missiles before they reach our (American—author) territory or the territory of our allies.” Work groups were set up to develop plans in the ABM field in June 1983.

In January 1984 Reagan signed Directive 119 concerning research, development, testing and engineering aimed at the gradual provision of a highly efficient territorial system of ABM defense of the United States. This directive initiated a vast and extremely dangerous program of basic and scientifically applied research and also engineering development efforts, which, the supporters of SDI believe, are to lead to the successful solution of the problem of ABM defense and disruption of the evolved parity of arms of the two leading states in favor of the United States.

The version to the effect that the idea of the SDI program belonged to Reagan personally and that his “star wars” speech caught even the President’s closest advisers unawares was released upon the American and international community. However, this assertion does not correspond to reality. It is known that the basis of the SDI program were documents of the High Frontier and Heritage Foundation conservative organizations, which have close ties to the military-industrial complex. The President’s “kitchen cabinet”—representatives of business circles chiefly of the country’s Western states such as J. Coors, K. Bendetsen, W. Wilson, J. Kuhm and others—have participated directly in the development of the SDI program.

The idea of SDI is supported by representatives of the aerospace industry and leading military-industrial contractors of the Pentagon and also by some scientists who have tied themselves firmly to the U.S. military-industrial complex. It is these circles which prepared the SDI program. This directive initiated a vast and extremely dangerous program of basic and scientifically applied research and also engineering development efforts, which, the supporters of SDI believe, are to lead to the successful solution of the problem of ABM defense and disruption of the evolved parity of arms of the two leading states in favor of the United States.

The SDI program has also caused heated debate in states allied to the United States, primarily in West Europe. The attempts to involve West European states in realization of the “star wars” program are causing well-founded fears in sober-minded Europeans for the fate of the 1972 ABM Treaty. Scientists of France, the FRG, Great Britain and other West European countries have already released a series of objective reports convincingly criticizing the SDI program from the military-strategic, technical, economic and political viewpoints.

The SDI program differs fundamentally from all research and experimental ABM work performed in the United States previously. It attaches extraordinarily great significance to fundamentally new nontraditional techniques whose realization is attended by very high strategic and technical risk, which, however, its supporters believe, will make it possible in the foreseeable future to “acquire first-strike potential”. They maintain that the successful realization of the SDI program should permit the United States in the foreseeable future to achieve “absolute superiority” both in the quantity and quality of the latest strategic and tactical arms and on this basis provide in the event of a war with the USSR for the West’s assured achievement of its policy goals.

The U.S. administrations which, before Reagan, involved themselves in the problem of ABM defense proceeded from the fact that, in the event of the United States or the USSR refraining from the deployment of ABM systems, the other side would respond to this only with limited experimental work at test ranges. The Carter administration and its predecessors recognized that the ABM Treaty was a fundamental basis in international law of strategic stability and deterrence. The basis of this approach to the problem was the parties’ understanding of the fundamental proposition according to which the existence of powerful territorial ABM systems in the United States or the Soviet Union would contribute a most dangerous element of disequilibrium and uncertainty to the correlation of the two powers’ strategic forces and military-political plans. The United States also was of the opinion that any American ABM systems (territorial, zonal, target) could force the Soviet Union to build up for the purpose of maintaining parity
its strategic offensive arms to a level making it possible in a retaliatory strike to inflict on U.S. targets the desired damage given appreciably less expenditure than the United States would incur given the deployment of this ABM grouping or the other. The Reagan administration displayed a fundamentally different attitude toward the ABM problem.

In performing the R&D to substantiate the optimum structure of a broad-based system of the ABM defense of the United States with space-based components a future U.S. Administration will have to formulate the precise tactical and technical demands on this global system with regard for a precise forecast of the development of the strategic offensive arms of the USSR and the likely strategy of their combat use in retaliatory operations. The program's executants have been set the difficult problem of determining the main spatial and operational parameters of a territorial system of the ABM defense of the United States and ways of its further gradual realization. In addition, a plan for the optimum realization of the "star wars" program for a long period with regard for the requisite efficiency of a broad-based system of the ABM defense of the United States (99.9 percent) and also the technological, strategic, economic and political limitations has to be comprehensively substantiated.

The conceptual R&D stage being realized at the present time in respect of the SDI program is aimed at ascertaining as quickly as possible specific advanced ABM technologies in order that a future U.S. Administration may in the 1990's select among them those which should be realized in ground-, ground-space- and space-based ABM systems. It is planned in the 1990's also demonstrating the efficiency of the ABM facilities proposed by the U.S. military-industrial complex and their applicability from the economic viewpoint.

The supporters of the SDI program maintain that a highly efficient territorial ABM defense of most important industrial and military facilities of the United States will be possible in the foreseeable future with the appearance of advanced technology, which will allegedly make it possible to deploy a broad-based system of the country's ABM defense providing for the efficient destruction of missiles at different positions corresponding to the boost (initial) guidance phase, the post-boost phase, the mid-course phase (flight of the warheads up to entry into the dense layers of the atmosphere along ballistic trajectories) and the terminal (atmospheric) phase of the flight of the ballistic missile warheads. In principle each ABM echelon is to be geared to the intercept of practically all strategic targets employed by the contending side in a retaliatory-counter strike (launch of ICBM's following detection of a launch of the enemy's missiles). The greatest significance here will be attached to the first echelon under the conditions of the enemy's concentrated use of decoys and preventive nuclear explosions in near-Earth space aimed at blinding the ABM sensors and actively influencing the space-based ABM componentry with the aid of the efficient antispace defense facilities of the contending side.

For the purpose of creating space- and ground-space-based ABM systems the "star wars" program is investigating and verifying experimentally elementary particle accelerators, continuous and pulse lasers, electrodynamic accelerators of matter or "railguns" and kinetic weapons based on traditional missile interceptors. Let us briefly familiarize ourselves with the essence and prospects of the creation of these weapons and also the strategic and political consequences of practical realization of the "star wars" program under current conditions.

Accelerator or beam weapons based on the use of a directed flow of elementary particles are seen by the supporters of SDI as a potential space-based ABM weapon inasmuch as, in the event of their creation in the future, the destructive impact of a particle beam on missiles and warheads outside of the atmosphere will be possible. The methods of boosting elementary particles (protons, electrons and neutrons) to relativistic velocities are sufficiently well studied and are employed extensively in the experimental physics of many countries. However, the search for ways to create ABM accelerator weapons, which has been under way in the United States for over 10 years now, has confronted the supporters of the "star wars" program with a number of most complex fundamental and engineering problems such as obtaining beams of very great energy given a low angular spread and also the tasks of a sharp reduction in the mass and dimensions of the accelerators.

There are no disagreements among specialists on the question of the possibility in principle of the achievement in the foreseeable future of particle energy sufficient to decommission missiles' electronic equipment or reentry vehicles and also their warheads. However, obtaining in accelerator weapons the necessary energy represents only a small part of the difficulties which stand in the way of the birth of space-based ABM accelerator weapons. Specialists point as a basic problem to the difficulty of obtaining large currents in the accelerators and ensuring the accurate targeting of the particles on targets flying at great velocity and also the difficulty of estimating destruction of the missiles or their warheads. The problem of achieving the necessary beam-retargeting speed remains unsolved. One further problem is that the electronic equipment of the missile and its warhead could be more resistant to the impact of the beam weapon thanks to the use of semiconductors based on gallium arsenide, whose radiation-resistance is appreciably higher than in current semiconductor materials.
Physicists know also that proton and electron beams diffract without loss in a vacuum, that is, beyond the atmosphere. A particular feature of these beams is also the fact that when they are subject to the influence of internal electrostatic forces of repulsion and external factors. Neutralization of the bulk change of the high-energy beam would not produce the requisite effect insomuch as, thanks to the directed velocity, such a beam would continue to preserve the properties of the electric current and interact with the Earth's magnetic field, which is nonstationary and subject to irregular fluctuations. In addition, each neutral hydrogen atom flying almost with the speed of light could easily lose its electron in the residual gas in the upper layers of the atmosphere. The beams of atoms would become protons here, which, as is known, are sensitive to the influence of the Earth's geomagnetic field. For this reason neutral hydrogen beams may only theoretically be used in a space-based ABM echelon only at an altitude of over 200-250 km. Whence the relatively simple method of protection against the accelerator weapon of ICBM's and SLBM's— the flight of the strategic missiles along a flat trajectory and also the use for protection of the warheads and ICBM's of gas screens, which would complicate their destruction by space-based ABM accelerator weapons.

Lasers—technical devices creating the electromagnetic coherent radiation of a strictly determined wavelength—have come to be employed quite extensively in warfare. The radiation may be realized in the infra-red, visible, ultraviolet and gamma-range electromagnetic spectrum. Generally, the efficiency of the laser weapon depends on the amount of energy delivered to the target, which, in turn, depends on the capacity of the laser installation, distance to the target and the accuracy of sighting. The efficiency of ABM laser weapons would, in addition, depend on the precision of target selection in a complex interference situation. Laser weapons could destroy targets either by thermal or percussive pressure. The latter is characteristic of pulse lasers.

As follows from material of a study group of the American Physical Society published in April 1987 in the United States, the prospects of the development of ABM laser weapons are highly uncertain. The power output of chemical lasers with an acceptable quality of beam has to be increased at least 100-fold compared with that achieved on experimental installations before hydrogen fluoride or deuterium can be used as an efficient space-based ABM weapon intended for killing hydrogen fluoride or deuterium can be used as an efficient space-based ABM weapon intended for killing strategic missiles in the boost phase of the flight. For the atomic iodine lasers an increase in the output parameters of the ABM weapons of the order of 10^5 is essential, which cannot be accomplished in the foreseeable period.

Specialists have shown that the energy of the pulses of excimer lasers for ABM purposes have to be increased by at least a factor of 10,000 compared with the available models. Only on this condition is their use in a broad-based ABM system possible. Ground-based ABM excimer lasers have to generate at least 100 megajoules of energy in an individual pulse or in a series of pulses of a total duration ranging from several microseconds to several hundred microseconds. To repulse a massive strategic missile attack a rate of fire of approximately 10 pulses per second at each ABM complex is essential, for which it is additionally necessary to solve a multitude of most intricate engineering problems.

The nuclear-pumped X-ray laser represents a nuclear charge placed inside a plastic casing into which a bundle of the thinnest metal wires is built. When the charge is detonated, the electronic structure of the atoms of the metal wires is destroyed and, under certain conditions, laser radiation results. This process has already been observed during underground nuclear tests performed in the United States at the Livermore National Laboratory. However, it has yet to be proven that the formation of a nuclear-pumped X-ray laser of military significance is at all possible. The essence of one of many problems is that for the formation of a narrow concentrated beam the X-ray laser must use a long bundle of the thinnest wires. For the accurate orientation of the beam toward the target it is necessary to ensure the rigidity of this constitution, which it is extremely difficult to realize in practice.

Specialists justifiably consider one further task of the utmost complexity the precise sighting of the X-ray laser rods at the moment of initiation of the nuclear explosion, when the preliminary detonation of a conventional charge for combining the two subcritical masses of the fissionable materials will invariably cause vibration of the rods, which instantly upsets the precision sighting of the X-ray laser on a missile moving at great speed. Many physicists maintain that it is altogether impossible to hit a remote target with a nuclear-pumped X-ray laser owing to the imtractability of the high accuracy of sighting on a small moving object.

Considering the numerous problems revealed during the R&D on directed energy weapons, the supporters of the "star wars" program believe that for the immediate future practicable means of intercepting ballistic missiles could be kinetic weapons, which are initially to constitute the basis of a broad-based multi-echeloned system of the ABM defense of the United States. At the present time a relatively broad class of kinetic weapons systems is being investigated within the framework of the SDI program. The R&D program includes the development of both traditional chemical fuel interceptors and relatively new weapons based on the principle of the electromagnetic acceleration of the kill components.

The best-known of the conventional kinetic weapons is the MKV miniature interceptor—the basic component of the ASAT air force antisatellite complex. It can in principle be used also for destroying from space strategic missiles in the boost phase. However, such an intercept could be accomplished only beyond the dense layers of the atmosphere insomuch as at low altitudes the operation of its infra-red homing system would deteriorate
considerably owing to the heating by the inflowing air stream of the interceptor's nose cone. According to preliminary estimates, the minimum altitude of the operational use of the MKV interceptor would constitute approximately 100 km. Obviously, the use of this interceptor against an ICBM, whose boost phase ends at an altitude of 80-90 km, is altogether impossible, and for this reason the prospects of the deployment of an ABM space echelon based on MKV-type interceptors are highly dubious.

Multilevel research is also being conducted in the United States at the present time on a broad front geared to the substantiation and realization of new ideas in the sphere of electrodynamic weapons capable of withstanding tremendous acceleration, special microelectronics, power supply sources, new control algorithms and database tools providing for the tracking of a multitude of ballistic targets and electrodynamic miniature interceptors, facilities for the operational control of a large number of interceptors and designs and propulsion systems for interceptors launched at a high initial velocity. However, the realization of these ideas also is attended by the solution of a multitude of most complex technological problems, any one of which will for many years impede the creation of operational space-based ABM complexes. Thus nor can space-based electrodynamic weapons, specialists believe, be developed in the United States in the foreseeable period.

The Pentagon is insistently advertising the successes allegedly scored in respect of the "star wars" program. Specifically, former U.S. Defense Secretary C. Weinberger maintained repeatedly that far greater progress had already been made in this program than the SDI supporters could have imagined at the time it was being drawn up. SDI Organization Director J. Abrahamson even described the results which have been obtained recently as "incredible" and "radical" breakthroughs. In a whole number of the approximately 2,000 contracts given out to companies by the Pentagon there has in fact been a certain partial success in some technologies. However, practice has confounded the unjustified hopes of the supporters of the SDI program of the possibility of impressive technological breakthroughs. This has forced the Pentagon to make an appreciable adjustment to the SDI program.

This has affected to the greatest extent such a technical field as directed energy weapons (laser and beam). For example, it was maintained in 1985 that it would be possible at the start of the 1990's to conduct an experiment pertaining to the destruction by chemical laser from space of a missile in launch. Today the viewpoint on these weapons among the supporters of the SDI program has changed fundamentally. Subsequent work has been oriented not toward the solution of the problem of combating ICBM's but toward the creation of active laser sensors intended to provide for the selection of targets in the ballistic phase of the flight, although the simplest experiments on chemical laser kills of ICBM's in the boost phase also are not precluded.

There are other such examples. Considerable attention in the program of the development of directed energy weapons is being paid today to the free-electron laser. Aside from the tremendous difficulty of the creation of a powerful ground-based free-electron laser, the question of the possibility of the manufacture for it of most complex ground- and space-based optical systems is particularly acute. Within the framework of the "star wars" program in California experiments are being conducted vigorously on the development of materials and coverings for special heat-resistant large-aperture mirrors. According to the claims of the leader of this program, J. Stanford, the results of this work are negligible. More than 98 percent of material samples for the operational mirrors tested thus far has proven totally unsuitable for operation and has been destroyed given short-term irradiation, although the capacity of the experimental laser here has been many orders of magnitude below that required.

In neutral particle beam technology the SDI program has shifted also from the search for ways of developing experimental active ABM weapons in space to the ascertainment of the possibility in principle of the use of high-energy beams for the active selection of nuclear warheads flying on a ballistic trajectory under the cover of a multitude of decoys. Speaking about electrodynamic weapons, the supporters of the SDI program point to the accomplished increase in the rate of fire of the railguns and the development of electronic components for miniature interceptor homing systems. However, specialists do not consider these components of electrodynamic weapons complex.

Considering the highly modest results obtained in respect of the "star wars" program in the 5 years of research and experiments, its subsequent gradual realization with regard for priority is being broken down into two main technological directions. One incorporates a continuation of R&D in respect of a number of complex basic and applied fields geared to the very distant future. This applies primarily to all the technology geared to the creation of highly efficient directed energy weapons and other support facilities.

The second part of the SDI program includes work on the relatively rapid creation and upgrading of the existing traditional ABM interceptors. These measures are oriented toward the maximum acceleration of the development and subsequent gradual creation of an operating territorial system of ABM defense of the United States with limited operational potential. These efforts also, however, may ultimately be geared to the possible realization of the idea being actively discussed in the United States of the deployment of ABM grouping facilities, that is, protection of ICBM silos and also operational control and communications centers against limited strikes.
The financial and technological limitations which the supporters of the SDI program have encountered combined with the change in the domestic policy situation and in connection with the presidential election have forced the Pentagon to look for resourceful gambits which might enable this program to acquire a kind of immunity for the future. A most obvious such move has been the speediest transfer of the SDI program from the research phase to the engineering development, testing and production phase, which, in accordance with the mechanism which has taken shape in the United States, enables the Pentagon to strengthen appreciably the SDI program's legal position owing to the broader political interest not only among the appropriate companies of the military-industrial complex but in the Congress also. At the present time the Pentagon is endeavoring to impart powerful impetus to the SDI program making practically impossible its subsequent cessation or significant limitation by future U.S. administrations.

Thus in September of last year then U.S. Defense Secretary C. Weinberger approved the recommendations of the Arms System Purchasing Council and adopted the decision to accelerate in accordance with the "star wars" program at the "demonstration and appraisal" stage six of its main projects, the results of which, the Pentagon believes, should provide for the operational deployment of the first echelon of a future system of the ABM defense of the United States with space-based components in 1994. In accordance with this decision, it is planned in the United States continuing the creation of ABM facilities and conducting demonstration tests of the following systems, which it is contemplated incorporating in the first echelon of a territorial ABM system: space-based systems for detecting and tracking strategic missiles in the boost phase; space-based systems for detecting and tracking targets in the ballistic phase; ground-based systems for detecting and tracking targets in space; systems for intercepting targets in space with the use of space-based ABM interceptors; the HEDI long-range experimental ABM interceptor for destroying warheads beyond the atmosphere; operational control and communications systems using advanced computer and communications equipment.

Despite the appreciable and forced simplification of the proposed version of a territorial system of ABM defense of the United States, the possibility of its deployment is highly doubtful. Together with the above-mentioned technological difficulties the main problem in the simplified ABM outline is considered the possibility of rapid deployment of the space-based echelon. Even if light ABM interceptors with the necessary tactical and technical specifications for ABM battle platforms are created, although many specialists doubt that this will be the case, the way of ensuring the high efficiency of a space-based ABM echelon in the event of the use by the contending party in a retaliatory strike of ICBM's with an abridged boost phase and rapid separation of the warheads are unclear, as before.

The Pentagon's publicity for the facilities incorporated in the "demonstration and appraisal" stage has not removed from the agenda the problem of the creation of an efficient and dependable battle-management system, which specialists consider a most complex component of the "star wars" program. The supporters of SDI maintain that the job of battle management given the use in a space-based echelon of light ABM interceptors intended for the destruction of ICBM's and SLBM's only in the boost phase is a relatively simple task. However, the forced abandonment of superfast directed energy weapons and the switch to traditional kinetic weapons in the form of space-based light ABM interceptors have made immeasurably more complicated the problem of future presidents adopting a decision on the operational use of an ABM space-based echelon.

Thus, according to American specialists' current estimates, if a probable enemy creates high-velocity strategic missiles with a boost phase duration of 80-90 seconds, which is technically feasible, in order to ensure the requisite efficiency of an ABM space-based echelon a future U.S. commander in chief's decision to conduct combat operations will have to be made in 10 seconds, which is practically unrealistic.

Such strict time limitations on the start of combat operations give rise to the need for the formation of a new class of programs of battle management using in the ABM space-based echelon autonomous automatic systems of the adoption of the most important decision at the start of combat operations. Consequently, the Pentagon has been confronted with the need for the creation of a supercomplex battle-management system. The fate of the American people, and of the entire international community, is thus made dependent on the soundness of the development of battle-management programs and the dependability of supercomputers with AI elements, which are to be used in the ABM space-based echelon.

The use of light ABM interceptors on space-based battle platforms also leaves unsolved the problem of their vulnerability in orbit. The versions of protection of the battle platforms in the form of fake operational facilities and the imparting to the battle platforms of the capacity for maneuvering in orbit to avoid an attack by the enemy's anti-ABM missiles planned by the Pentagon would seem ineffective. The maneuvering of ABM platforms in orbit would require their provision with an extra fuel reserve, which could provide for only a limited number of maneuvers.

There arises the legitimate question: why are the U.S. military-industrial complex and the Pentagon so persistent in pushing the "star wars" program? There are several reasons here, we believe. The SDI program was a consequence of a broad range of political, military-technical and economic requirements of the U.S. military-industrial complex. The SDI, its ideologues believe, should strengthen appreciably the positions of the
United States in relations with the USSR, permitting, in the event of its successful realization, dealings to be had from a position of military superiority.

The SDI, as its supporters mistakenly believe, will serve as an efficient method of undermining the Soviet economy by “excessive” military preparations—particularly with regard for the association with the SDI of West Europe and Japan. However, the Soviet Union’s retaliatory measures will be asymmetrical, and we will not repeat what the United States is doing in respect of the “star wars” program. The Soviet Union has, specialists estimate, a wide spectrum of comparatively inexpensive weapons being developed within the framework of the SDI program. The Soviet Union, with specialists concern in connection with the SDI, as the logical culmination of the unceasing search for U.S. strategic superiority. “If we can,” C. Weinberger maintained in Congress, “obtain a system which is efficient and could render the arms of the Soviet Union inefficient, we would then be able to revert to the situation which we were in when we were the sole country which possessed nuclear weapons.” All this imparts to the SDI a particularly dangerous, aggressive intent, which is all the more obvious in that the United States has repeatedly turned down the Soviet proposals concerning a mutual renunciation of first use of nuclear weapons.

COPYRIGHT: Izdatelstvo TsK KPSS “Pravda”.
“Mirovaya ekonomika i mezhdunarodnyye otnosheniya”, 1988

USSR Urged To Learn From Western Pricing Mechanisms
181600051 Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 12, Dec 88 pp 101-103

[Letter from reader M. Khao of Shadrinsk under the “Contentious Issues of Political Economy” heading: “A Common Approach Is Important”]

[Text]

The editorial office continues to receive readers’ letters commenting on Ya. Pevzner’s article devoted to problems of the theory of political economy.

Before initiating a debate, it is necessary to determine the intention and purpose thereof. It would seem expedient to examine political economy as a whole, distinguish its key problems and outline possible approaches to their solution. The concept should thus be set forth in general outline, without undue detail and comprehensive reasoning. A particularly critical bias is hardly justified—let us be constructive. The task is to create in the course of the debate a kind of bank of ideas for a breakthrough on the theoretical front of political economy.

Considering the impermissible lag of contemporary political economy behind the requirements of practice, it is extremely desirable upon examination of theoretical problems to indicate the appropriate outlets to practical economics. Time does not wait. And theory is now forced in the initial phase of its development even to influence practice.

But I would like now to dwell on the problems of political economy broached by Ya. Pevzner. Are we not exaggerating the class nature of the social sciences and political economy in particular? In fact, if the laws of society’s development and social relations are objective, science’s tasks consist of adequately reflecting them. And any “class” approach presupposes in one way or another...
a distortion of the reflection in the interests of the class. Nature (of which society is still a part) does not know good and evil, justice and other ethical categories. Nor should science (but not scientists!) know them either. Where the moralist sees an evil wolf and his unjust attitude toward the peaceable lamb, the zoologist sees a normal, natural process. Only people's conduct (but by no means scientific knowledge) may be weighed on the scales of morality. Science has only a "truthfulness" component. Everything else (the "value" component) comes from undue philosophizing. We would remind the devotees of a search for class roots, however, that F. Engels was a manufacturer and lent K. Marx material support. Let us free science from propaganda. Propaganda should, on the contrary, be based on the results of scientific research.

I wish to call attention to the abundance of quotations and references characteristic of works on the social sciences. If in a work on physics one encountered a definition of Newton's laws in the form of a quotation indicating the primary source, this would seem preposterous. For the social sciences, however, such a situation is considered for some reason or other normal. I believe that references are appropriate only in cases where others' data or results obtained in the course of other work are used, when it is essential to indicate priority and when the accuracy of reproduction of the idea of an opponent, for example, is important. Using quotations, on the other hand, as a priori arguments is altogether impermissible. Indicative in this respect is the situation involving Ya. Pevzner's introduction of the "law of worth" category. For this he quoted P. Lafargue's words concerning F. Engels' intention to expound a theory of value and Engels' warning concerning possible misunderstandings in a definition of value by labor, recalls that the primary source speaks of Wertgesetz and points out the differences between the values Wert and Kosten.

I traced in "Das Kapital" the logic of Marx's use of value and the law of value. And, strictly speaking, K. Marx provides no grounds for interpreting them as Ya. Pevzner interprets them. For this reason he should have indicated precisely his attitude toward the corresponding propositions of K. Marx or not have made use of his authoritative name in justification of his viewpoint.

Marx's logical inexactitudes at the time of introduction of the value category (or the limits of the abstraction) can, incidentally, be seen. It is incomprehensible only why there could not simply have been a mention of something that was obvious without such a close ("dual," so to speak) perusal of the classics and without obligatory references to them. After all, the criterion of truth is practice, and not the works of respected people. No one denies the contribution made by Marx, Engels and Lenin. But if the question is thus: remaining loyal to the classics or satisfying the requirements of practice, preference undoubtedly needs to be given the second. In my view, political economy should be theoretical economy. Its subject should be the common laws of reproduction (production, distribution and consumption) and also methods of the use of these laws in practice.

I am sure that the new thinking in political economy (theoretical economy) will be manifested sooner or later not in new forms of criticism and exposures of "bourgeois" theories but in the form of cooperation with them and in the creation of a single world science (or single world scientific process). For this it is necessary, naturally, to arrive at a common system of categories and laws (on a very broad basis—as far as the incorporation of elements of economic psychology).

It is worth dwelling. I believe, in somewhat more detail on the law of worth. It needs to be said that in implicit form the law of worth has always been perceptible in the law of value (it is only necessary to start to talk about it as a regulator of the intersectoral distribution of capital, about supply and demand). The commonsensical view easily discerns the existence in any person of a structure of requirements with a clearly expressed hierarchical scale of priority of their satisfaction, which was what was done in utility theories. From this viewpoint any specific utility (SU) possesses levels of individual abstract utility (IAU). Understandably, the sum total of levels of a multitude of IAU determines the level of social abstract utility (SAU).

It is obvious that if there may at all be a concurrence between the structures of the production of SU and SAU and consumption, it is an extremely unstable one. It is also obvious that the structures of production and SAU influence one another. A reflection of this influence is the law of worth regulating in general form the correspondence between outlays on the production of a given SU (value) and the level of its SAU.

Commodities are exchanged not in accordance with equal values but equal levels of IAU (or SAU).

Value and the level of SAU become commensurable here. There is nothing surprising in this for it is the level of SAU which shows the level of expenditure permitted by society (the structures of social production and consumption which have taken shape as of this moment) on the production of the given quantity of SU. That is, under the effect of the law of worth there is a leveling of the actual expenditure on the production of some quantity of a commodity and the expenditure permitted by the level of SAU for this same quantity of the commodity. As far as the market is concerned, it is difficult not to agree in some respects with Ya. Pevzner here, although proving truisms has always been and will continue to be a difficult and thankless occupation. But more attention needs to be paid to the problem of money, credit and the movement of fictitious assets. Money, credit and fictitious assets are a reflection of the actual economy and a kind of world of symbols of actual objects. The processes
occurring in this sphere reflect actual economic processes. But there is, on the other hand, feedback—by controlling the movement of money and the terms of the extension of credit and influencing the movement of fictitious assets it is possible to influence actual economic processes.

Unfortunately, this mutual influence of the two economic worlds—actual and ideal—has been studied inadequately. Yet this, possibly, is the sole possible path toward the conscious control of economic processes.

The state of political economy today does not afford an opportunity for its practical use. In order to be practical political economy must be theoretical economy. It must switch from the construction of models of the economy of a general nature. It is essential for this purpose to distinguish in economic reality the integral objects (things) to be studied and their interaction (connections) and the laws of their development. The criterion of the adequacy of the models obtained should be the practicalness of the methods of the forecasting and control of economic processes created on their basis. The criterion of choice of strategy of control of economic processes, on the other hand, should be a developed system of indicators of economic efficiency.

I believe that it makes sense discussing one further very important set of problems virtually untouched by Ya. Pevzner. I believe that there are as yet no grounds for speaking of the transition to communism. The proposition concerning the leading development of requirements in relation to possibilities is sufficiently obvious to me. This proposition is in no way incompatible with the main principle of communism: “From each according to his capabilities, to each according to his requirements”. And no cosmetic contrivances (like the education of intelligent consumers and creation of the “new” man) will help. As far as such formal indications as the erasure of the boundaries between mental and physical labor, town and country and such are concerned, the developed capitalist countries are “far closer to communism” in this respect than the countries in the “first phase of communism”.

As far as socialism is concerned, however, we need to speak about this, and seriously.

But the sole thing which may as yet be said of it that is dependable is that socialism is the phase of social development which follows capitalism. Saying anything more definitive currently is difficult. I would sooner attribute the system which has taken shape in the USSR to some state formation, and not in the most efficient form, what is more.

The elimination of large-scale private ownership of the means of production does not mean the automatic creation of public ownership. In addition, it is altogether not yet clear what public ownership represents. Nor does the planned management of the economy characterize a socialist system of reproduction inasmuch as the socialist planning which has taken shape is inferior to “capitalist” planning.

Nor is it clear what kind of mechanism of realization of the main principle of socialism: “From each according to his capabilities, to each according to his labor” it should be.

In my view, if we take the natural historical process of the development of society as a whole, the direct transition from capitalism to socialism is connected with the problem of the capitalization of profit (much has been written about the preconditions of this transition). In fact, capitalist reproduction exists as long as there arises in the process thereof profit (the bulk of which is, as is known, capitalized). Under the conditions of the impossibility of the capitalization of profit (which is tantamount at the present time to an absence of profit) capitalism itself disappears. In other words, capitalism exists while the need for expanded (in more or less significant amounts) reproduction exists. The reserves of capitalism lie in the raising of the economic potential of backward countries and in the creation and development of new sectors of production based on the S&T revolution. With the exhaustion of these reserves the capitalist system of reproduction will have exhausted itself also. The absence of a need for expanded (in significant amounts) reproduction signifies transition to the next phase—socialism—given a fully prepared material-technical base, system of social relations and an infrastructure. But the absence of a need for expanded reproduction does not mean the creation of the conditions for the full satisfaction of all requirements. No, this absence will rather signify merely the attainment for a historically definite (considerable) period of the limit of the development of the possibilities of production. And the principle of distribution here may be only the principle of socialism: “From each according to his capabilities, to each according to his labor”.

Such is my “sketch” of the essence of the problem. I wish only to add that this approach by no means denies the need for class struggle. Class struggle is an essential condition for the development of capitalism. It is merely a question of the aims and tasks of this struggle at each specific stage thereof.

There also inevitably arises the following question: does the current “premature socialism” have a chance of success in the economic competition with capitalism? Social guarantees cannot be considered here. Some of them are to a large extent proclaimed (the existence with us of “hidden unemployment” is obvious), others could in the not-too-distant future be provided by the capitalist system also.

Whereas the problem of the capitalization of profit will “bury” the capitalist system, the main problem in the economic competition for our “noncapitalist” system is
the allocation and direction of the part of profit which is capitalized. Without the creation of a market and market pricing it cannot, of course, be solved. But this is not enough. Worker (or cooperative) self-management is hardly capable of coping with this task. It is by nature inclined to tilt toward consumption, as distinct from the administrative-directive system, which tilted far more dangerously toward self-valuable (self-sufficing) accumulation, frequently pointless and wasteful.

In my view, our socialism has a chance of success in the economic competition with capitalism only if an economic mechanism is created which provides for the optimum distribution (and utilization) of the national income: 1) between the consumption and accumulation funds; 2) various sectors in respect of the accumulation fund; 3) commodity producers in respect of the consumption fund (per the results of labor), given minimization of the difference between produced and utilized national income.

The second condition could be secured by market pricing (optimum distribution) and intra-sectoral competition (optimization), given full economic accountability and self-financing and without the crude interference of the state.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda". "Mirovaya ekonomika i mezhdunarodnyye otnosheniya", 1988

Activity of UN Peacekeeping Force in Lebanon Chronicled
18160005j Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 12, Dec 88 pp 118-122

[Article by Kjell Skjelsbaek, director of the Norwegian Foreign Policy Institute: "The UN Peacekeeping Operation in South Lebanon: Practice and Prospects"]

[Text]

The Norwegian Nobel Committee has decided to confer the Nobel Peace Prize for 1988 on the UN international peacekeeping forces.

The UN peacekeeping operations in South Lebanon (UNIFIL) represent the most complex measures implemented by this organization since the Congo operation at the start of the 1960's. This is what K. Skjelsbaek, prominent Norwegian specialist on political problems of the Near East, believes. We publish a brief survey of the dramatic history of peacekeeping operations in South Lebanon written by him.

I

The so-called Cairo Agreement concluded on 3 November 1969 by the Lebanese Government and Y. Arafat accorded the Palestinians the right to independently control the refugee camps in Lebanon, maintain guerrilla forces and conduct exercises in a number of regions in the south of the country. After the serious clash between government forces and Palestinians erupted in September 1970 in Jordan, the Palestinian guerrillas were forced to quit the country and transfer their headquarters to Beirut. Thousands of refugees arrived in Lebanon; guerrilla camps were set up in the south thereof.

A struggle flared up in 1975 between the Palestinians and rightwing Christian military formations in receipt of assistance from Israel. Three areas, in which the Christians were predominant, despite constituting a minority of the population, the bulk of which was Shi'ite, gradually took shape in South Lebanon along the border with Israel. Thirty-five Israelis died in the night of 11 March 1978 as the result of an attack by Palestinian guerrillas based in Beirut on a bus north of Tel Aviv. Four days later large contingents of Israeli armed forces crossed the border into Lebanon and smashed the bulk of the Palestinian guerrillas in the area adjoining the Litani River.

The Lebanese Government appealed to the UN Security Council in connection with the "naked aggression against Lebanese territory" (UN Document C/12600). The United States also was unhappy with the Israeli action, which threatened to stymie the preparations for the conclusion of a peace treaty between Egypt and Israel. It was essential that the Israeli armed forces withdraw from Lebanon as quickly as possible. With similar interests on this matter, Washington and Beirut proposed the creation of a peacekeeping force, which would undertake to supervise the south of the country. On 19 March 1978 the UN Security Council adopted the corresponding Resolution 425/1978.

A serious omission was the fact that the two principal parties—the PLO and Israel—were not consulted to the necessary extent. The Carter administration was more than certain that Israel would oppose the presence of UN forces and made haste to have the resolution adopted in the Security Council, before the Israelis had time to counter this. While satisfied with the decision as a whole, the PLO feared, however, that the United Nations might impede the guerrillas' activity in South Lebanon. It took the secretary general 10 days to win from the PLO a promise to cooperate with UNIFIL. But this promise was subsequently broken repeatedly. The Security Council needed some time to assemble and station in this area a total force of 6,000 men under the command of Maj Gen E.A. Erskine from Ghana.

The Western countries which had voted for Resolution 425/1978 intended that UNIFIL should control practically the whole territory between the Litani River and the international border. The French and Senegalese UNIFIL formations were unable to take control of the city of Tyre on the Mediterranean coast, which was in the hands of the PLO. It was thus outside the area of operation of the UN force.
The Israeli forces began to gradually yield their positions to UNIFIL, but at the final stage of this process handed over their positions to the rightwing Christian formations led by Major Haddad. The area of operations of the UN force was cut in two. Situated in the middle of this so-called “gulf” between the two parts was the town of Marjayoun containing Haddad’s headquarters.

The boundaries established by Israel and the PLO for the UN peacekeeping force in South Lebanon did not afford it an opportunity to carry out the purposes of the mandate from the Security Council in full.

II

As a rule, peacekeeping forces are deployed in a neutral zone between the belligerents. UNIFIL’s position was entirely different. Various armed groupings operated on the territory of the UN force or attempted to penetrate across.

Pockets of support for the PLO, which maintained that the Cairo Agreement gave it the right to maintain bases in South Lebanon, remained on the territory which had been transferred to UNIFIL. But the Lebanese Government declared that the Cairo Agreement had no legal force following the events of 1978. Whatever the case, the number of “armed elements” in the UNIFIL zone, mainly from the PLO, had grown, according to UN calculations, to approximately 450 persons. They had over 30 support positions in this area.

Israel officially declared that its armed forces had left Lebanon on 13 June 1978. But formations of the Israeli armed forces displayed, as before, great activity in the unoccupied zone. They repeatedly made raids into the zone of the UN force, attacking the PLO guerrillas. Israeli aircraft flew over this territory constantly.

The activity of the rightwing Christian organizations remained a serious problem for the UN force also. Major Haddad repeatedly attempted to isolate the scattered UNIFIL observation posts inside the no man’s land; his formations often intruded into the UN area of operations and attacked Shia villages. In 1979 and 1980 they managed to set up five strategic positions on the territory controlled by the United Nations. In an appeal to Israel the UN secretary general protested, but fruitlessly. The critical point of the relations between UNIFIL and Haddad was reached on 24 April 1980, when the rightwing Christian forces bombed UNIFIL Headquarters in Naqoura. The Security Council condemned this attack.

Thus the assignment which, according to the mandate, UNIFIL faced—helping the Lebanese Government effectively administer the territory—was proving impracticable.

The Lebanese Government and the PLO drew up a plan aimed at realization of the clause of the UNIFIL mandate pertaining to the restoration of effective government authority in the south of the country. Major Haddad’s response was on 15 April 1979 to declare this territory a self-sufficient and independent Lebanese state. At the end of a 2-year period two regular Lebanese battalions were sent to the area of combat operations and placed under the UNIFIL commander.

UNIFIL was being interrupted daily by the attempts of individuals to cross the area of the UN force into Israel. For example, UNIFIL stopped 500 attempts in the first half of 1980. According to UN figures, in the period 1978-1982 “armed elements” from South Lebanon penetrated to Israel only once. This group had probably crossed no man’s land between the two UN detachments, that is, territory controlled by Haddad. However, Israel officially maintained that UNIFIL was ineffective and was letting many “terrorists” cross its territory.

III

Combat operations took a particularly serious turn in July 1981. The PLO shelled northern Galilee, and the Israeli forces bombed a target in the Beirut suburbs. The Security Council passed a resolution which demanded an immediate truce. By joint diplomatic efforts the UN secretary general and Ambassador P. Habib, special U.S. representative for the Near East, managed to arrange a cease-fire.

The next 8 months passed in relative tranquillity. UNIFIL did everything possible, attempting to settle instances which could have been misinterpreted by Israel and the PLO and which could have put the cease-fire in jeopardy. But outside of the UN zone tension was growing.

The situation in South Lebanon heated up noticeably in the spring of 1982. Israel held the PLO responsible for the assassination of its ambassador in London and launched a broad-scale invasion against Palestinian positions close to Beirut. In response the PLO shelled northern Galilee from guns deployed in Tyre. On 5 June the Security Council examined the menacing situation and called on the sides to cease fire. The PLO agreed. But when the UNIFIL commander met the commander of the Israeli armed forces in June for the purpose of handing over the text of the Security Council resolution, he saw for himself that Israel was preparing to immediately begin a very large military operation.

The Israeli armed forces attacked with two mechanized divisions with sea and air support. The offensive was carried out across the territory of the UN peacekeeping force. UNIFIL was incapable of putting a stop to the aggression. It was numerically small and not armed with heavy weapons, and its deployment had not anticipated...
combat operations. In addition, the means of transport and facilities in the UN force positions had been painted white in order that they might stand out against the background of the terrain.

Not all details of the UN force's reaction to the Israeli invasion have been elucidated, but certain points are known officially. In June 1981 even the UNIFIL commander had in cooperation with the UN secretary general issued an order to the effect that it was essential to impede the Israeli action by all means other than those which would have subjected UN personnel to serious danger. Timid attempts at preventing or delaying the Israeli offensive were made. Nepalese and Dutch UNIFIL soldiers attempted in a number of places to halt the Israeli armed forces' columns. But, as a whole, UNIFIL was at that time an impotent observer. The Israeli armed forces had strict orders not to harm personnel of the UN force. Meanwhile they passed through UNIFIL fortifications or around them.

The invasion had serious consequences for the political situation in Lebanon. The PLO had to transfer its headquarters from Beirut, and the majority of Palestinian guerrillas left South Lebanon. A multinational force with contingents from the United States, France, Italy and Britain was sent to Beirut in August-September 1982.

IV

UNIFIL is the sole example of a peacekeeping force being called on to perform its mission on occupied territory. The mandate of the UN troops emanated from 19 June 1982. The question as to what assignments they would subsequently perform may have been asked at that time with every justification. It can be seen with hindsight that they could at that very moment, perhaps, have been recalled without damage to the prestige of the United Nations and without the benefit of the peacekeeping operation being questioned. But the Security Council extended the term of the mandate by 2 months. In this period the motives determining the positions of the great powers changed. The United States endeavored to have the UN force, which, the idea was, could perform a new role following the impending departure of Israeli troops, remain.

Even in the period when the Israeli armed forces were controlling the bulk of South Lebanon, the UN force was still able to contribute to the preservation of peace and security on this territory. In addition, it performed some humanitarian assignments: the military operations had led to the civilian population being in need of various forms of assistance. UNIFIL cooperated with other UN organizations with long experience in this field.

The majority of Shi'ites, representing the largest group of the population of South Lebanon, did not recognize the occupation, and resistance to the aggressors began to grow. Amal, a Shi'ite paramilitary organization which had as of 1980 approximately led operations aimed against the PLO, now turned against the Israelis, who were by that time incurring serious losses.

The UN soldiers employed, as a rule, nonviolent methods aimed at preventing repression of the civilian population. For example, they were able to take up positions on the roofs of houses which the Israelis wanted to blow up.

A particular problem was the "South Lebanese Army". From the UN standpoint these units were neither forces of occupation nor a legitimate resistance movement. The fact that the UN force did not recognize the local gendarmerie either also led to the emergence of difficulties.

As far as the groups which were fighting the aggressors—the "South Lebanese Army" and other forces cooperating with the Israelis—were concerned, according to the rules of international law, the local population was justified in resorting to armed struggle against aggressors. The biggest of these resistance groups—Amal—was, in addition, officially recognized by the legitimate Lebanese Government. In accordance with an arrangement between UNIFIL and Amal, the resistance forces would not attack the Israeli armed forces and the "South Lebanese Army" in the UN zone.

Following the Israeli aggression, UNIFIL itself found itself in quite a difficult situation and was unable to carry out its original mandate. However, it defended the civilian population against the occupiers and prevented an expansion of the presence of Israeli forces in the UN area. The relatively tranquil conditions in the UN zone compared with other parts of Lebanon contributed to a growth in the numbers of the population and the restoration of the economy. Toward the end of the term of the mandate many municipal authorities were sending the United Nations letters requesting an extension of the troops' presence.

At the initiative of the United States Israel and Lebanon reached agreement on South Lebanon on 17 May 1983. In accordance with it, the Israeli armed forces and other non-Lebanese forces, Syrian included, were to withdraw from the country, and the Lebanese and Israeli governments were to cooperate in safeguarding security in the South. UNIFIL was to reallocate and considerably cut down on its functions and confine itself to protection of the Palestinian refugees in Sidon. Syria adopted an extremely negative attitude toward these decisions, and the Beirut government revoked the treaty.

The Israeli armed forces' losses were meanwhile growing. The Israeli troops quit the Chouf Mountains and in September 1983 formed a new line along the Amali River.
In this situation K. Waldheim, who held the office of UN secretary general at that time, made efforts for a resumption of negotiations between Lebanon and Israel for the purpose of safeguarding the security of South Lebanon. Negotiations between the commanders of the two countries were conducted in UNIFIL Headquarters in Naqoura throughout January 1985. Lebanon demanded the total withdrawal of the Israeli armed forces and the stationing of UNIFIL together with National Lebanese Army formations close to the international border. Israel wanted the main UNIFIL forces to be transferred to the north and stationed between the Zahrani and Amali rivers. Further south the main responsibility for security to be entrusted to the local forces, that is, the “South Lebanese Army”. These demands proved unacceptable, and the negotiations ended without result.

All parties to the conflict in South Lebanon face difficult problems. Let us examine the most important ones for Israel, Amal and UNIFIL.

At the present time Israel is counting wholly on the “South Lebanese Army” (SLA), the estimate of whose strength fluctuates from 1,200 to 1,500 men, only a few of whom are trained soldiers who could conduct operations as a tactical whole. Seventy percent of the SLA is made up of Christians, the remainder, Druze or Muslims, whereas the overwhelming majority of the population of the “security zone” is Shi’ite.

In the struggle against the PLO and other Arab groups conducting military operations against Israel the Israelis are counting not on the majority Shi’ite population but the Christian minority in the South. It is known that Israel attempted a rapprochement with Amal for the purpose of interaction in restraining the South. It is known that Israel attempted a rapprochement with Amal for the purpose of interaction in restraining the South. According to rumor, these attempts were rejected.

Amal is urging the UN force to expand its zone of operations to the international border. This could happen only in the event of Israel approving such a plan. However, the latter is unlikely since the Israelis are convinced that UNIFIL would not protect Israel against attacks across the UN zone. Amal thus has an interest in defending the Israeli armed forces against attacks, and in practice this organization is cooperating with UNIFIL to a certain extent in activity geared to putting a stop to the activity of the so-called “armed elements” in the UN zone. However, the civilian population perceives Amal as a passive and ineffective organization.

Relations between UNIFIL and the Israeli armed forces/SLA remain complicated. Dangerous situations arise often in the area of the Nepalese and Irish battalions. From time to time it appears that Israel is striving in every way possible for a deterioration in the situation for the UN force, which would lead to its withdrawal from Lebanon. The Israeli armed forces and the SLA frequently direct their fire against transport facilities and positions of the UN force, although they do not cause noticeable damage.

The United Nations recognizes in principle the right to liberation struggle, but in practice UNIFIL sometimes deters it, controlling transport, confiscating weapons and so forth. At the same time, however, the UN force is inconsistent in its attempts to put a stop to military actions against the Israeli armed forces/SLA. It does not intervene in the mining of sectors of the road which is used only by the Israelis and their allies. It also distances itself at the time of clashes between the “armed elements” and the Israeli armed forces/SLA.

It is not easy to explain why UNIFIL has opted for these tactics. But there is a danger of the military operations expanding and trust in UNIFIL diminishing and, as a
result, of the UN force's own losses growing. Intervention in the operations of the parties to the conflict in South Lebanon might be an alternative.

VII

Since Amal is disposed toward a stimulation of military operations in the region, UNIFIL's position could become even more complex. In the fall of 1986 large-scale units of the French contingent were withdrawn, having been subjected to attack by the "armed elements". There is telling reason to see this as hostile operations against France in response to its policy in the Near East and Persian Gulf. However, these instances testify how slight are the guarantees of UNIFIL. This also raises the problem of the use of contingents of the great powers in the UN force.

At the start of 1988 the general crisis in Lebanon was even further from a solution than in the period when UNIFIL was created. Nor is the achievement of a general cease-fire combined with new "national reconciliation" likely. Nonetheless, in the atmosphere of chaos which reigns there UNIFIL is a stabilizing element, and the need for its presence will undoubtedly continue.

The situation in Lebanon has been brought about by the situation in other parts of the region. Hezbollah, Amal and other armed formations depend on military-political support. It is generally acknowledged that Hezbollah receives assistance from Iran, whereas Amal is dependent to a greater extent on Syria.

The situation in Lebanon is also influenced by relations between the superpowers. Israel's most important ally is the United States, whereas the USSR supports Syria. The USSR also has a certain opportunity of influencing the PLO. The Reagan administration has pursued a more pro-Israel policy than the Carter administration, which was at the source of the formation of UNIFIL.

Many countries which have put troops at the disposal of the United Nations wanted the United States to use its influence on Israel to a greater extent for a reduction in the Israeli armed forces' constant attempts to make difficulties for UNIFIL. The achievement of mutual understanding between the superpowers in support of the UN force was a step in the right direction in the efforts to put an end to the conflict in Lebanon.

VIII

Secretary General Waldheim once made the effectiveness of UNIFIL dependent on the following conditions: full confidence in it and support on the part of the Security Council, a readiness to cooperate with it of the parties concerned and its efficiency as a military formation.

The history of UNIFIL confirms the soundness of this approach. The majority of difficulties could have been avoided had it not been for pressure on the part of the main parties to the conflict—Israel and the PLO. UNIFIL was created without the necessary preliminary diplomatic preparation. The situation has been made worse by the fact that many Security Council members have not given the force full support and have not taken advantage of opportunities to influence their friends and "clients" in the region of the conflict to seek constructive solutions. UNIFIL's experience shows how important it is for the force to pursue a consistent and firm policy. No outside diplomatic assistance can substitute for the UN force's effective control on the territory under its jurisdiction.

UNIFIL operations confirm the significance of the concept at the basis of the operations of peacekeeping forces.

Footnote

1. Following the death of Major Haddad at the start of 1984, the forces were reorganized under the leadership of a new commander, Maj Gen Lahad. They came to be called the "South Lebanese Army".

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda".
"Mirovaya ekonomika i mezhdunarodnyye otnosheniya", 1988

Mirskiy Article on Roots of Third World Terrorism Critiqued

[Letter from Doctor of Historical Sciences V. Iordanskiy: "Further Search Needed"]

In issue No 8 for this year the journal carried G. Mirskiy's article "Extremism, Terrorism and Internal Conflicts in the 'Third World'". In response to it the editorial office has received a letter, which we publish below.

Dear Editors,

G.I. Mirskiy's article combines somewhat paradoxically an in-depth analysis of the problem and the exclusion from the field of vision of a number of important aspects thereof.
The article calls the reader's attention to such spheres of conflict as national-ethnic relations and relations between different religious movements, and the core of these questions has been illustrated extremely rarely in Soviet scholarship. G.I. Mirskiy's bringing together of national-ethnic clashes and contradictions in religious soil is interesting and fruitful inasmuch as in both cases "it is a question of the problem of self-assertion and self-identification—finding one's own distinctive persona and place in the world of ethnic or religious groups which were previously 'cooked' in the common colonial pot and which made common cause with their ilk in joint protest against colonial oppression, but subsequently, within the framework of an independent state, have felt themselves short-changed."

Developing this idea, G.I. Mirskiy reveals the underlying economic motives of ethno-national and religious contradictions, which enriches the picture he has painted considerably.

Nonetheless, a sense of dissatisfaction begins quite quickly to mingle with the original interest evoked by the article. Why so? Probably because the scholar's view, fresh and original, is not in all instances adequately expressed in the text and because he has merely touched on certain topics requiring thorough study.

A principal merit of the article, perhaps, is the fact that it invites us to continue the author's line of reasoning, take issue with it and make certain clarifications.

Specifically, I would like to develop G.I. Mirskiy's ideas, posing the question of the mechanism of interaction of ethnic, religious and social principles in the public mind, which is directly related to the subject raised by the scholar. After all, it is difficult to understand the pathology of extremism in its two manifestations—mass violence and individual terror—without consideration of ethnic narrowness, religious intolerance and social aggressiveness, which are usually interrelated.

A tremendous diversity of ethnoses—from extremely archaic to highly developed—is observed in "third world" countries, and ethnoses at stadially different levels of development may be neighbors within a single state, what is more. In addition, appreciable qualitative discrepancies in the level of development of its individual "branches" are frequently revealed in a single large ethnic group even. As a rule, the ethnoses think of itself in ideas which are inseparable from the system of its religious beliefs. This is understandable. Religion is not exhausted by a belief in one or many gods, holy scripture and its theological interpretations and a variety of rituals but incorporates a people's ideas concerning the structure of the universe, where secular time and space are in opposition to their sacred counterparts, man's personality and destiny and morality. Altogether these ideas separate the spiritual world of one ethnose from another. It is no accident that in the "third world" religious delineation so often accompanies ethnic separation.

I believe that we err when in analyzing interethic relations we fail to introduce, besides political categories proper, such essential ideas for the public mind as "purity" and "pollution" and the opposition of the secular and sacred in the universe, when we fail to take into account the public understanding of the personality and its nature and when we fail to see that the feeling of ethnic exclusiveness is nearly always nurtured by the belief of a given nation's particular relations with a supreme deity. Wittingly or unwittingly, these ideas predetermine the extent of people's tolerance and their openness and thereby exert a powerful influence on political behavior. Thus the basis of fundamentalism is the psychological (and ultimately philosophical) reaction of broad social strata in defense of the "purity" of cultural and moral national traditions and in defense of society against foreign influences. And all this under the sign of fidelity to religious views in their most archaic, that is, not polluted by the passage of time, form.

In speaking of the socioeconomic aspects of interethnic conflicts account surely has to be taken of the fact that historically separate ethnoses have gravitated in polyethnic communities toward the establishment of a monopoly of this type of economic activity or the other. One of the oldest divisions, which occurred back in the profoundest antiquity, is the delineation of farmers and herdsmen. "Tribes" of fishermen, "tribes" of itinerant tradesmen and others are known in Tropical Africa. Certain castes in India identical to archaic ethnic groups have features of occupational specialization also. The monopolization of various spheres of activity by the ethnoses has been the basis of their economic cooperation and interaction, frequently of a conflict nature, it is true. This phenomenon is being slow to disappear under modern conditions. In addition, in some places (Kuwait and the UAE, for example) it is becoming part of the social strategy of the powers that be.

As a result ethnic groups are "aligned" in their mutual relations in a hierarchical row in which the social significance of the types of labor activity which they have monopolized predetermines the place of each group. In addition, in many developing countries the owners of land belong to one ethnic group, and the tenants or laborers, to another. The social conflict between them inevitably acquires an ethnic coloration.

The friction which arises as a result of the rivalry of the ethnic "monopolies" is exceptionally painful and prolonged, but the breakup of Afro-Asian societies is gradually pushing them into the background of social life. This by no means signifies, incidentally, that the explosive potential of such contradictions has already been exhausted.

National-ethnic conflicts, the essence of which is national minorities' dissatisfaction with their subordinate, unequal, inferior status in a multinational state, predominate currently, G.I. Mirskiy believes, in Asia and Africa. I would be more cautious in my evaluation of
this phenomenon. Whether such conflicts have indeed become predominant it is hard to tell owing to the lack of reliable information. I believe that protests on ethnic grounds, the reason for which is the endeavor of the majority to protect its interests against the encroachments of the minority, are very frequent. In Asia and Africa it is the ethnic majority which finds itself at times in a degraded position. For example, as noted in G.I. Mirskiy's article, ethnic conflicts inherited by present-day Afro-Asian societies from precolonial times are still frequent. Such, in particular, were clashes mentioned in the article in Burundi and Rwanda between the parvenu "race" of herders— the Tutsi—and the indigenous "race" of farmers—the Hutu.

In my view, the essence of the problem is that together with the trend—very powerful and pronounced—toward the cohesion of polyethnic communities in the "third world" there operates also the opposite trend—the severance of traditional, historically evolved interethnic relations: cultural, economic and political. This process is of a painful, contradictory and sometimes somewhat paradoxical nature. For example, separatism more often than not expresses the interests not of oppressed and inferior but relatively wealthy and economically influential groups.

At the same time it is obvious that separatist protests sometimes acquire the features of a national liberation movement. The possibility of the upsurge of a wave of such movements in Asia, Africa and, perhaps, Latin America also certainly cannot be ruled out.

I would like to say one thing in connection with the evaluation of patron-client relations as a "leading component of the political struggle" where the ethnic affiliation factor plays no part. I honestly admit that the meaning of this definition is not entirely clear to me. The author probably wished to stress the particular importance in "third world" countries not so much of horizontal social relations—occupational, group, class—as of vertical relations of dependence. And, consequently, the particular role in the political struggle of incidental, personality factors. After all, whereas in societies with developed horizontal relations the political forces represent mainly social interests, where patron-client groups are preponderant the aspirations of their leaders are paramount and selfish egotistical considerations predominate. The degree of predictability of the historical process under these conditions diminishes sharply, and it itself begins to look like a pointless succession of bloody clashes.

In the course of his analysis G.I. Mirskiy concludes that "the oriental society is literally imbued with latent, potential capacity for conflict—on national-ethnic, religious, clan and patron-client grounds." In his opinion, this conflict capacity is becoming more menacing as a result of the processes which have unfolded since the winning of independence.

It is difficult to argue with this general assessment. It is borne out by the facts also, seemingly: the rebellions, pogroms, armed clashes and wars erupting in the "third world" are frequent and bloody. Nonetheless, I believe that G.I. Mirskiy is in this case exaggerating the degree of internal tension in the developing countries. Alongside the zones of internecine clashes—social, religious or ethnic—there are vast areas of stable order. In the vast majority of cases the conflicts are of a local nature. The burden of traditions, the rigidity of social control and the passiveness of the individual inculcated over centuries are curbing the growth of hidden contradictions into open confrontation.

G.I. Mirskiy writes that Soviet scholarship, with its emphasis on the role of the class factor, has left in the background the internal ethnic and religious heterogeneity of Asian and African societies. This observation is only partially justified, in my view. It is easy to bring to mind the names of scholars who have studied contemporary religious movements in oriental countries and ethnic processes. That their works were printed in miserably small editions and have been passed over in silence by their colleagues is another matter. In any event, this cannot be grounds for going to the opposite extreme and, upon an analysis of social contradictions, disregarding class relations. The more so in that man's exploitation of man in the developing countries is distinguished by its truly barbaric nature. Nowhere does wealth behave so cynically and with such conceit and arrogance as in the "third world," where it literally provokes the have-nots and those of slender means.

Finally, the emergence and formation of capitalism are being accompanied there by the prevalence of corruption, which is destroying social morality and awakening social aggressiveness.

It should be emphasized that the role of social factors proper is, if not more important than ethnic or religious factors, more primary than the latter as far as the emergence of zones of heightened tension is concerned. I believe that in the Afro-Asian world the psychological climate is largely determined by painful, pathological social processes. The gap between the relatively high rate of disintegration of archaic structures and the pace of the formation of modern-type social groups, which is lagging behind them, given the inadequate capacity of the public mind for reorganization with reference to the new economic and cultural conditions, is widening there. Alongside the patron-client relations class relations, which are already performing a tremendous role, are taking shape. But simultaneously considerable numbers of society are under the impact of the disintegration processes finding themselves "atomized" in small and tiny cells, contacts between which are very weak. In the appeal to religion and the worship of a leader—protector and benefactor—people who have lost their former social ties are seeking a new unity.

And, finally, external factors. They also remained outside of the scholar's field of vision, although the pressure of imperialism and its interference in the developing
countries' internal affairs are a principal cause of conflicts. Even the West's cultural influence is giving rise to fierce outbursts of protest. And such events as the American bombing of Libya, for example, are arousing feelings of anger and hatred in "third world" countries.

G.I. Mirskiy employs the ethnos, clan, nation and religion concepts in his article, but makes no attempt to elucidate how the events which occur are perceived by the individual. Yet this individual is facing truly giant changes and upheavals. Inattention to the individual is a typical shortcoming of our social science works. We know very little about the ideas concerning the individual and the nature of his relations with society which exist in the various cultures of the "third world". We have practically no studies on the mechanisms and limits of the social emancipation of the personality in developing countries. The list of questions which arise would seem endless. The answers in literature, on the other hand, are few and are incomplete or unsatisfactory.

Until this field of scholarly quest has been developed more thoroughly, it will be difficult to expect us to penetrate in depth the essence of phenomena where the social intersects with the philosophical and psychological. Such, in particular, are the phenomena of individual terror and international terrorism. Of course, it can only be regretted that G.I. Mirskiy, while rightly condemning terrorism as a form of political struggle, does not aspire to reveal the circumstances which prompt a young person, as a rule, to sacrifice his life in an action which in the eyes of the majority of his compatriots will remain an act of senseless villainy. But the question arises: has a base been created in our scholarship which would permit such an attempt to be made? In any event, this would require the development of new, nontraditional methods of analysis.

The situation in the developing countries is such that the subjects of terrorism, extremism and capacity for conflict will remain pertinent for a long time to come. For this reason study of the problem should be continued.

I am reading MIROVAVA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA with increasingly great interest and pleasure. Articles at the level of world scholarly standards are appearing increasingly often. Observing the reaction of Soviet readers of MIROVAVA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA, I may say with confidence that the journal is making its contribution to the intellectualization of our social life. The discussion on a comparison of the paths of development of India and China, for example, may be put in this category. Incidentally, our political science is greatly lacking in such comparative-historical studies; there is a shortage also of specific-historical studies, which the West calls "case studies". There are many reasons for this beyond authors' control, evidently—primarily the lack of fresh archive material, testimony of the direct participants in events and so forth. There is an acute lack thereof not only in our political science but also in historical science, which has been extremely fragmented in both time and space.

But, I am profoundly convinced, introducing such research culture is essential. Numerous case studies in various fields are designed to create that seam of knowledge only on the basis of which it is possible to make any theoretical generalizations of new quality.

I believe that the journal's editors have succeeded in determining the optimum between material which is particularly professional and that which is of interest to a broader readership.

A most important topic which has as yet been broached insufficiently by the journal, it would seem, is the role and place of the USSR in the contemporary system of international relations, the fate of our country as a great power and an examination of these questions in the necessary historical context.

With profound respect,

A. Kokoshin, corresponding member of the USSR Academy of Sciences, deputy director of the USSR Academy of Sciences United States and Canada Institute.


COPYRIGHT: Izdatelstvo TsK KPSS "Pravda".

"Mirovaya ekonomika i mezhdunarodnyye otnosheniya", 1988

USA Institute's Kokoshin Urges Further 'Case Studies'

I am reading MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA with increasingly great interest and pleasure. Articles at the level of world scholarly standards are appearing increasingly often. Observing the reaction of Soviet readers of MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA, I may say with confidence that the journal is making its contribution to the intellectualization of our social life. The discussion on a comparison of the paths of development of India and China, for example, may be put in this category. Incidentally, our political science is greatly lacking in such comparative-historical studies; there is a shortage also of specific-historical studies, which the West calls "case studies". There are many reasons for this beyond authors' control, evidently—primarily the lack of fresh archive material, testimony of the direct participants in events and so forth. There is an acute lack thereof not only in our political science but also in historical science, which has been extremely fragmented in both time and space.

But, I am profoundly convinced, introducing such research culture is essential. Numerous case studies in various fields are designed to create that seam of knowledge only on the basis of which it is possible to make any theoretical generalizations of new quality.

I believe that the journal's editors have succeeded in determining the optimum between material which is particularly professional and that which is of interest to a broader readership.

A most important topic which has as yet been broached insufficiently by the journal, it would seem, is the role and place of the USSR in the contemporary system of international relations, the fate of our country as a great power and an examination of these questions in the necessary historical context.

With profound respect,

A. Kokoshin, corresponding member of the USSR Academy of Sciences, deputy director of the USSR Academy of Sciences United States and Canada Institute.


COPYRIGHT: Izdatelstvo TsK KPSS "Pravda".

"Mirovaya ekonomika i mezhdunarodnyye otnosheniya", 1988

Chronicle of Institute Activities

I am reading MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA with increasingly great interest and pleasure. Articles at the level of world scholarly standards are appearing increasingly often. Observing the reaction of Soviet readers of MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA, I may say with confidence that the journal is making its contribution to the intellectualization of our social life. The discussion on a comparison of the paths of development of India and China, for example, may be put in this category. Incidentally, our political science is greatly lacking in such comparative-historical studies; there is a shortage also of specific-historical studies, which the West calls "case studies". There are many reasons for this beyond authors' control, evidently—primarily the lack of fresh archive material, testimony of the direct participants in events and so forth. There is an acute lack thereof not only in our political science but also in historical science, which has been extremely fragmented in both time and space.

But, I am profoundly convinced, introducing such research culture is essential. Numerous case studies in various fields are designed to create that seam of knowledge only on the basis of which it is possible to make any theoretical generalizations of new quality.

I believe that the journal's editors have succeeded in determining the optimum between material which is particularly professional and that which is of interest to a broader readership.

A most important topic which has as yet been broached insufficiently by the journal, it would seem, is the role and place of the USSR in the contemporary system of international relations, the fate of our country as a great power and an examination of these questions in the necessary historical context.

With profound respect,

A. Kokoshin, corresponding member of the USSR Academy of Sciences, deputy director of the USSR Academy of Sciences United States and Canada Institute.


COPYRIGHT: Izdatelstvo TsK KPSS "Pravda".

"Mirovaya ekonomika i mezhdunarodnyye otnosheniya", 1988

Chronicle of Institute Activities

I am reading MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA with increasingly great interest and pleasure. Articles at the level of world scholarly standards are appearing increasingly often. Observing the reaction of Soviet readers of MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA, I may say with confidence that the journal is making its contribution to the intellectualization of our social life. The discussion on a comparison of the paths of development of India and China, for example, may be put in this category. Incidentally, our political science is greatly lacking in such comparative-historical studies; there is a shortage also of specific-historical studies, which the West calls "case studies". There are many reasons for this beyond authors' control, evidently—primarily the lack of fresh archive material, testimony of the direct participants in events and so forth. There is an acute lack thereof not only in our political science but also in historical science, which has been extremely fragmented in both time and space.

But, I am profoundly convinced, introducing such research culture is essential. Numerous case studies in various fields are designed to create that seam of knowledge only on the basis of which it is possible to make any theoretical generalizations of new quality.

I believe that the journal's editors have succeeded in determining the optimum between material which is particularly professional and that which is of interest to a broader readership.

A most important topic which has as yet been broached insufficiently by the journal, it would seem, is the role and place of the USSR in the contemporary system of international relations, the fate of our country as a great power and an examination of these questions in the necessary historical context.

With profound respect,

A. Kokoshin, corresponding member of the USSR Academy of Sciences, deputy director of the USSR Academy of Sciences United States and Canada Institute.


COPYRIGHT: Izdatelstvo TsK KPSS "Pravda".

"Mirovaya ekonomika i mezhdunarodnyye otnosheniya", 1988

Chronicle of Institute Activities

I am reading MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA with increasingly great interest and pleasure. Articles at the level of world scholarly standards are appearing increasingly often. Observing the reaction of Soviet readers of MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA, I may say with confidence that the journal is making its contribution to the intellectualization of our social life. The discussion on a comparison of the paths of development of India and China, for example, may be put in this category. Incidentally, our political science is greatly lacking in such comparative-historical studies; there is a shortage also of specific-historical studies, which the West calls "case studies". There are many reasons for this beyond authors' control, evidently—primarily the lack of fresh archive material, testimony of the direct participants in events and so forth. There is an acute lack thereof not only in our political science but also in historical science, which has been extremely fragmented in both time and space.

But, I am profoundly convinced, introducing such research culture is essential. Numerous case studies in various fields are designed to create that seam of knowledge only on the basis of which it is possible to make any theoretical generalizations of new quality.

I believe that the journal's editors have succeeded in determining the optimum between material which is particularly professional and that which is of interest to a broader readership.

A most important topic which has as yet been broached insufficiently by the journal, it would seem, is the role and place of the USSR in the contemporary system of international relations, the fate of our country as a great power and an examination of these questions in the necessary historical context.

With profound respect,

A. Kokoshin, corresponding member of the USSR Academy of Sciences, deputy director of the USSR Academy of Sciences United States and Canada Institute.

Speaking of the importance of a correct evaluation of the economic role of the major companies, the speaker distinguished two different, but closely interconnected questions: do they preserve the predominant position in the contemporary capitalist economy and, if so, to what extent is this manifested in their actual power over the market. The answer to the first question is, in his opinion, unequivocally affirmative. Whence the particular political economy significance of the second problem, to an analysis of which the study assigned a central place, is obvious.

Under modern conditions, S.M. Nikitin emphasized, oligopoly has come to the fore as the dominating sectoral organization in the economic arena: a substantial or the preponderant part of the production and capital of a sector is concentrated in a limited circle of major companies playing within the framework of specialized industries or local-territorial markets the part of leading producers.

Together with oligopoly, the scholar observed, an important part in the economic mechanism of capitalism is now played also by government regulation aimed, as a rule, at the stimulation with the aid primarily of economic levers of particular versions of the development of the economy without the undermining of or substitution for the market oligopolistic mechanism. Thus the development of science specifically, particularly basic and long-term research, enjoys the strong support of the bourgeois state.

Prof Van Chong, director of the Asia and Pacific Institute of the SRV [Socialist Republic of Vietnam] Social Sciences Committee, was a guest of the World Economy and International Relations Institute. The staff of the Pacific Studies Department told the guest in detail about the diverse fields of this subdivision's scientific activity, its structure and prospects and changes connected with the ongoing realization of perestroika. A central place in the discussion was occupied by questions concerning peace and security in Southeast Asia. As Prof Van Chong emphasized, principles of the new political thinking are being affirmed in the Vietnamese leadership's approach to this set of problems. The active foreign policy actions and specific initiatives of the Soviet Union in the international arena as a whole and in the vast Asian context in particular are contributing to a considerable extent, he said, to the pursuit of this realistic policy (specifically, in the course of a settlement of the Cambodia problem). Possible particularly political ways and means of settling the conflict situations here precluding the use of military force were discussed in the course of the meeting.

A group of students and graduates of Arhus University's Political Science Institute (Denmark) was the guest of the USSR Academy of Sciences World Economy and International Relations Institute. The guests were familiarized with the structure and nature of the activity of the World Economy and International Relations Institute staff and its role in the elaboration of problems associated with realization of the country's optimum foreign policy and a strengthening of its positions in the international economic arena. In conversation with the Soviet specialists they obtained comprehensive answers to a number of questions pertaining to the realization of the peace initiatives in the disarmament field advanced by the USSR leadership, ways of strengthening economic security, economic cooperation between the CEMA countries and the EEC, the influence of the Soviet public (opinions, specialist-expert recommendations) on the important political decision-making process and also particular features of the present stage of the development of relations along East-West lines.

Richard Herr, head of the Tasmanian University Political Sciences Department (Australia), was a guest of the institute. He was acquainted with the structure and main areas of research performed by various World Economy and International Relations Institute subdivisions, primarily the International Problems of the Oceans Department (which studies, in particular, the South Pacific region and Antarctica), in which he was particularly interested. In turn, the guest described the work of the research staff which he heads, in which a most important place is occupied by study of this part of the world, and also the activity of the Australian Center for Scientific Study of Antarctica. Questions concerning, in particular, the prospects of a special instrument of international law concerning Antarctica in the light of the examination of these problems in UN bodies was discussed in the course of the conversation. In the Australian scholar's opinion, the task of support in this context for sound scientific efforts is now becoming predominant inasmuch as this should be a key component and instrument of the organization of mutually profitable cooperation of both the developed powers—capitalist and socialist—and the young independent states in such an important area of the planet. To conclude the discussion R. (Kher) conveyed to the employees of the institute studying questions of the position of Antarctica in international law an invitation to participate in a corresponding scientific conference planned by the Australian side for 1990.

A group of Japanese scholars—lecturers at the Osaka University of Economics and Law—was the guest of the World Economy and International Relations Institute. In the course of a meeting with institute staff the guests were notified in detail of the arterial directions of the scientific research performed here and the salient features of the consistent restructuring of its activity at the current stage and, in turn, described the activity and the structure of the institution which they represent, which maintains extensive international contacts with a number of universities of the United States, France and other states.
Specifically, they noted that the number of students displaying an interest in study of Russian had been growing recently. Both sides emphasized the importance of the continued expansion and strengthening of Soviet-Japanese scientific ties and the establishment of businesslike, creative contacts where they are for various reasons still lacking or insufficiently developed.

Conversations in the institute between staff of the USSR Academy of Sciences World Economy and International Relations Institute, staff of the Economics of the World Socialist System Institute, and Prof H. Meyer of Stanford University (United States), who was visiting our country, were devoted to a discussion of the progress of the work on the joint Soviet-American monograph “Policy of the USSR and the United States in the Sphere of Aid to Developing Countries”. The sides exchanged opinions on the first version of a chapter of the book devoted to questions of aid to young independent states in the fields of education and personnel training and technical assistance presented by the American specialist. It was noted that the material had been prepared on a sound scientific level, contained much interesting information and corresponded, as a whole, to the proposed concept of the work, and a number of considerations, observations and wishes geared to the achievement of the high ultimate quality of this important social science study were expressed also.

COPYRIGHT: Izdatelstvo TsK KPSS “Pravda”. “Mirovaya ekonomika i mezhdunarodnyye otnosheniya”, 1988

Index of Articles Published by Journal in 1988
18160005n Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 12, Dec 88 pp 151-157

[Text] Nineteenth Party Conference and Problems of World Development
G. Sturua, Soviet-American Relations at the New Stage (9)
V. Sheynis, Capitalism, Socialism and the Economic Mechanism of Modern Production (9)
Theses of the World Economy and International Relations Institute(12)
Soviet-American Summit
V. Baranovskiy, Comment on the Treaty (2)
O. Bykov, New Political Thinking in Action (2)
Ye. Primakov, Breakthrough in Washington (2)
Moscow Summit
N. Shishlin, Paving the Way to the Future (8)
International Relations and Foreign Policy
A. Arbatov, Deep Cuts in Strategic Arms (4, 5)
A. Arbatov, Are There Really Grounds for Argument? (10)
V. Baranovskiy, Comment on the Treaty (2)
S. Blagovolin, Approximation to Realities (5)
A. Bovin, Peaceful Coexistence and the World Socialist System (7)
Yu. Borko, Certain Aspects of Study West European Integration Processes (2)
Yu. Borko, B. Orlov, Thoughts on Europe’s Destiny (9)
O. Bykov, New Political Thinking in Action (2)
A. Vasilyev, M. Gerasev, Certain Results of the R. Reagan Administration’s Military-Political Course (5)
G. Vorontsov, From Helsinki to the ‘Common European House’ (9)
V. Goldanskiy, V. Davydov, Preventing the Horizontal Proliferation of Nuclear Weapons (8)
G. Diligenskiy, Benefits of Clarity (6)
Ye. Yegorova-Gantman, K. Pleshakov, Concept of the Image and Stereotype in International Relations (12)
M. Yershov, S. Stankovskiy, Conference in Kabul (10)
V. Igorev, Cultural Exchange and Policy in the Era of the S&T Revolution (6)
V. Israelyan, International Dialogue in the Light of the New Thinking (5)
A. Kislov, New Political Thinking and Regional Conflicts (8)
Yu. Kirshin, Policy and Military Strategy in the Nuclear Age (11)
A. Kokoshin, Development of Warfare and a Reduction in Armed Forces and Conventional Arms (1)
A. Kokoshin, V. Kremenyuk, V. Sergeyev, Questions of the Study of International Negotiations (10)
A. Kokoshin, V. Larionov, Confrontation of Armies in the Context of Securing Strategic Stability (6)
A. Kolosovskiy, Regional Conflicts and Global Security (6)
T. Kronsho, Way to Unity of the World? (11)
L. Lyubimov, New Thinking and Soviet-American Relations (3)
Yu. Oleshchuk, The Budget Deficit and U.S. Policy (6)
V. Petrovskiy, The United Nations and Renewal of the World (4)
A. Pikayev, A. Savelyev, The Strategic Defense Initiative: Supporters' Arguments and Opponents' Objections (12)
E. Pozdyakov, National, State and Class Interests in International Relations (5)
E. Pozdnyakov, With Whom, How and for What Reason Is A. Arbatov in Dispute? (10)
V. Popov, Political Elite of the World Meets in Moscow (10)
Ye. Primakov, Breakthrough in Washington (2)
V. Razmerov, Yu. Fedorov, Two Trends in Imperialist Relations (1)
S. Rodionov, The X-Ray Laser: Weapon or Bluff? (8)
Ye. Starostina, Ye. Cherkasova, Spain's Latin America Policy (3)
G. Sturua, Soviet-American Relations at the New Stage (9)
B. Surikov, 'Star' Illusions (12)
H.-J. Vogel, The SPD's Foreign Policy Philosophy (7)
A. Chervyakov, France's New Military Program for 1987-1991 (3)
K. Skjelsbaek, UN Peacekeeping Operations in South Lebanon: Practice and Prospects (12)
N. Shishlin, The Way to the Future Is Being Paved (8)
D. Yuryev, At the Vienna Meeting (4)
V. Avakov, S. Georgiyev, Ye. Dmitriyev, V. Ivanov, F. Kamov, V. Kuvaldin, I. Lisitsina, S. Sokolskiy, V. Shamber, Current Problems of World Politics (International Roundup) (1, 4, 7, 10)
Economics of the Socialist Countries and 'East-West' Cooperation
Yu. Akhremenko, Soviet National Committee Formed (5)
Yu. Vasilchuk, Cooperation and Socialism (7)
The USSR's Foreign Economic Relations in the Perestroika Process (9)
L. Zevin, Certain Questions of the USSR's Economic Cooperation With the Developing Countries (3)
V. Ivanov, A. Minakir, The Role of Foreign Economic Relations in the Development of the USSR's Pacific Regions (5)
Michael D. Intriligator, The Soviet 'New Thinking' and the Outlook for 'East-West' Relations (9)
M. Maksimova, Revealing the Potential of Cooperation (10)
Alec Nove, Market, Hierarchy and the Agro-Industrial Committee (11)
E. Pletnev, World-Economic Section of Perestroyka and Economic Theory (7)
V. Spandaryan, N. Shmelev, Problems of an Increase in the Efficiency of the USSR's Foreign Economic Relations (8)
A. Tyagunenko, Organization of Agrarian Production in Hungary and the CSSR (6)
Economic Mechanism of the CEMA Countries: Directions of Restructuring (12)
S. Shibayev, A. Rubtsov, The USSR's Science-Production Cooperation With West European Countries (7)
From the History of Economic Thought
N. Makasheva, N.D. Kondratyev—Brief Biographical Outline (9)
Ye. Belyanova, S. Komlev, Document of the Era (9)
N. Kondratyev, Contentious Issues of the World Economy and Crisis (Response to Our Critics) (9)
Problems of the Capitalist Economy
I. Bashmakov, Reasons for the Fall and Prospects of the Dynamics of the Price of Oil (1)
A. Bereznoy, Mechanism of Multilateral Economic Diplomacy (5)
V. Biryulev, France's Economic Position Today (4)
O. Bogacheva, Limits of 'Reaganomics' (3)
N. Vishnevskaya, Prospects of Increased Employment Are Deteriorating (3)
G. Vasilkova, Italy: Belated Improvement in Economic Conditions (4)

V. Volobuyev, United States: Problems of the Formation of a New State-Monopoly Structure (1)

M. Grachev, Management of Labor Under the New Conditions of Economic Growth (3)

L. Grigoryev, 'Year of Panic' (1)

L. Grigoryev, Ye. Kononenko, How Reliable Are the Forecasts? (4)

L. Gromov, A. Nikolin, Use Value of the Military Product (2)

O. Ivanova, Disproportions in International Commerce Remain (2)

V. Karpunin, On the Developing Countries' Stock Markets (4)

V. Kachalin, Principles of the Organization of American Corporations' Research-Production Complexes (12)

I. Kelner, 'We Are Definitely on the Road to Recession' (6)

O. Korchagina, The Japanese Economy: Switch to Domestic Demand (3)

Yu. Kochevrin, The Major Corporation as a Subject of Study (11)

V. Kravtsov, Canada—Growth Continues, Problems Remain (4)

V. Kuznetsov, Control of the Capitalist Economy in the 1980's (8)

Vl. Kuznetsov, New York Stock Exchange Crash (1)

Yu. Kuzovkov, Factors of the Formation of Capitalist Countries' Currency Rates (11)

(Kh. Kuntse), Economic Aspects of SDI (2)

S. Markaryan, Particular Features and Trends of the Development of Japan's Agriculture (7)


Ya. Pevzner, New Thinking and the Need for New Approaches in Political Economy (10) [issue as published]

E. Pletnev, The World-Economic Section of Perestroyka and Economic Theory (7)

A. Poletayev, I. Savelyeva, Long Waves in the Development of Capitalism (5)

V. Presnyakov, Technology Positions of West Europe (9)

S. Pyatenko, Malicious Intent or Economic Processes? (11)

V. Rosin, Militarization of Japan: Economist's View (1)

D. Smyslov, In the Search for Ways To Improve the International Currency System (3)

V. Sorokina, Problems and Development Trends of West Europe's Retail Trade (6)

A. Sterlin, General Motors: Ways of Improving Management (1)

A. Timokhin, Great Britain on a Wave of Upturn (4)

F. Filippov, Current Questions of the Political-Economic Study of the World Economy (3)

S. Kharlamov, Trends of the Export of Japanese Capital (10)


V. Khlynov, The 'King of Japanese Electronics' Speaks (6)

A. Tsimaylo, Stability Instability of the Currency System (2)

V. Sheynis, Capitalism, Socialism and the Economic Mechanism of Modern Production (9)

G. Esters, Structural Adaptation of the FRG Economy (10)

Yu. Yudanov, In Search of an Efficient Innovations Strategy (4)

Yu. Yudanov, Particular Features of Quality Control in the FRG (7, 8)

Yu. Yudanov, The FRG in the Latter Half of the 1980's—Basic Problems and the Search for Their Solution (9)

Heinz Jung, Versions of the Development of State-Monopoly Capitalism (2)

A. Yasenovskiy, Reduction in Exports—Impediment to the FRG's Economic Development (3)

Analysis and Critique of Bourgeois Theories

S. Morgachev, On the Question of 'Northern Balance' (1)
V. Studentsov, The New Cambridge School (2)

Social Problems and Internal Political Development of the Capitalist Countries. Questions of the International Workers Movement

Yu. Borko, Certain Aspects of Study of the West European Integration Process (2)

Yu. Borko, 'Clear' Questions Requiring Study (5)

I. Bunin, A. Kudryavtsev, France on the Eve of the Presidential Election (4)

G. Vaynshteyn, Mass Democratic Movements in the West's Social and Political Life (1)

V. Vinogradov, Problems of the All-European Cooperation of Scholars in the Social Sciences Sphere

K. Gadzhiev, New Trends in Bourgeois Political Science (12)

V. Gaydar, Nationalist Ideology in Contemporary Japan (11)

A. Galkin, New Political Thinking and Problems of the Workers Movement (5)

G. Diligenskiy, Revolutionary Theory and the Present Day (3)

I. Yegorov, The French and Perestroyka (5)

West European Democracy and Problems of Contemporary Social Development (11)

B. Zarankin, Antiwar Organizations and Movements in Countries of the Asia-Pacific Region (11)

V. Iyerversalismikiy, "Paths, Impasses and Discoveries of the Austro-Marxism" (7)

Yu. Krasin, New Thinking in the Relations of the Communists and Social Democrats (4)

V. Kuvaldin, Structural Crisis of Capitalism and the Workers Movement (6)

A. Kudryavtsev, Capitalism of the End of the Century (French Socioeconomic Forecasts for the Year 2000) (2)

Italy's Forces of the Left on the Future of West Europe (11)

V. Leybin, Advantages of the Social System: Criteria and the Human Factor (4)


Opinion of Soviet French Experts (10)

I. Novozhenova, May 1968 in the Studies of French Scholars (6)

B. Pospelov, Evolution of Bourgeois Nationalism in Japan (2)

S. Pronin, Ideology in an Interrelated World (10)

L. Solovyeva, System of Family Benefits in Industrially Developed Countries (8)

S. Turner, Secrecy and Democracy (4)

I. Uschkalov, Europe's Demographic Present and Future (8)

French Political Scientists on the Election Results (Report from Paris) (10)

S. Khenkin, Spain: Changes in the Alignment of Sociopolitical Forces (11)

I. Tsipenko, Policy of the Bourgeois State in the Housing Sphere (12)

Millennium of the Adoption of Christianity in Rus

Metropolitan Filaret, The Russian Orthodox Church and its Foreign Relations (6)

Economy and Policy of the Developing Countries

Ye. Dmitriyev, Near East Peace Conference—Chiaroscuro (3)

M. Yershov, S. Stankovskiy, Conference in Kabul (10)

S. Zhukov, Services and Economic Growth in the Developing Countries (4)

L. Zevin, Certain Questions of the USSR's Economic Cooperation With the Developing Countries (3)

I. Zorina, Vl. Reznichenko, Difficult 'Settlement With the Past' (7)

India and China: Two Civilizations, Two Development Models (4, 6, 8)

N. Karagodin, The Developing States and the TNC: Certain Aspects of Their Relations (2)

N. Karagodin, The Developing Countries: Economic Policy of the State and World-Economic Positions (11)

H. de Carmoys, The Developing Countries' Foreign Debt, Economic Development and International Relations (9)
A. Kiva, The Socialist Orientation: Theoretical Potential of the Concept and Practical Realities (11)

M. Kobishchanov, The FAO and the Food Problem in Developing Countries (11)

N. Markov, Export Zones in the Developing Countries (5)

G. Mirskiy, Extremism, Terrorism and Internal Conflicts in the ‘Third World’ (8)

B. Nikolayev, The Asian Development Bank (12)

Ye. Starostina, Ye. Cherkasova, Spain’s Latin America Policy (3)

A. Elyanov, Problems of Modernization of Socioeconomic Structures in the ‘Third World’ (7)

‘Roundtable’ Debates

D. Gosh, Perestroyka and the Subject of Political Economy (12)

G. Danilin, The Productive Forces and the Problem of the Subject of Political Economy (11)

Western Democracy and Problems of Contemporary Social Development (11)

India and China: Two Civilizations, Two Development Models (4, 6, 8)

A. Kiva, The Socialist Orientation: Theoretical Potential of the Concept and Practical Realities (11)

Crises and Structural Changes (3)

A. Naumov, Forward, to Marx! (11)

I. Osadchaya, Notes on ‘Criticism’ of Bourgeois Political Economy (10)


E. Pletnev, The World-Economic Section of Perestroyka and Economic Theory (7)

S. Pronin, Ideology in an Interrelated World (10)

West European Countries and in the SDI and Eureka Programs (2)

Structure and Functioning of Modern Finance Capital (7, 10)

F. Filippov, Current Questions of Political-Economic Study of the World Economy (3)

M. Khaov, Common Approach Is Important (12)

Assessments, Opinions

Seweryn Bialer, ‘I Am an Optimistic Skeptic’ (12)

Yu. Igritskiy, Sovietology Under Changing Conditions (12)

H. de Carmoys, The Developing Countries’ Foreign Debt, Economic Development and International Relations (9)

(I. Kelner), ‘We Are Definitely on the Road to Recession’ (6)

V. Kuznetsov, Control of the Capitalist Economy in the 1980’s (8)

Y. Nakasone, Laying the Foundations of a New International Community (10)

V. Rosin, Militarization of Japan: Economist’s View (1)

D. Smyslov, In Search of Ways To Improve the International Currency System (3)

Foreign Economic Experience

S. Yelekoey, D. Kuzin, Assimilation of Innovations in U.S. Industry (4)

N. Karagodin, The Developing States and the TNC: Certain Aspects of Their Relations (2)

A. Sizov, Food: Consumption and Prices (10)

A. Tyagunenko, Organization of Agrarian Production in Hungary and the CSSR (6)

Political Portrait

A. Karabashkin, Jesse Jackson: Reality of the Challenge (7)

I. Karaganova, D.Askochenskiy, George Bush—U.S. Presidential Candidate (2)

I. Karaganova, Gary Hart: ‘Let the American People Decide’ (3)

I. Karaganova, Bob Dole—‘Hometown Boy’ From Kansas (4)

O. Kuchkin, Michael Dukakis: Orthodox Neoliberal (5)

S. Porshakov, Albert Gore: Claim for the Future (6)

Meetings, Interviews
Tony Benn: Socialists and Social Democrats Need Their Own Perestroyka (2)

Senator Bradley: Politicians' Assurances Are Not Now Enough (4)

L. Jospin: Neither a 'Slide Toward the Center' Nor a Revival of the 'Third Force' (3)

A. Krasucki: Urgent Problems of the French Workers Movement (3)

A. Maslov, Activity of the Moscow Narodny Bank (7)

K. Ogawa: Paths of Cooperation of Countries of the Sea of Japan (9)

Martin Feldstein: The Roots Lie in the Currency Sphere (2)

The Friedrich Ebert Foundation (10)

I. Tselishchev, View From Colombo (Two Interviews in Sri Lanka) (6)

S. Chugrov, The Fjords Must Be Secure (5)

In the Foreign Press

Mark McCormack, How To Progress in Business (12)

V. Presnyakov, Technology Positions of West Europe (9)

Policy in Reminiscences

Secrecy and Democracy (Memoirs of Former CIA Director S. Turner) (3, 4)

Letters to the Editors

B. Bolotin, Customary Ideas and Actual Facts (7)

(Tamar Gozhanski), Letter to the Editors (11)

V. Iordanskiy, Further Search Is Needed (12)

L. Kisterskiy, Yu. Poluneyev, Net Outflow of Financial Resources From the Developing Countries (7)

T. Kobushko, Reciprocal Trade (8)

A. Kokoshin, Letter to the Editors (12)

(Aleksandr Ort), Culture—Program of Europe's Future (4)

Yu. Popov, Austria and the EC (7)

V. Ramzes, The Question of Japan's Militarization (8)

Dialogue With the Reader

I. Polyakov, Would a Post-Nuclear World Be Stable? (10)

A. Rassadin, There Are Grounds for Cautious Optimism (10)

Scientific Life

Questions of International Economic Security (1)

Conference of Scientists of the Socialist Countries (8)

Italy's Forces of the Left on West Europe's Future (11)

International Organizations and Problems of Supranationality (9)


Trade Unions and International Economic Security (8)

Present-Day Capitalism and the Developing Countries (3)

What Lies Behind the Stock Market Crash? (7)

Economic Policy of the Capitalist Countries in the First Half of the 1980's (8)

USSR Academy of Sciences IMEMO Scientific Life (4, 5, 7, 8, 11, 12)

Criticism and Bibliography

R. Avakov, External Factors in the Economy of Young States (10)

A. Bogaturov, Washington's Pacific Policy: Positive Changes Needed (11)

Ye. Bragina, Industrial Development of the Young States: UNIDO Viewpoint (3)

Ye. Bragina, American Experts on the Economy of the Developing Countries (9)

F. Burdzhalov, S. Nadel, Let Us Continue the Discussion (8)

M. Volkov, Pessimistic Forecast (9)

L. Volfson, G. Kovalskaya, Global Problems and the New Thinking (8)

K. Gadzhiev, New Trends in Bourgeois Political Science (12)

N. Gnatovskaya, The 'Foreign Factor' in Great Britain's Economy (11)
Yu. Gorbunov, View of Namibia's Prospects (2)
N. Dolgopolova, Washington's 'Financial Stress' (4)
T. Dudnikova, Learning To Live Under Conditions of Peace (9)
L. Yevenko, Most Important Constituent of the Social Process of Production (5)
N. Zaytsev, Strategy and Tactics of Contemporary Neocolonialism (1)
S. Zaretskaya, Microelectronics and Employment (6)
A. Izyumov, V. Popov, American Sovietologists on Our Economic Perestroyka (10)
L. Istyagin, From Positions of Prudence and Responsibility (3)
L. Istyagin, Mechanism of Dictatorship and Terror (5)
V. Karavayev, Substantial Result of Joint Research (8)
N. Karagodin, Analysis or Myth-Making? (6)
V. Karpunin, The Asia-Pacific Region: Problems of Currency and Finance Relations (6)
G. Kolosov, Struggle on Questions of Military Policy in Britain (1)
T. Kosyreva, Regional Economic Cooperation Prospects (1)
N. Krichigina, Technical Progress and International Cooperation (11)
V. Kuznetsov, In the Search for Paths Toward Peace (7)
V. Kudrov, Joint Research (9)
F. Lvov, Impasses of Government Regulation (12)
M. Maksimova, The State and Technology (9)
D. Malysheva, Western Scholars on the 'Qadhafi Phenomenon' (10)
A. Manukovskiy, Natural Resources and the Problem of Security (3)
M. Mashchenko, The Goal Is Lasting Peace, Dependable for All (3)
Ya. Melkumov, New Approach Needed (5)
A. Melnikov, Position of the Working People in the West: New Processes (12)
V. Milshteyn, Genesis of Neoglobalism (1)
G. Mirskiy, Light and Shade of our 'Third World Studies' (11)
A. Movchan, American Dilemmas (12)
N. Nazarova, Forty Years of Good-Neighborliness (9)
L. Nezhinskiy, Important Reserve of World Socialism (11)
S. Nikitin, Problems of an Acceleration of S&T Progress (2)
K. Nikolayev, When Commonsense Acquires Theory Status (10)
V. Nosenko, Zone of Dangerous Tension (2)
L. Nochevkina, 'Mechanism Qua Mechanism' (10)
Yu. Osipov, 'De-Industrialization' or Development of Services? (3)
Yu. Osipov, United States and Japan on World Markets (8)
V. Razmerov, First Work of a New Research Center (12)
V. Ranneva, S. Nikolayenko, Key Problems of the American Economy (8)
V. Rube, Capitalist Trade Today (12)
Yu. Rubinskiy, Present-Day Social Democracy: Trial by Crisis (5)
A. Savelyev, The SDI Program: Threats and Impasses (11)
Yu. Savinov, On the Fronts of the S&T Revolution (2)
A. Salmin, The Youth Problem—Economic Aspect (10)
N. Samonova, V. Sokolov, The Banking Business in the United States: Problems of Competition (7)
L. Severianin, Resources of Partnership (4)
G. Sevostyanov, Dynamics of the Correlation of Forces (10)
A. Sidorov, Paris' 'European' Choice (11)
D. Smyslov, V. Usoskin, Urgent Problems of the Development of the Monetary-Credit Sphere of Capitalism (11)
A. Suetin, The TNC, the ‘Third World’ and the Ecology (9)

I. Faminskiy, Bourgeois Society: Crisis and Potential (1)

A. Firyubin, France: Presidential Absolutism? (2)

A. Khandruyev, Thorny Path of Political-Economic Knowledge (9)

Ye. Cherkasova, The Mediterranean and International Security (2)

P. Cherkasov, French Political Scientist on International Relations in the Nuclear Age (5)

S. Chugrov, Seeking Nonstandard Approaches (10)

A. Shapiro, Popular Science Course in the Political Economy of Capitalism (3)

A. Shaskolskiy, European Security: Alternative of the Antiwar Movement (4)

V. Shenayev, Contradictions of Capitalist Internationalization (4)

V. Shenayev, V. Zaikina, The Socialization Process and State-Monopoly Capitalism (1)

A. Yurkov, Zionist Colonization of Palestine (6)

Books in Brief (1, 2, 7)

From the Presses (2, 4, 6, 7, 8, 9, 10, 11)

Statistics

Demographic Statistics (8)

Balances of Payments and Trade of the Developed Capitalist Countries in the 1980’s (8)

(Zh. Nordman), Sean MacBride in Memoriam (6)

Vladimir Izrailevich Gantman (5)

Anatoliy Iosifovich Shapiro (5)

Vladimir Glebovich Shkunayev (6)

Economic Position of Capitalist and Developing Countries

Survey for 1987 and start of 1988

(8, Supplement)

O. Bogacheva, United States: Economy at the Crossroads

N. Bragina, Agriculture

V. Biryulev, France: Unsolved Structural Problems

N. Vishnevskaya, Living Standard of the Population: Growth of Differentiation

L. Grigoryev, Economic Upturn and Stock Market Upheavals

S. Yelekoyev, Problems of the Comprehensive Automation of Mechanical Engineering

G. Zevelyeva, Italy: Among the Five Strongest

P. Ivanov, Military Spending of the NATO Countries and Japan

Ye. Kononenko, Statistics of Industry

V. Kosova, South Africa: the Apartheid Economy

O. Korchagina, Japan: En Route to a New Economic Growth Model

I. Kofanov, The Developing Countries: Challenge of the S&T Revolution and Problems of Adaptation

V. Kravtsov, Canada: One Further Step Toward Convergence With the United States

D. Lebedev, Loan Capital Markets in 1987: Change of Trends

Yu. Levin, A. Medvedev, International Trade: Search for New Growth Opportunities

A. Matveyev, The Home Electronics Market in the 1980’s

D. Smyslov, Restructuring of Interstate Economic Regulation

M. Tatyanchenko, S. Rychkov, Mechanical Engineering

A. Timokhin, Great Britain: Particular Features and Contradictions of the Upturn

A. Tsimaylo, Currency System

A. Yasenovskiy, The FRG: Slowdown in Economic Growth

COPYRIGHT: Izdatelstvo TsK KPSS “Pravda”.
“Mirovaya ekonomika i mezhdunarodnyye otnosheniya”, 1988
Articles in MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA Not Translated
18160005p Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 12, Dec 88

[Text] Russian Summary of Particular Articles . pp 3-4

The Concept of the Image and Stereotype in International Relations (Ye. Yegorova-Gantman and K. Pleshakov) pp 19-33

"I Am an Optimistic Skeptic" (Seweryn Bialer) pp 62-66

How To Get Ahead in Business (Mark McCormack). pp 88-100

Perestroyka and the Subject of Political Economy (D. Gosh) pp 104-106

Policy of the Bourgeois State in the Housing Sphere (I. Tsapenko) pp 107-113

The Asian Development Bank (B. Nikolayev) . pp 114-117


Difficult Stage of the Struggle (E. Nukhovich) pp 138-139

American Dilemmas (A. Movchan) pp 140-141

Impasses of Government Regulation (F. Lvov) pp 141-142

Capitalist Trade Today (V. Rube) pp 143-144

First Work of a New Research Center (V. Razmerov) . pp 144-146

Continuing the Debate (S. Solodovnikov) .. pp 146-148

Publication Data
18160005p Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 12, Dec 88

[Text] English title: WORLD ECONOMICS & INTERNATIONAL RELATIONS

Russian title: MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA

Editor: G.G. Diligenskiy

Publishing house: Izdatelstvo TsK KPSS “Pravda”

Place of publication: Moscow

Date of publication: December 1988

Signed to press: 17 November 1988

Copies: 24,000

COPYRIGHT: Izdatelstvo TsK KPSS “Pravda”. “Mirovaya ekonomika i mezhdunarodnyye otnosheniya”, 1988