→ FILE CSCE

The President has seen 8436

THE WHITE HOUSE

WASHINGTON December 3, 1985 Dobriansk

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT C. McFARLANE

SUBJECT: Summary: CSCE 19th Semiannual Report

The State Department has forwarded the 19th Semiannual Report of the Conference on Security and Cooperation in Europe (CSCE). It surveys significant developments in the implementation of the Helsinki Final Act during the period April 1 - October 1, 1985. Key highlights of the report include:

1) The Soviet/East European record of compliance with CSCE commitments continued to be seriously flawed.

2) Soviet persecution of dissidents, refuseniks, and religious activists continued unabated, as did suppression of national minorities and harassment of political prisoners and their families. A harsh campaign against Hebrew teachers and Jewish cultural activists and past patterns of hostile "anti-Zionist" rhetoric persisted; repression also continued against Pentecostals, unregistered Baptists, and Ukrainian Catholics.

3) Despite commitments under the Helsinki Final Act, to facilitate family reunification, the Soviet Union continued to deny exit permission to thousands of its citizens who wish to join relatives living abroad. During this period, only a total of 457 Jews were granted exit visas.

4) A few positive developments in Eastern Europe's implementation of the Final Act included: Romania's willingness to permit Father Calciu, a renowned religious activist who was imprisoned for five years, and dissident writer Dorin Tudoran to emigrate to the West; and the GDR's continued modest improvement in emigration (40% higher than in recent years).

5) However, this period was also marked by strict government control and fundamental human rights violations in each East European country. The number of political prisoners in Poland nearly doubled; the Czechoslovak authorities denied permission for Pope John Paul II to attend ceremonies in Prague marking the 1100th anniversary of the death of St. Methodius; and the Bulgarian government continued its campaign to assimilate its Turkish minority, by using its militia to enforce curfews, conducting interrogations and imprisoning ethnic Turks who refuse to give up their cultural identity.

Prepared by:
Paula Dobriansky

8436

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

November 25, 1985

ACTION

MEMORANDUM FOR ROBERT C. McFARLANE

FROM: PAULA DOBRIANSKY PD

SUBJECT: CSCE: 19th Semiannual Report

I have reviewed and concur in the text submitted by the Department of State under memorandum of November 21, 1985 (Tab III), of the 19th Semiannual Report on the implementation of the Helsinki Final Act to the CSCE Commission. As required by Public Law 94-304, attached at Tab I is a memorandum to Secretary Shultz authorizing the transmission of the Report to the Commission on behalf of the President. Your authorization is needed by COB Friday, November 29.

At Tab II is a memorandum from you to the President which summarizes the highlights of the Report. There is no need to forward the Report at Tab III to the President.

Matlock SM, Sommer PS, and Kraemer RL FOR concur.

RECOMMENDATION

1. That you sign and forward the memorandum at Tab I to Secretary of State Shultz.

Approve _____ Disapprove _____

2. That you forward the summary memorandum at Tab II to the President.

Approve _____ Disapprove _____

Attachments:

Tab I Memo to Secretary Shultz
Tab II Summary memorandum to the President
Tab III CSCE 19th Semiannual Report (April 1 - October 1, 1985)

THE WHITE HOUSE

WASHINGTON

November 27, 1985

MEMORANDUM FOR THE HONORABLE GEORGE P. SHULTZ
The Secretary of State

SUBJECT: Nineteenth Semiannual Report by the President to the Commission on Security and Cooperation in Europe on the Implementation of the Helsinki Final Act: April 1 - October 1, 1985 (SS8534514)

The text submitted by the Department of State for review under memorandum of November 21, 1985, has been reviewed and approved for transmission over your signature to the Commission on Security and Cooperation in Europe.

FOR THE PRESIDENT:

for Robert C. McFarlane

Nineteenth Semiannual Report

Implementation of Helsinki Final Act

April 1, 1985-October 1, 1985

8534514

United States Department of State

Washington, D.C. 20520

November 21, 1985

MEMORANDUM FOR MR. ROBERT C. McFARLANE
THE WHITE HOUSE

SUBJECT: Nineteenth Semiannual Report to the CSCE Commission

Public Law 94-304 requires the President to submit a report on implementation of the Helsinki Final Act to the CSCE Commission semiannually. The attached draft report, which covers the period April 1 - October 1, 1985, is due to the Commission on December 3. The report provides a factual survey of developments in the areas covered by the Helsinki Final Act and the Madrid Concluding Document: human rights and humanitarian concerns; security; economic, scientific, and technological cooperation; and educational and cultural exchanges. It concentrates on compliance with the Final Act and the Concluding Document, focusing particularly on events in the Soviet Union and Eastern Europe.

The Department recommends that the Secretary of State be authorized to transmit the report to the Commission on behalf of the President in accordance with the existing practice for this report.

Nicholas Platt

Nicholas Platt
Executive Secretary

Chapter One

General Assessment of the Implementation of the Helsinki Final Act and Madrid Concluding Document

OVERVIEW

The Final Act of the Conference on Security and Cooperation in Europe (CSCE) represents a framework for the 35 participating states to work to resolve the humanitarian, economic, political, and military issues that divide Europe. The Final Act underscores that each area is of equal importance to genuine security and cooperation in Europe. The Western objective has been to preserve and strengthen this process by a thorough review of implementation of the Final Act and the Madrid Concluding Document and agreement on balanced and constructive steps forward.

The Final Act recognizes that follow-up meetings are essential for maintaining the Helsinki framework as a vigorous means of addressing problems in Europe. The Madrid Follow-up Meeting, the second such CSCE review conference, began on November 11, 1980, and came to a close on September 9, 1983. The Madrid Concluding Document confirmed and expanded upon the original Helsinki Final Act of 1975. It includes significant new provisions in the area of human rights, trade union freedoms, human contacts, free flow of information, access to diplomatic and consular missions, and measures against terrorism.

It also mandated seven follow-on "experts" meetings leading up to the next review conference to be held in Vienna beginning in November 1986. The United States is participating actively and fully in these meetings, both as a means of assessing existing problems in implementation and seeking balanced progress in the CSCE.

This is the 19th semiannual report submitted by the President to the CSCE Commission under the provisions of Public Law 94-304 of June 3, 1976. It surveys significant developments in the implementation of the Helsinki Final Act and the Madrid Concluding Document during the period April 1, through October 1, 1985. The purpose of the report is to assist the CSCE Commission in its task of monitoring and encouraging compliance with the Helsinki Accords and the Madrid Concluding Document. These reports are themselves an important element of the U.S. Government's effort to assess the progress and shortcomings in achieving the CSCE goals of strengthening security, expanding cooperation, building mutual confidence, and promoting human rights.

Review of Implementation

For most of the CSCE participating states, the status of implementation over the current reporting period did not change significantly from earlier periods. The overall record of compliance of the Warsaw Pact nations of Eastern Europe with their CSCE undertakings remained seriously flawed, although limited encouragement could be taken from a few positive developments. The Polish Government is apparently taking the problem of family reunification more seriously than in the recent past, although our Embassy's list of divided family cases continues to grow. And in the German Democratic Republic (GDR) the number of emigrants allowed to depart was approximately forty percent higher than in recent years, but remained substantially lower than in 1984, when the GDR allowed 40,000 of its citizens to depart. The Czechoslovak Government's May 8 amnesty reduced the sentences of five political prisoners by up to one year and provided for the release of a Hungarian minority activist held for a year pending trial on charges of "subversion" and "harming the interests of the republic abroad." However, the amnesty provided no relief for the two Charter 77 signatories serving the longest prison terms nor for those political prisoners held for leaving or seeking to leave Czechoslovakia without official permission. In Hungary, the government allowed U.S. evangelist Billy Graham to conduct a worship service before 15,000 Hungarians in Budapest's indoor sports arena; the first time Graham had been afforded use of a public facility, other than a church, in any Warsaw Pact country. The Bulgarian Government continued to take positive steps to resolve family reunification cases represented by the U.S., permitting emigration by family members in fourteen of the sixteen cases it agreed to resolve. And despite continued repression of religious activists, the Romanian Government allowed Father Gheorghe Calciu-Dumitreasa to emigrate with his wife and son to the U.S. in August, 1985, after he had spent five years in jail and a year under house arrest. These relatively bright spots must be viewed, however, in the context of strict governmental control and limitations on political and religious expression as well as violations of basic human rights in many of these states.

And there were continuing negative developments. The number of political prisoners in Poland has nearly doubled in the last six months, with most new arrests apparently aimed at Poland's flourishing underground publishing industry. In the most important political trial of the reporting period, a Gdansk court on June 14 sentenced three Solidarity activists to multi-year prison terms on charges that they participated in an illegal organization -- Underground Solidarity. GDR authorities sentenced a prominent environmentalist, whose young

daughter reportedly suffers from effects of chemical spraying, to three and one-half years in prison for charges which included "defamation of the GDR." The GDR continues to use coercion and threat of arrest to prevent its citizens from contact with foreign embassies and cultural centers. The Czechoslovak Government denied permission for Pope John Paul II as well as Cardinals from Austria, France and the United Kingdom to attend ceremonies marking the 1100th anniversary of the death of St. Methodius. In addition, three Slovaks were sentenced to long prison terms for attempted importation of religious materials from Poland. The Hungarian Government granted its police the unrestricted power to conduct surveillance upon and to internally exile any resident, 16 years or older, whose "attitude" poses a permanent danger to internal order and public security. Although the police have reportedly not yet exercised these powers against dissidents, it provides them with an important tool for use should the political climate in Hungary begin to deteriorate. And in Romania, authorities continue to prosecute individuals for attempting to bring Bibles into the country; during the review period, five persons were sentenced to terms ranging from ten months to seven years for offenses related to Bible smuggling. The Bulgarian Government continued its campaign to assimilate its Turkish minority, using its militia and paramilitary units to enforce curfews, conduct arrests and interrogations, and imprison ethnic Turks who refused to give up their cultural identity. A fine is now imposed on Bulgarians who speak Turkish or wear Turkish-style clothing.

Once again, the continued unsatisfactory Soviet implementation of the Helsinki and Madrid agreements during the six-month review period gave greater cause for concern. In the international arena, continued Soviet prosecution of war against the Afghan people was in flagrant violation of the basic principles guiding relations between states. The Soviet Union also has undermined these key principles by continuing to support the Vietnamese occupation of Kampuchea and Vietnam's war against the Kampuchean resistance.

Persecution by the Soviet authorities of Soviet citizens who attempted to express themselves freely continued at an alarming rate during the six months under review. Religious believers, proponents of greater cultural and political rights for ethnic minorities, human rights monitors, and peace activists alike were subjected to harassment and often to arrest and imprisonment. A campaign against Hebrew teachers and Jewish cultural activists continued, bringing the number of Jewish political prisoners to at least 22. Assertion of the religious and cultural identity of other minority groups brought arrests of Ukrainians, Pentecostal Christians, Baptists, and others. An independent peace group was subjected to harassment, arrests, and convictions.

Andrey Sakharov and his wife Yelena Bonner remained in isolation, apparently still confined to the closed city of Gor'kiy. Doubts increased concerning their whereabouts and condition as they were denied contact with friends and relatives. Anatoliy Scharanskiy spent most of the review period in the internal prison of a labor camp. Yuriy Orlov remained exiled and isolated in the desolate Province of Yakutia, while many other human rights activists remained prisoners, some with newly extended terms. Political prisoners often endured strict confinement and frequently were not permitted family visits or letters. Soviet abuse of psychiatry for political purposes continued unabated, as did poor conditions in labor camp cells and some beatings. Ukrainian dissident poet Vasyl Stus died in a labor camp on September 4.

Despite commitments under the Helsinki Final Act to facilitate family reunification, the rate of emigration from the Soviet Union remained low. Some 457 Jews left the Soviet Union from April 1 to August 31, 1985; 178 ethnic Germans left during the same period. The extremely low level of Jewish emigration was accompanied by a continuation of official "anti-zionist" propaganda.

The Soviet authorities continued to exercise tight control on travel outside the country, with only 766 Soviet citizens allowed to make private visits to the United States during the past 6 months. Only 90 Soviet citizens (including spouses) received exit permission enabling them to join relatives in the United States.

The Soviet authorities maintained their traditional strict control of information media, essentially denying Soviet citizens access to filmed, printed and broadcast information which might call into question the tenets of Marxism-Leninism or the official line of the Communist Party. Jamming of Voice of America and Radio Liberty native language broadcasts continues.

The Stockholm CDE Continues

The Conference on Confidence- and Security-Building Measures and Disarmament in Europe (CDE) mandated by the Madrid CSCE review meeting, opened in Stockholm on January 17, 1984. The mandate calls for it to negotiate measures which are militarily significant, politically binding, verifiable, and applicable to the whole of Europe -- including the European portion of the Soviet Union. During the review period Ambassador Robert L. Barry succeeded Ambassador James E. Goodby as head of the U.S. delegation.

The NATO Approach. During the period under review, the NATO countries have continued to focus discussion on the package of concrete confidence- and security-building measures (CSBMs) they introduced two weeks after the conference opened. This package is designed to increase mutual understanding and reduce the risk of surprise attack. It fulfills the requirements of the mandate and builds upon the confidence-building measures (CBMs) adopted as part of the Helsinki Final Act in 1975. It provides for the following CSBMs:

- o Mutual exchanges of information about the organization and location of the significant military units of all participating states;
- o Exchanges of annual forecasts of planned military activities;
- o Mandatory notification 45 days in advance of out-of-garrison military activities involving 6,000 or more personnel (in the Final Act, notification is required 21 days in advance only for major military maneuvers involving 25,000 or more troops);
- o Mandatory invitation of observers of all participating states to all activities requiring notification (in the Final Act, invitation of observers is voluntary);
- o Specific arrangements to monitor and verify compliance with these CSBMs; and
- o Improvement of the communications facilities among the 35 participating states.

The Eastern Response. The East continued to focus on its set of declaratory measures but in round six introduced proposals on CSBMs, some of which fall outside the mandate for the CDE. Eastern proposals feature:

- o A non-use of force treaty;
- o A no-first-use of nuclear weapons pledge;
- o A ban on chemical weapons use in Europe;
- o Regional nuclear-weapons-free zones in Europe, including the Balkans and the Baltic;
- o Reductions in military spending; and
- o Limited improvements in the confidence-building measures agreed upon in the Helsinki Final Act along with proposals which fall outside the Madrid mandate for CDE.

President's Speech to the European Parliament. On May 8, 1985 in his address to the European Parliament in Strasbourg on the fortieth anniversary of the end of World War II in Europe, President Reagan called for progress at CDE as one of four practical steps that could be taken to reduce East-West tensions and improve U.S.-Soviet relations.

He urged the Stockholm Conference to "act promptly and agree on the concrete confidence- and security-building measures proposed by the NATO countries." He went on to repeat the offer originally made in Dublin to discuss the Soviet proposal on non-use of force in the context of Soviet agreement to concrete confidence-building measures.

Presidential Statement. Just before the beginning of the sixth round on May 14, the President issued the following statement:

"The sixth round of the Stockholm Conference on Confidence- and Security-Building Measures and Disarmament in Europe convenes tomorrow. The Conference includes all the NATO, Warsaw Pact, and European neutral countries and is thus in a unique position to play a major role in improving East-West relations. I attach great importance to this conference because even while we seek to reduce the means of waging war, we must also seek to find ways to ensure that no weapons of any kind are ever used.

"The Stockholm Conference was convened over a year ago to address this need by building barriers against the use of force. The NATO countries have introduced a series of confidence-building measures designed to make European military activities more predictable and stable. These measures require the mandatory notification and observation of all military activities above a certain level, together with appropriate verification measures, including information exchange and on-site inspection. The measures have been presented in language which is ready for signature.

"This cooperative program would reduce the risk of war by miscalculation and misunderstanding, guard against a surprise attack, and increase significantly the political cost to any state which would use the threat of force to intimidate another. This ambitious program has the full support of all the nations of NATO as well as bipartisan political support here at home. The neutral and nonaligned countries of Europe also support the general principles outlined in the NATO proposal.

"In Stockholm we have an opportunity to negotiate major new confidence-building measures in Europe. We cannot do it alone,

however; others must meet us halfway. In June of 1984 I responded positively in Dublin to Soviet interest in the principle of the non-use of force: I said we would not merely renew our pledge to refrain from the threat or use of force, we would also give that pledge new meaning through agreement on concrete confidence-building measures. We are fully committed to this goal.

"The Conference is now at a point where it could move into a more intense negotiating phase, if the Soviet Union is prepared to join the rest of the Conference in negotiating concrete confidence-building measures which go well beyond existing arrangements."

Rounds Six and Seven. The sixth round opened on May 14 and ended July 5. The West used this round to draw the Conference into a more detailed discussion of the genuine confidence- and security-building measures which form NATO's package of proposals. Exploiting the working group structure agreed on in round four, the West sought to build support for the concepts embodied in the NATO package and expose the vacuity of the East's declaratory proposals. The Warsaw Pact continued to defend its declaratory proposals as the centerpiece of CDE, with special emphasis on their non-use of force proposal. The East also introduced proposals to require: notification of ground maneuvers and military movements involving more than 20,000 troops, independent air activities involving more than 200 aircraft in the air at any one time, and independent naval manuevers involving more than thirty vessels. The proposal for notification of military manuevers on land represents only a nominal improvement over the CBMs in the Helsinki Final Act. Moreover, the other Eastern CSBM proposals only detract from Stockholm's purpose, since they lie outside the mandate for CDE agreed on at Madrid.

Round Seven began September 10 and continued past the end of the reporting period. Although the proposals before the Conference were discussed both in plenary and in the working groups, the main focus of the seventh round was procedural. Shortly after the end of the reporting period, the Conference agreed to move to a more informal stage preparatory to drafting an agreement. This move was important, since it allowed the West to explore more informally and in detail with the East and the NNA areas for possible agreement.

Prospects for the Future. The West believes the new, more informal stage of the negotiations offers hope for narrowing the differences among the participating states and for building support for the NATO package of concrete confidence- and security-building measures. The eighth round of CDE began November 5, and will continue through December 20. Although a schedule for 1986 has not yet been agreed on, the Conference

will conclude in advance of the Vienna CSCE Follow-up Meeting. The Vienna Meeting is charged with assessing the progress achieved in Stockholm.

The Ottawa Human Rights Experts Meeting

Delegates from the 35 CSCE participating states met in Ottawa May 7 - June 17 to consider "questions concerning respect, in their States, for human rights and fundamental freedoms, in all their aspects, as embodied in the Helsinki Final Act." This was the first CSCE experts meeting devoted exclusively to human rights. The Madrid Concluding Document mandated the meeting to draw up conclusions and recommendations to be submitted to the governments of all participating states. The meeting was preceded by a two week preparatory conference held in Ottawa from April 23 to May 6.

The U.S. delegation, led by Ambassador Richard Schifter, went to Ottawa to work for improved implementation of the human rights provisions of the Helsinki Final Act and the Madrid Concluding Document. The United States, together with its NATO Allies and many neutral and nonaligned countries, engaged in an extensive, serious review of the Soviet record and those of other Eastern European states. United States statements, drawing on individual cases, expressed concern over abuses in such areas as freedom of expression, relgious liberties, and discrimination against national minorities.

The United States and its NATO Allies also put forward a series of practical proposals aimed at improved adherence to these provisions. When it became clear that the Soviet Union would block agreement to these individual proposals, the NATO countries, joined by Ireland, decided to combine them in a single comprehensive proposal -- OME 47 -- which was introduced June 15. This document, which sets forth a series of highly specific steps, identified Western goals for Ottawa as well as the future.

The Soviet Union rebuffed United States efforts to engage in preliminary discussions of human rights and Soviet human rights practices. This cast a shadow over the likely outcome of the meeting. In the end, Soviet bloc intransigence prevented agreement on conclusions and recommendations. Even the short document advanced by the neutral and nonaligned countries -- and accepted by the Western countries -- which included the important recommendation for future experts meetings on human rights was not acceptable to the Soviets. While the United States and its Allies would have preferred a substantive final document in Ottawa, neither the Western nor the neutral and nonaligned countries were prepared to agree to one that obfuscated the fundamental issues which were the topics of discussion at Ottawa.

Notwithstanding the lack of agreement on a final document, the meeting was worthwhile and served Western interests in a number of important ways:

o The three week review of implementation provided an opportunity for Western and neutral and nonaligned states to draw attention to Eastern failures to live up to their CSCE commitments, and it delivered another blow to the now-weak Eastern claim that such criticism is an interference in a sovereign nation's internal affairs.

o The tabling by 17 Western countries of a common human rights agenda was a significant demonstration of Western unity and resolve.

o The neutral and nonaligned states, in tabling their substantive draft report, joined the West in rejecting Soviet efforts to undermine the Final Act's provisions on human rights and fundamental freedoms.

o The neutral and nonaligned states and the West stood together at the close of the Ottawa meeting, preferring no final document to one which compromised principles or papered over differences. This underlined the fact that the issue of human rights is not tied to military alliances, but is one which concerns the conscience of the civilized world.

The issues discussed in Ottawa and proposals advanced on human rights and fundamental freedoms will be returned to when the Vienna CSCE Follow-up Meeting convenes in November 1986.

CHAPTER TWO

IMPLEMENTATION OF BASKET I: QUESTIONS RELATING TO SECURITY IN EUROPE

The first section or "basket" of the Final Act has two main parts. The first part is a declaration of 10 principles guiding relations among states. It sets forth generally accepted precepts of international behavior which the CSCE participating states agree to observe in their relations with one another as well as with other states. The second part of Basket I is devoted to security issues. Here the participating states endorse certain confidence-building measures that are designed to remove some of the secrecy surrounding military activities; they also make certain more general pledges with respect to the importance of arms control and disarmament.

DECLARATION OF PRINCIPLES GUIDING RELATIONS AMONG STATES

There are 10 principles in the declaration of principles guiding relations among states in the Final Act:

Principle One. Sovereign equality, respect for the rights inherent in sovereignty;

Principle Two. Refraining from the threat or use of force;

Principle Three. Inviolability of frontiers;

Principle Four. Territorial integrity of states;

Principle Five. Peaceful settlement of disputes;

Principle Six. Nonintervention in internal affairs;

Principle Seven. Respect for human rights and fundamental freedoms, including the freedom of thought, conscience, religion, or belief;

Principle Eight. Equal rights and self-determination of peoples;

Principle Nine. Cooperation among states; and

Principle Ten. Fulfillment in good faith of obligations under international law.

The Madrid Concluding Document contains complementary principles which strengthen and extend the Final Act. These include pledges to take effective measures against terrorism; prevent territories from being used for terrorist activities; assure constant, tangible progress in the exercise of human rights; ensure the right of the individual to know and act upon his rights and freedoms; ensure individual freedom to practice and profess religion; consult with religious organizations; favorably consider applications for registration by religious communities; ensure respect for the rights of national minorities; and ensure the right of workers freely to establish and join trade unions and the right of trade unions freely to pursue their activities and other rights.

Implementation of Principle Seven

Although the Eastern countries gave considerable publicity to their signing of the Final Act and, more recently, the Madrid Concluding Document, the Eastern record of compliance with the Helsinki principles has deteriorated in important respects, especially in the Soviet Union. The United States remains dissatisfied with the implementation record of the Eastern countries so far, particularly with regard to Principle Seven. This principle calls on the participating states to respect human rights and fundamental freedoms, including freedom of thought, conscience, religion, or belief.

The following section provides a detailed survey of implementation of the Helsinki principles and related provisions of the Madrid Concluding Document. It treats specific cases in an illustrative rather than comprehensive fashion. Lack of information detailing abuses in a given country may not indicate their absence.

Soviet Union. The Soviet Union has continued to violate both the letter and spirit of principles guiding relations between states as set forth in the Helsinki Final Act. The Soviet Union persists in its occupation of Afghanistan and in its efforts to eradicate national opposition. In conducting its ruthless war against Afghanistan, the Soviet Union has used chemical weapons, bombed civilian targets, used ground and air forces to destroy villages and crops, and employed weapons intended to cripple or maim noncombatants. The Soviet Union also supports the Vietnamese occupation of Kampuchea and Vietnam's war against the Kampuchean resistance. These actions are in direct and willful violation of the general principles set forth in the Helsinki Final Act, including respect for the inviolability of frontiers, territorial integrity of states, and self-determination of peoples.

Soviet performance in the field of human rights (Principle Seven) continued to be poor during this six-month review period despite the May Ottawa Human Rights Experts Meeting. Mandated by the 1983 Madrid Concluding Document, this meeting addressed questions concerning respect for human rights and fundamental freedoms "in all their aspects" as embodied in the Helsinki Final Act. The Soviet delegation to the Ottawa meeting generally refused to discuss human rights violations in the U.S.S.R., responding to Western charges with allegations about violations in the West. Such a Soviet approach to human rights became more evident in the Soviet media in the late summer and early fall when the official media began to stress allegations of human rights violations in the West, especially in the U.S. Meanwhile, Soviet persecution of dissidents, refuseniks, and religious activists continued unabated, as did suppression of national minorities and harassment of political prisoners and their families.

The current review period was marked by a continued crackdown on Jewish (primarily refusenik) cultural activists and teachers of Hebrew. (A refusenik is a Jew who has been denied permission to emigrate.) Moscow Hebrew teacher Dmitriy (Dan) Shapiro was brought to trial June 26. After reportedly being subjected to threats of severe punishment and other forms of pressure, Shapiro signed a "confession" to Zionist and anti-Soviet activities. Later broadcast on Soviet national television, Shapiro's statement named several Jewish "collaborators," many of whom in fact did not know him well. Shapiro was given a suspended sentence, but his public "confession" was widely interpreted as a stern warning against assertion of Jewish culture and identity.

Other arrests and trials of Hebrew teachers reinforced the climate of repression. Leningrad Hebrew teacher Roald Zelichonok was tried August 8, and sentenced to three years in a labor camp for anti-Soviet slander, apparently on the basis of statements made in private letters. Leonid Volvovskiy, already exiled from Moscow to the closed city of Gor'kiy, was arrested June 25, and charged with anti-Soviet slander after hostile local newspaper articles were published and anti-semitic slogans appeared on a wall outside his apartment. Yevgeniy Koifman was arrested June 18, and tried in mid-September in Dnepropetrovsk for alleged possession of narcotics. He was sentenced to two and one-half years of strict parole away from home. Yevgeniy Aisenberg of Kharkov was sentenced in early June to two and one-half years in a labor camp for anti-Soviet slander. Since teaching Hebrew is not illegal, the authorities continued the pattern of finding other pretexts for arrests.

The wave of arrests and trials of Hebrew teachers and other Jews in the previous review period left many imprisoned in the current period. Iosif Begun was transferred from a labor camp to Chistopol prison, apparently for violations of camp rules. His wife and son were repeatedly warned by Soviet authorities to cease activities on his behalf, such as hunger strikes and press conferences. Iosif Berenshtein underwent medical treatment following an attack inside a labor camp, but was transferred back to a camp at Zholtye Vody with little chance of regaining his sight. Aleksandr Kholmyanskiy, another imprisoned Hebrew teacher, also suffered ill health. Semyon Shnirman, serving his second labor camp term, was being investigated in September for violation of camp rules under a new law which permits extension of labor camp sentences for such offenses as washing clothes or wearing a cap at an improper time. Samuel Epshtein, serving a term for anti-Soviet slander, had his term extended by two years under the same law. The number of Hebrew teachers and other Jews imprisoned for political reasons was conservatively estimated at 22 at the end of the current review period.

The current review period has also witnessed a continuation of past patterns of thinly veiled and hostile "anti-Zionist" rhetoric. Soviet propaganda maintains that Israeli and Western intelligence agencies encourage emigration in order to obtain state secrets from Soviet citizens. It further alleges that "Zionists" collaborated with fascists during World War II to send many innocent Jews to their death. These "Zionist elements," so the argument goes, now comprise the ruling circles of Israel, which have inherited Hitler's fascist mantle. The "anti-Zionist Committee of the Soviet Public," an officially sanctioned group, continues to lead the propaganda attack against Jewish refuseniks and "Zionists." A Soviet TV documentary and a new Soviet "White Book" have alleged links between "Zionist" activities and Western intelligence.

Individual Jewish refusniks have responded in various ways to official intransigence on emigration. Some in resignation have currently stopped applying to leave, while others apply as frequently as possible -- once every six months.

Ethnic German emigration remained at low levels throughout the reporting period. From April 1 to September 1 a total of 178 ethnic Germans left the Soviet Union, in comparison to 273 who left during the first five months of the previous reporting period.

Jews were by no means the only religious group which saw its members harassed, arrested and imprisoned. A community of Pentecostal Christians in the village of Cheguyevka, in the maritime region of the Soviet Far East, have continued to

suffer difficulties for their stubborn refusal to cease their religious activities. (They believe it is wrong to register with the authorities and accept their supervision, as Soviet law requires of religious groups.) Pastor Viktor Val'ter was sentenced April 11 to five years in a labor camp, and six others -- Anatoliy Sheludkov, Pyotr Val'ter, Nikolai Vins, Oleg Lobanov, Viktor Pavlovets and Berhnard Rosher -- received labor camp terms April 23. Two more Pentecostalists are serving one-year camp terms for violation of internal passport regulations, and others are under investigation under the same law. There have been deep disagreements between the Pentecostal community and the local authorities over schooling and medical services. And hostile articles have appeared in the official local press. Some Pentacostalist parents have withdrawn their children from school because they were subjected to regular humiliation and occasional beatings. Several families from the village have sought unsuccessfully to immigrate to West Germany.

Unregistered Baptists also continued to feel heavy pressure. Ivan Peters and Wilhelm and Viktor Rogalskiy, three Baptists from Gagra on the Black Sea, were reportedly sentenced in mid-May to labor camp terms of two to three years. Several other arrests of Baptists were reported in April and June: Visiliy Gritsenko in the Kiev region; Pavel Razorvin in Perm; Aleksandr, Anatoliy and Pavel Andriyets in the Voroshilovgrad region of the Ukraine; Pavel Goloshchapov in the Tula region; Nikolai Tkachenko in Gelgorod region; and Nikolai Savchenko in Omsk. Three Baptists were convicted in August in Alma-ata of possessing an illegal printing press. They are I. Steffen, Igor Worlf, and Andrei Woln. Valeriy Barinov continues serving a two and one-half year term for allegedly preparing to leave the country illegally. Two other Baptists, Vladimir Khailo and Mikhail Khorer, remained prisoners.

In the Ukraine, the campaign against defenders of the long repressed Ukrainian (Uniate or Eastern Rite) Catholic Church continued. Iosif Terelya, a leader of the unofficial "Initiative Group of the Committee for the Defense of Believers of the Catholic Church," was sentenced August 20 to seven years in a labor camp and five years of internal exile on charges of anti-Soviet agitation and propaganda. He joined his colleague, Vasily Kobrin, who was convicted in March on charges of anti-Soviet slander. Both men were moving forces behind the samizdat "Chronicle of the Catholic Church in the Ukraine." The "Chronicle" had brought to the world's attention systematic Soviet repression of the Uniate Church, including church burnings and the fact that hundreds of Ukrainian Catholics had renounced their citizenship in protest over religious persecution and Soviet subjugation of the Ukraine.

The traditional religious affiliation of ethnic Russians and East Bank Ukrainians is the Russian Orthodox Church. The Soviet Government estimates that eight to ten percent of urban dwellers are religious and that the rural percentage is higher. Even by this measure, there would be about 800,000 Orthodox believers in Moscow, where the authorities permit only about forty churches to function, or one church for 20,000 believers. On Easter Sunday, when large crowds seek entry to services, police often make access to churches difficult, taking names and otherwise seeking to intimidate those wishing to attend. Believers going beyond ritual observance of their religious convictions may encounter more serious difficulty. Orthodox activist Feliks Svetov, arrested in January 1985 and charged with anti-Soviet slander for publishing a novel in the West, was held in prison for an extended investigation which is not expected to conclude before December. His wife, Zoya Krakhmalnikova, is reportedly serving a term of exile in Siberia for publishing a religious journal.

Attempts to further "Russify" the Ukraine continued unabated. Recent Western visitors to Kiev have commented on how little Ukrainian is actually spoken there. Those who inquire why this is so are frequently told that spoken Ukrainian is regarded by local officials as a manifestation of "bourgeois nationalism" and strongly discouraged. Ukrainian cultural and historical objects have been neglected and Uniate Churches burned.

Estonia, Latvia, and Lithuania, whose forced annexation by the Soviet Union in 1944 has never been recognized by the United States, have long been characterized by resistance to assimilation into Russian language and culture. On June 16, Vladimir Frenkel of Riga was sentenced to 18 months in a labor camp for anti-Soviet slander. A Jewish refusenik converted to Christianity, Frenkel was charged with contributing to an underground Jewish cultural journal and with publishing articles on Orthodox Christianity in the West. In another case, a Soviet citizen of a Baltic nationality was fired from his job for simply visiting a Western embassy in Moscow. Ionas Maturlonas, a Lithuanian priest, continued serving a three-year term for disrupting public order.

The Soviet authorities are exerting steady pressure to encourage Muslim inhabitants of Central Asia and Azerbaijan to abandon their religion and use the Russian language. Very few mosques in these regions are open for use, and there are few officially recognized clergymen. Muslim clergy not sanctioned by the authorities are attacked in the official press as "Vagabonds." One of them, Akverdy Eshkulov, was reportedly arrested in Samarkand region during the review period and sentenced to two years in a labor camp for serving as a Mullah without official sanction.

Even tiny religious groups are not immune to severe pressure. In a trial ending July 3, five members of the Hare Krishna sect, Vladimir A. Kustrya, Sergei A. Priporov, Yuriy A. Fedchenko, Aleksei M. Baida, and Valentina P. Samoilovawere, were sentenced to terms of from two to five years in a labor camp for "encroaching on the individuality and rights of citizens under the guise of conducting religious rites." The trial took place in the north Caucasus village of Kurdzhinovo. Jehovah's Witnesses also continue to encounter serious obstacles to the free exercise of their religion.

An international youth festival held in Moscow in early August was the occasion for preventive repression and control by the Soviet authorities. The festival itself was channelled as much as possible along the lines of Soviet propaganda, and delegates from Western countries were strongly discouraged or prevented from expressing opinions critical of Soviet policy in Afghanistan or elsewhere. Movement of Soviet citizens into and within Moscow was severely restricted to minimize their contact with foreigners. Soviet authorities took steps to ensure that dissidents would not meet youth festival delegates. Vladimir Ryabakon was placed in a guarded psychiatric hospital during and after the festival and given drugs causing physical discomfort. Inna and Boris Begun, wife and son of imprisoned Hebrew teacher Iosif Begun, were given a rare opportunity to meet briefly with him, but had to wait a week at the labor camp -- a week which coincided with the youth festival. Mikhail Shipov was detained outside Moscow during the festival and was threatened with further imprisonment. Many other persons reportedly left town or stayed home during the youth festival because of warnings or heavy surveillance.

Members of the group to establish trust between the U.S.S.R. and the U.S., an independent group of concerned Soviet citizens whose nonpartisan, nonpolemical approach to the discussion of arms control and confidence-building stands in sharp contrast to the statements of the officially-sanctioned Soviet peace committee, were particularly affected by the youth festival crackdown. The arrest of group member Dr. Vladimir Brodskiy on July 17 appeared timed to take him out of circulation during the festival. His trial was twice scheduled at obscure locations outside official courthouses and cancelled at the last minute without explanation before finally taking place on August 15 after the festival concluded. Brodskiy was sentenced to three years in a labor camp for malicious hooliganism. Another peace group member, Nikolai Khramov, was placed in a hospital for venereal diseases during the youth festival despite his having obtained a clean bill of health from a doctor only days earlier.

The charges against Brodskiy stemmed from an attempted peace demonstration May 16, prevented by a police roundup of about twenty group members. Khramov was held then for fifteen days. The day before, two group members, Olga Kabanova and Natalya Akulenok, were taken by police to a psychiatric hospital; they were held two to three weeks, and Akulenok reportedly was given injections of the drug Sulfazin. On June 11 several group members were arrested, and Khramov was taken by seven civilian police auxiliaries to a wooded area and beaten. Other group members were detained and questioned. Aleksandr Shatravka, already a prisoner, was moved from a general-regime to a strict-regime camp.

Nobel prize laureate Andrey Sakharov and his wife, Yelena Bonner, evidently remained in exile in the closed city of Gor'kiy throughout the review period, although a further decrease in already scanty information about them contributed to increasing doubts and uncertainty about their location and condition. Soviet authorities have held the couple under virtual house arrest. Telephone contact with them is prohibited, and they are permitted to send only censored telegrams and postcards. Perhaps in an attempt to allay worldwide concern for Sakharov's health, Soviet authorities in July released to a West German news organization film purportedly showing glimpses of Sakharov moving inside a hospital window. Otherwise Sakharov and Bonner remain almost completely isolated, even from close family members. Rumors of their possible transfer to another location cannot be confirmed.

Anatoliy Shcharanskiy, a founding member of the Moscow Helsinki Monitoring Group, was confined during much of the current review period to the internal prison of a labor camp in the Perm region. Five sentences of eleven days each to the punishment cell of the prison (a bare room where food and clothing are kept to a minimum) extended his four-month term in the internal prison, after which he was to remain in the labor camp. Soviet authorities have rejected repeated appeals for clemency for Shcharanskiy, sentenced to a thirteen-year term on a patently false charge of spying.

Yuriy Orlov, the leader of the Moscow Helsinki Monitoring Group, continues to serve a five-year term of exile in a remote area of the province of Yakutia. He is permitted visits from his wife but is subjected to harassment by local inhabitants. He subsists on minimal food rations. His small house has no running water. Orlov's health is reported to be fairly good despite the harsh climate. Appeals on his behalf continue to go unheeded by Soviet authorities.

Another former member of the Moscow Helsinki Group, Naum Meiman, continued to encounter obdurate resistance as he

persistently sought permission for his wife to travel abroad for medical treatment not available in the U.S.S.R. He and Inna Meiman, who underwent a fourth serious operation in July, were again denied exit permission in August.

Former Ukrainian Helsinki Monitoring Group member Vasyl Stus died September 4 in a labor camp after years of brutal treatment at the hands of Soviet authorities. He was the fourth Ukrainian human rights activist to die from mistreatment or neglect in a Soviet labor camp in the past eighteen months. These deaths leave little doubt that Ukrainian political prisoners are singled out for particularly brutal treatment. Another former member of the Ukrainian Helsinki Group, Iosif Zisels, was sentenced in April to three years in a labor camp. It was his second sentence for human rights activities. His colleague, Mykola Horbal, was also sentenced to three years of labor camp in April. Cruelly, he had been rearrested on anti-Soviet slander charges just two days before his scheduled release from a five year sentence on trumped-up criminal charges. The difficult circumstanes of Ukrainian human rights activists are reflected in the fact that although Ukrainians account for only twenty per cent of the Soviet population, they account for forty per cent of all Soviet political prisoners.

On June 6, Grigoriy Goldshtein, Isai Goldshtein, Tengiz Gudava, Eduard Gudava, Enriko Tvaladze and Ilya Boroda issued a statement in Tbilisi announcing the revival of the Georgian Helsinki Monitoring Group and protesting the continuing imprisonment of Merab Kostava, a founding member of the original Helsinki group in Georgia. Isai Goldshtein was kept under close surveillance by the authorities after that announcement, and threatened with arrest for espionage. These threats may have been an effort to discourage contacts with foreigners. Gudava and Emmanuil Tvaladze, also of Tbilisi, were arrested in late June on unspecified charges.

Other dissidents, sometimes too young to have belonged to the original Helsinki Monitoring Groups, have also been arrested. Kirill Popov of Moscow was taken to Lefortovo prison June 19. He was later charged with anti-Soviet agitation and propaganda under a law which carries a maximum term of five years. Tatyana Osipova, a former Moscow Monitoring Group member, was due to be released from labor camp to internal exile in May, but her camp term was extended for "maliciously" breaking camp rules. Former Helsinki monitors Viktor Nekipelov, Ivan Kovalyov and Anatoliy Marchenko, all serving camp sentences, were reported to be suffering ill health. Viktor Grinev, already in a labor camp, was sentenced to two additional years for anti-Soviet slander. Dissident Anatoliy Koryagin, a leading critic of Soviet psychiatric abuse, another labor camp inmate, was reportedly in very bad health.

Independent labor unions are not accepted by the Soviet authorities. Vladimir Sytinskiy of Smot (an independent trade union group) was reportedly sent to a psychiatric hospital after being tried for anti-Soviet slander. The use of psychiatric facilities for political purposes continued in the Soviet Union during the reporting period. For example, Lydiya Koifman, the wife of arrested Hebrew teacher Yevgeniy Koifman, was sent to a psychiatric hospital after trying to help her husband.

Despite commitments under the Helsinki Final Act to facilitate family reunification, the Soviet Union continues to deny exit permission to thousands of its citizens who wish to join relatives living abroad. Jewish emigration continued at a very low level compared to the peak year of 1979, when over 50,000 left the country. (See Chapter IV, Human Contacts.) The Soviet authorities continue to maintain, in the face of abundant evidence to the contrary, that the vast majority of Jews who wanted to leave the country have already left and that the rate of emigration is declining naturally as fewer and fewer families remain to be reunited. The authorities have also stated that family reunification refers only to those families divided by World War II.

Romania. The Government of Romania continues to comply with the first six Helsinki principles and repeatedly advocates them in policy statements, bilateral discussions, and international forums. Romania has placed on the agenda of the current (40th) UN General Assembly Session an appeal for peaceful settlements of disputes and for non-interference in the domestic affairs of others.

Romania's observance of basic human rights (Principle Seven) continues to be poor. The Romanian constitution contains guarantees of human rights and fundamental freedoms. The same document, and Romanian law, in many cases either explicitly limit these guarantees, or set a standard of state control so vague as to make the guarantees meaningless. The constitution names the Romanian Communist Party as the guiding authority in the country. Under this mandate the party, the Government of Romania, and its internal security apparatus tolerate no significant opposition. All forms of mass media are tightly controlled. Freedom of conscience has little meaning in a society where behavior is conditioned on the widespread belief that one out of four of one's neighbors is a police informant.

Freedom of thought is constricted by Romanians' belief that every conversation and meeting might be monitored by the security apparatus. Freedom of association and assembly are

limited by these same fears and by government policies that allow meetings and assembly only for officially-approved purposes.

In discussing human rights, Romanian officials often assert that economic, "quality-of-life" benefits are the most significant human right. They say that first and foremost, citizens have a right to the essentials of life: food, shelter, employment, economic security. By implication, lesser standards of performance should be tolerated in the area of human freedoms, in order to achieve rapid progress toward the primary goal. Romanian performance in the area of economic rights, mentioned in paragraph two of Principle Seven, is poor by any European standard. Once a primary agricultural supplier and a country whose living standard compared favorably with Bulgaria's and the Soviet Union's, since 1980 Romania has become a country where even basic foodstuffs are rationed, and often simply unavailable. Its living standard is Europe's lowest, save Albania's.

Following a grueling winter without heat or electricity in many homes, with private cars banned from the streets and public transportation severely curtailed, the spring and summer months of the reporting period have brought considerable improvement to life in Romania. Despite the summer and fall harvests, however, many basic food items continue to be rationed. Even the government's own projections have been revised downward toward reality in the face of a poorer harvest than last year. Travelers in the countryside, where private plots traditionally have kept the rural population adequately fed, now report that there are food shortages there as well. Current shortages mean many city dwellers are unable to get the usual supplies of food to preserve for the winter.

Neither has there been any discernible improvement in the energy situation. Electrical outages occur regularly. Many city-dwellers fortunate enough to have had uninterrupted power last winter expect to be cut off this season, since throughout the summer crews have been rewiring the main electrical distribution system, allegedly so that residences may be cut off without disturbing power supplies to industry. Numerous articles report deficiencies in the coal-mining industry, and stockpiles are lower than predicted. The unavailability of even poor-quality coal has led many householders throughout the country to stockpile wood as a hedge against the gas cutoffs which left so many dwellings and public buildings unheated last winter.

Despite constitutional guarantees, the practice of religion in Romania continues to be severely circumscribed by the government. Religious activity is restricted to the 14

denominations officially recognized by the Government. These include the Romanian Orthodox, Roman Catholic, Hungarian Reformed, Unitarian, German Lutheran, Baptists, Pentecostals, Seventh Day Adventist, and Jewish. Attempts to gather for worship by members of other faiths are treated as "illegal assemblies," with participants sometimes arrested and fined. Among the denominations refused recognition by the Government of Romania are the Church of the Latter-Day Saints (Mormons), the Nazarenes, and the Jehovah's Witnesses. The latter two were singled out for attacks in government periodicals this summer.

Romania's fourteen officially recognized religions are administratively supervised by the Government's Department of Religious Affairs, which subsidizes salaries of the country's clergy (although the Baptists do not accept official subventions), approves building permits, seminary admissions, and printing of religious materials. The degree of authority exercised by the Department of Religious Affairs varies among the religious groups. Unrecognized religious groups are discouraged through harassment and intimidation. Government policy tends to restrict the evangelistic faiths more than the Romanian Orthodox Church, to which a large majority of Romanians belong.

The growth of "Neo-Protestant" religions -- Pentecostals, Evangelical Brethren, unofficial Baptists, and Pentecostals during the last 15 years has led to continued friction with the government. Official attempts to discourage these groups are stimulated by their insistence on the primacy of religious belief over state authority in matters of conscience. During this period there was no visible improvement in the government's restrictive policy on repair and construction of new churches; authorities demolished major portions of one Bucharest Baptist church, and bulldozers were poised to level another in the provinces. Two Baptist pastors tried on apparently flimsy charges; one pastor was convicted. Another recalcitrant activist Baptist pastor was forced to leave Bucharest despite his wife's advanced preganacy and his mother's terminal cancer. Many others were called in by state security officials. The shortage of Bibles continued to lead many to risk the penalities of smuggling; during this period five persons were sentenced to terms ranging from ten months to seven years for offenses related to Bible smuggling.

Romanian authorities remain somewhat sensitive to foreign opinion. Thus, for example, government officials told visiting Congressmen in Bucharest this summer that the Romanian Government would be willing to permit and facilitate the import of large numbers of Bibles, if a need were demonstrated that could not be met from domestic resources.

Public image was undoubtedly a large factor in the government's decision to allow Billy Graham to preach in Romania in September, 1985. He was greeted by massive crowds in his early appearances, despite the absence of any domestic publicity. A crowd of more than 40,000 gathered in the western city of Timisoara but was unable to hear him because external loudspeakers were cut off. Their protests led authorities strictly to control crowd sizes later in the visit, but Graham still managed to reach a total Romanian audience estimated at over 110,000. In moves seemingly related to Congressional hearings on the renewal of Romania's most favored nation trade status (MFN), two celebrated dissidents were allowed to emigrate. After five years in jail and a year of house arrest, Father Gheorge Calciu-Dumitreasa along with his wife and son were allowed to immigrate to the United States in August 1985. The announcement of his release followed numerous high level representations made by the U.S. and other Western governments on Calciu's behalf. Dissident writer Dorin Tudoran was also allowed to immigrate to the West at the time of the MFN hearings. He staged a hunger strike in April and his case had attracted Western support.

Other dissident figures did not share in Calciu's and Tudoran's good fortune. Constantin Sfatcu was arrested in April when he was found with approximately 600 Bibles in his possession that had been smuggled in from the West. In July, he was convicted and sentenced to seven and one-half years for the "attempted murder" of the arresting police officer. U.S. Embassy observers at the trial reported that the evidence clearly did not sustain the charge. The case was subsequently retried on appeal; in October, Sfatcu was convicted of the lesser charge of "assaulting a police officer" and sentenced to four and one-half years. Petru Popescu, a Baptist lay pastor in a small village, disappeared early this summer the day after giving a tour of his village to two U.S. Embassy officers who visited there unannounced. It was later learned he had been arrested, hurriedly tried and sentenced to two and one-half months imprisonment for "hooliganism." Most of the charges leading to this sentence arose from events alleged to have occurred during that visit. Available information indicates that much of the testimony regarding these events was false. Popescu is now back in his village, but his church (whose reported confiscation by local authorities motivated this visit) remains a nursery school.

Bunian Cocar has been pastor of a Bucharest Baptist church since 1982. Although licensed and under contract to the church, he was never able to obtain a Bucharest residence permit from local authorities. In June, in the midst of a confrontation Cocar provoked over new church construction, the

authorities ordered him to leave Bucharest with his wife and terminally ill mother. His wife, in an advanced state of preganancy, later miscarried. Cocar later returned to Bucharest; though he has been fined several times for such offenses as leaving debris on the site of his partially-demolished church, and seeking to erect a tent over the demolished part of the building, the authorities appear prepared to tolerate Cocar's continued efforts to protect his church, at least for the moment. He was able to meet with visiting U.S. Congressmen in June.

Elisei Ruse, Cornel Mich, Nicula Levi, and Ilie Dociu, four members of the "Open Brethren" Church ("Chrestini dupa Evanghelie"), were convicted September 13 of "distributing literature without a license" when caught giving away Bibles and other religious literature. Their sentences ranged from ten months to one year at "socialist labor," menial agricultural, factory, or construction jobs at reduced wages, but without actual imprisonment. While they thus remain at home, their reduced wages make them dependent on the charity of relatives and fellow church members for food and other necessities. Dociu and his wife have eight children; the Ruses have three; and Mich one. The court also relieved Ruse of his job as editor of the church's magazine, and ordered the confiscation of other religious materials.

Following his departure from Romania, Father Calciu listed Ilie Neamtu, of the "Open Brethren" Church in Ploiesti, as having been arrested "for his faith" in August. It appears Neamtu may have been arrested as early as July 1. One source of unknown reliability claims the family say they have no knowledge of Neamtu's fate. Another usually-reliable source says that although Ploiesti police deny they have Neamtu in custody, hs wife has been ordered to come to the central police station there once a month, exchanging a set of her husband's clean clothes for soiled ones. A Western source backed by a highly reliable source in Romania reported that Father Chilici (or, in Hungarian, Csilik), a Roman Catholic priest in the city of Oradea, was badly beaten last summer by internal security police because of his Hungarian ethnic background and his success as the leader of a "charismatic" evangelistic group within the church. During the reporting period there were no new developments in the case of Dorel Catarama, a Seventh Day Adventist activist convicted on charges of economic crimes and imprisoned since 1982.

Romania's minority populations of Hungarians, Gypsies, Germans, and a number of other ethnic groups live in a country infused with Romanian nationalism. School texts, history books, and mass media purvey a Romanian version of history which often ignores or belittles the role these minorities have

played in Romanian history. Although some basic schooling is still available in minority languages, recent adminstrative measures have made it increasingly difficult for minorities to get higher education in their own language and to enjoy more sophisticated forms of their ethnic culture, generating discontent among Hungarians and Germans. There is little evidence of any economic discrimination; minorities have suffered along with the Romanian majority.

The Government of Romania officially condemns terrorism and seeks to prevent its territory from being used for the operation, organization, or commission of terrorist activities. It does, however, openly support a number of "national liberation movements," all of which espouse terrorism. The PLO, SWAPO, and the ANC have diplomatic or quasi-diplomatic missions in Bucharest. However, the Romanian Government has been reluctant to join in international action to suppress terrorism.

Domestically, Romania is somewhat vulnerable because of its large number of Middle Eastern students -- some estimates run as high as 30,000-- among which are thought to be represented almost all of the radical Middle Eastern terrorist factions. Following the assassination of a senior Jordanian diplomat in Bucharest last December, security measures aimed at this student community were increased. In May, however, a bomb in an Arab student's car killed three police officers attempting to defuse it. Though reliable information is lacking it appears the bombing resulted from friction between Arab student terrorist factions.

Labor unions are integrated with and controlled by the party and state. There are continuing unconfirmed reports of instances of labor unrest. During the reporting period Romania refused to appear before an International Labor Organization commission investigating charges that Romania denies freedom of association to its workers.

Hungary. In practice, Hungary has continued to enjoy a relatively good human rights record. There were no new significant instances of human rights abuses during this reporting period. The status of dissisdent economist Gyorgy Krasso, who was placed under police surveillance i.e., a limited form of house arrest, last November, has not materially changed. The authorities liberalized some portions of his surveillance order such as permitting him to use his telephone. But during the summer months his apartment was visited regularly by the police who noted who was present and examined the premises carefully without touching anything. A disturbing factor which occurred during the period was the enactment of a new law which gives the police increased

administrative power over Hungarian citizens and residents. Under the new law, the "head of the police station having jurisdiction over the territory where the interested person resides or stays may apply coercive measures, such as (a) police surveillance, (b) expulsion, or (c) police surveillance and expulsion together, against any Hungarian citizen or resident alien above 16 years of age living in the terrority of the Hungarian Peoples Republic whose attitude imposes a permanent danger to the internal order of the Hungarian Peoples Republic or to the public order and public security." The decree also provides that the basic term of a police surveillance order is two years and can be extended by a further year. This is a change from the previous 12 month order, which could be extended by one year.

Other decrees in recent years have strengthened the power of the police to search citizens without cause and tightened state control over duplicating machinery and those who are without regular employment. Although this strengthening of police power has not resulted in a tightening of control over political dissidents, in the event of a change in political climate, the authorities would have strong legal coercive powers already in hand. Some leading dissidents have surmised that the increased administrative police powers were designed for use against criminals. Dissidents fear, however, that the same powers could be turned against them, with or without central government approval. They have pointed to the instances of police abuse in Poland as a sobering example of what could happen in Hungary.

Hungarian samizdat continued publication throughout the reporting period and even increased in number with the appearance of a new issue devoted to non-Hungarian affairs. Occasional police harrassment of samizdat distributers and writers continues but does not seem to mark a campaign or major effort to close down the underground publishing houses. Some local observers believed that the authorities sought to minimize actions against dissidents before the October 15 opening of the Budapest Cultural Forum.

The settled relations between the churches and the state continued during the reporting period. American evangelist Billy Graham visited Hungary for the third time September 17-23, 1985. He preached before a crowd of 15,000 in the southern Hungarian city of Pecs, using a twelve by eight meter "diamond vision" screen as well as sound amplification to reach those who could not see him on the cathedral steps. Graham also conducted a worship service in Budapest's indoor sports arena, drawing an overflow crowd of about 15,000. This was the first time Graham had been afforded use of a public facility, other than a church, in a Warsaw Pact state. Inexpensive

Hungarian versions of two of Graham's works and the Bible were on public sale in Pecs and Budapest. Hungarian authorities cooperated with the Graham organization throughout the visit and made no attempt to dissuade the public from hearing the evangelist.

Roman Catholic and other conscientious objectors to military service continued to be tried and sentenced. We believe there are approximately 10-15 currently serving prison terms of from one to three years. Hungary's record of cooperation with overseas organizations interested in its small Jewish community continued during the reporting period. Numerous delegations visited Hungary to examine and discuss with officials proposals for preserving Jewish culture.

Poland. Throughout the reporting period, the Polish Government continued to accuse the U.S. and other Western governments of interference in Polish internal affairs. The Polish Government most frequently cited remaining Western sanctions against Poland as the most prominent example. But it also expressed concern over the activities of U.S. and other Western diplomats and journalists in Poland and regularly criticized Polish language broadcasts of RFE, VOA, and other Western stations. Polish authorities detained and later expelled two U.S. diplomats observing a May Day demonstration, alleging that they were participants in the protests and thus interfering in Polish internal affairs. Police also frequently temporarily detained journalists who observed such demonstrations, an action the Government justified as a legitimate defense against foreign interference in Poland's internal affairs.

During the review period Poland was not involved in any situation which could entail the threat or use of force against another state.

Polish sensitivity regarding its western border remains high. The Polish Government has continued to accuse some FRG politicians of "revanchism," claiming their statements on German reunification represent a threat to the maintenance of the western frontier. The Polish Government celebrated the 40th anniversary of the incorporation of its western and northern territories with festivals, parades, and exhibits all attesting to the Polish character of the territory. In addition to expressing special sensitivity about its own borders, Polish statements on territorial integrity issues, peaceful settlements of disputes, and non-use of force are selective and parallel Soviet foreign policy pronouncements.

The most important single human rights violation of the reporting period was the June conviction and sentencing of

Solidarity activists Adam Michnik, Bogdan Lis, and Wladyslaw Frasyniuk to prison terms of three, two and one-half, and three and one-half years respectively. The Government accused the three activists of membership in an illegal organization (the Temporary Coordinating Committee of Solidarity, or TKK) and fomenting public unrest. Although the authorities' decision to close the trial to all Western observers precluded independent observation of the proceedings, reports based on information from trial participants indicated that unusual abrogations of the defendents' rights occurred. Reportedly, for example, court authorities frequently refused to allow defense attorneys to confer privately with their clients. Despite the content of the charges, the presiding judge reportedly refused Michnik the possibility of mentioning anything about his relations to the TKK in testimony and on several occasions expelled him from the courtroom to ensure his silence. Defense attorneys complained that they were denied full access to the evidence gathered against their clients and given insufficient time to study that which was available to them. Much of the government's case was based on a tape recording allegedly made of a conversation with Lis, which the defense claimed to be fabricated. After the conviction all three defendants appealed the decision. A Supreme Court decision is expected before year's end.

On a broader scale, the Government continued a selective crackdown on the political opposition throughout the reporting period. In the process, the number of political prisoners swelled to well over 360. In their arrests, police seemed primarily to have targeted the printing and distribution centers of Poland's flourishing underground publishers. The limited press accounts of such arrests often mention that the suspects were caught with either illegal printing equipment or with large numbers of illegal documents in their possession. Many of those arrested are tried under the recently enlarged provisions for summary justice. One of the first sentenced under the amendments, which went into effect on July 1, was Henryk Grzachzielski, who was arrested that very day for "leading a strike" against meat price increases. On July 3 he was sentenced to one year in jail. Police have also regularly used their power to detain citizens for up to 48 hours to intimidate opposition activists. For example, at the end of April, Gdansk police used this procedure to round up dozens of Solidarity supporters in order to remove them from the streets prior to the government-organized May Day celebrations.

The Polish Government allows a significant degree of religious freedom. Although it has made clear publicly that it has not given up its long-term goal of restricting religious influences, churches are free to preach, publish and proselytize. The Roman Catholic Church is allowed to broadcast Sunday mass over state-run radio, and the small Protestant

demoninations are permitted to do so on a rotating basis. The government continues to allow mass religious gatherings, including pilgrimages and conventions, to take place without significant interference. But it makes clear that it expects these gatherings to maintain their purely religious character. Although the vast majority of the populace are religious adherents, persons who openly profess their religious belief still find it difficult to rise to leading positions in government and industry. The Roman Catholic Church is the predominant religious force in Poland. A substantial majority of all ages and social groups participate regularly in Catholic religious services. The next largest religious community is the Orthodox Church, with about 800,000 members. Approximately a dozen other denominations exist in Poland, and the Polish Government allows them to practice their faiths freely as long as they avoid political activities.

Despite the Catholic Church's firm position in society, church-state relations continue to be thorny. The government and the official press have repeatedly criticized those priests it considers to be politically active, prompting Cardinal Glemp to counter that the church and clergy have a duty to play a role in national discussions of important issues. Cardinal Glemp and General Jaruzelski met in June, the first time in more than a year. Their meeting apparently failed to resolve outstanding church-state issues, such as the church-proposed foundation to aid private agriculture. There are occasional reports of physical attacks on priests under suspicious circumstances. In a notable example, Krakow priest and Solidarity adviser Tadeusz Zaleski reported on April 6 that he was attacked by a hooded assailant who gassed him unconscious and burned him repeatedly. He charged the security police with responsibility for the attack. A police investigation of the matter concluded that Zaleski, an epileptic, had a seizure during which he set his clothing on fire and burned himself, an explanation greeted by widespread disbelief. Public prosecutors have continued to threaten priests whose sermons or church exhibits they consider to be too political. In June an Orthodox priest in Bialystock died under mysterious circumstances. There is widespread doubt concerning the conclusion by official investigators that he committed suicide.

The Polish Government has breached its commitment under the Madrid Concluding Document to respect the right of workers to freely establish and join trade unions: a Warsaw court on April 12 officially registered the All-Poland Agreement of Trade Unions (OPZZ), the state-approved union, as the only official nation-wide trade union organization in Poland.The government ruled out a return to trade union pluralism in the near future by amending the Trade Union Act to codify the concept of only one union per workplace. As a result, workers

may not freely organize alternatives to the officially backed unions. The government granted the OPZZ consultative rights in enterprise decisions on work regulations, work hours, holiday schedules, and the allocation of welfare and housing funds. The inclusion of the OPZZ in these decisions undermines the influence of the heretofore relatively independent factory worker self-management councils, in which many Solidarity activists have been influential. On June 22, the Polish Government transferred all funds and assets seized from Solidarity and other independent unions to the OPZZ. Polish authorities estimated the total value to be 3.4 billion zloties, 22 million dollars at the official rate of exchange. Despite government support, official union membership continued to lag far behind Solidarity's highwater mark of 10 million. OPZZ chairman Alfred Miodwicz in August claimed a membership of 5.5 million, but acknowledged that only 60 percent of these were actually active workers. Poland's withdrawal from the ILO in the wake of that organization's criticism of Polish labor policy has rendered the question of worker representation on that body moot. In keeping with other unions from Warsaw Pact nations, the OPZZ joined the Communist-dominated World Federation of Trade Unions.

The Polish Government officially subscribes to the principle of equality for all citizens, regardless of ethnic or religious background, age or sex. Belorussians and Ukranians differ linguistically from the majority, and many are members of the Orthodox or Uniate Churches. While they have somewhat greater difficulty building churches, training clergy, and maintaining their languages, there is no legal discrimination against them. Whatever prejudice they may encounter appears to occur in the context of their small numbers and the region's history. There are small Protestant communities in Poland, as well as a very small group of Muslims. At present only a few thousand Jews, most of them elderly, remain in the country.

Women have equal rights under the law, and there is no evidence that discrimination based on sex is a serious problem. Traditional views of women as wives, mothers, and homemakers remain strong. A large majority of working-age Polish women, including almost all those who live in rural areas, are employed. Many women have reached positions of responsibility in the professions, but relatively few have high government or party posts.

Poland engages in many bilateral and multilateral cultural, scientific, economic, consular, military, educational, labor, and recreational agreements which involve exchanges and participation in conferences. Poland is a member of the United Nations and related organizations, the Warsaw Pact, and the Council for Mutual Economic Assistance.

The Polish Government adopts a carefully legalistic approach to the question of international obligations, and in that context generally fulfills the letter of the obligations its assumes -- as it interprets those obligations.

However, certain Polish Government actions have been found to be in conflict with ILO conventions and Poland has, on occasion, failed to carry out its obligations under the Vienna Convention on diplomatic relations. In public statements the government condemns terrorism. However, its pronouncements on this issue, as on territorial integrity, tend to be selective. Domestically, Poland has a select anti-terrorist unit, controlled by the Ministry of Internal Affairs, which has been used to help protect important visitors such as the Pope.

German Democratic Republic. There have been no changes in GDR practices regarding the first six principles. The GDR has respected the rights inherent in sovereignty; not used or threatened force; not violated frontiers; respected territorial integrity of states; not settled disputes by other than peaceful means; and there is no clear proof of GDR intervention in internal affairs of other countries, although the GDR continues strong support for Soviet activities and so-called national liberation movements in developing countries.

The GDR continues to restrict the fundamental freedoms of thought, conscience, religion, and belief among its people. The activities of the Ministry of State Security's secret police are pervasive. Without judicial controls, the police may install listening devices, open private mail, or interrogate whomever they choose.

With the exception of church-sponsored events held on church grounds, private groups are not allowed to organize events without official approval. Participants in some meetings on church grounds have encountered difficulties with GDR authorities.

The following is a summary of reported examples of GDR violations of human rights and fundamental freedoms during this reporting period.

o GDR citizens whose relatives in West Berlin had demonstrated for their release were arrested on charges which included maintaining "illegal contacts" and "provoking slander of the state." One such case was taken up by Amnesty International, according to press reports.

o Prominent GDR environmentalist Udo Zeitz (whose young daughter had reportedly suffered from effects of chemical spraying) was arrested for campaigning vocally against official environmental policies and openly protesting official denial of his right to emigrate. After three months pre-trial detention, Zeitz was sentenced to three and one-half years imprisonment for charges including "defamation of the GDR."

o There have been repeated reports of official discrimination against Christians, including children in public schools. Practicing Christians are regularly higher education or training in many fields at the university level.

There were also some positive developments to note. New churches continue to be built in limited numbers with government approval. The government continues to show a slight liberalizing trend in its treatment of minority religions. A Mormon Temple was dedicated in Freiberg near Dresden during this reporting period. Christian Scientists have begun receiving church literature promised to them during a meeting with state officials last December, although they, like the Jehovah's Witnesses, are still under court orders restricting their religious practice. And an American Jewish organization's early efforts to arrange for a rabbi to be sent to reside in East Berlin has received encouragement from GDR authorities. For years there has been no rabbi to serve the tiny Jewish community.

West German media reported in July that GDR security forces apprehended two terrorists transiting Schoenefeld Airport near East Berlin, who had intended to hijack an American airliner at West Berlin's Tegel Airport. If true, this could indicate the GDR is growing more aware of the negative consequences of appearing to condone terrorist activities launched from or via areas under its jurisdiction. However, the GDR continues to avoid explicit international commitments or consistent actions against the terrorist threat.

Self-determination by means of democratic elections is unknown in the GDR. Every five years GDR citizens are presented with a list of candidates, most unopposed, for the "People's Chamber" (Volkskammer) and various local assemblies (Volksvertretungen). Though a 1976 election law states that voting is secret, it is not in fact always so. East Germans who refuse to vote or who reject entire ballots may suffer reprisals.

Foreign diplomats in the GDR are effectively protected by GDR security forces. However, the GDR reportedly provides

military training to members of groups which have been associated with terrorist incidents directed against diplomats and diplomatic missions.

Only government-controlled unions are allowed. Strikes are not permitted in the GDR, and union assemblies are strictly controlled by the state. GDR unions are a captive political arm of the government and are used to carry out official and party policy.

Czechoslovakia. Czechoslovak performance in respecting human rights and fundamental freedoms (Principle Seven) remains unsatisfactory. As a result of the May amnesty and a trend toward suspended sentences on human rights cases, there are only a few human rights activists currently in prison. However the government continues to use a variety of measures -- including threats, interrogations, short-term arrests, job dismissals and denial of educational opportunities -- to stifle political, religious, and cultural activities that have not been organized by the Communist Party or affiliated institutions.

Inside Czechoslovakia, the government's implementation of the Final Act continues to be monitored by a small group of private Czechoslovak citizens who are signatories of "Charter 77." An associated group, the Committee for the Defense of the Unjustly Persecuted (VONS), gathers and publicizes information concerning individual cases of human rights abuses. According to VONS, five political prisoners benefitted from the May 8 amnesty by having up to one year dropped from their prison sentences. In addition, Miklos Duray, a Hungarian minority activist, was released from prison where he had spent a year awaiting trial on charges of "subversion" and "harming the interests of the republic abroad." These charges, which stemmed from Duray's opposition to proposed changes in the Hungarian language educational system in Czechoslovakia, were dropped under the amnesty. Neither Rudolf Battek, nor Jiri Wolf, the two Charter 77 signatories who are currently serving the longest prison terms -- five and one-half and six years respectively -- benefitted from the amnesty. Another group of prisoners excluded from the amnesty were those convicted of leaving, or seeking to leave the country without official permission. There are no government statistics available on Czechoslovakia's prison population, but VONS estimates that there are about 1,000 prisoners currently imprisoned under such charges. Most are sentenced to one to two years, but VONS has documented cases of individuals serving terms of ten years or more for this offense.

Previous reports have noted that in March 1984 the Czechoslovak Government, for the first time, imposed

"protective supervision" against two "Charter 77" signatories who had served prison terms for political dissidence (Ladislav Lis and Jan Litomisky). There are now five individuals, including Lis and Litomisky, who are subject to this punishment. The conditions that they must abide by differ in each case, but they include travel restrictions, curfews, and the necessity to report frequently to the police -- in Mr. Lis' case, for instance, more than seven times a week. Using this form of punishment, which is intended for habitual violent offenders, against persons who have never committed a violent crime, is an infringement of fundamental freedoms.

The 18th Semiannual Report noted that in the spring of 1985, foreign diplomatic representatives had been permitted, for the first time, to observe a Czechoslovak human rights trial. Experience in this area during the current reporting period has been mixed. A U.S. Embassy observer was allowed to attend the September 27, trial of Jan Keller, a former minister of the Czech Brethren Evangelical Church whose license had been withdrawn by the authorities, and who was accused of "obstructing state supervision over churches." Keller was not convicted, but remains forbidden to carry out his functions as a minister. On the same day, however, U.S. observers and friends of the defendent were barred from the Prague trial of Charter 77 activist Petr Cibulka, who was given a seven month prison term for "insulting the nation."

One area where the Czechoslovak Government remains in serious violation of its obligations under Principle Seven concerns the freedom of individuals to profess or practice their religious beliefs. Although the Czechoslovak Constitution states that there is freedom of religious practice, in reality this right is strictly limited by a variety of regulations. The government makes considerable efforts to discourage religious activity, especially among the young. In many cases, higher education is denied to those who engage in religious activity or to their children. Such discrimination in education is also commonly practiced against children of political activists, especially those affiliated with VONS or Charter 77. Individuals who are employed in education, health, and certain other professions are frequently subjected to sanctions at work or loss of their jobs if they openly go to church or attend other religious ceremonies.

Organized religious practice is hampered by restrictions both written and unwritten. A regulation in 1950 forcibly dissolved all male religious orders and barred female orders from accepting new members. Charges remain pending against a number of individuals arrested in 1983 and 1984, who are believed to be members of the Franciscan Order, which has reportedly continued its activities despite government

repression. An additional restriction on religious liberty is the requirement that priests and ministers be licensed by the state. Only a small number of new candidates are given a license, and licenses can be withdrawn at any time, without explanation. Clergymen who continue to follow their calling despite revocation of their licenses are liable to criminal prosecution. Religious education of children and intending clergy remains strictly controlled and unofficial gatherings such as privately celebrated masses, prayer meetings, or educational sessions are forbidden. The printing and distribution of unauthorized religious materials is treated even more harshly. On April 11, five Prague Catholics were arrested and numerous others interrogated on charges of "obstructing state supervision over churches" because they were allegedly producing and copying religious literature. All have since been released from prison, but criminal charges remain pending.

Independent organizations are not permitted in Czechoslovakia. Membership in the state trade union, the "Revolutionary Workers' Movement" (ROH), is virtually compulsory, and the ROH is controlled from the top, not the bottom. Independent trade unions are forbidden, as are strikes, and other forms of independent labor activities. Intellectuals such as artists, writers, and others are organized in professional associations which are under strict party control. The government's unwillingness to tolerate independent initiatives on the part of these organizations was evident during the reporting period in the saga of the jazz section of the Czech musicians union. The Jazz Section was a legally-constituted association of jazz fans throughout Czechoslovakia. It organized jazz festivals and sponsored publications on music and the arts for its members. In March 1985, the Jazz Section was dissolved under a 1968 statute banning "counterrevolutionary activity." Leaders of the section protested, and addressed a series of letters and petitions to the authorities. The result was surveillance, interrogations, loss of their jobs, and other forms of harassment. In September the Jazz Section's offices and leaders' apartments were raided by the police, and the section's financial and legal records and membership lists confiscated. Despite this pressure from the authorities, the Jazz Section, thus far, has refused to acquiesce in its dissolution.

Czechoslovakia publicly maintains its opposition to all forms of international terrorism. To what extent official internal policy and actions mirror this public stance is impossible to say. Occasionally, Western press reports carry stories alleging that there are terrorist training camps on Czechoslovak territory. We are, however, unable to verify these reports.

Bulgaria. The Government of Bulgaria continues to respect Principles One through Six, and Principles Nine and Ten. During this reporting period the regime has committed severe and widespread violations of Principles Seven and Eight: respect for human rights and fundamental freedoms and equal rights and self-determination of peoples. The two most glaring violations have involved the continued suppression of the right of the ethnic Turkish minority to exist with a separate identity and harsh punishment of a group of dissidents who demanded basic human rights for Bulgarians. Bulgarian official suppression of religion continues, with most of the regime's effort directed against Muslims.

Our Embassy in Sofia has continued to receive eyewitness reports from villagers in predominantly ethnic Turkish areas that the combined forces of the militia and the "Red Beret" paramilitary organization continue to enforce curfews, conduct arrests and interrogations, and imprison ethnic Turks who have resisted the government's assimilation campaign. We have confirmed information that regular army forces have been used to help pacify villages. According to this information, resistance to the assimilation campaign continues and the regime has attempted to restrict the movement of the population in ethnic Turkish areas. A fine has been imposed for any citizen who speaks Turkish or wears Turkish-styled clothing.

Bulgarian authorities have increased efforts to deny access to certain ethnic Turkish villages to diplomats and journalists. One village, Yablonovo, where eyewitnesses state armed resistance to government forces was particularly severe, remains closed to Western observers. Unofficial closure of areas that were open to Westerners six months ago signals the regime's inability to suppress the local inhabitants in those areas. During the period, numerous ethnic Turks have been imprisoned at the Danube Island prison camp, Belene, and at prisons in the towns of Sliven and Stara Zagora.

Coupled with efforts to assimilate the ethnic Turkish minority, the Bulgarian Government has stepped up its propaganda campaign against the Muslim religion. Numerous articles have appeared in regional newspapers attacking Muslim beliefs, customs, and religious practices. Another article called for Communist Party workers to promote assimilation by acting as teachers to assist ethnic Turks in learning Bulgarian. Many mosques in ethnic Turkish areas remained closed. In the ethnic Turkish areas, Muslims were discouraged and even forbidden from celebrating the holy feast of Kurban Bayram, which occurred this year at the end of August. Last year, there was no official objection to Bayram celebrations. Our Embassy has learned that since 1945 only three Bulgarian

Muslims have obtained permission to leave Bulgaria for the annual pilgrimage to Mecca. Despite this, there is information that attendance at services is again rising, particularly in areas where ethnic Turks constitute a minority of the local population.

During the past six months, the membership of Sofia's oldest Protestant Church, the Congregational-Evangelical Church, has dropped from 180 to approximately 20. A government-appointed pastor who has dissolved congregations and demolished other churches in Bulgaria seems to have successfully driven out members from this church as well. The pastors selected by the congregation, two brothers named Kulishev, were convicted in May of "misappropriating church property" and forbidden to practice as pastors. This government tactic allowed the appointment of the current pastor and the steady decline in church membership.

The situation of Roman Catholics in Bulgaria has not improved during the period. Although Catholics are permitted to hold Mass, priests are subject to official harassment. Catholics held hope that the visit of Austrian Cardinal Koenig during the last reporting period would break the stalemate on the Bulgarian Government's refusal to accept the Vatican's appointee as the Bishop of Plovdiv, a post that remains vacant.

Independent sources confirm that Bulgarian dissident Yanko Yankov received a five-year prison sentence, which he is currently serving in the notorious Pazardzhik prison. Yankov has reportedly suffered beatings by prison guards, resulting in at least one broken rib and he has allegedly been denied medical treatment. According to court records, Yankov and a confederate were sentenced for slandering the Bulgarian State, agitation, and organizing an anti-state group. Both were members of a small human rights group that operated near the city of Mikhailovgrad during 1983-84. The group operated clandestinely but successfully brought attention to the human rights abuses of the regime. The group consisted of as many as seventeen members but was disbanded after its betrayal by one member and the subsequent arrest of Yankov and another member. Court records also indicate that part of Yankov's "crimes" involved his March 1984 appeal for political refuge at the U.S. Embassy in Sofia, as well as subsequent telephone calls to our Embassy from a chemical plant in Devnia where he was assigned to forced labor while awaiting sentence.

During the period the Bulgarian Government has not taken any steps towards greater cooperation on the prevention or suppression of international terrorism. Bulgaria not only did not condemn the hijacking of the TWA aircraft in June, but its official media accused the U.S. of using the incident to build

up its military position in the Middle East. The government continues to receive the leaders of so-called "liberation" groups including those of PLO factions. Bulgaria boosted its efforts to thwart internal terrorism during this period. Authorities are still unwilling to inform foreign missions about specific threats, yet heavily-armed security forces are often stationed in front of those missions. As during the last period, heavy security remains a probable corollary to the campaign against Bulgaria's ethnic Turkish minority. Embassy officers from Western embassies witnessed incidents of police-state tactics during this period, as in the past, when security forces subjected citizens to document checks, roadblocks, and rough treatment.

DOCUMENT ON CONFIDENCE-BUILDING MEASURES AND CERTAIN ASPECTS OF SECURITY AND DISARMAMENT

The signatories to the Helsinki Final Act are required by the Act's Document on Confidence-Building Measures and Certain Aspects of Security and Disarmament to give prior notification of "major military maneuvers exceeding a total of 25,000 troops, independently or combined with possible air or naval components." Notification is required for maneuvers that take place on the territory, in Europe, of any participating State, and must be made 21 days or more in advance of the start of the maneuver. The notification "will contain information on the designation, if any, the general purpose of and the States involved in the maneuver, and type or types and numerical strength of the forces engaged, and the area and estimated time-frame of its conduct. Participating States will also, if possible, provide additional relevant information, particularly that related to the components of the forces engaged and the period of involvement of these forces."

In addition, signatories are encouraged to engage in other confidence-building measures (CBMs) on a voluntary basis. These voluntary CBMs include the invitation of observers to maneuvers and prior notification of major military movements and exercises involving fewer than 25,000 troops.

Implementation

The United States and its NATO Allies continued their excellent record of implementation of these CBMs. The United Kingdom notified participating states concerning the major maneuver, Brave Defender, which took place from September 2-13, 1985, on the territory of the United Kingdom and involved 65,000 troops from the United Kingdom, the Netherlands and the United States. The Federal Republic of Germany provided notification of the major maneuver, Trotzige Sachsen (Defiant Saxon), which took place from September 12-21, 1985, involving

60,000 troops from the Federal Republic Germany, the United Kingdom, the Netherlands, and the United States. Observers were invited to attend both of these maneuvers.

Among the neutral and non-aligned (NNA) countries, Switzerland notified participating states of the military maneuver, Tornado, which took place from October 7-17, 1985, and involved approximately 25,000 Swiss troops. No observers were invited.

The Soviet Union and its Warsaw Pact allies provided notification of three major maneuvers during the reporting period. The USSR notified participating states of the military maneuver, Kavkaz 85, which took place from July 15-21, 1985, in the Caucasus region of the Soviet Union, involving approximately 25,000 Soviet troops. In a rare move, the Soviet Union invited observers from Turkey, Greece, Italy, Portugal and Spain, as well as Malta and Yugoslavia to attend the maneuver, in addition to Warsaw Pact observers. The USSR and the German Democratic Republic also provided notification of an unnamed maneuver which took place on GDR territory from July 6-14, 1985, with the participation of about 25,000 Soviet and East German troops. No observers were invited to attend. Czechoslovakia notified participating states of an unnamed maneuver conducted on Czechoslovak territory from May 25-31, 1985, involving about 25,000 Soviet and Czechoslovak forces. No observers were invited.

The Soviet and Warsaw Pact notifications provided the bare minimum of information required under the CSCE provisions, consistent with the East's practice of maintaining a very restrictive interpretation of its obligations under the Helsinki Final Act. The Soviet invitation of selected Western observers to the major maneuver, Kavkaz 85, was a notable exception. In the last five years, Western observers have been invited to only one other Soviet maneuver, Dnestr 83. That exercise, involving less than 25,000 Soviet troops, was also the first voluntary notification by the Soviet Union. In the current reporting period, Soviet and Warsaw Pact forces participated in at least two smaller scale maneuvers which could have been notified on a discretionary basis. Danube 85 in Hungary involved some 23,000 Hungarian, Czechoslovak, and Soviet troops from June 28-July 4. Friendship 85 took place in Poland in the first half of September, with Polish, East German, and Soviet troops participating.

Chapter Three

Implementation of Basket II: Cooperation in the Fields of Economics, of Science and Technology, and of the Environment

The implementation of Basket II provisions by the Soviet Union and East European countries showed no significant improvements during the reporting period and continues to remain generally unsatisfactory. Business operating conditions were for the most part unchanged with the one bright spot being the return of international direct dialing telephone service to the Moscow business community. The quality and quantity of economic and commercial information deteriorated during this period, partly as a result of poor economic performance and partly from decisions to make less material available. Economic difficulties have forced the Eastern European coutries to continue to restrict imports. And most of the East European countries placed increased emphasis on countertrade practices in a continuing attempt to cut hard-currency debts. Eastern Europe suffered the consequences of the unusually severe 1984-85 winter, affecting its ability to import Western goods and services. Some progress occurred in the area of economic and commercial cooperation with most East European countries expressing a willingness to entertain an increased number of joint ventures. There have been some positive developments in East European cooperation in environmental protection, as these countries, especially the German Democratic Republic and Czechoslovakia, realize the need to deal with the problems of water and air pollution.

Soviet Union

General Assessment. Soviet implementation of Basket II provisions continued to be poor. General business conditions remained for the most part unchanged during the reporting period. Soviet publication of economic performance data became even more restrictive when, in September, monthly statistics were slashed by half. On the positive side, U.S. firms report that tney have largely regained access to direct telephone lines to the West, after a five year hiatus.

Business Working Conditions. U.S. business representatives are generally able to obtain appointments with Soviet trade officials and have few complaints about interference in their business activities. However, access to end-users has never been good in some industries and has not improved. U.S. firms

report less difficulty in obtaining inquiries from Soviet Foreign Trade Organizations (FTO's), partly as a result of the May meeting of the Joint U.S.-Soviet Commercial Commission.

One U.S. firm gave up its business accreditation during the period under review. There are now twenty-five accredited U.S. firms with offices in Moscow and one, U.S.-USSR Marine Resources, with an office in Nakhodka. Marine Resources plans to open an office in Moscow as well.

Sovincenter rents for non-accredited offices were increased from 150 to 300 percent June 1 (up to a standard 26 rubles per square meter per month), creating serious difficulties for the many small firms which have established non-accredited offices in the residential wing of the International Trade Center. With the absence of other office options, these firms have no choice but to pay high rents. Most non-accredited firms continue to have problems in meeting their requirements for office equipment, vehicles, and clerical support.

Hotel and housing conditions for businessmen have not changed. Visiting businessmen generally are able to obtain suitable hotel accommodations. Housing is satisfactory, although there remains an ongoing problem with adequate provision for fire safety in the housing made available to business representatives.

Travel and visa restrictions are essentially unchanged from our last report. Business representatives have lodged few complaints about travel and visa restrictions, but ongoing problems occur for business representatives traveling by automobile for equipment installation inspections. Representatives are barred from using restricted roads, and face increased travel time as a result. The Nakhodka-based representative of U.S.-USSR Marine Resources must use the Khabarovsk airport instead of the much closer one at Vladivostok.

Accredited representatives of U.S. firms, whether actually resident in Moscow or not, have occassional difficulties in renewing their individual accreditations. While no specific cases have arisen during the reporting period, past denials have tended to reflect official opposition to marriage to, or the emigration of, Soviet citizens.

In the area of international communications most of those Western firms which have sought new telephone lines for direct dialing out of the USSR have received such service.

There continues to be a question of whether companies with offices in Moscow should be liable for Soviet income taxes on

income derived from services provided by subsidiaries and affiliated companies without offices in the Soviet Union.

Availability of Economic and Commercial Information. The availability of economic and commercial information decreased markedly at the end of the reporting period, although it is too early to know whether the reduction is permanent. In September, the report of monthly production statistics was slashed by half, with the elimination of performance data for individual ministries and republics. There was also a slight decrease in the data published on production of individual products during the reporting period. In general, the availability of information on the economy remains limited and the quality of data is often poor. Access to Soviet officials for discussion of current economic development remains restricted.

Policies Concerning Economic/Commercial Cooperation Arrangements. Soviet policy toward cooperation arrangements has not changed. Soviet officials encourage such cooperation under mutually beneficial terms whenever an opportunity arises, although there is some skepticism about long-term relationships with U.S. firms. Our Embassy in Moscow is not aware of any new complications for existing cooperation arrangements with U.S. firms.

Official Visits. There were three Cabinet-level visits to the Soviet Union during the reporting period as well as several Congressional delegation visits related to economic questions. In May, Secretary of Commerce Baldrige co-chaired a meeting of the U.S.-Soviet Joint Commercial Commission which met for the first time since December 1978. In August, Secretary of Agriculture Block visited the Soviet Union to discuss bilateral issues related to agriculture. Secretary of Housing and Urban Development Pierce met with Soviet construction officials in September as part of a series of bilateral consultations on housing. The various Congressional delegations included on their agendas talks with Soviet trade and economic officials.

Policies Toward Countertrade Arrangements. The trend towards a diminution of the requirement for Western firms to link sales and purchases continues. For single transactions, the Soviet emphasis now appears to be more on obtaining evidence of general purchasing activity by Western firms.

Policies Affecting Small and Medium-sized Enterprises. Policies affecting small and medium-sized enterprises remain no different from those affecting other companies.

Romania

General Assessment. Romanian foreign trade policy continues to be based on enlarging its trade surplus to build up foreign exchange reserves and retire foreign debt. Trade officials remain under instructions to limit hard-currency imports and generally to require that Western firms concluding sales contracts with Romania accept payment in counter-purchase of Romanian goods. 1985 preliminary trade figures indicate Romania's trade volume is increasing, but not as substantially as in 1984.

The Government of Romania, during this last six-month period, has increasingly stressed the need for expanded efforts to obtain advanced technology from abroad. While this has led to greater emphasis on scientific and technological exchange, it has been at the expense of exchange in other areas, primarily the humanities. Our Embassy knows of no cooperative efforts by Romania in the field of environmental protection.

Business Working Conditions. Our Embassy officers continue to have good access to government officials concerned with U.S.- Romanian trade and economic relations. Visiting U.S. Government officials and businessmen obtain appointments with their Romanian counterparts easily in most instances. Senior-level U.S. officials and business leaders are often received at the highest official level of the Romanian government. Businessmen have adequate access to directors of foreign trade organizations (FTO's) and their staffs. However, as a result of recurring personnel changes at FTO's and the Ministry of Foreign Trade, businessmen have difficulty pinpointing responsible decisionmakers for negotiations.

During the review period, two U.S. firms opened Bucharest offices. Thirty-one U.S. firms with separate offices are now represented in Romania. Authorities continue to take six to eight months or longer to process Western firms' applications to open business offices. Commercial office space in one of the several downtown hotels in Bucharest is commonly offered to Western firms. Firms may also rent space on premises owned by the Romanian government agency "Argus." Romanian employees of foreign businesses must be hired through "Argus." The cost of maintaining business offices in Romania is high. Rents charged by official Romanian agencies are comparable to market rates in major world commercial centers. The extremely high cost of telecommunications services is an impediment to the development of commerical relations.

Acceptable hotel accommodations are available for transient businessmen at rates comparable to world commercial centers. Resident businessmen are referred to the National Tourist

Office to locate housing. The search for adequate housing is difficult and time-consuming. Prices for residential space are comparable to those in Western Europe, though furnishing and facilities are often inferior. Rental and utility charges have remained constant over the past few years.

Visa restrictions are minimal and business travel is not impeded.

Availability of Economic and Commercial Information. Businessmen seeking Romanian commercial contacts find information readily available. Romania continues to distribute, in several languages, a range of information on doing business in the country. Romanian performance on publication of statistical data, however, is very poor, and is noteworthy for the omission of basic statistical information common to government reporting elsewhere. Organized data on the performance of the domestic economy are published only once a year, generally twelve to fourteen months after the close of the year covered. Data often are not comparable from year to year, and indices are neither reliable nor adequately defined. As a result of debt rescheduling negotiations, Romania continues to provide more financial information to foreign banks, foreign governments, and international financial institutions than it provided in the past.

Policies Concerning Economic and Commercial Cooperation. As a policy, the Romanian government promotes the concept of joint ventures and production collaboration. However, only one such venture involving a U.S. firm (out of a total of five) now exists in Romania, while Romania participates with U.S. firms in at least four joint ventures in the U.S. There has been no further legislation or progress in expanding cooperative projects in Romania. Romania remains interested in cooperation with American companies in third country markets, particularly in the development of natural resources and large construction projects, although no such projects have come to our Embassy's attention.

Official Visits. The 12th Plenary Session of the Romanian-U.S. Economic Council took place in Bucharest September 9-10 and was attended by representatives of 38 U.S. firms. President Reagan's message to the session noted the imbalance in Romania's favor in bilateral trade and the need for Romania to import more U.S goods. No contracts were signed, but contacts made during the session could generate sales worth as much as 50 million dollars. U.S. participants were received by President Ceausescu and the Romanian press gave wide coverage to the event.

Policies Toward Countertrade Arrangements. Romania employs a strict system of countertrade aimed at reducing its foreign debt. Romanian purchases of Western goods without countertrade have continued to decline significantly. Romanian enterprises routinely ask Western firms seeking to sell goods here to take payment in counter-purchases of Romanian-manufactured goods from the machine building and machine tools industry. In those few cases where U.S. firms buying Romanian goods have sought to pay through "barter" arrangements of their own products, Romanian organizations have refused, insisting on hard-currency payment.

Policies Affecting Small and Medium-sized Enterprises. Romania trades regularly with small and medium-sized U.S. firms. Such companies are often represented in Bucharest by agency firms, which helps reduce the cost of establishing representation. Agency firms are also better able to deal with Romanian pressures for counter-purchases, which might otherwise force smaller firms out of the market.

Poland

General Assessment. The official government policy and attitude toward economic and commercial cooperation remain basically unchanged. However, state and private enterprises are able, through newly granted foreign trade rights, to deal directly with Western businessmen. The June Poznan Trade Fair saw a number of business contacts. Relaxed passport regulations facilitated business travel, but generally the economic crisis has, as it did in the previous reporting period, kept Western commercial interest low. Debt rescheduling agreements with Western creditor governments have led to the restoration of short-term trade-related credits in one instance, but Poland's financial outlook remains sufficiently troubled to limit severely Western business interest in Poland in the near term. There has been full cooperation in permitting travel of U.S. business, commercial, and agricultural representatives to Poland. The increase in U.S. business travel to Poland reported during the last period continues.

Business Working Conditions. Access to Polish business contacts and commercial officials in Poland remains excellent compared to most other East European countries. While no American firms applied for permission from the Ministry of Foreign Trade to open representative firms, U.S. business representatives continue to establish so-called "Polonian" businesses. Many of these firms endure bureaucratic delays in securing permission to open but there is no evidence of discrimination aimed especially at U.S.-owned firms. Hotel accommodations for visiting business representatives remain

readily available. Business representatives who wish to reside in Poland can generally find suitable housing, though it is expensive. Foreign visitors were required to exchange 20 percent more currency daily as of March 31. There are no restrictions on business travel within Poland, and, for the most part, business visas are not difficult to obtain. Air service to and from Poland is adequate.

Availability of Economic and Commercial Information. The Western business community continues to have full access to accounting information at the enterprise level. However, the accounting methodology is different from that used in the West and is sometimes of little use to the business visitor. The government publishes regular economic statistics, which include foreign trade and industrial production data. Most of the disaggregated information is not current and does not contain enough detail to permit thorough economic analysis or adequate market research.

Policies Concerning Economic and Commercial Cooperation. There were no changes in Poland's policies concerning economic and commercial cooperation during the reporting period. Poland continues to seek foreign investment in under-utilized or idle industrial capacity, but has yet to pass enabling joint venture legislation. The government, however, is considering a new joint venture law which recognizes joint venture trading and limited liability companies. Licensing arrangements remain possible, as does joint production in and for third markets, both for goods and services. A March 31, law raises the obligatory hard currency deposit at the time of establishment of Polonian firms from $5,700 to $50,000. While there have been no major cooperation arrangements involving U.S. firms during the reporting period, small-scale cooperative arrangements continued to be made with firms from other Western countries.

Policies Toward Countertrade Arrangements. Poland neither encourages nor discourages countertrade, and no new countertrade legislation was passed during the reporting period. The frequency and nature of countertrade requests vary; generally it is possible to procure as countertrade goods only those products with which Poland is oversupplied.

Policies Affecting Small and Medium-sized Enterprises. Small and medium-sized enterprises have not experienced any particular problems during the reporting period, with the exception of certain firms operating under the "Polonian" Law. The Polish government levies up to 85 percent income tax on earnings by these firms, thus making it difficult for many of them to operate profitably. Despite these obstacles, most Polonian firms continue to prosper, and their existence enjoys

official backing when their operations help fulfull Polish Government economic aims. Firms which would compete directly with a Polish enterprise or exporting agency are often, however, denied permission to operate. During the reporting period there has been no new legislation affecting these small and medium-sized enterprises' participation in trade and industrial opportunities.

Science and Technology Cooperation. The Polish government has not interfered significantly with visits by U.S. scientists to Poland except for excessive delays in granting visas to two U.S. citizens for visits in May-June 1985. Many Polish scientists have received permission to travel to the West for periods of up to one year. However, many others who have invitations for long-term visits are not being allowed to accept them, especially if they work in institutes from which significant numbers of scientists have chosen to remain abroad indefinitely.

Hungary

General Assessment. Hungary has experienced a substantial rise in hard currency imports and a fall in exports during the review period. While Hungary retains hard currency reserves of $2.5 to 3 billion, equal to its short term debt, net indebtedness rose to about $5 billion. Foreign debt continues to be rolled over through new medium term and concessional interest loans. Serious problems have begun to arise in Hungary's current account position. Hungary needs to seek new hard currency markets for its agricultural goods and manufactured items and develop new export products, if it is to continue to generate a current account surplus. For the moment, Hungary remains in good stead with the international banking community, and private bank lending is available to help meet Hungary's needs. The larger question of restructuring the economy was again avoided at last year's April Central Committee meeting Therein may lie the seeds of Hungary's future problems.

Business Working Conditions. Operating conditions for Western businessmen remained satisfactory during the reporting period. Deluxe and first-class hotel accommodations for business travellers, as well as for convention and tourist purposes, are still expanding. The availability of medium-level, medium priced hotel rooms is increasing as several hotel projects approach completion.

Business access remains generally satisfactory. Businessmen with small and medium-sized firms still experience some difficulty and delay in getting access to end-users. On the other hand, some end-users are exercising new autonomy with

recently gained foreign trading rights and have actively sought out Western business partners without a governmental or foreign trading organization middle man. The total number of Hungarian firms permitted such full foreign trading rights is approximately 250 and growing.

The representatives of three U.S. firms with accredited offices (Pan Am, National Bank of Minneapolis, and DOW Chemical) are well established but costs of operations are high in comparison to local standards. Business representatives are hampered by the need to work through a Hungarian government "facilitative" office and are sometimes neglected because no Hungarian office wants to take responsibility for decision making, particularly in regard to issuing certain permits, e.g., rental contracts. Western firms seeking office and housing accommodations can expect delays. Other facilities, such as telephone and telex, also require substantial time to obtain.

Availability of Economic and Commercial Information. Business and commercial information, while only sporadically available in forms such as Western-style annual reports, is disseminated fairly freely in newspapers, journals, and specialized economic publications. Enterprise and plant visits continue to provide detailed information since Hungarian commercial representatives and managers have shown a disposition to discuss matters freely when specific questions are posed. Government economic indicators and other data are widely available and reasonably accurate, but they have become less timely during the review period.

Policies Concerning Economic and Commercial Cooperation Arrangements. The number of active cooperation arrangements between U.S. and Hungarian firms remains about sixty. Western companies are encouraged to explore new ways of doing business beyond traditional buying and selling and one-time-only commission work. Industrial cooperation arrangements continued to be touted as the basis for Hungary's trade expansion program. The Hungarian Government has maintained its commitment to promote joint ventures and other forms of cooperation, pursuing systematic trade promotion and marketing programs directed at regional markets in the U.S. In late 1982, the Hungarians announced new, more liberal regulations on the use of internal duty free zones by foreign investors. So far they have not proven to be a substantial inducement to expanding foreign investment. New tax regulations under consideration may provide more of a boost.

Official Visits. U.S. Secretary of Agriculture Block, Secretary of Transportation Dole, a delegation from the U.S. Export-Import Bank, and several Congressional delegations visited Hungary during the past six months.

Policies Toward Countertrade Arrangements. Hungarian enterprises continue to require substantial countertrade arrangements for almost all new business.

Policies Affecting Small and Medium-sized Enterprises. Hungarian policies toward small and medium-sized enterprises do not differ significantly from the general pattern of commerce described above.

German Democratic Republic

General Assessment. Cooperation in the fields of economics, science and technology, and the environment showed some slight improvement during the last six months.

Business Working Conditions. During the 1985 Leipzig Fall Fair, access to GDR officials was better than at the 1985 Spring Fair. While some improvement had been experienced at the Spring Fair, the character of the GDR access changed in the fall. Many more scientists, engineers, and end-users in general received permission to talk with Western suppliers than at previous fairs. Also the average age of the visitors dropped considerably, with many of the scientists and technicians in their thirties. Otherwise, access has remained about the same. The GDR continues to require prior approval for U.S.-GDR business and social contacts. The requirement that foreign businesses deal through a limited number of GDR service organizations is one factor which keeps access below the level desired by foreign business representatives.

Operating conditions for establishing business offices in Berlin remain unchanged. Four U.S. companies have offices there. Of the four, two are staffed by GDR citizens, one by an Austrian national, and one by a Belgian national. Western firms wishing to establish an office in East Berlin are required to rent space either in the International Trade Center, which has strict access controls, or in a building which is only for the use of the firm.

Visiting business representatives must normally stay in expensive hotel accommodations which require payment in convertible currencies. In cities without such hotels, accommodations are less expensive and payment may be made in local currency. Subject to these conditions, however, travel is otherwise virtually unrestricted. No U.S. business representatives have complained to our Embassy about unavailability of hotel accommodations.

Resident business representatives are allowed to rent, but not buy, housing in the GDR. Available housing is usually

expensive and standards vary, although some is quite good. All housing services must be obtained through a state-operated agency which determines the rent as well as the location of housing for foreigners.

Restrictions on travel and visas for foreign business representatives have not caused problems to our knowledge. Persons in possession of GDR hotel vouchers are generally issued visas upon arrival at border-crossing points. In addition, visas for day visits to East Berlin are obtainable at designated Berlin sector-sector crossing points with little delay. Western business representatives residing in, or maintaining offices in, the GDR often are issued multiple-entry visas valid for one year. Non-resident business representatives generally receive one-entry visas unless multiple-entry visas have been requested on their behalf by a GDR trading partner.

As is the case for virtually all visitors to the GDR, non-resident foreign business representatives are required to exchange approximately ten dollars per day into GDR marks during their visits to the GDR. Of this sum, any unspent GDR marks cannot be converted back into Western currency upon departure, but must be either forfeited or deposited in a special account for use upon the visitor's return.

GDR customs regulations prohibit the importation of printed material with the word "German" or "Germany" in the text or in the address. This has continued to create problems when business literature containing this word arrives and cannot be distributed.

Availability of Economic and Commercial Information. The type, quality, and timeliness of economic and commercial information released by the GDR is considered unsatisfactory by Western business. The main source of GDR economic data is the Annual Statistical Yearbook published by the GDR State Central Administration for Statistics. The yearbook is not published on a timely basis; it appears about 10 months after year's end. The small portion of the report devoted to foreign trade usually lumps export and import figures together in one number. Thus the user normally knows only the total amount of trade between two countries, not how much the GDR purchased or how much it sold. Furthermore, Western business representatives often question the reliability of the figures given.

The GDR foreign trade bank (Deutsche Aussenhandelsbank) annual report offers only highly aggregated information on the hard currency value of GDR imports and exports, and provides no specifics on GDR foreign debt. It does not fully serve the