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File Folder SOVIET POLICY SEPTEMBER 1983-OCTOBER 1983

FOIA

M452

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ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
154074	MEMO	WILLIAM CLARK TO RR RE. CIVIL AERONAUTICS BOARD DECISION	2	9/8/1983	B1
154076	MEMO	RICHARD LEVINE TO CLARK RE. CIVIL AERONAUTICS BOARD DECISION	1	9/7/1983	B1
154078	MEMO	CHARLES HILL TO CLARK RE. LETTER TO THE CAB <i>R 12/14/2015 M452/3</i>	2	9/7/1983	B1
154080	MEMO	ROGER ROBINSON TO CLARK RE. WEEKLY REPORT <i>R 12/14/2015 M452/3</i>	2	9/9/1983	B1
154082	MEMO	ROBINSON TO CLARK RE. AUTUMN AGENDA	2	9/12/1983	B1
154084	REPORT	<i>PAR 12/21/2015 M452/3</i>	1	10/27/1983	B1

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BUREAU OF
INTELLIGENCE
AND RESEARCH

CURRENT
ANALYSES

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500. P.

(U) USSR: POLITBURO NAMES NEW PARTY
SUPERVISOR OF SCIENCE AND EDUCATION

Summary

The Soviet leadership has announced the appointment of a new party supervisor for science and education to replace Sergey Trapeznikov, a notorious Stalinist who had imposed strict controls on scholars and scientists for the past 18 years. The new head of the Central Committee's Department for Science and Educational Institutions, 54-year-old Vadim Medvedev, apparently was selected to shake up Soviet economic theory and prod it in the direction of more practical results. He recently has been proclaiming the need to modernize the economic theory of socialism and revise it to take into account economic innovations in other bloc countries--perhaps including controversial innovations in decentralized planning and expansion of the private sector.

* * * * *

Unprecedented Announcement

Although the Soviets customarily do not announce replacements of Central Committee department heads, in this case Pravda (August 20) carried a special announcement that Trapeznikov had been released "in connection with going on pension" and replaced by Medvedev. The leadership thus deliberately called attention to the change, perhaps aware that Trapeznikov's removal would be popular within the intellectual community.

Judging from Medvedev's recent statements, his first priority will be to improve and reorient Soviet economic science and theory, recently criticized by Andropov and Chernenko for poor results. Medvedev published major articles on this theme in the June issue of Voprosy Ekonomiki and the

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Report 677-CA
September 2, 1983

August 5 Pravda; in March he delivered a speech on the subject, according to an article in the June Voprosy Istorii KPSS. In his Pravda article, he declared that economic theory must be "sharply turned" to problems of the current stage of developed socialism and that the science of political economy must be "raised to a qualitatively new level to reflect the deep changes" in the socialist system. He quoted Andropov's June plenum complaint that Soviet economic science had not adequately studied current economic problems or come up with useful concepts; "therefore we are sometimes forced to act so to say empirically, in a very irrational trial and error method." Medvedev called on economic scientists to avoid abstractness on the one hand and "narrow pragmatism" on the other and to take into account the experience of other socialist countries as well as of the USSR.

Pragmatic Ideologist

Medvedev had pressed these points in more detail in his June Voprosy Ekonomiki article, even polemicizing with conservative foes. Calling upon those in the field of political economy to focus more on such practical subjects as "methods of raising effectiveness of production," he noted that some people object that this would "lower the role of political economy's ideological function." On the contrary, he argued, precisely the avoidance of practical production questions weakens political economy's position in the present ideological struggle, because this struggle turns on the "relative effectiveness of the two opposing economic systems."

In this article, Medvedev repeatedly insisted that the "economic theory of socialism" cannot "rely only on the USSR's experience" but must encompass the experience of other socialist countries. The task, he wrote, is "creation of a detailed concept of the economic system of socialism," not "universalizing the experience of just one country" but generalizing on all socialist experience and suggesting concrete economic solutions. Though not citing any specific examples, Medvedev appeared to be opening the door for legitimizing current innovations in Hungary and other East European states. Medvedev's boldness apparently is an extrapolation on Andropov's February Kommunist (No. 3, 1983) article, which called for "serious research in the field of political economy of socialism" and study of the "varied experience of the fraternal socialist countries" which "provides vast material for theoretical interpretation."

Although he usually focused on economics in his frequent press articles, Medvedev has largely held ideological posts during his career. Serving as Leningrad city ideology secretary from 1968 to 1971, he subsequently moved to Moscow and became deputy head of the Central Committee's Agitprop department. When the

Central Committee's Academy of Social Sciences was reorganized and upgraded in early 1978, Medvedev was chosen to become its rector. Outside of his brief service under Leningrad leader Romanov in late 1970, he has had few direct ties with any present Politburo figures. Occasional signs of innovativeness notwithstanding, he was clearly orthodox enough for party ideology secretary Suslov to approve him as head of the influential Academy of Social Sciences.

Stalinist Relic

Medvedev succeeds one of the most notorious Stalinists in the ideological-educational sphere, Sergey Trapeznikov. An old crony of Brezhnev's from Moldavia, Trapeznikov became head of the Science Department in 1965, shortly after Brezhnev became party leader. Trapeznikov's scholarly works were largely devoted to defending Stalin's collectivization of agriculture. He vigorously fought liberal ideas and attempts to reduce party controls over social sciences.

Testimony to his unpopularity among the scholars under his control was the fact that Trapeznikov was repeatedly voted down in Academy of Sciences elections.^{1/} Given his negative reputation among intellectuals and apparently without support from Andropov or ideological supervisor Chernenko, Trapeznikov became vulnerable when Brezhnev died. He failed to appear publicly after Brezhnev's death--the only Central Committee department head to so disappear.^{2/} Thus, he has been in limbo for nine months, while the new regime apparently was unable to reach agreement on a replacement. His ostensible retirement on August 19--at the relatively young age of 71--was accompanied (as is the custom in the Andropov regime) with a message from the Politburo thanking him for "conscientious work for the party and people."

Prepared by Werner Hahn
632-9186

Approved by Martha Mautner
632-9536

^{1/} Trapeznikov was defeated in a bid to become corresponding member in 1966, but finally was elected to this rank in 1976 when there was an unusually large number of open slots and Suslov personally intervened to reassert party control in the academy. Trapeznikov was nominated for the rank of full academician during the 1979 academy election but was voted down after Sakharov and some others spoke out against him.

^{2/} Since Brezhnev's death, Trapeznikov has been mentioned only once in the press: the journal Obshchestvennyye Nauki (No. 2) reported his presence at a December 8 Academy of Sciences meeting, but other accounts of the meeting (in Pravda, Vestnik Akademii Nauk SSSR, and Novaya i Noveyshaya Istoriya) omit his name from the list of officials present.

THE WHITE HOUSE

WASHINGTON

September 8, 1983

Dear ~~Mr. McKinnon~~: *Don*

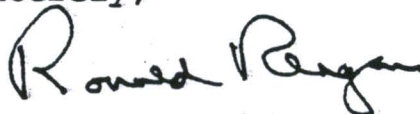
Barley
Sov. P.

The Soviet attack on Korean Airlines Flight 007 on September 1, 1983, which resulted in the loss of 269 innocent lives, calls for a united, firm and measured response from the international community. Toward this end, I have initiated a number of measures in coordination with other nations and in international fora to ensure that measures are taken against the Soviet Union to secure appropriate redress for this tragic loss of lives and property.

I therefore have determined that it is in the essential foreign policy interests of the United States to take resolute action against the Soviet air carrier Aeroflot. I have determined that it would be appropriate to reaffirm the suspension of Aeroflot flights to and from the United States which has been in effect since January 5, 1982. In addition, I am requesting the Civil Aeronautics Board to take the following steps effective as of September 12, 1983: (1) suspend Aeroflot's right to sell any air transportation in the United States; (2) preclude U.S. air carriers from carrying traffic to, from or within the United States where Aeroflot is on the itinerary; (3) prohibit U.S. air carriers from selling in the United States any air transportation any part of which is on Aeroflot; (4) direct U.S. air carriers to suspend any interline service arrangements with Aeroflot either effective as of or entered into after September 12, 1983; and (5) prohibit U.S. air carriers from accepting any ticket or shipping document issued by Aeroflot for air transportation to, from or within the United States.

The Board should take appropriate, immediate action to implement this decision. These actions will be consistent with the international obligations of the United States. These measures should remain in effect until further notification.

Sincerely,

A handwritten signature in dark ink, appearing to read "Ronald Reagan". The signature is written in a cursive style with a large, prominent "R" at the beginning.

The Honorable Dan McKinnon
Chairman
Civil Aeronautics Board
Washington, D.C. 20428

NATIONAL SECURITY COUNCIL

6
ID 8306256

REFERRAL

DATE: 08 SEP 83

MEMORANDUM FOR: WH EXECUTIVE CLERK

DOCUMENT DESCRIPTION:

TO: DAN MCKINNON

SOURCE: PRESIDENT

DATE: 08 SEP 83

KEYWORDS: AVIATION

USSR

KOREA

SUBJ: PRESIDENTIAL LTR RE KAL INCIDENT RE ACTIONS AGAINST AEROFLOT

REQUIRED ACTION: FOR DISPATCH

DUE DATE:

COMMENTS: ** SENT PER KIMMITT; COORDINATE W/ DICK HAUSER



FOR ROBERT M. KIMMITT

EXECUTIVE SECRETARY

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National Security Council
The White House

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Bud McFarlane

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Judge Clark

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Executive Secretary

NSC Secretariat

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154076	MEMO RICHARD LEVINE TO CLARK RE. CIVIL AERONAUTICS BOARD DECISION	1	9/7/1983	B1

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154078

CONFIDENTIAL/NODIS

September 7, 1983

MEMORANDUM FOR MR. WILLIAM P. CLARK
THE WHITE HOUSE

SUBJECT: Letter to the CAB on Actions Against Aeroflot

As you and Under Secretary Eagleburger agreed, we are attaching a draft letter from the President to the Civil Aeronautics Board on measures to be taken against the Soviet airline Aeroflot in response to the Korean Airlines tragedy. We understand that you may receive an alternative draft from the Department of Transportation.

In selecting the proper approach to take, we note that the President pledged in his September 5 speech "to seek the cooperation of other countries." We therefore believe it would be imperative to avoid assertions of regulatory jurisdiction outside of the United States that would jeopardize the cooperation central to the President's strategy. Thus we recommend holding in abeyance any actions involving conduct wholly in foreign territory or otherwise involving foreign carriers until we have a clear picture of how our Allies will respond to our proposals and the various legal aspects of this issue can be clarified.

The draft letter which we have prepared would provide for broad sanctions against Aeroflot and sever all relations between U.S. carriers and Aeroflot regarding air services directly to or from the United States. These types of regulations should be acceptable to our allies since they can be justified under international law principles of nationality and territoriality jurisdiction. One aspect of our draft might in some quarters be perceived as "extraterritorial" as it would sever U.S. carrier-Aeroflot relations regarding U.S. air services commencing in another country, but we believe that this can be justified by the special nature of international air carriage which is treated internationally as falling within the jurisdiction of both the countries of embarkation and debarkation. To go beyond these, however, as the Department of Transportation has suggested in our interagency meeting, runs the serious risk of reviving past controversies over the extraterritorial application of U.S. regulation and of thereby jeopardizing our efforts to implement the President's policy of seeking their cooperation.

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NLRR M452/3#154078
BY WJ NARA DATE 12/14/15CONFIDENTIAL
DECL:OADR

As far as the closure of the Aeroflot offices in the U.S. is concerned, we are now instituting actions to accomplish this as quickly as possible.

Charles Hill

Charles Hill
Executive Secretary

~~CONFIDENTIAL~~

154080 *Baily 13*
NON-LOG: WEEKLY REPORT

MEMORANDUM

NATIONAL SECURITY COUNCIL

September 9, 1983

~~CONFIDENTIAL~~
INFORMATION

MEMORANDUM FOR WILLIAM P. CLARK

FROM: ROGER W. ROBINSON *AWR*

SUBJECT: Weekly Report

Gov. R.
As the velocity of events did not permit the preparation of a weekly report last week, I will try to reconstruct my activities to date on the KAL shutdown. (U)

KAL Shutdown Activities

Initial Period

-- Within two hours of hearing confirmation of the shutdown -- prepared a memo to you on aviation-related sanctions that were eventually adopted as U.S. policy. (C)

-- Took immediate action to share the substance of my recommended steps with Rick Burt at State which were later fully incorporated into the Secretary's first memo to the President on this subject. (C)

-- Represented the NSC at the first IG Task Force meeting at State that Thursday and all subsequent meetings of the IG to date (9 meetings). Have continued to be staff focal point for all contacts with State. Barring some glitches at the Under Secretary level, these contacts have been cordial and effective. (C)

-- Worked through the Labor Day weekend along with Don Fortier (later Bob Lilac) in coordinating all NSC staff actions pertaining to KAL. (U)

-- Personally prepared the Fact Sheet used in coordination with the President's speech. (C)

-- Was responsible for preparing at least half of the NSDD from first draft to signed copy. (S)

-- Edited and coordinated the sending of some 12 Presidential letters to heads of state in Europe and Asia

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NLRR M452/3 #154080
BY 105 NARA DATE 12/14/15

seeking support for our measures and offering condolences when appropriate. (C)

-- Worked extensively on the President's speech. (C)

-- Prepared the bulk of the talking points paper for all senior Administration officials. (S)

-- Have been co-chairman of all meetings of the NSC Task Force on the KAL shootdown. This approach of a "co-chair" was originally proposed by Don Fortier and was later reinforced to me by Bob Lilac in recognition of the fact that I have been directly involved in the management of this action longer than anyone on the staff and have likewise carried the most water. (C)

Public Affairs

-- Coordinated virtually all NSC inputs for press purposes with Bob Sims and Les Janka, including instantaneous responses to new official Soviet statements, revelation of new data, and shifting subjects of public interest. (C)

-- Gave a 20 minute live interview to WBZ radio Boston (and New England). Will continue to be available for our radio public affairs effort. (U)

-- Staffed your meeting with select representatives of the conservative caucus demonstration across from the White House (son of Larry McDonald, Terry Doland, etc.) and made headway in reinforcing your themes for the group's meeting with the press subsequent to your departure. (U)

Civil Aviation

-- Have been in constant contact with Lynn Helms and Don Segner of FAA on all activities pertaining to the ICAO Conference, contacts with the International Airline Pilots Association, and other possible measures (i.e. wearing of 200,000 black arm bands or ribbons by pilots, crews, ground and maintenance personnel, etc.) that advance our objectives in the civil aviation area. (C)

Implementation of NSDD

-- Have cleared and often revised all actions requiring NSC/White House attention that were generated either by the IG task force, our own staff task force or Gergen's operation. These items are too numerous and detailed to list, but basically involved a middle diplomat role in settling interagency differences or providing guidance so that the pace of implementation is not impeded. (C)

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BUREAU OF
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CURRENT
ANALYSES

(U) USSR: POLLS OF GEORGIAN ELITE REVEAL
SUPPORT FOR ECONOMIC RESTRUCTURING

Summary

A Soviet professional journal recently described surveys taken among top party, government, and economic leaders in the Georgian Republic on attitudes toward reform of the present economic system. The surveys revealed widely contrasting attitudes on reform per se but unexpectedly high support among the elite--members of the republic Central Committee and other prominent figures--for a substantial reorganization of the ministerial system.

Although the surveys involved only one republic and were taken last year, they cast new light on the crucial question of support for reform among CPSU Central Committee members and others who can influence decisionmaking as the Andropov regime considers possible reforms. Moreover, the surveys reflect an intriguing new Soviet use of polling to test political attitudes, not among the public or even the party rank and file, but among the political elite--those on whom Andropov and other leaders depend for political support.

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Report 684-CA
September 19, 1983

Description of the Surveys

Four scholars from Georgia's public opinion center and Moscow's Institute of State and Law--the two organizations which conducted the polls--described the surveys in the Moscow sociological journal Sotsiologicheskkiye Issledovaniya (No. 2, signed to press April 19, 1983). T. M. Dzhafarli, deputy director of the Center for Studying, Forecasting, and Forming Public Opinion under the Georgian Central Committee, and his three colleagues explained that the surveys were taken in March and May 1982 to guide the Georgian leadership when it met to adopt new ways to improve the administration of science at a May 1982 republic plenum.

The March poll canvassed a group that consisted largely of "leading scientific workers" (63 percent), plus "responsible officials of party organs, the state apparatus, and big enterprises." In May, just before the plenum, a revised questionnaire was distributed among those who would participate in the plenum (185 Central Committee members and invited guests). The majority of respondents to the latter poll were party, government, and enterprise officials.

In addition to testing attitudes, the questionnaires included various concrete proposals (previously aired in the press) for improving scientific-technological progress, thus making it possible to measure support among Central Committee members and other officials for a variety of ideas.

Support for Restructuring

The most startling result of the surveys was the support expressed for reorganizing the present ministerial structure--a level of support that surprised even the pollsters. They concluded that the results clearly indicated "that 'reformist' orientations are beginning to predominate over 'stabilization' orientations." This conclusion was based mainly on answers to a question about how to overcome departmental barriers in promoting scientific-technological progress. The alternatives presented to the participants were:

1. Maintaining basically the present departmental-branch structure.
2. "Moderate" restructuring, by consolidating branch ministries into seven or eight ministries (e.g., into machine building, power, construction, agriculture-food, transport, etc.).

- 2 -

3. "Radical" restructuring, by concentrating all manufacturing industry in one "ministry of the national economy."

The questionnaires indicated that the second and third options involved "significant expansion of the independence of enterprises and associations" and "sharp" reduction of centralized ministerial management.

The results showed considerable support for restructuring:

<u>Option</u>	<u>March Survey</u>	<u>May Survey</u>
1: no change	30.5%	36%
2: moderate change	16.5%	28%
3: radical change	19.5%	16.5%
(Chose no option)	(33.5%)	(19.5%)

The pollsters wrote that "the results were to some degree unexpected for us"; because the proposals "had not been widely discussed in scientific literature and the periodic press, we felt that the second and especially the third variant would not be supported by more than 10 percent of the respondents." Instead, they pointed out, 44 percent supported "more or less radical change in the system of branch administration of the economy."

The differences between the two surveys suggested more radical attitudes among scholars and economists than among officials. "Scientific workers" dominated the first survey (which had a high response for radical change), while Central Committee members and officials dominated the second (which favored moderate or no change). The pollsters noted that "members of the plenum and state apparatus officials" were less enthusiastic about such a restructuring, whereas about half of all experts felt that overcoming departmental barriers required "substantial restructuring."

In interpreting the percentage that voted to keep the present system, the pollsters argued that maintenance does not simply mean "adherence to traditional methods of leadership." They said that because of recent publicity about ways of improving effectiveness without changing the system, many experts probably were convinced of the value of improving rather than restructuring the present system.

Optimism About Present System

One of the surveys' main goals was to measure satisfaction with the present administrative structure. Those polled were asked: "Can significant success in speeding scientific-technological progress be achieved in the republic without structural reorganization of the administrative apparatus?" Of

those who were to participate in the Central Committee plenum, a plurality--but less than 50 percent--held a favorable view of the present structure's effectiveness:

1. "yes, fully possible"	21.5%	
2. "largely possible"	27	<u>48.5%</u> "optimistic"
3. "largely impossible"	24%	
4. "no, nothing really substantial can be expected"	11.5	<u>35.5%</u> "pessimistic"
5. no answer	10%	

The pollsters noted that economic managers (not surprisingly) were the most "optimistic" about economic success of the system they were running.

Policy Options for Reform

Participants were also presented with concrete policy options--a variety of measures for improving the economic mechanism, ranging from punitive approaches ("administrative measures") to various incentives ("economic" measures):

1. Crack down on officials--make resistance to introducing scientific-technological innovations equivalent to mismanagement and negligence in performance of duty.
2. Raise the role of the economic performance indicator for introducing new technology, making it equal to the indicators for sales and for net output (now the chief criteria for awarding bonuses).
3. Establish a system for declaring equipment or technology obsolete--if plant leaders failed to modernize after a reasonable period, production would be halted and the leaders "called to administrative responsibility."
4. Increase economic incentives for introducing new technology.
5. Put enterprises on full self-financing (khozraschet) and give them the right independently to manage funds left after paying taxes.
6. Adopt a complex of measures enabling customer demand to determine enterprise output.

Most popular was the incentives option (No. 4), which won 58.5 percent approval. Next in popularity, with 49.5 percent each, were the options of cracking down (No. 1) and raising the role of consumer enterprises (No. 6). The proposals to raise the role of the new-technology indicator (No. 2) and to put enterprises on a self-financing basis (No. 5) won 39.5 percent support each. Establishing a system for declaring equipment obsolete (No. 3) won only 28 percent approval.

With no clear majority for either punitive measures or incentives, the pollsters concluded that the respondents desired a mixture of approaches. Indeed, the Andropov regime in July-August 1983 adopted a series of decrees encompassing a mixture of many of the measures in the polls. One ordinance published on August 28 adopted a new system for forcing obsolete items out of production (the least popular option) combined with incentives to introduce new technology and economic penalties for slowness in modernizing. A decree published on July 26 put a number of plants on an experimental system with contract fulfillment as chief economic performance indicator (raising the customer's role) and a somewhat enhanced role for the new-technology indicator. Plants in the experiment also were given expanded leeway in using their funds to reward initiative and good work.

Prepared by Werner Hahn
632-9186

Approved by Martha Mautner
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