Annex A

Points for use in private conversations in Budapest.

- 1. How can we bring the Soviet leaders out of their isolation? Andropov is too ill to receive visitors, much less to travel to the West. Gromyko gives the impression of having made up his mind on all international questions ten years ago, if not twenty. Whom can we talk to, and how?
- Do not the Russians realise that this is the worst possible time for arms control talks to be suspended? Military technology in Russia and America is romping ahead as usual: ASATs and 'Star Wars' weapons are already on the horizon. Some Americans, and probably some Russians too, question the possibility of controlling the arms race by means of negotiations and agreements. It is urgently necessary for political leaders to get a grip on these developments, and to show their peoples that they are doing so. But if the two super-powers are not in systematic contact, nothing can happen. How can we bring this about? A Soviet refusal to continue negotiations plays into the hands of those in the West who portray arms control as an irrelevance. The Americans will not be rigid about where the table is, or what label it carries. But the Russians must show flexibility too.
- 3. When will the Russians read the writing on the wall in Afghanistan? They have been offered a political exit; they should take it. They will have to withdraw their troops, as the Americans did from Vietnam. Babrak Karmal must go too. But any government in Kabul will want to be on reasonable terms with Moscow. An Asian Finland what more do the Russians want?
- 4. When are the Comecon countries going to accept that all the richer nations have a moral responsibility towards all

the poorer nations? At present OECD countries give 0.35% of their GNP in net aid, while CMEA countries give only 0.16%, most of it to Cuba, Vietnam and Mongolia.

- 5. How is Poland likely to evolve? The Hungarian example does not seem relevant: the Poles have neither the economic talent nor the political self-restraint. Perhaps it is the Soviet Union itself that will have to change if Poland is to be accommodated in Eastern Europe. Is this the kind of question that could be raised in internal discussions about whether to renew the Warsaw Pact when it runs out in 1985?
- 6. Have the Hungarians noticed the emphasis that Chancellor Kohl has been giving to the theme of German unity? It seems to us that the rest of the world would be no more able to prevent German reunification, if the Russians decided to permit it, than we can bring it about now when the Russians are implacably opposed. But after 35 years, 'Socialism' has only very shallow roots in the GDR. Perhaps Kohl is right?
  - 7. Have watched with interest and admiration your policy of economic reform. Clear that the systemic faults in Soviet and other CMEA economies are not going to achieve the results their leaders have been promising their peoples for many years. Problems may grow more acute as new technology is introduced in the West and increasingly in the Third World. What sort of long-term future do the CMEA planners envisage? What sort of economic reform is it realistic to expect in the Soviet Union?
  - 8. When is the Soviet Union going to devise a system for the peaceful transfer of power? At present it relies on the putsch (Khrushchev) or ill health/death (Brezhnev). The US

can also be out of action for much of an election year (though the timing and reasons are known). These uncertainties are bad for the rest of us.

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