

R 180192

JPRS-USA-84-005

16 May 1984

USSR Report

USA: ECONOMICS, POLITICS, IDEOLOGY

No. 2, February 1984

DTIC QUALITY INSPECTED 2

19980318 085

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

REPRODUCED BY
NATIONAL TECHNICAL
INFORMATION SERVICE
U.S. DEPARTMENT OF COMMERCE
SPRINGFIELD, VA. 22161

DISTRIBUTION STATEMENT A

Approved for public release;
Distribution Unlimited.

11
83
A05

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service (NTIS), Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semimonthly by the NTIS, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

Soviet books and journal articles displaying a copyright notice are reproduced and sold by NTIS with permission of the copyright agency of the Soviet Union. Permission for further reproduction must be obtained from copyright owner.

16 May 1984

USSR REPORT

USA: ECONOMICS, POLITICS, IDEOLOGY

No. 2, February 1984

Except where indicated otherwise in the table of contents the following is a complete translation of the Russian-language monthly journal SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA published in Moscow by the Institute of U.S. and Canadian Studies, USSR Academy of Sciences.

CONTENTS

U.S. Middle East Policy 'Threat to Peace' (pp 3-6) (S. A. Losev).....	1
Cyclical Development of U.S. Economy in the 1970's and Early 1980's (Article Two) (pp 7-17) (R. M. Entov) (not translated)	
United States and India: Conflicts Still Exist (pp 18-28) (N. S. Beglova).....	6
United States and the Developing Countries' Burden of Debts (pp 29-40) (S. V. Gorbunov).....	18
Public Opinion: Categorization of Foreign Policy Views (pp 41-52) (I. Ye. Malashenko).....	31
Recollections of a Record Flight (pp 53-58) (Yu. P. Sal'nikov) (not translated)	
'Agribusiness USA--83' Exhibit (pp 59-65) (Ye. N. Vasil'yeva, V. F. Lishchenko) (not translated)	
Congress and the 'Atlantic Partnership' (pp 66-73) (V. S. Mikhayev).....	44
With Enough Shovels: Reagan, Bush and Nuclear War (pp 74-84) (Robert Scheer) (not translated)	
New Stage in Automation (pp 85-93) (V. I. Gromeka) (not translated)	

CONTENTS (Continued)

Expert Electronic Systems (pp 94-100)

(B. D. Antonyuk) (not translated)

Book Reviews

Review of 'Intermediate-Range Nuclear Forces in Europe:
Issues and Approaches' by P. Farley and C. Kolmar;
C. Roberts; W. Perry; S. Drell; edited by G. Duffy
(pp 101-103)

(K. E. Sorokin) (not translated)

Review of 'The Global Politics of Arms Sales' by A. J.
Pierre (pp 103-105)

(N. A. Khomenko) (not translated)

Review of 'The Next America. The Decline and Rise of the
United States' by Michael Harrington (pp 105-107)

(I. Ye. Zadorozhnyuk) (not translated)

Review of 'United States: Military Production and the
Economy,' edited by Yu. I. Bobrakov (pp 107-109)

(E. P. Pletnev)..... 54

Review of 'The American Threat and the Protests of
Millions (Statements, Articles, Statistics and
Documents),' edited by G. A. Trofimenko (pp 109-110)

(A. B. Pankin) (not translated)

Review of 'United States: Military Machine and Policy' by
R. G. Bogdanov (pp 111-112)

(V. I. Bogachev)..... 58

Presidential Lobbying Under Ronald Reagan: Patterns and Methods of
Influencing the Congress (pp 113-118)

(A. A. Sergunin)..... 61

Republican Party Machinery (pp 120-127)

(L. A. Antonova)..... 70

PUBLICATION DATA

English title : USA: ECONOMICS, POLITICS, IDEOLOGY
No 2, February 1984

Russian title : SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA

Author (s) :

Editor (s) : N. D. Turkatenko

Publishing House : Izdatel'stvo Nauka

Place of publication : Moscow

Date of publication : February 1984

Signed to press : 19 January 1984

Copies : 30,000

COPYRIGHT : Izdatel'stvo "Nauka", "SShA--ekonomika,
politika, ideologiya", 1984

U.S. MIDDLE EAST POLICY 'THREAT TO PEACE'

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 84 (signed to press 19 Jan 84) pp 3-6

[Article by S. A. Losev: "Threat to Peace in the Middle East"]

[Text] The Middle East situation is changing with kaleidoscopic speed, outstripping the very flight of time. However, the political contours of the situation developing in that region are outlined very clearly.

The mask of "honest broker" and "peacemaker" has been finally and definitely torn off the face of the incumbent U.S. administration in connection with its policy in the Arab-Israeli conflict. The Reagan Administration has moved from encouraging Israel's aggression against the countries of the Arab East to direct armed intervention. The American Air Force and heavy naval artillery are systematically bombing and shelling positions of the national patriotic forces and of the Syrian military contingent, which is part of the inter-Arab peacekeeping force, in the mountains of Lebanon and in the Al-Biqa' Valley. These actions are being closely coordinated with Israeli air and naval raids. No one has believed the false assurances by R. Reagan, who said, in answer to the direct questions of journalists as to whether U.S. actions were being coordinated with Israel, without batting an eye: "We have had no contacts with them as regards our operations."

Washington has now elevated lies, misinformation and terrorism to the level of state policy. This is generally known. Nevertheless, the President's reference to the "absence of contacts" can evoke only ironic smiles. The coordination of joint aggressive actions against the Syrian Arab Republic, the national patriotic forces of Lebanon and the PLO within the framework of the American-Israeli strategic alliance was the main topic of the negotiations that Israeli Prime Minister Shamir and Defense Minister Arens held with Reagan at the end of 1983.

It is not superfluous to mention that these negotiations in Washington were preceded by an urgent visit by L. Eagleburger, U.S. deputy secretary of state, to Tel Aviv; following consultations with him, the Israeli cabinet held an emergency session, attended by the chief of the General Staff and the chief of army intelligence, and military exercises involving the mobilization of 400,000 Israeli reservists were held. According to THE WASHINGTON POST, "President Reagan signed a secret directive calling for the close coordination of U.S.

actions in the Middle East with Israel. Threatening to unleash the Israeli Army," the newspaper continued, "and to support its actions with the U.S. Navy and Air Force, President Reagan hopes to win concessions from Syrian President Hafiz al-Assad."

For a long time now, Syria's independent policy has been a thorn in the side of the incumbent American administration. Having imposed on Lebanon--under the conditions of Israeli occupation--a capitulation agreement with the occupiers, the United States hopes to accelerate its transformation into an American-Israeli protectorate and the Pentagon's support base in the Arab East. It is no coincidence that the Pentagon will now build a permanent military base in the Damur region near Beirut.

As a result of counteraction by Syria and Lebanese national patriotic forces, however, the Israeli-Lebanese agreement and the related U.S. militarist plans are hanging in the air. It is becoming increasingly clear to the Lebanese people, including their leading political circles, that this agreement is only consolidating the Israeli occupation and leading to the actual dismemberment of the country. During his visit to Washington in December, Lebanese President A. Gemayel tried to obtain amendments to this unequal agreement, but he returned from the American capital empty-handed. His timid attempt itself provoked the Israeli expansionists to make open threats. "If President Gemayel renounces the agreement with Israel," Shamir impudently declared, "then he will have no government.... There will be no Lebanon, neither Lebanon as an independent state nor a Lebanon with President Gemayel."

The shelling of the Lebanese territory and of the positions of Syrian forces in Lebanon on legitimate grounds, representing the inter-Arab force, manifests the policy of piracy and aggression. Justifying the raids by American bombers, the U.S. President alleged that they were for the protection of American Marines. But the question is: Who invited them to be there? It is a well-known fact that they are there as an addition to the Israeli forces that are trampling the Lebanese soil underfoot and thereby trampling on all international laws and the UN Charter.

Washington's attempt to substitute the issue of the withdrawal of the Syrian military contingent from Lebanese territory for the fulfillment of the UN Security Council's clear demand for an immediately and complete withdrawal of Israeli occupation forces from sovereign Lebanon is completely illegal, and the international community rejects it. The UN position was clearly reaffirmed in the Resolution on the Middle East and the Resolution on Cooperation Between the United States and Israel, which were adopted by an overwhelming majority in the final days of the UN General Assembly's 38th Session.

The assembly reaffirmed the paramount need for Israel's complete and unconditional withdrawal from all Palestinian and other Arab territories, including Jerusalem, occupied since 1967--something that represents an indispensable condition for a comprehensive and just peace in the Middle East. The entire Israeli policy and practice of annexing occupied Arab territories was proclaimed unlawful and assessed as a violation of international law and of the pertinent UN resolutions. The assembly requested UN member states to immediately break off all ties with Israel, sever diplomatic, trade and cultural

relations with it, stop all economic, financial, technical and, in particular, military aid to it and refrain from all deliveries of weapons to it. The General Assembly emphasized that the strategic alliance between the United States and Israel is endangering security in the Middle East and encouraging Israel to pursue its aggressive and expansionist policy. In fact, the United Nations condemned the entire Middle East policy of the Reagan Administration as a threat to peace and the independence of peoples.

The adoption of the Resolution on the Middle East despite the American delegation's bitter opposition turned into a great political defeat for the United States. "This was a scandalous vote. This was a scandalous resolution," J. Kirkpatrick, head of the American delegation, indignantly stated. Well, strictly speaking, what else could Mrs. Kirkpatrick expect? After all, for many years the United States, together with its Israeli protege, has defied the international community. During the aforementioned negotiations between Reagan and Shamir, the U.S. administration promised to give Israel a total of 2.61 billion dollars in fiscal year 1984, including 1.7 billion in the form of so-called "non-refundable military aid." The U.S. Congress has just approved a draft bill which will permit Israel to use 550 million dollars in military credit to build its own "Lavi" fighter-bomber under an American license. What else is this but the direct encouragement of the Israeli aggressors to launch new acts of armed aggression against neighboring Arab states? And this is happening after the Israeli prime minister ostentatiously rejected, during the Washington negotiations, the idea of a "freeze" on the further development of Israeli militarized settlements on the occupied West Bank of the Jordan River.

American political observers have once again begun to talk about the possibility of reviving Reagan's 1982 stillborn "initiative" with the aim of persuading Jordan to participate in separate negotiations with Israel on the Palestinian problem. Denying the Palestinians' inalienable right to form their own independent state in the territory of the West Bank and Gaza Strip, Washington would like to substitute that right with some kind of a puppet "autonomous formation."

The Palestinian Arabs, however, have no intention of entrusting their fate to anyone else. Despite the existing sharp disagreements within the Palestinian resistance movement, which Washington and Tel Aviv are trying to exploit, the PLO has been and is the only legitimate representative of the Arab people of Palestine. The Palestinian problem can only be solved on the basis of a complete withdrawal of Israeli troops from all occupied territories and by enabling the Arab people of Palestine to exercise their right to form their own independent state.

By refusing to fulfill the UN decision on the formation of two states (one Jewish and one Arab) in Palestine, Israel itself is undermining the international legal basis for the existence and recognition of Israel, which was founded in accordance with the aforementioned UN decision. In 1953 the Israeli Government assumed a formal obligation that Israel would not participate in any anti-Soviet military blocs and would not allow any foreign military bases on its territory.

Shamir's negotiations in Washington showed that the Israeli Government has now taken a hasty step. According to the American ABC television company, the "Israelis want to offer the United States the right to use air and naval bases in Israel on a permanent basis. They also intend to store heavy weapons for the United States on their territory." A joint American-Israeli military-political committee has been formed and has been directed to concern itself with the problems of American military aid to Israel, the storage of American weapons, cooperation in the field of intelligence and the planning of joint military maneuvers and armed actions.

Only adventurists who do not value the future of their own country can follow this dangerous road. By providing the Pentagon with military bases, the Shamir government is not only turning Israeli territory into a target for a counterstrike but is also undermining the basis of Israel's existence as a state.

Commenting on the Reagan Administration's increasingly close military cooperation with the Shamir government and on the reaction of the Arab East to it, THE TIMES of London noted that the "American-Israeli alliance forces those who regard Israel as their enemy to also call the United States their enemy." Even the moderate Arab conservative regimes have dissociated themselves from this compact.

More and more people in the United States itself are warning that the Republican leadership is dragging America into the quagmire of a new adventure similar to the Vietnam one. The Reagan Administration is following the same extremely dangerous path which led the United States into the war in Indochina, P. Zastrow, national coordinator of the Vietnam Veterans Against War, has stated. "The situation in Lebanon is becoming more and more ominous and threatening," S. Linowitz, former special representative of President J. Carter in the Middle East, wrote in THE WASHINGTON POST. "It is clear that the situation will become even more dangerous if we (the United States--Editor) continue to follow our present course."

It is already obvious that the question of American intervention in Lebanon will be one of the main issues in the 1984 presidential election. "Attention has been focused on Lebanon this winter," THE NEW YORK TIMES remarked. "This is the problem which, according to Republican strategists, may produce an 'explosion' causing Reagan to lose the election."

Of course, there is a certain amount of exaggeration in this NEW YORK TIMES statement. The fact remains, however, that not only have several contenders for the Democratic Party president nomination found it necessary to clearly state their opposition to the administration's Middle East policy, but several influential Republicans in the Congress, including R. Michel, Republican leader in the House of Representatives, and Senator C. Matthias, have also supported the demand for the withdrawal of U.S. Marines from Lebanon. Even the Pentagon report on the reasons for the explosion which destroyed the command post of a battalion of American Marines last October criticizes the White House for placing the emphasis in its Middle East policy "on military efforts instead of diplomacy." The report raises the question of why the

U.S. Marines are in Lebanon at all, and what purpose their presence on Arab soil serves.

It is perfectly clear that Washington mistakenly counts on doing everything with complete freedom and impunity. As the TASS statement on Lebanon points out, "the United States' desire to establish American-type systems in the countries whose social systems it does not like and its attempt to set itself and its narrow interests above international law and the universal interests of mankind and to make force into a measure of justice and legality cannot fail to result in severe consequences, not only for others but also for the United States itself.

"The Soviet Union's leading circles consider it necessary to issue the most serious warning to the U.S. Government about this."

COPYRIGHT: Izdatel'stvo "Nauka", "SShA--ekonomika, politika, ideologiya", 1984

CSO: 1803/6

UNITED STATES AND INDIA: CONFLICTS STILL EXIST

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 84 (signed to press 19 Jan 84) pp 18-28

[Article by N. S. Beglova]

[Text] President R. Reagan of the United States, just as many of his predecessors, has not been stingy with rosy hues in his descriptions of American-Indian relations. When Indian Prime Minister I. Gandhi was in Washington in summer 1982, Reagan said that "India and the United States are bound together by the strongest and most sacred ties--the ties of democracy" and that both countries profess "common ideals and values."¹ Similarly bombastic phrases embellished the speeches of the head of the U.S. foreign policy establishment, G. Shultz, during his visit to New Delhi in summer 1983. The Republican administration is making every attempt to create the semblance of the onset of a new stage--a stage of "mutual understanding." People in the White House have preferred not to recall the fact, however, that virtually each American administration has announced similar "new stages" in Indian-U.S. relations. But despite the abundance of rhetoric, conflicts and problems have continued to exist in the relations between the two countries.

There are conflicts between India and the United States at the present time as well, extending to such key international issues as detente, disarmament, especially nuclear disarmament, the declaration of the Indian Ocean a zone of peace, the movement for nonalignment, North-South relations, the establishment of a new international economic order and a new information order, monetary reform and several others. Besides this, India and the United States have taken absolutely different approaches to many regional issues, particularly in South Asia, the Middle East and Southeast Asia. Bilateral American-Indian relations have also revealed severe complications.

Events like the anti-American demonstrations in New Delhi in summer 1983 testify that these conflicts could become much more acute at any moment. The loudest recent outcries by the Indian public against Washington's policy began with a demonstration organized by the ruling party, the Indian National Congress (I), in response to a statement by H. Barnes, U.S. ambassador in New Delhi, in which he compared the Punjab separatist movement for the creation of the independent Sikh state of "Halistan" to the struggle of the Puerto Rican people for their national liberation. This statement was justifiably

interpreted in New Delhi as an act of intervention by Washington in Indian internal affairs and as proof of the U.S. determination to support separatist activity and thereby undermine national unity.

During the protest demonstration in front of the U.S. embassy building, even representatives of the Sikhs demanded the immediate expulsion of the ambassador "for inciting extremist elements in India." Secretary General Ch. Stephen of the National Committee of the Indian National Congress (I) said that Washington would have to judge how useful Ambassador Barnes' activity in India would be after his statement about "Halistan" had evoked a negative reaction in the country and he had actually become a persona non grata to the Indian people.²

Three Stages--One Goal

One of the reasons for the contradictory and unstable development of U.S.-Indian relations is the burden of past years--the negative experience in bilateral relations over a period of 35 years, which has made India suspicious and wary of the United States. Throughout this period, Washington tried to force India to give up Nehru's legacy and its independent foreign policy and to direct this policy into pro-American channels.

In the 1950's the United States tried to involve India in the system of American military-political blocs by means of overt pressure and blackmail. When it became obvious that India rejected the principle of anticommunism in international relations and opposed the military approach to Asian problems, Washington transferred its attentions to Pakistan and began to build up its military strength.

In the 1960's J. Kennedy announced a "new era" in relations with India, stating that a struggle between democracy and communism had broken out on a broad scale in that country.³ India became the main object of U.S. diplomacy in the developing countries and served as a kind of testing ground for the effectiveness of the "New Frontier" policy. Once again, however, concerted pressure on India through economic, diplomatic and ideological channels proved to be unsuccessful. India refused to pursue a policy serving the American interest in the international arena.

During this entire period the United States continued to build up Pakistan's military strength. The inconsistency of Washington's policy--reflected when it declared its intention to prevent a military conflict between India and Pakistan but took part in the creation of a modern, well-equipped army in Pakistan and took advantage of disagreements between these two countries--contributed to the mounting tension on the subcontinent. This resulted in military conflicts between India and Pakistan in 1965, and again in 1971.

The beginning and middle of the 1970's were a period of "unobtrusive presence" by the United States in India. This tactic was part of a group of measures aimed at securing various forms of covert pressure on Indian foreign policy and all sociopolitical life in that country. With the aid of this tactic, Washington tried to attain essentially the same goals as before--to undermine

India's friendly relations with the USSR, to impose a system of American economic, political and cultural values on India and to turn this country into a bulwark of the "free world" in Asia. Once again, however, India did not diverge from its consistent policy in opposition to imperialism and neo-colonialism and its support of the economic demands of developing countries.

At the end of the 1970's there was an increase of U.S. interest in India. There were several reasons for this. First of all, this is when Washington acquired more interest in the Indian Ocean, where the U.S. military presence was being built up. Secondly, India acquired more authority among the developing countries and in the international arena in general. A report prepared by the Library of Congress research service in 1978, "The United States, India and South Asia," said that the most important event of the 1970's in South Asia was "India's evolution into a strong force in the international arena and its establishment as the leading regional power."⁴ Thirdly, such events as the fall of the shah's regime in Iran and the revolution in Afghanistan at the end of the 1970's undermined U.S. influence in the developing countries and forced Washington to seek new bases of support.

Under these circumstances, the United States could not ignore India in its massive efforts to prevent the further decline of its influence in the developing world, particularly in Southwest and South Asia and in the Persian Gulf. People in Washington realized that the balance of power in the region, in the "Third World" and in international relations in general would depend largely on India's future behavior.

Considerable effort was made under the Carter Administration to raise American-Indian relations to a qualitatively new level. There were numerous visits to New Delhi by high-level American statesmen, including J. Carter's visit in January 1978, American economic aid to India for "development purposes" was restored (after being cut off in 1971), and American shipments of uranium for the Indian atomic power station in Tarapur were resumed.

What Displeases People in Washington

With the start of the Republican administration in 1981, relations with India began to be viewed through the prism of the general U.S. military policy of confrontation with the Soviet Union. In the developing world this presupposed primary emphasis on regimes which could promote American influence in a particular region. In South Asia the United States concentrated on building up military, economic and political ties with Pakistan. As for India, according to American experts, "American-Indian relations now are probably at their lowest level of the last decade."⁵

Today the reasons for the fundamental disagreements between the United States and India can be seen in their diverging views on the main international issues and in India's reluctance to take part in the Reagan Administration's broad-scale campaign against communism. People in Washington feel, CURRENT HISTORY reported, that "the Indian leaders are underestimating global political realities and the state of the conflict between the superpowers."⁶

Washington has also been irritated by the further development of economic, diplomatic, military, scientific and cultural ties between India and the Soviet Union (the strength of these ties was reaffirmed during I. Gandhi's visit to the Soviet Union in August-September 1982); by India's refusal to support the anti-Soviet campaign launched by Washington in connection with the situation in Afghanistan; by India's reluctance to take part in any actions against the government of the DRA and by its appeals for a political settlement of the problem by means of negotiation and with the participation of the Afghan Government. India's principled position is a serious obstacle to Washington's plans to unite Afghanistan's neighbors on an anti-Soviet platform. The United States is also displeased by India's recognition of the government of the People's Republic of Kampuchea, headed by Heng Samrin, and by the establishment of diplomatic relations between India and Kampuchea.

Besides this, Washington is extremely displeased with India's position in the nonaligned movement. Just before the seventh conference of the heads of state and government of the nonaligned countries, which was held in March 1983 in New Delhi, and during the initial stage of the conference's work, people in the United States were predicting that under the guidance of India--the organizer of the forum and the current leader of the nonaligned countries--the movement's criticism of the United States would be less harsh than in the 1979 Havana declaration.⁷

The first plenary sessions of the New Delhi forum proved, however, that Washington's hopes were in vain. The declaration adopted in New Delhi condemns the buildup of American armed forces in the Indian Ocean, U.S. policy in Central America and the Middle East, Washington's support of Pretoria and the U.S. sabotage of the global talks on key aspects of the new international economic order. As India's PATRIOT newspaper reported on 23 March 1983, "the seventh forum of the nonaligned movement warned American imperialism that the old methods of exploitation and the use of force must cease."

At the end of the New Delhi conference, State Department spokesman A. Romberg expressed Washington's displeasure with its results, declaring that the conference declaration was "a biased and polemical document which does not reflect the principles of nonalignment."⁸ This remark clearly demonstrated the U.S. determination to give up its tactic of playing up to the nonaligned states in favor of a return to the days of J. F. Dulles, when people in Washington openly declared: Anyone who is not with us is against us.

The fact that this was not an incidental remark was confirmed by no one other than the President of the United States. Addressing the 38th Session of the UN General Assembly in October 1983, Ronald Reagan indulged in severe attacks on the nonaligned movement. The Indian press called his speech "tactless, amoral and illogical"⁹ and stressed that the nonaligned states had not given up the right to define their position on world problems either individually or collectively and that they would not take a neutral stand on imperialism, colonialism, independence or racism. India, just as the majority of other countries, rejected the "American brand of nonalignment," presupposing non-alignment in the struggle for peace and against the arms race and the escalation of tension in various parts of the world.

Problems in Bilateral Relations

One of the serious causes of complications in bilateral U.S.-Indian relations is the current U.S. administration's efforts to escalate international tension and the arms race. In New Delhi's opinion, this will unavoidably cause the deterioration of the regional situation and complicate American-Indian relations. As the TIMES OF INDIA reported on 23 April 1983, "as long as India and the United States have diverging views on major international issues--and this will be the case in the foreseeable future--the prospects for the radical improvement of their relations will be extremely limited."

India supports many Soviet initiatives aimed at the relaxation of international tension. It believes that the world situation is still quite disturbing largely as a result of the U.S. position, particularly in the case of problems in the Indian Ocean.

American-Indian conflicts over the Indian Ocean were exacerbated at the beginning of the 1970's. This occurred, firstly, as a result of the direct threat posed to India by the United States when Washington sent the nuclear aircraft carrier "Enterprise" to the Bay of Bengal during the Indo-Pakistani conflict in December 1971 and, secondly, as a result of the open U.S. opposition to the implementation of the 1971 UN General Assembly resolution on the establishment of the Indian Ocean as a zone of peace. The continuous buildup of the American military presence in the Indian Ocean and the enlargement and modernization of the Diego Garcia base naturally caused tension in U.S.-Indian relations.

As one of the main elements of its "Asia doctrine,"¹⁰ the Reagan Administration has resolved to establish absolute control over the Indian Ocean, announcing the "deployment of large U.S. naval forces in the Indian Ocean on a permanent basis."

Today there are 30 U.S. military bases in this zone, and the waters of this ocean are being ploughed by more than 40 American naval ships. There is no question that all of this is a direct threat to India's security and to its economic interests, including its plans for seabed mineral prospecting and extraction, offshore oil drilling, shipments of Middle East oil, the development of Antarctica and the Soviet-Indian economic transactions conducted by means of navigation in this region.

Washington is still actively opposing the creation of a zone of peace in the Indian Ocean. At the latest session of the UN special committee on the Indian Ocean in July 1983, a group of nonaligned countries, including India, insisted, despite continuous obstructionist behavior by the United States, that a conference be convened in Colombo on 4 June 1984 to draft an agreement on the creation of a zone of peace in the Indian Ocean.

Until recently the most acute problem in American-Indian relations was the shipment of concentrated American uranium for the atomic power station in Tarapur, built with U.S. technical assistance. According to an agreement signed in 1963, the United States promised to supply the Tarapur plant with fuel regularly until 1993. Nevertheless, the shipments of nuclear fuel to

India were stopped in April 1977 after a long series of debates in the U.S. Congress.¹¹ This was due, on the one hand, to the passage of a special U.S. law prohibiting the shipment of uranium to countries refusing to allow international inspectors access to their nuclear facilities and, on the other, to the further deterioration of American-Indian relations. The uranium shipments were not resumed until 1979.¹²

India consented to IAEA inspections of a number of its nuclear power stations operating on imported nuclear fuel, but refused to allow the inspectors to observe the entire regeneration process. In New Delhi's opinion, the U.S. attempts to institute stricter control over the Indian nuclear program actually signify a desire to establish control over its technological potential in general.

The U.S. position on shipments of uranium to India is quite contradictory. On the one hand, the United States is acting, as Washington has stressed, in accordance with the requirements of the nuclear nonproliferation treaty. On the other, Washington has not resisted the temptation to use India's dependence on U.S. uranium shipments in its own interests, using them as a "carrot" whenever this is consistent with American policy objectives in India and postponing them whenever it wishes to exert pressure on the Indian government. As a result, since the United States has been unable to approach the Tarapur problem in a consistent manner, satisfactory to India, in summer 1982 India, France and the United States agreed that France would supply India with uranium on terms similar to those stipulated in the 1963 agreement with the United States. This new agreement was reaffirmed when French President F. Mitterand visited India in November of that year.

In spite of this agreement, however, the United States has continued its propaganda campaign to discredit India's peaceful nuclear program. In February 1983, for example, articles in the WASHINGTON POST and NEW YORK TIMES stated that India was accumulating fissionable material for the production of a nuclear bomb.¹³ Not long before this, an obviously provocative report in the American press implied that New Delhi was preparing to bomb Pakistan's nuclear installations to keep it from getting ahead of India in nuclear weapon production.

Apparently, Washington needed this propaganda campaign to divert attention from the development of Pakistan's nuclear program, which is being accomplished with obvious help from the United States and is the cause of growing concern among the American and world public. Besides this, the campaign was one way of pressuring India just before the New Delhi forum of the nonaligned states. The Tarapur problem was exacerbated once again in spring 1983: Violating the provisions of the agreement on Tarapur, the United States refused to supply India with spare parts for the power station. As a result, the normal operation of the Tarapur nuclear reactor was disrupted and a dangerous level of radiation was recorded.

When G. Shultz went to New Delhi, he announced that the United States would supply India with parts for Tarapur if India could not acquire these parts from other countries. But even this extremely vague promise by the American secretary of state evoked a negative reaction in certain anti-Indian groups in

Congress and the Pentagon, whose members called it a "gift" to India and a "sacrifice" for the United States. Expressing the views of these groups, the NEW YORK TIMES acknowledged that shipments of spare parts would nullify the "main means of U.S. pressure" on India.¹⁴

As mentioned above, one of the most sensitive aspects of bilateral U.S.-Indian relations is the support Washington is giving the separatist movement in the northeastern Indian state of Punjab. The tension which had existed in this state for a long time was escalated once again in March 1982, when one of the separatist organizations of the Sikh religious community, constituting the majority of the population of Punjab, demanded secession by this state and the formation of the new Sikh state of "Halistan." "Halistan consulates" were opened in New York, Detroit and Houston and in some cities in Canada and England. The currency and passports of this nonexistent state are being printed there. Some Americans with hostile feelings for India have even suggested that the separatists be granted observer status in the United Nations as a "national liberation movement."

The separatist leaders have also found a refuge in the United States and Canada. At the beginning of March 1983 the American embassy in Thailand issued a U.S. visitor's visa to the head of the separatists, J. Chauhana, the "president" of the nonexistent "Halistan." In this way, the United States again ignored the Indian Government's repeated requests that no visas be issued to the terrorist leader of the subversive activity against India.

Criticizing the behavior of the American authorities, I. Gandhi stated that "the militant movement for the creation of 'Halistan' is based in the United States."¹⁵

The Washington-Islamabad Axis--A Threat to India's Security

People in New Delhi are disturbed by the growth of American-Pakistani military contacts and the increased deliveries of American military equipment to Pakistan, fearing that these weapons might be used against India in the future. As I. Gandhi stressed in a NEWSWEEK interview, "the Pakistanis have always used American weapons against us."¹⁶

People in New Delhi were particularly disturbed by the delivery of American F-16 fighter-bombers to Pakistan. These planes pose a threat because they can surmount the Indian air defense system with their modern radar equipment and bomb targets far inside India's borders. Besides this, the planes are equipped with electronic countermeasure devices and can interfere with the operations of the Indian Air Force. It is also significant that the F-16 can be used for the delivery of nuclear weapons.

Many experts and politicians in the United States as well as in India realize that weapon shipments to Pakistan cannot be justified by the situation in Afghanistan or the mythical Soviet threat. As prominent American expert on South Asian affairs S. Harrison stressed, the American weapons sent to Pakistan, such as the F-16 planes and heavy M-48 and M-60 tanks, could be used against India. It is no coincidence, he said, that "the Reagan Administration refused

to give India any assurances, public or private, that the United States will not allow its weapons to be used for an attack on India."¹⁷

Therefore, the United States has continued to arm Pakistan in the knowledge that its weapons could be used against India in the future, just as they have been in the past. Furthermore, the threat posed by Pakistan to India is still present: 300,000 of the 450,000 people making up the Pakistani armed forces are stationed along the border with India.¹⁸ This is also where most of Pakistan's military airfields and helicopter pads are located and where strategic roads are being built.

It is true that India and Pakistan have recently made a number of attempts to normalize relations. Since January 1982, for example, the two countries have engaged in a series of summit-level talks for the purpose of concluding a political treaty based on a nonaggression pact, proposed by Pakistan, and a treaty on peace, friendship and cooperation, proposed by India.

Washington's decision to create a "U.S. Armed Forces Central Command" (CENTCOM) at the beginning of January 1983 to oversee the military operations of the "rapid deployment force" in Southwest Asia and the Persian Gulf zone and to include Pakistan in its sphere of influence considerably complicated the situation on the subcontinent.

The creation of CENTCOM testifies that the United States is moving from the policy of using individual bases in various parts of the world to the creation of comprehensive theaters of military action and the formation of broader springboards for aggression uniting whole regions. There is no question that this poses the most serious threat to the security interests of all countries within the new command's sphere of influence.

Ruling circles in Pakistan are not only ignoring this obvious fact but are also aiding in the dangerous buildup of CENTCOM activity. According to reports in the Indian press, an agreement has been concluded on the transfer of the first group of American military experts (around 60 people) to Pakistan for the purpose of establishing secret electronic stations with the most modern electronic equipment in a number of Pakistan's cities to secure Pentagon military operations in the Indian Ocean and Persian Gulf; this actually means that Islamabad is offering the United States military bases for the electronic reconnaissance that was once conducted from Iranian territory. These stations will allow the United States to observe developments in the air and on the water and land of Pakistan's neighbors. In this way, Pakistan is turning into a regional base of U.S. espionage.

The plans for Pakistan's involvement in the organization of CENTCOM operations are not confined to this alone. A network of military airfields will be established along its west coast to support the operations of the "Central Command" in the Persian Gulf, and a base for spy planes is being enlarged in Peshawar. In this way, Pakistan is being turned into an outpost for the organization of Pentagon subversive operations in South and Southwest Asia.

Many people in the United States realize that the more active American-Pakistani military contacts and Washington's encouragement of Pakistani

militarization will increase tension on the subcontinent, and that this will have a negative effect on the international situation in general. Renowned American political scientist and State Department staffer W. Anderson notes in the book "Asia and U.S. Foreign Policy" that the military aid to Pakistan "is provoking an arms race on the subcontinent."¹⁹

New developments indicate, however, that the Reagan Administration does not intend to give up its present policy line in relations with Pakistan. In summer 1983 it was reported that the White House had agreed to supply Pakistan with 50 million dollars' worth of Harpoon naval missiles.

When C. Weinberger visited Pakistan at the end of September and the beginning of October 1983, the Pentagon chief confirmed that "the Reagan Administration will spare no effort in offering Pakistan comprehensive assistance, up to the last dollar envisaged in the military transfer program."²⁰

Washington's actions and statements give India cause for serious concern. The provision of Pakistan with the latest and best American weapons forces India to concentrate on building up its own defensive potential. All of this signals the beginning of a new stage in the arms race on the subcontinent and will increase the danger of a new military conflict.

Therefore, current U.S. policy in Pakistan is having a negative effect on U.S.-Indian relations and is impeding the successful development of dialogue between India and Pakistan and inhibiting the improvement of the atmosphere in South Asia.

Economic 'Cooperation' or Pressure Tactic

Economic problems are prominent in Indian-U.S. relations. They include questions of economic assistance, which has totaled 11.7 billion dollars over the postwar period.²¹ Although this figure seems high, the extremely relative nature of this indicator must be taken into account: Even in the 1950's and 1960's, when American aid to India reached its highest point, this country ranked only 60th on the list of recipients in per capita terms; Pakistan's per capita share in 1950-1973 was three times as great.²² The present situation is the following: In fiscal year 1983 the United States allocated 203 million dollars for economic aid to India and 250 million to Pakistan. The current administration requested 209 million dollars for India for fiscal year 1984 and 583 million for Pakistan (with more than 300 million in the form of military aid).

It is no secret that American economic assistance is offered on extremely rigid terms and is widely used by Washington as an instrument of military and political pressure. India has a larger debt and Washington will not agree to deferred payments, although it has complied with Pakistan's requests of this nature.

Serious disagreements between India and the United States also exist in the sphere of bilateral trade, the volume of which reached 3 billion dollars in fiscal year 1982.²³ But the balance of trade has almost always been in the

United States' favor. The main reason is the U.S. administration's institution of numerous restrictions on imports of Indian goods. Washington is artificially inhibiting the growth of imports from India, although that country is capable of exporting certain types of fabrics and footwear, for example, for which there could be a demand in the United States.

At meetings of the joint American-Indian commission on economic and technological cooperation, founded in 1974, the Indian side has repeatedly mentioned the need for a review of the general system of preferences introduced by the U.S. in January 1976. In accordance with this system, the developing countries acquired the right of the duty-free export of several items to the United States, but some goods prominent among Indian exports (clothing, some fabrics, footwear and others) were not covered by these conditions.

In summer 1980 the United States raised the duties on some Indian manufactured goods, including textiles, leather footwear and others, in violation of its own commitments. As a result, many trade contracts were broken and Indian companies suffered substantial losses. Washington has not concealed the fact that these measures were aimed primarily against the growing manufacturing industry of the Indian state sector. According to Indian economists, the United States is doing this in an attempt to keep India in the inferior position of a supplier of unprocessed raw materials for American industry.

Disagreements over the Indian operations of multinational corporations headquartered in the United States add more tension to American-Indian relations. These companies are trying to penetrate the most promising and profitable sectors of the Indian economy, have firmly established themselves in the chemical industry, are gaining strength in electronics and the pharmaceutical industry and have become more active in the production of food products, textiles, metalware and leather goods.

The United States has also taken an anti-Indian stand in international economic organizations, such as the International Bank for Reconstruction and Development, the Asian Development Bank, the International Monetary Fund and others, where it uses its influence to establish stricter credit terms and requirements envisaging the long-term reorganization of the Indian economy, particularly the encouragement of private capital. According to American Secretary of the Treasury D. Regan, for example, the United States officially objected to the extension of World Bank credit to India 25 times in the postwar period.²⁴ The obstructionist U.S. policy is now inhibiting India's access to other international organizations. Washington objected, for example, to the extension of an Asian Development Bank loan of 2 billion dollars to India.

Therefore, many conflicts and differences still exist in U.S.-Indian relations, are complicating these relations severely and are impeding mutual understanding. This could have a negative effect on the United States as well. In the first place, the obvious transfer of U.S. sympathies to Pakistan will objectively strengthen New Delhi's anti-American stand on several international issues. In the second place, this policy is increasing tension on the subcontinent. There is still the possibility of the dramatic exacerbation of differences or even a conflict between India and Pakistan, with all of the ensuing consequences for the current regime in Pakistan--Washington's ally.

Several American experts on South Asian affairs realize that Washington's policy line is contrary to the United States' own interests. R. Hardgrave, for example, believes that "military cooperation between the United States and Pakistan" could encourage India to cooperate more closely with the Soviet Union.²⁵ Another prominent expert, ASIAN SURVEY editor L. Rose, commented in the book "U.S. Foreign Policy for Asia: The 1980's and Beyond": "Any security system established by the United States in this region will not be viable unless India takes at least a neutral stand on it."²⁶

Judging, however, by I. Gandhi's visit to the United States, Under Secretary of State L. Eagleburger's negotiations in New Delhi in November 1982 and, in particular, G. Shultz' visit to New Delhi at the end of June and the beginning of August [sic] 1983, although the United States verbally declares the "spiritual kinship" of the two countries, it has been unwilling to make any fundamental changes in its approach to the majority of "major issues" in American-Indian relations. Commenting on the results of Shultz' visit, the Indian press reported that the results of the talks "did not change the positions of the two countries on basic problems" and that Shultz' 4-day visit "was confined mainly to attempts to justify U.S. policy in South and Southwest Asia" and in "Indian-American economic relations."²⁷

Therefore, serious conflicts still exist in Indian-U.S. relations. There is no stability in these relations, and there is certainly none of the mutual understanding that people in Washington have recently been discussing with such enthusiasm. It is growing increasingly obvious that the current U.S. administration's global ambitions are contrary to the interest of an ideal relationship with India, the largest country in the region. And this is not due to the Reagan Administration's "confusion" about the essence of India's policy of nonalignment, as American political scientists have often declared, but to the radically diverging Indian and U.S. approaches to major international issues.

FOOTNOTES

1. DEPARTMENT OF STATE BULLETIN, September 1982, p 54.
2. THE STATESMAN, 24 June 1983.
3. A. Schlesinger, "A Thousand Days. John F. Kennedy in the White House," Boston, 1965, p 523.
4. "The United States, India and South Asia: Interests, Trends and Issues for Congressional Concern. A Study," Wash., 1978, pp 1-2.
5. "United States-Indian Relations. A Report to the Committee on Foreign Relations, U.S. Senate," Wash., 1982, p 1.
6. Z. Khalizad, "The Strategic Significance of South Asia," CURRENT HISTORY, May 1982, p 196.
7. THE WALL STREET JOURNAL, 17 March 1983.

8. THE NEW YORK TIMES, 15 March 1983.
9. NATIONAL HERALD, 28 September 1983.
10. See V.P. Kozin, "The Buildup of the American Military Presence in the Indian Ocean," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, 1982, No 1.
11. See, for example, A. Noorani, "Indo-U.S. Nuclear Relations," ASIAN SURVEY, April 1981.
12. See V.F. Davydov, "The Nuclear Export Act and its Implication," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, 1980, No 1.
13. THE NEW YORK TIMES, 21 February 1983; THE WASHINGTON POST, 22 February 1983.
14. THE NEW YORK TIMES, 15 July 1983.
15. THE PATRIOT, 19 June 1983.
16. NEWSWEEK, 19 July 1982, p 32.
17. S. Harrison, "Fanning Flames in South Asia," FOREIGN POLICY, Winter 1982, p 95.
18. NEWSWEEK, 15 June 1981, p 23.
19. "Asia and U.S. Foreign Policy," edited by J. Hsiung and W. Chai, N.Y., 1981, p 196.
20. THE PAKISTAN TIMES, 4 October 1983.
21. DEPARTMENT OF STATE BULLETIN, September 1982, p 54.
22. R. Johansen, "United States Foreign Aid to India: A Case Study of the Impact of U.S. Foreign Policy on Prospects for World Order Reform," Princeton, 1975, pp 56-57.
23. P. Talbot, "India in the 1980's," HEADLINE SERIES, January-February 1983, p 34.
24. FAR EASTERN ECONOMIC REVIEW, 21 May 1982, p 61.
25. R. Hardgrave, "India Enters the 1980's," CURRENT HISTORY, May 1982, p 225.
26. "U.S. Foreign Policy for Asia: The 1980's and Beyond," edited by R. Myers, Stanford, 1982, p 40.
27. THE STATESMAN, 3 July 1983; THE PATRIOT, 3 July 1983.

COPYRIGHT: Izdatel'stvo "Nauka", "SShA--ekonomika, politika, ideologiya",
1984

UNITED STATES AND THE DEVELOPING COUNTRIES' BURDEN OF DEBTS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 84 (signed to press 19 Jan 84) pp 29-40

[Article by S. V. Gorbunov]

[Text] The problem of foreign debts came to the fore in U.S. economic relations with a large group of developing countries at the beginning of the 1980's. The inferior status of these countries in the world capitalist economy and the growing scales of their neocolonial exploitation have constantly augmented their losses in foreign economic exchange and have transferred much of their national income to the imperialist states. Under these conditions, the developing countries have had to borrow larger and larger sums abroad.

The system of international financing for developing countries, conducted primarily by private banks, heightened the dependence of these countries on the West in monetary relations and is now one of the main means of pressuring weaker partners. From the very beginning, this system contained the prerequisites for a future crisis, and this crisis actually broke out in the second half of 1982, when several of the largest borrowers among the developing countries stopped paying their debts. The crisis is still going on and the prospects for its resolution are still unclear. All of this has extremely serious economic and political implications, not only for the developing countries but also for the United States and other Western powers.

All types of difficulties in international transactions have long accompanied the development of world capitalism. Now, however, the entire system of international capitalist credit has been thrown into chaos for the first time by the serious defects in the economic mechanism of interrelations between capitalist and developing countries.

I

In the past decade the developing countries began to play a much more important role, particularly the most highly developed of them, as producers and suppliers of products of the manufacturing industry in the world capitalist market along with their traditional export goods. There was a simultaneous increase in the importance of their market from the standpoint of sales of equipment and technology produced in capitalist states. The developing countries are being

involved more and more deeply as dependent junior partners in international capitalist division of labor. The process is being generated mainly by American and other transnational corporations, whose expansion in the developing countries, primarily for the purpose of maximum profits, has led to the relocation of production units in these countries when these units have required cheap semiskilled labor and (or) harmed the environment.

One of the most important factors in this process is the dramatic growth of deficits in the balance of trade and payments of oil-importing developing countries (see Table 1). Under the conditions of the compound increase in oil prices, the overall deterioration of the situation in the capitalist economy, the intensification of competition and the reinforcement of trade protectionism in the West, income from traditional and new exports is inadequate for the purchase of the equipment, energy products and technology required for expanded capital investment programs. The total deficit in the balance of trade of these states for 1974-1982 exceeded 450 billion dollars.¹ To a considerable extent, this has occurred because the majority of developing countries have no chance of compensating for the constantly rising prices of imports by raising the prices of their own products. The monetary status of the young states is complicated by mounting losses of resources in the form of interest payments on loans and profits on direct investments. Payments of this kind exceeded 70 billion dollars in 1982.

Under these conditions, many of the young states, especially the relatively developed ones, could not reduce imports because this might have slowed down their economic growth and exacerbated domestic sociopolitical problems. To cover the gap between payments and revenues, they resorted to the acquisition of foreign financial resources, primarily in the form of commercial credit. The result was the rapid growth of their debt, which totaled 680 billion dollars at the end of 1983, as compared to 340 billion in 1978 and 60 billion in 1970.²

This kind of massive transfer of financial resources became possible as a result of the development of the international loan capital market, which considerably changed the structure of the young states' incoming resources. In addition to such traditional forms of capital export as state credit, "aid" and direct private investments, medium- and short-term private bank loans, extended primarily in the Eurocurrency market, are playing an increasingly important role. At the end of 1982 these credits totaled almost 400 billion dollars. In 1974, on the other hand, the total indebtedness of developing countries to private banks was just slightly over 33 billion dollars. Whereas bank credit covered a third of the total deficit in payment balances for the current operations of developing countries at the beginning of the 1970's, it has covered almost two-thirds in recent years. The amount covered by state development "aid" (on a bilateral or multilateral basis) decreased from around 60 percent in 1960 to almost a third at the end of the 1970's. The proportion accounted for by direct investments also decreased slightly (from 20 to 17 percent).³

American private banks, which have already extended around 120 billion dollars, or over 30 percent of all commercial loans, play the leading role in the

international financing of developing countries. Furthermore, according to some estimates the share of American banks could be around 60 percent if the figure were to include funds extended to credit establishments in other capitalist states and eventually sent to the developing countries.

Table 1

Balance of Payments for Current Operations of Developing Countries
Not Belonging to OPEC, Billions of Dollars

<u>Indicators</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u> <u>(estimate)</u>	<u>1983</u> <u>(forecast)</u>
Commodity exports	250	317	327	340	380
Oil exports	13	23	27	29	30
Commodity imports	-298	-388	-402	-405	-430
Oil imports	-34	-63	-67	-67	-70
Balance of Trade	-48	-71	-75	-65	-50
Income for services*	69	83	94	100	105
Interest	12	15	19	17	17
Payment for services	-99	-120	-140	-150	-160
Interest	-32	-44	-54	-66	-66
Balance of Trade					
in Goods and Services	-78	-108	-121	-115	-105
Private transfers (balance)	19	21	22	25	30
Government transfers (balance)	11	12	13	14	15
Balance for current operations	-48	-75	-86	-76	-60

* Income on overseas investments, credit extended, bank deposits; revenues from freight, tourism, postal and telegraph tariffs, etc.

THE BANKER, December 1982, p 27.

Bank credit played a definite role in maintaining the rate of economic growth in oil-importing developing countries at 5.6-6 percent in the 1970's--that is, on a level just slightly higher than indicators for the 1960's. At the same time, the increasing imports of developing countries, more than 25 percent of which were paid for with bank credit (44 percent for Latin America in 1982), became an important factor in the maintenance of economic activity in the developed capitalist countries, whose economic growth had slowed down dramatically in the late 1970's and early 1980's.

This fully applies to the United States, whose economy has depended more and more on foreign markets. For example, whereas U.S. foreign trade represented 8.5 percent of the GNP in 1970, the figure was 18 percent in 1980. Around 40 percent of all American exports at the beginning of the 1980's were sent to the developing countries, as compared to the 28-percent average of all the capitalist countries.⁵ Africa, Asia and Latin America now account for 5 percent of all U.S. industrial sales and 20 percent of its agricultural sales. The United States has also grown increasingly dependent on imports from developing

countries, which represent 40-45 percent of its total imports. These account for around 35 percent of all American corporate profits from direct private investments abroad (not counting petroleum refining), which exceeded 6 billion dollars in 1982, and two-thirds of the income from all overseas investments, credit, insurance, freight and so forth, or around 20 billion dollars.

Under these conditions, the international operations of American commercial banks are viewed by the U.S. Government and the administration of the Federal Reserve System (FRS), performing the functions of a central bank, as a necessary and extremely important, from the economic and political standpoint, element of relations with the developing countries. No restrictions have been imposed on these operations. In 1982 alone, bank income from international crediting increased by 1.7 billion dollars and totaled almost 11 billion. The appeal of such substantial profits has led to the constant expansion of this crediting. Between 1973 and 1981 the new international credits extended by the banks increased by 20 percent a year on the average. The international crediting of the largest U.S. commercial banks grew much more quickly than operations in the domestic market. As a result, the proportion accounted for by their foreign assets rose from 11 percent at the beginning of the 1970's to 33 percent in 1980, and even exceeded 50 percent in the case of some banks.

The growth of international banking operations promoted expansion by American monopolies but also weakened the stability of the credit system and created prerequisites for an international financial crisis in connection with the increasing probability of the "overcrediting" of the largest clients. In the second half of the 1970's, when the demand for credit in developed capitalist states declined, leading banks competed intensively for borrowers from among the developing countries. The terms of credit were quite favorable at that time because interest rates were just slightly higher or even lower than the rate of increase in commodity prices. For this reason, international bank loans became accessible to an increasing number of the most highly developed of these young states as their level of economic development rose. Banks were eager to lend them money because investments of this kind were guaranteed by the relatively rapid economic growth of these countries, the constant growth of their exports and the accumulation of substantial currency resources.

The administrators of American and other banks assumed that the growing deficits in payment balances were temporary and that market forces would correct the situation within the near future without any serious intervention by the state. As a result, the solvency criteria used by banks to assess crediting expediency were lowered.

The extension of credit, however, corresponded less and less to the objective needs of borrowers from the standpoint of funding for specific projects and programs. The relative ease with which credit could be obtained increased non-productive spending. A higher percentage was spent on the payment of old debts and the augmentation of currency reserves. Borrowers and creditors grew increasingly confident of the unlimited possibilities of international financial markets.

The concentration of a high percentage of debts among a limited number of borrowers is quite dangerous for the international banking system and the

world capitalist economy in general. For example, more than a third of all the bank credit received by developing states, or 160 billion dollars, is now accounted for by four countries--Mexico, Brazil, Argentina and Venezuela. By the end of the 1970's, credit extended by American banks to just seven clients (Argentina, Brazil, South Korea, Mexico, the Philippines, Taiwan and Venezuela) represented more than 45 percent of their total credit volume, excluding loans extended to the "group of 10."⁶ This tendency subsequently continued to develop, in spite of various controls instituted by U.S. government agencies. Under these conditions, the deterioration of the situation in only one large borrowing country could give rise to massive upheavals in the entire international capitalist financial system.

Apprehension connected with the mounting debts of developing countries motivated banks to extend credit for much shorter terms. This was done in the illusory hope of avoiding the adverse consequences of the exacerbation of the financial difficulties of borrowers. As a result, the proportion accounted for by short-term loans (1 year or less) in the total indebtedness of these countries rose from 18 percent in 1978 to 28 percent in 1982. Borrowers had to constantly borrow new sums to pay off their old debts. Brazil and Mexico needed more than 2 billion dollars a month for this.

It seemed convenient to many borrowers to constantly apply for new short-term loans and renew debts without considering the consequences. This method of financing complicated the acquisition of reliable information about the borrower's actual status. At the beginning of 1983, for example, estimates of Brazil's short-term indebtedness by various Western financial organizations covered a broad range--from 10 billion to 30 billion dollars. This kind of indebtedness complicates the accurate determination of the situation in international crediting and heightens the probability of upheavals in the event of even a short interruption in payments.

The "privatization" of the financing of developing countries promotes their financial and economic enslavement and simultaneously heightens the probability of serious disruptions in the functioning of capitalism's international monetary system and all foreign economic relations in general.

II

At the beginning of the 1980's many developing countries encountered mounting difficulties in the repayment of their rapidly increasing debts. This was due to the simultaneous effects of several adverse factors. The severe and prolonged economic crisis in the developed capitalist countries led to substantial reductions in the export income of developing states. The lower demand for their products was accompanied by stronger protectionism in the West. Difficulties arose in exports of raw materials, the prices of which had fallen dramatically, and of commodities manufactured at enterprises financed with foreign credit. As a result, the foreign trade turnover of the Latin American states, for example, was reduced by 25-30 percent in 1980-1982.⁷

The drop in the price of oil increased deficits in trade and payment balances and raised the credit requirements of many oil exporters. But the lower payments for oil could not neutralize the negative effect on the trade balances

of oil-importing developing countries, which reduced the demand for their goods. What is more, this was far from an immediate impact. According to some estimates, the developing countries, whose exports in 1981-1983 were reduced by around 28 billion dollars, will account for only 10 billion dollars of the 40 billion saved by importers as a result of the oil price reduction from 34 dollars a barrel to 29 dollars.⁸

An equally important, if not more important, factor intensifying repayment difficulties was the dramatic rise in real interest rates (the nominal rate minus the rate of price increase). Whereas these ranged from 0.5 to 1 percent in the mid-1970's, the indicator was 7-10 percent in 1981 and 1982. It is significant that payments increased not only on new loans, but also on much of the commercial credit acquired during the period of "cheap" money. This was due to the use of the "floating" interest rate. In accordance with this procedure, the terms of credit, especially its price, are revised every 3 to 6 months to conform to interest rate fluctuations. As a result, whereas the developing countries were paying 20 billion dollars in interest on loans in 1978, the figure was 66 billion in 1982, including respective figures of 11 billion and 44 billion for countries not belonging to OPEC.

The credit restriction policy instituted by the United States in 1979 to combat inflation lies at the basis of this phenomenon. One of its principal consequences was an unprecedented rise in interest rates in the United States, which automatically raised the price of credit in the international market. In 1982-1983, despite the definite drop in American rates, the cost of credit (real rates) in this market decreased only slightly due to a relatively low rate of overall price increases. A significant drop in U.S. interest rates is not likely to occur in the near future. The main reason is the huge deficit in the U.S. federal budget, connected primarily with colossal military expenditures and necessitating a constant rise in the demand for credit, which pushes interest rates upward.

The high interest rates in the United States have also had other adverse effects on the solvency of borrowers: They transfer substantial amounts of foreign capital to the United States, especially from the developing countries. In 1982, for example, the short-term capital transferred out of Latin America exceeded 12 billion dollars.⁹ Besides this, the high American interest rates caused the exchange rate of the dollar to rise dramatically in international currency markets, and this has an even more adverse effect on debtors because most of the international loans in the capitalist world are extended precisely in this currency.

The situation of the developing countries is also complicated by the fact that most of their bank debts are supposed to be paid off in 1981-1984. The respective figures for 1982, 1983 and 1984 are 112 billion dollars, 130 billion and over 140 billion.

The combination of all these factors seriously injured the payment potential of many developing countries. For the 20 oil-importing developing countries whose debts represent around 80 percent of the total for all developing states, the correlation of current payments on debts (interest and part of the principal)

to total annual exports was 40 percent in 1982, as compared to 8.5 percent in 1974.¹⁰ Table 2 provides some idea of the huge scales of the indebtedness of developing countries.

Table 2

Foreign Indebtedness of Principal Debtor Developing Countries,
in billions of dollars*

<u>Countries</u>	<u>Total debt</u>			<u>Amount to be repaid in:</u>			
	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>
Brazil	50.8	57.0	65.6	11.4	13.7	17.3	18.5
Mexico	37.6	43.5	54.4	11.4	9.3	13.4	15.2
Venezuela	12.3	14.7	14.9	2.8	4.7	6.0	7.8
South Korea	15.5	17.6	20.8	2.9	3.3	4.0	4.0
Argentina	12.6	15.6	20.0	2.1	2.8	3.7	4.9
Chile	7.1	9.0	12.3	1.7	2.2	3.1	3.3
Indonesia	15.1	16.6	18.2	2.2	2.0	2.7	3.4
Egypt	12.2	13.8	14.0	1.3	1.8	2.2	2.4
Peru	6.5	7.1	7.3	1.1	1.6	2.0	1.9
Morocco	6.7	7.3	8.0	1.0	1.3	1.5	1.9
Nigeria	4.2	5.5	6.0	0.8	1.2	1.6	1.9
India	16.5	18.0	19.4	1.1	1.4	1.4	1.7
Turkey	11.6	14.5	15.5	0.9	1.1	1.6	1.9
Philippines	7.4	8.5	9.5	1.3	1.1	1.6	2.1

* Not counting short-term indebtedness (1 year or less).

"Development Cooperation, 1982 Review, OECD," Paris, 1982.

Difficulties in the repayment of debts are constantly raising the demand for new credit in developing countries. But most American and other Western banks are frightened by the prospect of the bankruptcy of their largest borrowers and reduced the crediting of these debtors considerably when the demand for credit in the capitalist countries began to rise in 1983. Whereas in 1979-1981 the volume of new credit extended totaled 38-40 billion dollars a year on the average, in 1982 the figure was 20 billion, and in the first half of 1983 it was only 6 billion.¹¹ Given this tendency, constant payments on debts signify a net outflow of financial resources from the developing countries. A number of forecasts have not excluded the possibility of the further reduction of credit.

The reduction of incoming currency and the inability to repay debts by applying for new credit have put many developing countries on the verge of bankruptcy. The first signal of the crisis was Mexico's request in August 1982 that its creditors review the repayment terms of over 20 billion dollars in payments due in 1982-1984. Its total debt exceeded 80 billion dollars by the end of 1982. Similar problems were experienced by Brazil, which had borrowed around 90 billion dollars by that time, by Argentina--37 billion, by Venezuela--

32 billion, by Nigeria--15 billion, by Pakistan--11 billion, and by many other countries. In all, more than 35 countries experienced difficulties of this kind. Delinquent payments in 1982 totaled around 30 billion dollars, or almost a third of the payments due that year.

As a result, many banks stopped this crediting--primarily small and medium-sized West European and Japanese banks, as well as American regional banks, which felt it was more convenient to reconcile themselves to the possible losses resulting from the bankruptcy of their clients than to continue extending credit in the hope of the future restoration of their debtors' earlier solvency. The largest U.S. banks, on the other hand, had to continue crediting their clients to avoid larger losses. The broad scales of their involvement in the financing of several states made it impossible to write off the debts. The indefinite repayment prospects of credit extended to developing countries also created difficulties in the acquisition of the necessary financial resources by banks and raised the price of credit. The threat of serious upheavals in the international capitalist banking system became increasingly apparent.

When the developing countries began to suffer from the shortage of foreign currency, they reduced their imports to a growth rate of zero in 1982, as compared to 3.5 percent in 1980 and 1981 and 6 percent (on the average) in the 1970's. In addition to moderating economic activity in the developing world, this can delay cyclical recovery in the world capitalist economy in general, as the exports of capitalist countries are reduced when developing states are less able to pay for imports. According to the estimates of the Morgan Guaranty Trust, the reduction of the total new credit extended to developing states from 40-45 billion dollars a year to 20-25 billion could cause the GNP growth rate of the developed capitalist countries to decrease by around 0.5 percentage points. The cessation of new credit, on the other hand, could raise this indicator to over 1 point. This would slow down economic growth in the capitalist countries to around half of the projected rate.

The United States' considerable dependence on the markets of the developing countries meant its total vulnerability to the consequences of the cuts in international capitalist trade. In 1982 American exports to these countries decreased by almost 6 percent. There was a particularly noticeable decline in U.S. trade with the Latin American countries; in particular, exports to Mexico were 26 percent below the 1981 level. On the whole, the U.S. balance of trade with developing countries not belonging to OPEC in 1982 revealed a deficit of 15 billion dollars, as compared to a positive balance of 500 million in 1981. In 1983 the state of trade with these countries was only slightly better.

It is also significant that the deficit in the U.S. balance of trade is also growing as a result of the indirect effects of increased competition from Western Europe and Japan in the developing markets. According to experts, the current reduction in credit volumes could reduce balances of trade and, consequently, of payments in the developed capitalist countries by 16-25 billion dollars, and the United States will account for at least half of this sum.

The mounting sociopolitical tension in the developing countries, the exacerbation of their relations with capitalist states in connection with the deterioration of the economic situation and the declining standard of living of much of the population as a result of the sharply reduced influx of foreign financial resources and the expenditure of more and more produced resources on the repayment of debts have equally serious implications for the United States. There are signs of political instability and the exacerbation of social conflicts in Mexico, Argentina, Brazil, Venezuela, Costa Rica and other countries. Furthermore, they are growing increasingly dissatisfied with the selfish, expansionist policy of the American banks and monopolies that are pumping colossal profits out of the developing countries.

To date, the governments of most of the debtor countries have done everything within their power to keep up payments, as their failure to do so could lead to the partial or total curtailment of the influx of new financial resources and to the forced curtailment of foreign economic transactions. If the volume of bank credit should continue to decrease to a level at which the outflow of financial resources is considerably augmented, however, the leaders of these countries might deem it more expedient to stop all payments--that is, to declare bankruptcy. This would seriously undermine U.S. foreign economic and foreign political influence. The United States is now trying to keep the debtors from going bankrupt. At the same time, it is trying to use the economic and financial difficulties of the developing countries to make them even more dependent.

III

In spite of the obvious symptoms of impending international financial upheavals, the U.S. Government has been in no hurry to take any specific steps, assuming that market forces can regulate all problems connected with the debts of the developing countries. But these hopes have been unjustified, and this became completely obvious in August 1982 after the aforementioned crisis in Mexico's payments began. The understanding began to grow in Washington of the need for concentrated state interference for the purpose of partially ensuring the financing of the countries and of easing the burden of already accumulated debts so as to avert the further growth of the U.S.'s own difficulties related to this problem.

Under these conditions, the U.S. Administration is changing its approach to these debts. Above all, it is pressuring American banks to continue extending loans. This has been accompanied by energetic diplomatic efforts to gain support for American banking operations from credit establishments in other capitalist states. Finally, an entire group of international state-monopolist measures has been instituted to prevent the bankruptcy of the main debtors. The idea of the necessity for all these undertakings was expressed in an economic declaration adopted at the meeting of the seven leading capitalist states in Williamsburg in May 1983.

This approach to the monetary problems of developing countries was manifested, for example, in the "rescue measures" carried out in December 1982 with respect to Mexico. Prior to the agreement with the IMF, it was extended around 2 billion dollars by the

U.S. Government and 1.5 billion by the Bank for International Settlements (BIS) in Basle for current payments. Furthermore, prior to this the BIS had extended credit only to its members, and Mexico was not one of them. The IMF then requested private banks to extend new credit in the amount of 5 billion dollars and to revise the repayment terms of debts totaling 20 billion as essential conditions for the fulfillment of the Mexican program of financial and economic stabilization, negotiated with the fund and envisaging the reinforcement of the private sector in this country, the cancellation of state subsidies on consumer goods and other measures. This temporarily alleviated the financial crisis. In essence, the American and other private banks financed much of the IMF program. Of course, in addition to definite guarantees of future repayment, the banks earned substantial profits from this operation.

In all, more than 20 "rescue" operations were conducted with IMF participation in 1982 and the beginning of 1983--and naturally on IMF terms--in countries whose bank debts exceeded 250 billion dollars.¹² Furthermore, in the fund's latest program each dollar of its credit must be matched by 4 dollars from private banks.¹³

The close connection between international private bank credit and fund programs allows the United States and other leading imperialist powers to impose capitalist patterns of development on borrowers, to secure freedom of action for foreign capital, to attach their economies more closely to the world capitalist market and to obtain political concessions. For example, the United States threatened Mexico with an IMF denial of its latest application for credit if Mexico did not reconsider its negative position on American policy in Nicaragua.

The fact that the United States, as the largest IMF creditor, is using this organization to make the developing countries even more dependent is attested to by the following incident. In the second half of 1983 the financial status of the IMF was imperiled by a shortage of resources for previously concluded credit agreements with its members and it had to stop negotiating new loans. There was an urgent need for the immediate enactment of a decision adopted in February 1983 by an IMF provisional committee on the augmentation of fund capital and the financial volume stipulated in the 1962 general agreement on loans from 65 billion dollars to 98 billion and from 7 billion dollars to 19 billion respectively.¹⁴ The U.S. Congress, however, used various pretexts to postpone the enactment of legislation to increase the U.S. share of total financing by 8.4 billion dollars.

The Reagan Administration took advantage of this situation to promote a decision limiting the access of developing countries to IMF credit resources at the annual conference of the fund at the end of September 1983, although it has verbally advocated the maximal reinforcement of the IMF. Whereas countries could previously acquire funds during a year equivalent to 150 percent of their quota, now the figure is only 102 percent, or 125 percent in special cases. At the same time, the overall permissible crediting limits were lowered (from 600 to 408 percent).¹⁵ Therefore, despite the increase in IMF capital, the developing countries have less, and not more, of a chance to obtain resources. Besides this, the United States rejected all proposals on new special drawing rights. Washington

justified its position by asserting that the start of economic recovery in 1983 precluded the continued expansion of crediting for developing countries. It also focused attention on the need to reorganize their economies in order to reduce payment deficits and establish preferential conditions for foreign private capital, primarily in the form of direct investments.

In addition, state regulation of the international operations of U.S. private banks is being augmented. Just as on the international level, this increased state intervention has taken the form of additional measures to prevent a bank crisis, attempts to improve the mechanism of support for private banks, etc.

The need for stronger and more efficient international control over private banks operating in the Eurocurrency market is once again the subject of lively debates in the United States and other Western countries. This applies specifically to the proposed creation of compulsory Eurocurrency credit reserves and standardized control over bank operations in the largest international financial centers (New York, London, Paris, Hongkong, Singapore and others).

The increasing instability of international finances has motivated the central banks of developed capitalist countries to work toward the closer coordination of their policy. In 1983, for example, revisions were made in the Basle agreement on the international support of commercial banks, which was concluded by the central banks of the "Group of 10" in 1974 and did not clearly stipulate the obligations of the central banks with regard to national credit establishments. At a time when 75 percent of the Eurocurrency credit is extended in dollars, however, most of the central banks are simply incapable of supporting their commercial banks effectively due to the absence of the necessary dollar reserve. Under these conditions, only the American FRS can act as the "creditor of last resort." The U.S. Administration, however, has objected to the very idea of the deeper involvement of central banks in international "rescue missions," once again relying on the capabilities of private credit markets, although on the condition of stronger IMF control. Washington feels that the central banks' main contribution should consist in coordinating the monetary policy of partner countries, which actually signifies following the lead of the FRS.

Important changes are also taking place in the policy of private banks, which are attempting to coordinate their operations, particularly with regard to the deferment of debts in order to restore the faith of depositors in the international capitalist banking system. This is the declared purpose of the international finance institute established in New York in December 1982 by the world's 31 largest private banks to organize informational exchange between banks and meetings and negotiations with borrower countries. In other words, international banking capital wants to create something like a "private IMF," which will send its delegations to countries experiencing difficulties to review their policy and give recommendations to creditors and debtors. This undertaking, which has been heartily approved by the American administration, signifies another attempt by international financial capital, with the United States in the lead, to control economics and politics in the developing countries and create the necessary conditions for their more intense exploitation.

But none of these measures can solve the problem of the mounting debts of Latin American, Asian and African countries. Recent events have clearly demonstrated the groundlessness of the optimistic statement by U.S. Secretary of the Treasury D. Regan: "The international financial system has proved its viability. We can prevent any world economic crisis."¹⁶ The measures taken to "rescue" debtors give them only a temporary respite. The situation remained extremely tense throughout the year of 1983. Such countries as Brazil, Chile, Peru, Venezuela, Nigeria and many others are once again experiencing an acute shortage of foreign currency for the continuation of payments.

Brazil was experiencing the greatest difficulty at the end of 1983. It was unable to fulfill the IMF program and thereby automatically lost much of its negotiated credit. In September 1983 it could not come up with 2.5 billion dollars for scheduled payments. Another "rescue" program was drawn up, this time for a total of 11 billion dollars.

New large loans will be needed in 1984 to keep the debtor countries "afloat." As a result, the debts of the developing countries could exceed 740 billion dollars and their payments could exceed 140 billion by the end of 1984.

The indebtedness of the developing countries is of an organic and protracted nature. This is the result of their inferior status in the world capitalist economy. But the initiators of the rescue missions, especially the United States, regard the payment difficulties of these states as a temporary phenomenon, connected with the shortage of foreign currency only due to recession in the world capitalist economy. In accordance with this diagnosis, short-term support is prescribed until such time as economic recovery in the leading capitalist countries corrects the situation. In other words, all that is needed is a slight adjustment in the mechanism of interrelations with developing countries.

This approach has even been displayed by the representatives of American business, government and the academic community who acknowledge the inadequate impact of rescue measures. They are making various, often diametrically opposed, suggestions, but they all have one thing in common--the denial of the need for the radical reorganization of international economic relations in the capitalist system.

The developing states correctly maintain that progress in the improvement of the international finances and economic transactions of the capitalist world in general cannot be anticipated without additional and comprehensive long-range steps to alleviate their difficulties and accelerate their economic development. Their demands are essentially the following. The governments of the capitalist countries, international monetary organizations and commercial banks must extend a total of around 80 billion dollars on preferential terms in 1983-1984 to prevent the bankruptcy of debtors. Agreements must also be concluded on commodity price supports to secure an increase of at least 20 billion dollars in the export income of developing countries. At the same time, it will be necessary to cancel all limitations on imports from these states and accelerate the reorganization of industry in the developed capitalist countries to curtail the production of goods which cannot compete with the goods of developing countries without government support.

This program, which contains fair but quite modest demands, encountered resolute opposition from the United States. The Reagan Administration, which counts on the strength of American monopolies and has declared its goal of reduced government intervention in economic affairs, has rejected all attempts to restrict the freedom of the market--that is, the freedom to exploit weaker partners. This position, combined with the immediate selfish interests of transnational corporations and banks and with the desire for confrontation instead of negotiation, has repeatedly precluded specific and effective steps toward the stabilization of international financial and economic relations. The palliatives that have been suggested, on the other hand, can only reduce the increasing pressure on the capitalist monetary system for a short time.

FOOTNOTES

1. The financial indicators cited here and hereafter are taken from "International Financial Statistics," International Monetary Fund; "World Financial Markets," Morgan Guaranty Trust Company of New York; THE BANKER, London, for the corresponding years. Other sources are specifically noted.
2. INTERNATIONAL HERALD TRIBUNE, 22 September 1983.
3. "National Westminster Bank. Quarterly Review," August 1981, pp 36-37.
4. NEWSWEEK, May 1983, p 25.
5. BUSINESS WEEK, 7 February 1983.
6. The group was created at the beginning of the 1960's by the leading capitalist countries to work out solutions to major problems in the international capitalist monetary system. Its members are the United States, Great Britain, the FRG, France, Italy, Belgium, Holland, Sweden, Canada and Japan. Switzerland joined the group in 1983.
7. INTERNATIONAL HERALD TRIBUNE, 20 May 1983.
8. ECONOMIC WEEK, 29 August 1983.
9. CHASE-INTERNATIONAL FINANCE, 25 April 1983.
10. IMF SURVEY, 7 March 1983.
11. "International Banking Developments. Bank for International Settlements, Basle, Second Quarter 1983," October 1983, p 11.
12. THE FINANCIAL TIMES, 7 February 1983.
13. IMF SURVEY, 7 March 1983.
14. LE MONDE, 13-14 February 1983.
15. IMF PRESS RELEASE, 26 September 1983.
16. NEWSWEEK, 30 May 1983, p 22.

COPYRIGHT: Izdatel'stvo "Nauka", "SShA--ekonomika, politika, ideologiya", 1984

PUBLIC OPINION: CATEGORIZATION OF FOREIGN POLICY VIEWS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 84 (signed to press 19 Jan 84) pp 41-52

[Article by I. Ye. Malashenko]

[Text] The mass base of international relations has expanded constantly during the contemporary stage of historical development. Millions of people now have some kind of influence on foreign policy decisionmaking. The United States is no exception to the rule. The aggression in Vietnam and other turbulent events and crises forced the Americans to wake up, and today they are persistently expressing their views on specific Washington actions in the world arena.

"Mankind has not lost, and cannot lose, its reason," the statement of General Secretary of the CPSU Central Committee and Chairman of the USSR Supreme Soviet Presidium Yu. V. Andropov said. "It has been clearly demonstrated in the broad scales of the antimissile, antiwar movement in Europe and on other continents--a movement uniting people with various social, political and religious affiliations."¹

Public opinion has gained much more importance among the factors influencing the engineering and implementation of the U.S. foreign policy line. American politicians and statesmen now, more than ever before, have to take all of the various foreign policy views making up public opinion into account, giving consideration to the diverse and sometimes contradictory demands of various social strata and groups, while they simultaneously take vigorous steps to influence public opinion and manipulate it to secure support for their policy line.

The question of how the realities of contemporary international relations are interpreted by the American public occupies a special place among the problems that arise during the examination of the role of public opinion in the formation and implementation of U.S. foreign policy. The objective situation that takes shape in international relations at a specific time is always reflected in a specific way in the mentality of a particular society. What typical features of the perception of the external world evolved during the course of the American society's development and as a result of its historical experience?

It is known that the interpretation of the international situation is colored primarily by foreign policy views already present in the mass mind. They determine the standpoint from which a new international event or phenomenon will be viewed. The total group of foreign policy views makes up a specific segment of public opinion with regard to international relations.

The foreign policy component of public opinion is relatively independent. This is due to the tenuous connection between "general political" beliefs and beliefs pertaining directly to the sphere of foreign policy. Therefore, it seems valid to call public foreign policy opinion (PFPO) an autonomous subsystem of public political opinion. Various outlooks coexist in this subsystem. They are distinguished by an integral ideological content--at least in the sense that they encompass views on the entire system of international relations and the bases of American foreign policy. Just as political opinion in general, PFPO also represents a system, even if it is an extremely amorphous and sometimes contradictory one. This means that it is valid and productive to take a typological approach to its study.² Revealing various types of PFPO provides a better understanding of the process by which a society interprets international events and of the important natural features of its reaction to new events in the foreign policy sphere.

In U.S. studies of the outlooks making up American public opinion, a widely used system of classification is based on the "isolationist" (or "neo-isolationist" at present) and "interventionist" (often called "internationalist" in the United States) outlooks.

It must be said that the "interventionism--isolationism" dichotomy is just as hypothetical as the distinction between liberals and conservatives in general American political tradition, which is still the basis for the most widely used categorization of American opinion. E. Ya. Batalov correctly notes, however, that the liberal--conservative classification "represents a significant element of the political culture of American society and has become an established part of the accepted 'rules' and symbols of the political 'game,' which the researcher must take into account."³ Furthermore, this distinction has become a traditional component of the ideological and political debates on U.S. policy in the international arena and has become an attribute of PFPO because people are accustomed to describing themselves in these terms. This is why it seems possible to continue relying largely on this system of classification.

It must be said that the "interventionists"--that is, the supporters of "an active foreign policy"--and their neo-isolationist opponents represent extremely diverse forces and currents, united only by their similar views on the degree to which the United States should exert itself in the international arena. Within each of these currents, there are vastly differing views on the goals of this exertion and the appropriate "vector." These goals and objectives reflect the dependence of PFPO on a more general system of beliefs--political awareness as a whole, within the framework of which ideas are formed about the principal guidelines of American foreign policy. This gives rise to further division in accordance with the main currents in American political opinion, categorized as liberal or conservative. This provides some idea of the liberal and conservative varieties of foreign policy activism and neo-isolationism.

The system of categorization based on two sets of coordinates--"activist-isolationist" and "liberal-conservative"--obviously cannot cover the entire range of foreign policy views present in American public opinion, but it does indicate the main, prevailing outlooks. These are characteristic of the majority of members of the American society. But this is not all. The main thing is that they make up the existing "set of beliefs" used in the ideological validation of any foreign policy line actually pursued by the United States.

PFPO is distinguished by considerable structural heterogeneity. The foreign policy views which can be regarded as elements or "cells" in the structure of this opinion perform far from identical functions: Whereas some occupy a truly important place in this structure and are distinguished by stability, others are peripheral and can change to a considerable extent without any essential change in the nature of the prevailing outlook. It could be said that the sphere of views on international issues lies "on the surface" of PFPO and represents its most transitory and variable component.

Various levels of PFPO are distinguished by varying degrees of mobility and capability for change. Whereas views on specific events and actions or "secondary" beliefs can be modified with relative ease as a result of new phenomena and processes in the international arena or purposeful influence exerted on the public mentality by certain political groups, fundamental beliefs are much more highly resistant to external influences. For this reason, not all events and processes in the international arena are capable of exerting a profound and protracted influence on public opinion and of leading to some kind of change. Some international events are virtually unnoticed, others make a brief "splash" in public opinion, and only a few affect the deeper layers of the mass consciousness.

The basic types of contemporary foreign policy outlooks took shape during the evolution of the ideological and psychological complex which was given the name of the "cold war consensus" in the United States and dominated PFPO for much of the postwar period. This complex was the result of purposeful influence on PFPO by the particular segments of the ruling class which defended the foreign policy postulates of the cold war and the line of confrontation with the Soviet Union. The characteristic elements of this "consensus" were majority support for the idea of active U.S. participation in international affairs, the encouragement of the majority of Americans to regard international relations as an arena of global confrontation with the Soviet Union, the approval of the "containment of communism" policy, a belief in the United States' leading role in the world, a willingness to use military force abroad, support for a high level of military spending, etc. The existence of this ideological and psychological complex allowed U.S. ruling circles to assert that they had a mandate to pursue the corresponding foreign policy line.

The "cold war consensus" was made possible largely by the immaturity of public opinion with regard to foreign policy issues and the absence of any truly profound national experience, which is accumulated during the course of lengthy and active participation by a state in international affairs; what is more, this must be the kind of participation that directly affects the interests and

beliefs of the general public. Through the prism of anticommunist attitudes which were vigorously cultivated by American policymakers in the postwar period, international relations were described primarily in black and white terms and resembled an arena of conflict between "good and evil," personified by the United States and the Soviet Union; each U.S. foreign policy defeat was viewed as an automatic Soviet "gain" in the global "no-win game." Public opinion initially used the traditional cold war stereotypes to interpret the war in Vietnam, in a country which was viewed as the latest bridgehead of struggle against "world communism."

Its scope and tragic consequences made the war in Vietnam the most important event in U.S. postwar history. For many years it had a destructive effect on the established system of foreign policy views. The American public's realization of the actual course of the war in Indochina, elucidated in detail by the contemporary mass media, was dramatically inconsistent with the prevailing foreign policy convictions of that time. In the evolution of political awareness, however, changes in the strongest, deep-seated beliefs lagged far behind the direct results of the interpretation of international events. For this reason, it took years of the influence of these events on public opinion before the war led to a reshaping of PFPO, and even then the gap between the surface and deeper layers of this opinion was bridged largely as a result of the mass emotional outbursts awakened by the war. This severed the strong "bonds" connecting various elements of the "cold war consensus."

A perceptible line of demarcation in PFPO was drawn between the supporters of active U.S. participation in international affairs and their isolationist opponents, and this was accompanied by a split in the liberal-conservative "consensus" on foreign policy matters.

During earlier stages of American history the isolationist tradition put down deep roots in the mass consciousness, and it was not until World War II that the majority of Americans were convinced of the need for the United States to play an active role in international affairs. But the painful experience of the war in Vietnam revived feelings in favor of a U.S. "withdrawal" from the international arena and consolidated the isolationist tendency in foreign policy opinion.

The neo-isolationist outlook stemmed largely from the widespread belief during the war in Vietnam that excessive U.S. involvement in international affairs would cause people to ignore major domestic political and social problems and would consequently lower the standard of living in the United States. G. McGovern's appeal, "Come home, America," clearly expressed the desire of a particular segment of the public to attach only secondary importance to foreign policy, which was firmly associated in the beginning of the 1970's with the intervention in Indochina. More and more Americans concluded that the main threat to the United States was located within the country and was manifested in the energy crisis, inflation, unemployment, urban decline, environmental pollution and the exacerbation of other socioeconomic problems. In 1976, 34 percent of the American "leaders"⁴ completely agreed with the statement that the United States "ignored real long-range threats to national security--the energy shortage, environmental problems and so forth--as a result of our preoccupation with Vietnam." According to the supporters of this view, foreign

policy activity should essentially contribute to the resolution of problems within the country, be confined to minimal expenditures and exclude the influence of ambitious "leadership" theories. In 1976, 56 percent of the American elite agreed to some extent that American claims to world leadership should be "reduced in scale."⁵

The neo-isolationist outlook in foreign policy opinion was dictated by differing motives. In particular, the experience of the Vietnam War convinced many liberals that an active U.S. foreign policy led to behavior which could not be justified from the moral standpoint. The sense of guilt felt by some segments of the population often gave rise to a desire to "maintain some distance" from international events and to revive the feeling of "moral purity" and right that was always a strong tradition in the American mass consciousness.

Many consistent supporters of cold war postulates, on the other hand, felt that they were misunderstood or even unjustly dismissed after the U.S. defeat in Vietnam. Thoroughly convinced that the United States was exceptional on the moral level, they chose "departure" from the international arena as a way of punishing the rest of the world for being incapable of appreciating Washington's efforts to improve the world. The strongest emotion felt by these neo-isolationists was a sense of "hurt pride," which caused them to "isolate themselves" in their own home. This position was particularly characteristic of conservative political opinion, within the framework of which the idea of "America exceptionalness" was quite strong and viable.

But the complex underlying moral and psychological motives of the neo-isolationist outlook made it something like a "deformed version" of foreign policy activism, prepared to come to life under the influence of new developments in the international arena, and made neo-isolationism the basic reserve for filling up the ranks of the supporters of this activism when the "balance of power" between various foreign policy outlooks changed.

The disintegration of the "cold war consensus" also led to the creation of two separate types of foreign policy activism, distinguished by widely diverging views on the structure of international relations, the nature of the main problems encountered by the United States in the international arena, the means and methods of their resolution and the role of the United States in world affairs.

Just as during the cold war, today the conservative supporters of foreign policy activism take a bipolar approach to international relations, viewing them as an arena of East-West confrontation. This is why U.S. relations with allies and developing countries are associated with Soviet-American relations, which essentially determine the approach to other spheres of American foreign policy. The people with this outlook never reconciled themselves to the policy of detente and are now advocating a return to the basic principles of the "containment of communism." They feel that all U.S. foreign policy failures and defeats can be blamed on the Soviet Union, which is constantly, in their opinion, building up its own strength and influence in the world at the cost of a corresponding decline in U.S. influence. They place special emphasis on the role of military force in U.S. foreign policy and international

relations in general. This is why their recipe for the reversal of this decline consists primarily in the buildup of military strength and in the use of this strength--although perhaps in a more cautious and selective manner, with consideration for some of the "lessons of Vietnam"--in defense of "American interests." The people with this foreign policy outlook are inclined to take an optimistic view of U.S. potential, with the aid of which they want to regain the United States' leading role in international affairs. But their declared optimism is inexplicably combined with pessimistic complaints about the "decline of American power" and the consequent "vulnerability" of the United States.

The conservatives advocating "foreign policy activism" have concluded that strategic parity with the Soviet Union poses a threat to U.S. security and is even essentially "amoral." Without changing their view of the Soviet Union and other socialist countries as the "source of evil," they are now describing the policy of detente as an "immoral compromise," to which the United States agreed under the influence of "spineless liberalism" and a nearsighted interpretation of "political realities." Their descriptions of international events are highly emotional, and the strong psychologically "infectious" nature of mass emotional outbursts often allows people with this outlook to "convert inconsistent supporters of other foreign policy views to their own faith."

The liberal variety of "foreign policy activism" is based on convictions which took shape during the period of the disintegration of the "cold war consensus." This type of activism is distinguished--at least on the level of theory--by the view of international relations as a complex multipolar system, which cannot be reduced to a bipolar structure. Within the context of this outlook, East-West relations are often relegated to a position of secondary importance, giving way to global issues, such as the diverging levels of economic development in various groups of countries, the unequal distribution of energy resources, etc.

People with this outlook who take an active interest in foreign policy issues feel that the "rules of the no-win game" are largely outdated and invalid. They acknowledge that many international events and processes cannot be interpreted simply as U.S. "losses" or "gains." Proceeding from this view of contemporary international relations, they emphasize non-military factors of influence in American foreign policy, but this does not exclude the use of U.S. military force whenever all other means have been "inadequate." Evidence of their reassessment of many cold war axioms can be found in their belief in the need for arms control as an important factor strengthening international stability.

The liberal supporters of foreign policy activism are willing to acknowledge in some cases that the United States' own potential is inadequate for the resolution of some of the problems this state encounters in the world arena; for this reason, they say, the United States should concentrate on the resolution of cardinal, global problems through the collective efforts of many countries, arguing that this approach entails feasible expenditures and can produce colossal dividends in the future. This is one of the main reasons for their optimism and their faith in the United States' ability to climb back onto crest of the "wave of history."

The liberal supporters of an active foreign policy believe that this policy should have a "moral basis" differing from conservative morality. In their opinion, the current versions of the old cold war postulates, with their unequivocal anticommunist and anti-Soviet overtones, do not meet the requirements of the present day. At the same time, they have not given up their anticommunist beliefs, although they are embarrassed by U.S. contacts with "friendly" dictatorships, and the criticism of these, however inconsistent it may be, has become a perceptible part of their foreign policy convictions. This outlook is distinguished by a moralizing approach to foreign policy and the attempt to "convert non-believers" with the aid of public sermons, reinforced by political and economic pressure. The emotional frame of mind of these people often takes the form of missionary zeal, combined with attacks of self-criticism and sober admissions of uncertainty about the United States' right to "moral leadership."

The process of differentiation in PFPO is accompanied by the constant "inter-penetration" and reciprocal influence of various outlooks not separated by impenetrable barriers. This creates the necessary conditions for the reinforcement of one at the expense of another under the conditions of a changing balance in public opinion. This occurred in the late 1970's and early 1980's when the United States reverted to the use of force in international relations and consolidated several tendencies of the cold war era.

Changes in PFPO have been connected largely with the "attenuation" of the shock produced by the Vietnam War and a corresponding reversion to cold war positions by the particular segment of society whose newer convictions were distinguished by the greatest instability. In an atmosphere of relative calm in the foreign policy sphere, the strong inertia inherent in public opinion caused the pendulum to swing back to previous points of reference. An influential factor in this process was the propaganda activity of the rightwing conservatives who launched a strong offensive against the "Vietnam syndrome" in the second half of the 1970's.

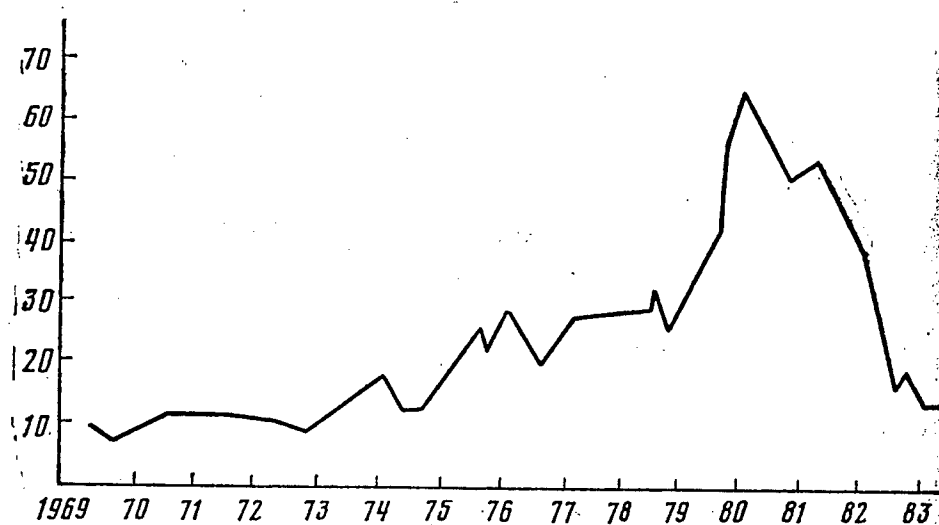
One of the main indicators of changes in public opinion was the gradual growth of support for a larger military budget: Between 1973 and 1979 the percentage of respondents who felt that "too little" was being spent on military needs rose from 13 to 38 percent.⁶ Analyzing this trend, American sociologists L. Kriesberg and R. Klein concluded that it reflected the combined effect of three factors: the attenuation of the psychological impact of the defeat in Vietnam, the increasing strength of the conservative ideology and the growth of anti-Soviet and anticommunist feelings.⁷ It is indicative that the propaganda campaign orchestrated by rightwing conservative forces to secure a "consensus" for a larger military budget led to widespread negative feelings about the USSR. This, and not the reverse, was the precise sequence of events.

The public perception of international events of these years had a noticeable effect on PFPO. Public opinion polls recording the dramatically mounting interest in the international situation at the beginning of the new decade registered a sharp peak in PFPO.

The heightened interest in international events dates back to the time when the American embassy in Tehran was occupied and some of its personnel were

taken hostage. The scales of this event were exaggerated beyond measure by the American news media and served as a constant topic for discussion by Carter Administration spokesmen and a pretext for the criticism of this administration by its political opponents. The "hostage crisis" was interpreted in different ways by people with different foreign policy outlooks. Some neo-isolationists saw it as confirmation that the United States should "keep its distance" from events in the international arena, where it encountered nothing but trouble. For the majority of isolationists, however, the events in Tehran sparked almost uncontrollable emotions, expressed in the demand to "teach America's enemies a lesson." Convinced of the unequalled "moral superiority" of the United States, they found an outlet for their hurt national pride in emotional outbursts encouraging an active and tough policy line in virtually all areas of American foreign relations.

Percentage of Respondents Supporting an Increase in U.S. Military Spending⁸



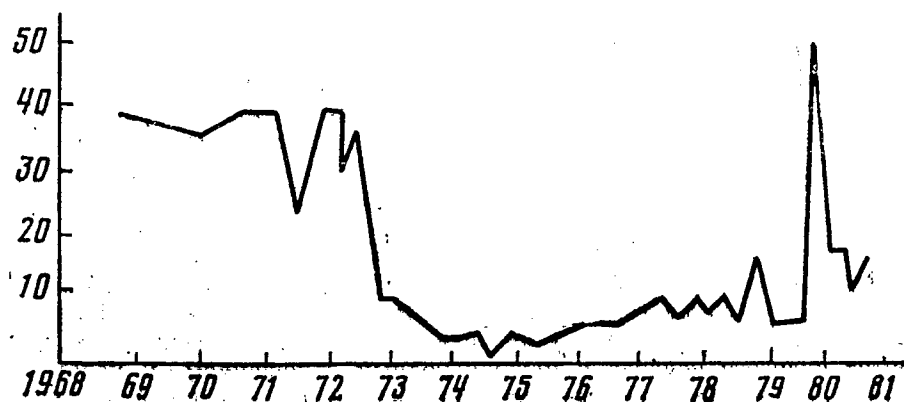
The sudden decrease in the number of neo-isolationists strengthened the position of conservative "foreign policy activism." Its supporters interpreted the Iranian events as, on the one hand, a severe blow to U.S. prestige and, on the other, an inevitable and long-anticipated confirmation of the principles they had been advocating for American foreign policy. The "humiliation" of the United States, they maintained, was the fault of liberals, inept foreign policy strategists, who had tried to revise the postulates of the forceful approach to international relations. Nationalist and jingoist feelings swept through the nation; feelings of hurt pride simply reinforced the determination to build up military strength and threaten its use more actively.

The influence of liberal "foreign policy activism" declined, and the Carter Administration's "moralizing approach" to foreign policy seemed ineffective to

many people. The failure of American foreign policy in Iran also caused liberals to doubt the validity of the reassessment of the forceful approach to international relations. On the whole, the emotional appeals for the "restoration of respect" for the United States in the international arena overcame the rational recognition of the fact that policy "from a position of strength" was not the best way of regaining lost prestige.

The presence of Soviet troops in Afghanistan, interpreted by the American leadership and mass media as a "direct threat to the vital interests" of the United States, was also perceived by public opinion at this time of widespread feelings about the "weakness" and "humiliation" of the United States. This stimulated foreign policy beliefs dating back to the cold war, particularly the bipolar view of the world, as a result of which public opinion equated the events in Iran and Afghanistan as confirmation of the decline of American strength at a time of increasing Soviet influence in the international arena. This fueled nationalist emotions, which were given additional anti-Soviet momentum by official propaganda. The abrupt relapse into anti-Sovietism directed the energy of turbulent emotions into the familiar channel of postwar foreign policy aims.

Percentage of Respondents Choosing International Events as the Most Urgent Problems Facing the United States⁹



Under the influence of propaganda, public opinion underwent perceptible changes, and the "tougher" line in U.S. foreign policy and higher military spending gained more support. In 1980 public opinion polls recorded a sharp increase, unprecedented in the past 20 years, in public support for this spending. The Republicans used this as a trump card in the election campaign, making references to the existence of mass support for the buildup of U.S.

military potential. But these feelings were short-lived, and in March 1983 the number of Americans supporting a larger military budget fell to 14 percent, or to the level reached 10 years prior to this time.

The rapid ebb and flow of public opinion testified to the strong effect of mass emotions aroused by international events and by skillful propaganda. These emotions acquire distinct moral overtones, which are characteristic to some degree of all outlooks, and this has evoked similar reactions from the members of different currents supporting the solutions offered by conservative advocates of "foreign policy activism."

These fluctuations in public opinion should not be underestimated because they can be of great political significance, as was the case in the 1980 presidential election. But this particular outburst of emotions affected only the surface of PFPO and was short-lived in general. The emotional perception of international events cannot surmount deep-seated differences, and after the tide of feelings in favor of a tough foreign policy had subsided, the lines of demarcation between various foreign policy outlooks in contemporary U.S. public opinion regained their clarity.

The tendency in favor of a U.S. "withdrawal" from the world arena made a new appearance, particularly as reflected in the low number, unprecedented in the postwar period, of Americans who believed that the United States should "play an active role" in international affairs. In 1982 only 53 percent of all respondents agreed with this opinion (66 percent in 1974, 71 percent in 1956 and 68 percent in 1947).¹⁰ Economic problems came to the fore again, especially unemployment, which 64 percent of the respondents regarded as the "main problem" in 1982—an indicator incomparable with a concern about any foreign policy issue."

The traditional supporters of an "active U.S. role" in the international arena have retained their differences, although public opinion polls at the beginning of the 1980's registered a relative decline of the influence of liberals supporting "foreign policy activism" and the reinforcement of the position of their conservative opponents. Public attitudes toward various U.S. foreign policy objectives, a list of which has regularly been assessed by respondents in the Chicago Council on Foreign Relations' comprehensive studies of American public opinion on U.S. foreign policy in 1974, 1978 and 1982, represent an important indicator in this context.

Of course, the distinction between conservative and liberal "foreign policy activism," based on public attitudes toward various foreign policy objectives, is hypothetical to some extent because these indicators do not reflect differing ideas about the content of the objectives or the means of their attainment. For example, the objective of "securing shipments of energy resources" (70 percent of the respondents in 1982 called it "very important") could be attained by means of international cooperation (this tendency is reflected in the fact that 64 percent of the respondents favored "the resolution of energy problems through joint action with the Soviet Union"), but it can also entail a willingness to resort to the use of military force (39 percent of the respondents in 1982 supported American military intervention if the "Arabs should stop

shipping oil to the United States").¹² The objective of "establishing democratic forms of government in other countries" (which was supported by 29 percent in 1982)¹³ could also be included in conservative and liberal programs of action.

There are foreign policy objectives, however, which clearly reflect the purpose of a particular foreign policy line and occupy a dominant position in each outlook. The number of respondents ranking the "containment of communism"--the key objective of the cold war foreign policy line--as the highest foreign policy priority rose from 54 to 59 percent between 1974 and 1982. The support for other objectives characteristic primarily of conservative "foreign policy activism" also increased: The number of Americans assessing the "protection of the security of allies" as "very important" rose by 17 percent (from 33 to 50 percent), and the number giving this assessment to the "protection of American business interests abroad" rose by 5 percent (from 39 to 44 percent).¹⁴

As late as April 1983, however, 87 percent supported "talks between the United States and USSR for the purpose of concluding an effective agreement on nuclear arms."¹⁵ Public opinion in the United States has refused to describe administration policy in this area as satisfactory: In April 1983 Ronald Reagan's activity in the sphere of arms limitation and control was given a negative assessment by 57 percent of the Americans polled.¹⁶ This has created serious political problems for the White House and will affect the President's chances for re-election in 1984. In August 1983, for example, 53 percent of the American voters said that Ronald Reagan did not deserve a second term in view of the obviously negative results of his policy on talks with the Soviet Union.

The decline of cold war feelings has also been apparent in the constant growth of support for a qualitative and quantitative freeze on nuclear weapons. Despite all of the Reagan Administration's propaganda efforts, around three-fourths of the Americans have expressed strong support for this freeze (and 81 percent favored the freeze in April 1983). Its increasing popularity is directly related to disbelief in the White House's alarming statements about the alleged U. S. "lag" in the military sphere. In April 1983, 62 percent of the Americans agreed that the United States was at least as strong as the Soviet Union in the nuclear sphere.¹⁸

After encountering unfavorable public attitudes, the Reagan Administration has made even more vigorous attempts to manipulate public opinion with the aid of "pacifying" rhetoric. Nevertheless, there is the widespread fear of a possible thermonuclear catastrophe in the near future. In April 1983, for example, 58 percent of the Americans replied in the affirmative to the question of whether a third world war would break out in the next 20 years.¹⁹ Many associated this prospect directly with the current American leadership: A growing number of Americans expressed the fear that "Reagan will involve us in a war."

The Reagan Administration made another attempt to gain public support for its policy with the aid of an unprecedented anti-Soviet campaign, launched after the South Korean airliner incident. Although support for military spending increased slightly and the number of supporters of the nuclear freeze decreased

in this atmosphere of inflamed passions, pollsters had to admit that "the majority still disagrees with the President's stand on both of these matters." Washington's hopes were unjustified.

But this outburst of anti-Soviet hysteria in the United States left its mark, and this was cogently demonstrated by the "average American's" attitude toward the Marine landing on Grenada. This interventionist action, which was taken by the Reagan Administration largely for the purpose of strengthening its domestic political position, was approved, according to public opinion polls, by the majority of the population. Chauvinistic impulses prevailed over common sense.

The clash between two tendencies--confrontation or negotiation with the socialist world--is related directly to the dynamics of PFPO. The increasing complexity of PFPO patterns, the contradictory nature of PFPO processes and the specific interpretations of international events all have an indisputable effect on U.S. foreign policy.

Whereas American policymakers could regard public opinion as a constant and could frequently act without taking it into account as long as the "cold war consensus" was in existence, now the situation has changed considerably. Differences in PFPO lie at the basis of the constant clash of various trends in public opinion. This motivates statesmen and politicians to engage in complex maneuvers in the attempt to eradicate profound differences of opinion with regard to the adventurist foreign policy line that poses such a grave threat to the cause of peace.

FOOTNOTES

1. PRAVDA, 29 September 1983.
2. For a discussion of the typological approach to public opinion research, see "Sovremennoye politicheskoye soznaniye v SShA" [Contemporary Political Opinion in the United States], edited by Yu. A. Zamoshkin and E. Ya. Batalov, Moscow, 1980, pp 45-65.
3. Ibid., pp 51-52.
4. The "leaders" cited in this study included businessmen, political and religious leaders, representatives of the mass media, the political-academic community and the military, labor leaders, etc.
5. O. Holsti and J. Rosenau, "Cold War Axioms in the Post-Vietnam Era," in: "Change in the International System," edited by O. Holsti et al, Boulder (Colo.), 1980, p 279.
6. B. Russett and D. Deluca, "'Don't Tread on Me': Public Opinion and Foreign Policy in the Eighties," POLITICAL SCIENCE QUARTERLY, Fall 1981, p 383.
7. L. Kriesberg and R. Klein, "Changes in Public Support for U.S. Military Spending," JOURNAL OF CONFLICT RESOLUTION, March 1980, pp 103-105.

8. The graph was compiled on the basis of a diagram in B. Russet and D. Deluca, Op. cit., p 384, and statistics in BUSINESS WEEK, 15 November 1982, p 12; THE GALLUP POLL, 27 February 1983; THE HARRIS SURVEY, 28 March 1983.
9. Graph taken from B. Russet and D. Deluca, Op. cit., p 395.
10. "American Public Opinion and U.S. Foreign Policy 1983," edited by J. Rielly, The Chicago Council on Foreign Relations, 1983, p 11.
11. Ibid., p 9.
12. Ibid., pp 13, 15, 31.
13. Ibid., p 13.
14. Ibid.; "American Public Opinion and U.S. Foreign Policy 1975," p 13.
15. BUSINESS WEEK--HARRIS POLL, 16 May 1983.
16. Ibid.
17. BUSINESS WEEK, 16 May 1983, p 14.
18. Ibid.
19. BUSINESS WEEK--HARRIS POLL, 16 May 1983.

COPYRIGHT: Izdatel'stvo "Nauka", "SShA--ekonomika, politika, ideologiya", 1984

8588
CSO: 1803/6

CONGRESS AND THE 'ATLANTIC PARTNERSHIP'

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 84 (signed to press 19 Jan 84) pp 66-73

[Article by V. S. Mikheyev]

[Text] Western Europe occupies a special place in U.S. foreign policy. President Reagan frankly said in one of his speeches that "the coastline of Europe is our coastline and the border of Europe is our border." Western Europe represents one of the main nerve centers of contemporary international relations. The American administration views it as the principal military-strategic bridgehead for global opposition to the Soviet Union. Military groups of the socialist and capitalist states are directly opposite one another in Europe, where the United States keeps around 355,000 of its soldiers and officers. Transnational companies with headquarters in the United States are active in the economies of the West European countries.

This is why West European policy issues are matters of invariable interest to the U.S. administration and the Congress, and conflicts between the executive and legislative branches have sometimes been severely exacerbated by their different approaches to foreign policy issues in general and to relations with West European countries in particular.

A better understanding of these differences of opinion can be gained from an analysis of various congressional papers on the reasons for the deterioration of U.S. relations with the West European allies soon after the start of the Reagan Administration: They single out the following causes:

For all of 1981 the Reagan Administration underestimated the negative effects of American public discussions of the possibility of "limited nuclear war" in Europe, accompanied by anti-Soviet rhetoric, on the Europeans;

The other members of the NATO bloc never met the annual total increase of 3 percent in military spending and thereby failed to comply with a 1978 NATO decision. According to 1982 data, the highest increase in military spending in real terms was achieved in 1981--2.6 percent.¹ Centrifugal tendencies in NATO grew stronger when new governments were formed in Greece and Spain after the election victories of the Panhellenic Socialist Movement (PASOK) and the Spanish Socialist Workers' Party (PSOE);

Disagreements over East-West economic relations alienated the United States from its allies and demonstrated the reluctance of the latter to give up the benefits of international detente. The European NATO countries are experiencing greater economic difficulties and are seriously disturbed by the prospect of domestic political problems. They are particularly wary of the United States' hard line in commercial disagreements over European exports of steel and agricultural products;

The different approaches of the United States and its allies to important international problems, such as the situation in the Middle East and events in Central America, are exacerbating conflicts between them (these became particularly acute after the American aggression against Grenada).

Lee Hamilton (Democrat, Indiana), chairman of the Subcommittee on Europe and the Middle East of the House Foreign Affairs Committee, frankly informed State Department staffers during hearings in July 1982 that President Reagan's attempts to make light of U.S.-West European differences at press conferences were contrary to the facts. He pointed out obvious differences in appraisals of mutual relations by American and West European leaders.²

These relations began to deteriorate when Washington redoubled its efforts to create the moral and psychological atmosphere of a "crusade" against the USSR in the international arena. According to U.S. plans, this was supposed to promote stronger "Atlantic discipline" and the resolution of all problems in accordance with U.S. wishes. When L. Eagleburger, formerly the assistant secretary of state and now the under secretary for political affairs, addressed the Congress half a year after the start of the current administration, he did not conceal the fact that the United States' goal in relations with its allies was the "restoration of its leadership," which was needed, in his words, for the "renovation of the North Atlantic alliance."³

To strengthen its position in Western Europe, the American administration took several steps to ensure the unimpeded deployment of its medium-range missiles on the continent, to increase the number of its armed forces in Western Europe, to implement the U.S.-FRG agreement on mutual support during periods of crisis and war and to establish new heavy munitions depots for two divisions ready for rapid transfer by air from the United States to their tanks and weapons in the event of a conflict.

Difficulties arose in administration relations with the Congress over the deployment of medium-range missiles in Western Europe. On the one hand, most of the members of Congress support administration plans. Although they would like to mitigate the impression conveyed by the administration's excessively hard line. For example, Chairman C. Percy (Republican, Illinois) of the Senate Foreign Relations Committee publicly advised the President to move beyond the "zero option" and to put forth new proposals in the Geneva talks in March 1983. When the American senator appealed for "new proposals," however, he stipulated that they must be based on Reagan's declared "principles." They include the refusal to take English and French nuclear forces into account. This would reduce any "new proposals" to a mere repetition of the "zero option." In this way, the Americans and West Europeans were simply given the impression that the President was being pressured and was "giving in."

On the other hand, the administration and the legislators have widely diverging views on the appropriations needed for the production and deployment of missiles. Although the United States and most of its allies represent a united front in the matter of medium-range missiles and although it would seem that the problem has therefore been solved, the American administration has now encountered another unforeseen difficulty: First the House and then the Senate objected to the administration's requests for funds for the Pershing II and cruise missiles. In September 1982 Senator T. Stevens, chairman of the Subcommittee on Defense Appropriations, proposed the reduction of fiscal year 1983 allocations for cruise missiles from 520 million dollars to 410 million, and for Pershing II missiles from 498 million to 368 million. The subcommittee approved these recommendations. After closed hearings on 22 September 1982, attended by then Deputy Secretary of Defense F. Carlucci, who made a massive effort to change the minds of the subcommittee members, they agreed to an additional 47.3 million dollars for the production of cruise missiles.

In December 1982 the House Appropriations Committee refused to approve appropriations of 498.3 million dollars for the production of 91 Pershing II missiles on the grounds that the missiles were defective and that they had not been tested sufficiently (as Congressman J. Addabbo, Democrat from New York, announced in September 1983, 8 of the 13 tests of the Pershing II missiles were unsuccessful).

The House of Representatives supported its committee's decision and refused to allocate funds for the purchase of Pershing II missiles. The decision was upheld by a conference committee of both houses because the administration had 21 Pershing II missiles, purchased with earlier allocations, for the first stage of the implementation of NATO's "double" decision.

During the entire procedure of the approval of the missile appropriations in Congress, the administration waged the most resolute struggle for their ratification. American General B. Rogers, NATO supreme allied commander in Europe, sent a letter to the Senate Foreign Relations Committee to inform it that cuts in cruise missile allocations would eventually necessitate the expenditure of another 130 million dollars in forfeits to General Dynamics. L. Eagleburger tried to frighten the congressmen by telling them that cuts in allocations "would signify a sweeping U.S. departure from its commitments and its leadership."⁴ At the end of April 1983, C. Weinberger told the members of the House Subcommittee on Defense Appropriations that Congress' refusal to allocate additional funds for the Pershing II missiles in fiscal year 1983 would delay the start of production for 19 months and would help U.S. allies diverge from NATO's 1979 decision.

The administration's efforts produced results. In May 1983 the House Appropriations Committee and the corresponding Senate subcommittee approved the allocation of an additional 454 million dollars, ignoring several unsuccessful tests of the Pershing II.

As for appropriations for fiscal year 1984, in May 1983 the House Committee on the Armed Services and the corresponding Senate committee approved the allocation of more than a billion dollars for 95 Pershing II missiles, 120 cruise missiles and 30 launchers for them, for four missiles each, reducing the

administration's request by only 17.7 million dollars.⁵ The anti-Soviet campaign launched by the Reagan Administration in September 1983 after the South Korean airliner invaded the air space of the USSR was instrumental in securing the approval of funds for missiles earmarked for deployment in Western Europe, especially the Pershing II. In the atmosphere of anti-Soviet hysteria, Congress approved allocations for the production of 95 Pershing II missiles. As the NEW YORK TIMES reported on 3 October, the administration used the incident to intensify the anti-Soviet campaign and to obtain congressional approval of several new weapon systems. In December the President signed a law on the record military appropriations for 1984.

As for the number of American troops in Western Europe, some members of Congress supported the idea of the complete or partial withdrawal of American troops from this region. The revival of the well-known "Mansfield Amendment" was a perceptible symptom of this.⁶ These feelings were aroused by the refusal of U.S. allies to cancel contracts with the USSR on the construction of the gasline from Siberia to Western Europe and by Washington's hope of forcing the allies to spend more on military needs. In March 1982 Senator T. Stevens (Republican, Alaska), for example, angrily informed C. Weinberger that if the allies "are so certain of their security in relations with the Russians, it might be time for us to reconsider the number of our armed forces in Europe."⁷ Criticizing this viewpoint, Assistant Secretary of State R. Burt published a long article in the influential WALL STREET JOURNAL on 29 March 1983, in which he stubbornly argued that "an American withdrawal from Europe would leave the European countries with no tangible means of safeguarding their national security other than an agreement with the USSR." A characteristic feature of the issue of the withdrawal of American troops from Europe at the present time warrants attention: Whereas the amendments of M. Mansfield and his supporters reflected the views of liberal members of Congress who considered the American military presence abroad to be excessive and assigned priority to U.S. domestic needs, now all the talk about the withdrawal of troops is serving mainly as a means of pressuring and blackmailing U.S. allies. A convincing example of this is the statement made by the aforementioned General Rogers in March 1983, when he said that if the American allies should refuse to carry out the NATO "rearmament" decision in the event of the failure of the Geneva talks on the limitation of nuclear weapons in Europe, the United States might withdraw its troops from Europe. Furthermore, Rogers referred to similar statements by members of the American Congress.

When the fiscal year 1983 budget was being discussed, the Senate Subcommittee on Defense Appropriations refused to comply with the administration's request for around 50 million dollars to increase the number of armed forces in Europe to 358,000--that is, an increase of 3,000 soldiers and officers. Later the same subcommittee set a ceiling of 315,600 on the number of American soldiers and officers in Europe, although with the stipulation that the President could increase the number if he could prove to the Congress that this increase was made necessary by the "highest security interests."

The Congress is paying close attention to the NATO allies' feelings about American plans for the expansion of the bloc's sphere of action. Although, as congressional materials point out, the level of American-West European

cooperation in Southwest Asia "is much higher than is generally assumed"⁸ because France and England have naval ships in the Indian Ocean, military advisers in key countries of the region and forces similar to the American "rapid deployment force," Washington nevertheless wants much more: It wants an official pledge to take part in NATO actions in possible military conflicts far outside Europe or to completely replace American troops transferred from the European theater to other parts of the world. Once in a while complaints can be heard in the Congress about the allies' insufficient contribution to the "defense" of the Persian Gulf and shipping. Furthermore, it has been asserted that "global opposition" to the Soviet Union in the military context is not within the power of the United States acting alone, without the allies. At hearings in June 1981, P. Findley (Republican, Illinois), member of the House Subcommittee on Europe and the Middle East, said that all talks with the USSR were "useless" and proposed that they be replaced by talks with the allies "on global responsibilities" and the joint defense of sea lanes.⁹

Although the official expansion of NATO's sphere of action, which was hoped for by the Americans, has not taken place, the United States has created "multinational forces" in Sinai and Lebanon on the basis of separate agreements with allies, actively assisted England in its military actions against Argentina over the Falkland (Malvinas) Islands and joined France in making huge shipments of military equipment to the Habre regime they had put in power in Chad.

The administration was extremely dissatisfied with Congress' refusal to allocate funds for the aforementioned U.S.-FRG agreement, signed in 1982 at Washington's insistence. The situation was complicated by the fact that it was conceived as a precedent for similar agreements with other West European countries. The document gives the United States the right to more than double its air and ground forces in West Germany "in the event of a crisis or war." The agreement stipulates the conditions of the rapid transfer of six additional American armored and motorized divisions and some airborne subunits to the FRG. The FRG pledged to create new reserve units and subunits which would consist of a total of 93,000 personnel and, after mobilization in wartime, would secure the material and technical supplies of forward-based combat units and subunits of the American Army and Air Force in the FRG and their reinforcements. Furthermore, Bonn pledged to pay more than half of the 580 million dollars needed for the implementation of the agreement during the 1983-1987 period.

These far-reaching plans, however, encountered resistance in the Senate Appropriations Committee, which refused to allocate the first American contribution of 39.4 million dollars for the fulfillment of the agreement. The legislators did this because they believed that the West German financial contribution to the maintenance of American troops is inadequate. The administration, on the other hand, feels that the agreement is beneficial because the United States would have to spend 10 times as much to create the same potential with its own resources. As a result of these disagreements between the administration and Congress, the FRG demanded to know whether the agreement would be implemented on schedule or would be delayed.

Congress is also reluctant to allocate funds for the establishment of two new heavy munitions depots--one for each division (in addition to four existing

ones). The Committee on the Armed Services denied a request for 31 million dollars in fiscal year 1983, although Belgium and Holland had already spent more than 50 million on the land for these depots. Other NATO allies are depositing their share of the cost of building the two installations in the fund for the development of the NATO infrastructure.

Another aspect of the diverging administration and congressional approaches to NATO allies concerns the restrictions on U.S. imports of high-grade steel for military purposes. According to the administration, these imports are needed to balance West European purchases of American weapons. Under the pressure of U.S. steel companies, Congress is opposing this in every way possible. Now that the allies' access to the American market within the framework of military cooperation programs has been restricted for a long time and the ratio of military trade over the past 30 years is 6:1 in the United States' favor, the allies have been quite sensitive to new American restrictions. The Bundestag asserted, for example, that it would not finance large military purchases from the United States until the congressional restrictions on steel exports to the United States had been lifted.

Congressional bodies concerned with U.S. policy in Europe are paying close attention to the conflicts between two NATO allies--Greece and Turkey. Since the socialist government took over in Greece in 1981, the country's foreign policy has undergone changes that are unpleasant for Washington. In particular, there was the demand that American military bases in Greece be dismantled--in the Gulf of Soudha (one of the largest in the Mediterranean), in Ellinikon, Iraklion and Nea Makri, and other smaller U.S. military installations.

In response to these demands, Washington decided, with Congress' support, to pressure Greece by exploiting its serious conflicts with Turkey. The ratio of U.S. military aid to Greece and Turkey in recent years has been 7:10, allegedly to secure a balance of power in the Aegean. The administration's draft budget for fiscal year 1984 envisaged a significant increase in military aid to Turkey--from 400 million dollars to 755 million--while military aid to Greece would remain the same (280 million). A letter from President Reagan to Greek Prime Minister A. Papandreou in February 1983 frankly said that the United States examines the question of military aid to Greece and Turkey "in the context" of talks on the future of American military bases in Greece. A vigorous campaign was launched behind the scenes to promote the administration's proposals. According to the WASHINGTON POST, whole teams of Pentagon personnel, headed by Assistant Secretary of Defense for International Security Policy R. Perle, telephoned and visited prominent members of the Congress from both parties in an attempt to surmount the opposition of the influential Greek lobby.¹⁰ In turn, in April 1983 A. Papandreou informed nine members of the House Committee on the Armed Services of the existing problems in American-Greek relations.

It must be said that the legislators displayed great caution with regard to the manipulation of foreign assistance, realizing that exploiting the hostility between Greece and Turkey was, as correspondent J. Anderson put it, "like playing in a minefield." In April 1983 the Subcommittee on Europe and the Middle East of the House Foreign Affairs Committee approved the allocation of

715 million dollars to Turkey and 500 million to Greece, which meant that the previous ratio would be maintained. This made it possible for Washington to conclude a compromise agreement with Greece on the use of the bases for another 5 years, after which they are to be dismantled.

Congress also plays an important role in the economic relations of capitalist countries with socialist states. The U.S. administration has stubbornly tried to direct these relations into the channel of "global confrontation" with the USSR. Congress was seriously disturbed by the rift between the United States and its West European allies as a result of Washington's attempts to stop, or at least slow down, the construction of the gasline from Siberia to Western Europe. On the one hand, some members of Congress expressed displeasure with the obstinacy of the allies and demanded that they be subjected to "forceful pressure." On the other hand, sensible legislators condemned the administration's rude and biased treatment of the allies when the United States, just 2 weeks after the conference in Versailles in June 1982, and without any kind of consultations with the allies, instituted unprecedented sanctions against West European companies producing equipment for the pipeline on American licenses. The resolute protests of the allies and the forced cancellation of the sanctions, signifying a public defeat for Washington, are well-known events. The Congress, disturbed by the prospect of a deeper rift, played some part along with the allies in changing the course of American policy. For example, in August 1982 the House Committee on Foreign Affairs advised the cancellation of the sanctions.

Even after it had suffered a defeat in the pipeline incident, the administration did not calm down. Its leaders continued to call the West Europeans "blind," as C. Weinberger did in one of his reports to the Congress. In April 1983 President Reagan introduced an export control bill envisaging sweeping and far-reaching restrictions on imports from foreign countries disagreeing with American criteria in trade with third countries--or, in other words, with socialist countries. Considering the huge and constantly growing deficit in the EEC countries' balance of trade with the United States, which totaled 17.6 billion dollars in 1980, we can understand the urgency of this problem for them. It must be said that the new export control bill is encountering difficulties in the Congress. The White House suffered a defeat in the House Committee on Foreign Affairs, the members of which voted against the bill because they were afraid of completely spoiling trade and economic relations with the allies.

Another important aspect of the congressional concern with economic relations with allies is the desire to protect the interests of American companies by means of stronger protectionism in trade. Protectionist tendencies are displayed most vividly in arguments with the allies over exports of West European steel to the United States, which were discussed above from the military standpoint. In July 1982, R. Hormats, then the assistant secretary of state, told congressmen during hearings before the Subcommittee on Europe and the Middle East that the administration's only criterion in the matter of West European steel imports was the acceptability of potential agreements to American companies. Agreeing with the administration spokesman, subcommittee member B. Shamansky (Democrat, Ohio) insisted on the resolute use of the provisions of

U.S. anti-dumping legislation in the struggle against West European steel exporters.¹¹ In May 1983 another "steel war" broke out on the "transatlantic front" in connection with American reductions of West European exports, and in July the administration dispelled all doubts about the United States' determination to defend the interests of its monopolies by doubling tariffs and setting a quota on imports of high-grade steel. Now the EEC countries have to reorganize their steel industry in line with the reduction of production capacities, and this is agreeable to the U.S. Administration and the Congress. At the latest session of the EEC Council of Ministers on the foreign ministerial level in October 1983 in Luxembourg, however, speakers stressed the determination of the "ten" to obtain full compensation from the United States for the material losses incurred by the community's metallurgical industry. A joint statement adopted at the end of the session mentions the possibility of retaliation against American steel companies if the outcome of the talks on compensation is unsatisfactory to the EEC.

The approach of the administration and the Congress to agricultural trade is equally indicative. The EEC share of world food exports rose from 8.3 percent in 1976 to 18.3 percent in 1981, while the U.S. share has stayed at around 18 percent. Appealing for the exertion of pressure on the allies for the reduction of their agricultural exports, the journal reporting the work of the Congress noted: "Negotiation strategy consists in the use of threats: If our partners do not do what we want them to do, we will start closing the door to imports."¹² Chairman J. Helms (Republican, North Carolina) of the Senate Committee on Agriculture said that the Congress would take action: "The United States will fight fire with double fire." In his words, the European partners will encounter American sanctions up to the loss of most-favored-nation status in trade if they do not reduce their agricultural exports and thereby alleviate the strain of competition in sales markets.

Despite the identical positions of the administration and the Congress on several matters, however, Democrats and even Republicans are gradually realizing that Ronald Reagan is imposing his own interpretation of foreign policy problems on the country and is ignoring the views of the highest legislative body and the opinions of the American public. Legislators are accusing administration policy of engendering a broad peace movement in Western Europe, aimed primarily against the United States and aiding considerably in the consolidation of the same kind of movement in the United States. The administration's financial requests, including those of great importance to its West European policy, have just squeaked through the Congress, and some have been denied outright.

Under these conditions, the administration is using strong leverage to pressure the legislators to take its side on such issues as, for example, the allocation of funds for the Pershing II missiles. The provocative invasion of Soviet air space by the South Korean aircraft was amazingly opportune for the American "hawks." They were completely successful in their attempts to poison the international atmosphere and they made an overt attempt to pull more fish out of the muddy waters of anti-Sovietism. The discussion of the nuclear freeze became "inconvenient" in the Congress. The NATO countries, with the exception of France, Greece and Turkey, joined the "boycott" of Aeroflot. The extreme right wing in the Congress, people like Senator J. Helms, openly suggested the cessation of the arms limitation talks with the USSR.

Even in this atmosphere of escalated anti-Sovietism, however, some members of the Congress objected to the deployment of medium-range American missiles in several West European countries. For example, Congressman E. Markey (Democrat, Massachusetts) introduced a draft resolution in November, calling for the postponement of the deployment of new missiles in Europe for 6 months so that the search for mutually acceptable agreements on nuclear arms limitation in Europe could be continued.¹³ In the middle of November, 96 Democratic congressmen met privately to work out the tactics of struggle against the deployment of these missiles. The leadership of the lower congressional house made a massive effort to keep Markey's resolution from being discussed before Congress adjourned for the Christmas holidays on the pretext that this was not a very important matter.

Congress' approach to U.S. policy in Western Europe cannot be defined precisely. The "Atlantic partnership" itself is complex, and the composition of the Congress is heterogeneous, with its members influenced by a number of political and economic considerations in their decisionmaking. As for the administration, its line is quite definite: To win the support of the legislators (when necessary) and to then make maximum use of the West European allies in Ronald Reagan's declared "crusade" against the USSR and other socialist countries. As we can see, this has given rise to problems in relations with allies and in relations with the Congress.

FOOTNOTES

1. On 25 October 1983 the WASHINGTON POST reported that "protracted economic depression in Europe (Western--V. M.) has essentially forced the majority of governments to regard the projected 3-percent increase as an unattainable goal. Of all the NATO members, only Norway and the United States intend to increase their defense spending by more than 3 percent this year."
2. "Developments in Europe, July 1982. Hearings Before the Subcommittee on Europe and the Middle East of the Committee on Foreign Affairs, House of Representatives," Wash., 1982, p 4.
3. "United States Relations with Europe and the Soviet Union--1981. Hearings Before the Subcommittee on Europe and the Middle East of the Committee on Foreign Affairs, House of Representatives," Wash., 1982, pp 4, 5.
4. AVIATION WEEK AND SPACE TECHNOLOGY, 6 December 1982, pp 22-23.
5. CONGRESSIONAL QUARTERLY WEEKLY REPORT, 21 May 1983, pp 992, 1010.
6. For a long time, from 1957 to 1974, when military appropriation bills were discussed in the Senate, Senator M. Mansfield regularly proposed an amendment envisaging the reduction of American armed forces in Europe, or of overseas forces in general, which also presupposed the reduction of the European contingent. The Mansfield Amendment and the similar amendments of other liberal senators and congressmen encountered dramatically mounting

opposition in the Congress after the beginning of the Vienna talks on the mutual reduction of armed forces and arms in Central Europe in 1973 and gradually ceased to be introduced. Since the beginning of the 1980's a revised version of the "Mansfield Amendment" has been back on the agenda of congressional committees ("NATO Today: The Alliance in Evolution. A Report," U.S. Senate, Wash., 1982, pp 1, 73-75).

7. CONGRESSIONAL QUARTERLY WEEKLY REPORT, 25 September 1982, p 2369.
8. "NATO Today," p 3.
9. "United States Relations with Europe and the Soviet Union--1981," p 59.
10. THE WASHINGTON POST, 20 March 1983.
11. "Developments in Europe," p 28.
12. CONGRESSIONAL QUARTERLY WEEKLY REPORT, 20 November 1982, p 2890.
13. THE LOS ANGELES TIMES, 17 November 1983.

COPYRIGHT: Izdatel'stvo "Nauka", "SShA--ekonomika, politika, ideologiya", 1984

8588

CSO: 1803/6

BOOK ON U.S. MILITARY PRODUCTION, ECONOMY REVIEWED

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 84 (signed to press 19 Jan 84) pp 107-109

[Review by E. P. Pletnev of book "SShA: voyennoye priozvodstvo i ekonomika," edited by Yu. I. Bobrakov and V. A. Fedorovich, Moscow, Nauka, 1983, 231 pages]

[Text] The unprecedented scales of arms production, the persistent international "commerce" in weapons and the degeneration of the manufacture of means of troop destruction into a conveyor belt producing systems for the annihilation of civilian populations and all life on earth are leaving their mark on the politics, economics, everyday life, culture and other facets of the capitalist society. In this monograph on military production, a team of economists from the Institute of U.S. and Canadian Studies wanted to show how diversified the most dangerous--economic--roots of imperialist militarism have become.

When capitalism entered the monopolistic stage, the stage of imperialism, the increasing tendency toward the militarization of all societal life completely discredited the bourgeoisie's earlier demagogic declarations that military expenditures represented "faux frais" for this class--overhead expenses in the production of capital. It is now clear, however, that the profit "norm" of 100, 200, 300 or even 500 and 2,000 percent on military contracts makes any kind of business an overhead expense of arms manufacture. As soon as total profits are several times in excess of invested capital, it is much easier to take the "required" sum from the treasury by force, without any capital investment. In essence, this is the secret of the highly profitable nature of the operations of military-industrial monopolies. The economic interest of private businessmen in the monopolistic appropriation of the fruits of the modern revolution in military technology stimulated the stockpiling of means of destruction. The team of researchers investigating the activities of the NATO weapon workshop were able to reveal the underlying class motives of militarism and to expose its exploitative and piratical nature.

Of course, the researchers were interested from the very first in learning the exact parameters of military production in the U.S. economy and the degree to which it has been seized by the metastases of militarization.

As the authors demonstrate, the incalculable profits of military-industrial monopolies cause irreparable losses in the national economy because they are

secured by the unproductive use of society's production, financial and human resources, are obtained at the cost of the disruption of production ties and proportions in the national economic complex and ultimately signify the redistribution of the growing gross social product and national income in favor of the upper echelon of the military-industrial-financial oligarchy, although the authors wisely note that the inflationary escalation of military spending reduces their anti-crisis effect when the absolute amounts of these allocations decrease (p 38). If the volume of underproduction is taken as a quantitative measure of the losses incurred by the U.S. national economy as a result of its militarization, these losses can be estimated, according to the authors' calculations, at 3.4-5.3 trillion dollars (in 1972 prices). In other words, over the third of the century since the war U.S. economic losses as a result of militarization have been equivalent to 2.4-3.7 times the 1979 GNP (p 48).

The broad scales of economic militarization in the United States do not appear to be unplanned. After all, this was secured by means of cardinal methods of state influence, especially the state budget policy. Military expenditures in the state budget have become an unregulated part of the highly developed state-monopoly economy in the United States and a characteristic of its convulsive dynamics.

Over the past three decades (1952-1981) U.S. military spending exceeded 2 trillion dollars, and half of this amount was spent in the past 10 years (p 9). The Pentagon plans to spend another 1.5 trillion dollars between 1983 and 1987 (ibid.). The rate of increase in military spending has risen to 9 percent (p 12).

It is indicative that budget allocations for militarist purposes are growing even more quickly than real military spending. These are potential military expenditures, the financial reserve which has only the external appearance of an anti-inflationary means of pumping available resources into the accounts of the military establishment but is actually the cumulative Pentagon potential demand "in the event of unforeseen circumstances" (p 108).

Regardless of how powerful the monetary--that is, redistributive--levers of capitalist economic militarization might be, the economy would not be militarized at such a rapid rate if this process were not reinforced by far-reaching measures in the sphere of product manufacture and sales. These measures have combined to make up an entire system of contracts between the government and leading capitalist firms for the drafting, distribution and implementation of government orders. After decades of reproduction and expansion, these agreements have turned into a strong force uniting the monopolies and the state in a single mechanism for the exploitation and robbery of the majority of the population by a handful of magnates in the military-industrial complex.

Once this form of military-state-monopoly capitalism has taken shape, it seeks and finds strength for a sinister form of "self-propulsion" in the creation of a continuous flow of government orders for weapon parts and systems. The essence of this process was eloquently described in a statement by a Lockheed

vice president, quoted by the authors of this book: "We send up rockets which will never return and therefore have to keep building new rockets. What a wonderful system!" (p 54). As soon as the last group of large contracts nears completion, the military-industrial complex puts new pressure on the government, accompanied by ideological and political subversion and the escalation of anti-Soviet, anticommunist hysteria. In other words, military "enterprise" is kept alive by a policy of aggression and blackmail.

In light of the information presented in this book, we naturally wonder whether the process of militarization in the U.S. economy has become irreversible. The authors ask this singular question (p 7) and correctly reply that "despite all of the complexities and obstacles imperialist circles create to impede the limitation and cessation of the arms race, this goal is realistic and practicable" (ibid.) The authors substantiate the concept of the conversion of military production, explain the ways in which it differs from the term "reconversion," analyze methods of carrying out plans for disarmament in various economic spheres, examine reliable models and options for the transfer of arms production to peaceful channels, etc. (see, for example, ch 5). The development and study of these models indicate real alternatives to the militarization of the economy.

These calculations provide conclusive evidence that the reduction of arms production and its complete cessation can be accomplished without injuring the economy. Furthermore, this would produce substantial advantages. In the first place, as the authors reaffirm with the aid of a great deal of new factual information, the growth of military production is not a solution to the unemployment problem but, on the contrary, is an aggravating factor (p 27). After all, the funds diverted to military production are much less effective in the attraction of manpower than funds in civilian industry. By appropriating part of the labor force, arms production prevents the creation of a much higher number of jobs (pp 121-123).

In the second place, the authors eloquently show how much state military spending contributes to inflation and the high cost of living. With its purchases, the state excludes substantial material resources from economic turnover for the maintenance of those who create goods for destructive purposes, of no value to the consumer. Furthermore, the state is spending more and more of its budget revenues to pay off its own debts, and printing presses and banks are once again inundating the sphere of distribution with excess currency.

In the third place, peaceful conversion would relieve foreign trade, particularly in the case of developing countries, of the burden of costly weapon purchases and would improve the atmosphere of international economic transactions. In particular, the oil-producing developing countries would not have to spend their foreign currency on imported arms (pp 65-66 et passim).

In the fourth place, despite all the efforts to convince broad segments of the American public that they have interests in common with the military-industrial complex (p 5), most of the commercial interests of economic circles are not,

and cannot be, confined to the arms race. After all, the latter gives only a handful of firms access to the privileges of government purchases. The fundamental interests of the overwhelming majority of American firms depend on mass production for mass civilian markets. And it is the normal functioning of the civilian mass markets and the mass production established to serve these markets that are being impeded more and more perceptibly by the ruinous militarization of the economy.

The policy of recent belligerent U.S. administrations has diverged more and more from the fundamental interests of the business community. This must be taken into account when economic prospects are assessed. The authors of this work are completely correct in their conclusion that "the advocates of the arms race are trying to justify it with the 'argument' about the 'difficulty' of transferring military production to peaceful channels. The contents of this book prove that the conversion of military production will entail no insurmountable difficulties." (p 226)

These authors from the Institute of U.S. and Canadian Studies, USSR Academy of Sciences, have written an interesting book which will help specialists, propagandists and the general reading public to learn more about one of the most complex issues of the present day with the aid of a wealth of skillfully presented information.

COPYRIGHT: Izdatel'stvo "Nauka", "SShA--ekonomika, politika, ideologiya", 1984

8588

CSO: 1803/6

BOOK ON U.S. MILITARY MACHINE, POLICY REVIEWED

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 84 (signed to press 19 Jan 84) pp 111-112

[Review by V. I. Bogachev of book "SShA: voyennaya mashina i politika" by R. G. Bogdanov, Moscow, Nauka, 1983, 219 pages]

[Text] The U.S. military machine, the evolution of American militarism and the process by which career military men have united with the magnates of the military-industrial business in an alliance that is now turning into an oligarchic directorate, independent of the voters, and is guiding the foreign policy of changing administrations in the White House are the object of research in the work under review.

In this history of the U.S. military establishment, the author selects for analysis primarily the development trends with a decisive impact on contemporary military doctrines and on the fundamental strategic aims of the American circles generally known as the military-industrial complex.

The author notes that the messianic aims, the claims to American "exceptionalness" and the old hegemonic myth about the "manifest destiny" of the United States ultimately gave birth to the American tradition of the "double standard" in international relations, according to which Washington uses totally different methods to assess similar problems pertaining to U.S. national security on the one hand and to the security of all other countries on the other. It is this "double standard" that permeates all of Washington's arguments against the principle of equality and equivalent security in international arms reduction talks.

From the ideological premises of "political realism" prevailing in ruling circles, the main distinctive feature of which is the declaration of the struggle for power and for military strength to be the principal determinant of social development, American theorists acquired, as the author demonstrates, a belief in the "futility of international talks and agreements" and arrived at the dangerous conclusion that "the muzzle of a gun is the best arbiter in foreign policy." "In this way," R. G. Bogdanov concludes, "the misuse of force became the norm."

The author shows how U.S. militarists validate the idea of the strategic "super-sensitivity" of the United States by keeping afloat the inveterate myth about

the "excessive complacency and lack of sophistication of Americans" and their "inability to recognize military danger." The constant effort to convince Americans of the inevitability of a military conflict and to teach the people to "think intelligently about the unthinkable"--that is, about nuclear war--facilitates Washington's arms race and the preparations for "preventive" and "limited" wars.

This "strategic supersensitivity," which is reflected in military planning--the idea of the first use of nuclear weapons by the United States during the early stages of an armed conflict and the deployment of the Pershing-2 missile systems with a flight time of 6 minutes to important centers in the Soviet Union--could result in a global catastrophe. "Military planning based on haste leads to war," the author says (p 34).

The history of Soviet-American relations and the role of the U.S. military establishment in the start of the cold war and in the current escalation of international tension are discussed at length in the book.

R. G. Bogdanov offers conclusive evidence that U.S. military undertakings and Washington's reactions to so-called "Soviet threats" have essentially had nothing in common with the actual intentions and behavior of the Soviet Union.

"The web of theories and doctrines enveloping the problem of the use of nuclear weapons is based on the following postulates--the achievement and maintenance of nuclear superiority to the USSR and the emphasis on the first strike and limited nuclear war as a means of protecting American territory against a retaliatory strike," the author writes (p 70). Hatred for the Soviet State, fear of its influence on world events and the realization that it is the main obstacle, and essentially the only one, on the way to the Pax Americana constituted the focus of the U.S. policy of atomic blackmail and power diplomacy (p 73).

The author shows that even in 1946 and 1947 representatives of all branches of the U.S. Armed Forces made dishonest statements about the "Soviet military threat" to obtain larger military allocations and justify the buildup of U.S. military strength. He cites the following remark by a U.S. Air Force intelligence director: "The present fear of the Russians, which has been organized on a broad scale, is completely exaggerated and has no connection with reality" (p 82).

The author analyzes several official Washington documents substantiating the tactic of confrontation with the Soviet Union, particularly the odious directive NSC-68. This document, which became an actual program of cold war against the USSR, was not meant to be a realistic appraisal of Soviet intentions, as the author cogently demonstrates, but a means of uniting the U.S. political elite for the pursuit of an increasingly tough and offensive policy of confrontation with the Soviet Union.

Pentagon military doctrines, their evolution and the distinctive features of branches of the U.S. Armed Forces during various stages between 1945 and the present time are analyzed in detail. The chapter entitled "Nuclear Madness

Raised to the Level of State Policy" contains a great wealth of factual information about the details of Washington's preparations for nuclear war.

The author reveals the cannibalistic essence of the Pentagon's numerous plans for nuclear strikes against the USSR and other socialist countries--"Pincher," "Broiler," "Grabber," "Fleetwood," "Offtackle," "Trojan" and "Dropshot." The last plan, which was the most detailed, envisaged a pre-emptive nuclear strike against the USSR, tentatively scheduled for 1957, with the subsequent occupation of extensive territories in Europe, Asia and Africa by the United States.

"The idea of preventive warfare against the Soviet Union was the most prominent feature of U.S. strategic plans after World War II," the author concludes (p 148).

R. G. Bogdanov notes that U.S. policy became particularly belligerent after the start of the Reagan Administration.

The USSR completely rejects the views of those who imply that force and weapons can and will always decide all matters, the author stresses. People and the antiwar and antinuclear movement, taking active and purposeful steps against those who would incite a new world war, can eliminate the danger of nuclear war, save the world and thereby preserve life on our planet.

There is no question that R. G. Bogdanov's book will be of great interest to experts on U.S. military policy and to a broad range of readers.

COPYRIGHT: Izdatel'stvo "Nauka", "SShA--ekonomika, politika, ideologiya", 1984

8588

CSO: 1803/6

PRESIDENTIAL LOBBYING UNDER RONALD REAGAN: PATTERNS AND METHODS OF INFLUENCING THE CONGRESS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 84 (signed to press 19 Jan 84) pp 113-118

[Article by A. A. Sergunin (Gorkiy)]

[Text] The periodic aggravation of relations between the executive and legislative branches of the U.S. Government draws attention to the machinery of interaction between the White House and the Congress, particularly the process called "presidential lobbying" in Washington.

The word "lobby" (literally, a hall, corridor or vestibule) was first used in 1808, when the 10th Congress was in session. Later the term "lobbyist" was used to denote a person who maintained contact with functionaries in the lobbies of government buildings. Lobbying as a form of political influence by monopolist capital, medium-sized and small business and religious, ethnic, labor and other organizations on U.S. government institutions for the purpose of securing their group interests in legislation gradually became a distinctive feature of the American political system.¹

The increasing complexity of the legislative process, the exacerbation of the inter-party struggle, periodic conflicts between the White House and the Capitol and, what is most important, the evolution of lobbying into an integral part of national politics all motivated the executive branch to resort to lobbying in its relations with the Congress, giving rise to what is called presidential lobbying.² Its evolution started in the second third of this century and was essentially complete by the 1960's. Presidential lobbying has become a unique form of communication between the executive and legislative links of public administration. It secures the White House's influence in the Congress. On the social level, it is supposed to coordinate the conflicting interests of various segments of the American bourgeoisie, represented in these institutions, and to secure the unanimity of the ruling elite in matters of public administration.

We believe that the widespread incorporation of presidential lobbying in political practices is an attempt to surmount the severe crisis in the U.S. Government. The reorganization of relations between the executive and legislative branches in accordance with the lobbying model is essential. Each new

administration must do this, whether it wants to or not. The Reagan Administration is no exception. It has actively used the lobbying system in its relations with the Congress.

By tradition, most lobbying has been conducted by the congressional liaison offices in all links of the executive branch. The White House congressional liaison office represents the top of the lobbying hierarchy in the executive branch.³ It plans and carries out the most important lobbying actions and coordinates the lobbying activities of all corresponding subdivisions of departments and agencies in Washington.

The history of this office dates back to the 1940's. Some researchers have suggested that the first lobbyists appeared on the White House staff in F. Roosevelt's time.⁴ But this can only be stated unequivocally about the administration of H. Truman, who appointed two officials specifically for congressional liaison, giving them the title of assistants for legislative affairs.⁵ The evolution of the presidential lobbying machinery continued under D. Eisenhower, when the congressional liaison office was created.

At first, M. Freidersdorf was Reagan's chief lobbyist. He worked on the White House lobbying staff under R. Nixon and headed it under G. Ford. In contrast to his predecessor, President Carter's Assistant for Congressional Liaison F. Moore, Freidersdorf was able to get along with the congressmen even during the transition stage. He headed two teams, responsible for pressuring the Senate (four staffers) and House of Representatives (five) in the White House lobbying machine. The office also had a coordinator of intradepartmental undertakings, a legislative counsel and an administrative assistant--12 staffers in all, not counting M. Freidersdorf.⁶ For his office, Freidersdorf chose people with work experience in the Congress or the lobbying agencies of the executive branch. These people knew the workings of the American legislative process and had a wide circle of acquaintances on Capitol Hill. The well-organized congressional liaison system was one of the factors promoting the successful passage of presidential programs through the Congress at the start of the Reagan Administration.

In January 1982 the White House congressional liaison office underwent personnel changes. Freidersdorf was replaced by K. Duberstein, who had previously headed the "team" of lobbyists responsible for the House of Representatives. Duberstein replaced some of his assistants and made some changes in the structure of the agency. As American authors have pointed out, his style of work differed from Freidersdorf's.⁷ The latter, who had extensive contacts in capital elite circles, preferred to deal with congressmen on the basis of amicable agreements; Duberstein was more inclined to be aggressive. But the difference probably was not due only to their personal characteristics, but also to the deterioration of relations between the administration and the Congress at the end of 1981. According to White House reports, K. Duberstein officially resigned on 15 November 1983.

The President's assistant for legislative affairs is an important member of the White House staff. He is consulted on all matters pertaining to relations with the Capitol. He attends cabinet meetings and meetings with congressional

leaders and has almost unlimited access to the President. Duberstein was a member of the legislative strategy planning group along with White House Chief of Staff J. Baker, his deputy R. Darman, Counsellor to the President E. Meese and his deputy C. Fuller. He also had considerable opportunity to influence administration budget policy: Along with OMB Director D. Stockman and Secretary of the Treasury D. Regan he was a member of a special group on budget affairs and attended private talks with congressional leaders on these matters.

The congressional liaison offices of the White House, departments and agencies constitute the formal structure of executive branch lobbying; in the narrow sense of the term, the operations of these professional lobbyists can be categorized as presidential lobbying.

In the broad sense, presidential lobbying also includes sporadic activity by administration staffers who are not part of this formal structure, especially officials who pressure the Congress for the adoption of a specific legislative program. In this sense, any member of the administration engages in lobbying, including the President himself, who is considered to be the "Number-One Lobbyist," and the effectiveness of the chief executive's lobbying efforts depends, all other conditions being equal, on his authority and personal contacts in the Congress. Lyndon Johnson was considered to be a phenomenon in this respect. As a former member of the House of Representatives and senator, he made energetic use of his old acquaintances on Capitol Hill; as American researchers love to reiterate, he was the most valuable member of the White House lobbying staff.⁸

From the very beginning, Reagan paid considerable attention to his relations with the Congress. In addition to all of his other reasons for this concern, his party did not control the House of Representatives. Reagan began seeking congressional support long before his inauguration. For this purpose, in 1977 he created a committee on public affairs to solicit campaign contributions for Republican candidates. Reagan's supporters in the Congress responded by creating a national network of consultative committees to assist him in his 1980 campaign.

By the end of the transition period the President had already been able to establish close contacts with congressional leaders: Senate Majority Leader H. Baker, Senate committee chairmen R. Long, R. Dole and C. Percy, Speaker of the House T. O'Neill and others.

Reagan's experience working with a Democratic majority in the legislature when he was the governor of California taught him the importance of relations with the opposition. To win Democratic support, he retained prominent Democrat M. Mansfield as U.S. ambassador to Japan. The President tried to establish a personal relationship with T. O'Neill and Senate Democratic leader R. Byrd and secured the support of conservative Democrats in the Congress.

Taking the mistakes of his predecessor, J. Carter, into account, Reagan did not forget to consult with members of Congress before making any moves affecting their interests, addressed personal requests to many congressmen when necessary, etc.

In the House of Representatives the Reagan Administration has concentrated on creating a "working conservative majority," counting on a split in the Democratic faction. In the Senate its efforts have been aimed at the maintenance of strong party discipline among Republicans. It was helped in this by H. Baker, to whom the chief executive had deliberately implied that the Republican leader in the Senate performs many of his functions by a mandate of the President himself.⁹ The absence of unity among House Democrats and the relatively strong discipline among Senate Republicans helped Reagan win victories during the initial stage of his administration: the congressional approval of the President's proposed cuts in taxes and social spending, the support of military programs and the program of military assistance to El Salvador and the approval of some administration appointees.

By fall 1981, however, the situation had changed. Administration policy was supported less and less by the voters and evoked increasingly vehement public criticism. The conservative coalition in the House of Representatives disintegrated and party discipline grew weak among Republicans. White House relations with the Congress deteriorated. In November 1981 the President had to use his veto power for the first time. All of these trends became even more distinct in 1982. When the midterm elections for the Congress drew near, even many Republicans tried to dissociate themselves from administration policy. In September 1982 the Congress overrode the President's veto on a bill on additional appropriations for fiscal year 1982, envisaging a billion dollars more for social needs and 2 billion less for military needs than Reagan had proposed. What is more, 81 votes (of the 301 against the President's proposals) in the House and 21 (of 60) in the Senate belonged to Republicans.¹⁰ The congressmen's dissatisfaction with domestic and foreign policy affected the outcome of the vote and led to the failure of this lobbying campaign.

The distribution of functions within the structure of "informal" presidential lobbying is the following. One member of the White House staff is responsible primarily for the mobilization of all "interest groups" to exert pressure on the Congress. The President's assistant for communications is in charge of influencing public opinion during lobbying campaigns. A staffer in charge of appointments performs patronage services. All of these officials must coordinate their activities with the assistant for legislative affairs.

The White House chief of staff plays an important role in the structure of presidential lobbying. He can participate directly in this activity by contacting congressmen, representatives of "pressure groups" and the media. He manages the planning, organization and performance of administration lobbying efforts and heads the aforementioned legislative strategy planning group. This kind of supreme coordinator is essential: After all, several White House offices are responsible for lobbying in the Congress.¹¹

The "informal" structure of presidential lobbying also includes the congressmen who actively promote the administration's line (they are called "built-in lobbyists") and "pressure groups" acting in conjunction with the executive branch toward a specific common goal in the Capitol. Besides this, the orbit of presidential lobbying also includes influential political and public spokesmen, retired officials, personal friends of legislators, the mass media and even the congressmen's constituents. Cooperation by these individuals and

groups with the executive branch is generally temporary, lasting only as long as their interests coincide. On the whole, as N. G. Zyablyuk so aptly phrased it, "the informal structure of administration lobbying represents the total mechanism for the exertion of pressure on the Congress (permanent in some respects and variable, depending on specific circumstances, in others), which supports a specific administration program at any given moment."¹²

As for the methods used by presidential lobbyists, they can be divided into the direct form--direct contact with congressmen--and grass-roots lobbying, or pressure exerted with the aid of letters and telephone calls from constituents or through the personal friends of congressmen and the press.

The first group of methods includes the performance of a variety of services for legislators, particularly supplying congressmen with information of value to them, organizing meetings between them and members of the executive branch for the amicable discussion of matters concerning them, etc. Patronage is also included in this group. Some of the appointees to Reagan's cabinet were approved or even chosen after consultations with influential members of the Congress--Republican Senators R. Dole (Kansas), J. Tower (Texas) and S. Thurmond (South Carolina). Dole suggested the appointments of J. Block as secretary of agriculture and D. Regan as secretary of the treasury.¹³ Dole's wife was given a place on the White House staff as the President's assistant for public liaison. On E. Kennedy's recommendation, R. Schweiker was appointed secretary of health and human services. There is no doubt that work with legislators is based on conscious expectations of reciprocal services on the part of members of Congress.

Personal contact and the personal "presentation of arguments" are also direct lobbying methods. Means of persuasion can vary widely. For example, they might include the transmission of carefully selected (and sometimes quite tendentious) and prepared documents and materials to the legislator. Lobbyists can also resort to the use of promises--for example, the promise of administration support in election campaigns. Just before the 1982 midterm elections, for example, Ronald Reagan traveled to many states to solicit campaign funds for Republican candidates.

Another important method is known as the localization of arguments, the practice of "linking" legislative details with the congressman's constituency to convince him that the bill will benefit his district and will consequently give him a better chance of re-election. Sometimes the underlying basis is the crudest form of bargain--"You scratch my back and I'll scratch yours." For example, during the lobbying campaign in support of the administration's intention to sell AWACS planes to Saudi Arabia, Senator S. Gorton (Republican, Washington) was promised support for his request for 26 million dollars in appropriations for the remodeling of a Seattle hospital in exchange for a "yes" vote, and Senator J. Melcher (Democrat, Montana) was promised the reconsideration of a decision to cut off financing for an experimental coal enterprise in his state.¹⁴

Employing another method of persuasion, lobbyists appeal to the party loyalty of congressmen. But this generally does not have a great impact on American

legislators, and it is therefore used only when other methods have been exhausted. Reagan's lobbyists used this method quite frequently during the initial period of their activity, when party discipline was still strong among Republican congressmen.

Lobbyists generally "divide" congressmen among themselves and are personally responsible for a specific group. This "division" is regional, and it can also be based on the congressman's party affiliation and his degree of influence in the Congress. So-called key congressmen, who occupy important positions in the hierarchy of the legislative body or simply enjoy special prestige, are singled out for special attention. It is with these congressmen that lobbyists strive to establish friendly relations, and it is on them that the lobbyists concentrate during the passage of a bill through the Congress.

When there is some doubt about the outcome of a vote, special attention is paid to the members of Congress whose votes will be decisive. For example, when Reagan's proposal on the redistribution (by making reductions in other programs of foreign assistance) and allocation of 5 million dollars in military aid to El Salvador was being discussed in March 1981, S. Conte (Republican, Massachusetts) was expected to cast the deciding vote. After Conte had been "pressured" by State Department lobbyists, former Secretary of State A. Haig telephoned him the day before the vote to "explain" the administration's position. Conte complied with the President's request, and his vote did decide the fate of the bill: On 24 March 1981 the administration's proposal was supported by a vote of 8 to 7. The decision was soon approved at a session of the entire House.

An example of the indirect lobbying efforts of the executive branch is the campaign launched by the administration in 1981 in support of the President's economic program. "Interest groups" were recruited to pressure the Congress. They helped the administration organize a flood of letters from voters to the Congress (this method is called "Write to Your Congressman"), publicized the program in the mass media and exerted directed pressure on legislators through their own lobbyists.

Sometimes whole coalitions, especially groups of business organizations, work together. The President's Special Assistant for Business Liaison W. Valis underscored the importance of this method: "The creation of coalitions, especially groups of business organizations, will continue to be the basis of administration lobbying."¹⁵

Speaker of the House T. O'Neill once named Reagan's most active lobbyists in the world of big capital: Exxon, McDonnell Douglas, Philip Morris, Paine Weber and Monsanto. A telephone call from a voter to a member of "his" congressman's staff to express his views on a bill is usually of no particular significance, but thousands of phone calls have an impact. A characteristic lobbying method employed by corporations consists in having their employees (obviously, as "private individuals") systematically telephone congressmen to create the semblance of public opinion. When the White House economic program was being discussed, volunteer lobbyists from the corporations listed above overloaded the American telephone network, as T. O'Neill sarcastically remarked.¹⁶

Wagner & Baroody, a Washington firm, was engaged to coordinate the efforts of private groups to mold public opinion. The President's Assistant for

Communications D. Gergen organized a series of lunches and breakfasts at which top administration officials informed representatives of the press and television of the purpose of Reagan's proposals in the hope of gaining their support, while Vice-President G. Bush met with AFL-CIO leaders for the same purpose.

The administration's lobbying pressure was so strong that some legislators gave in long before the vote. To stem the flood of letters, telegrams and telephone calls, C. Hubbard (Democrat, Kentucky) invited television correspondents to his office and announced his decision to support the President's proposals.

Some unscrupulous practices also came to light. It turned out that many of the calls congressmen received from workers were instigated by their employers, who had an interest in the adoption of Reagan's program. For example, one woman who called T. O'Neill to express support for the program admitted that although she was not sure she was doing the right thing, her job depended on it.¹⁷

Sometimes the administration has to act against the interests of certain "pressure groups" generally working to its advantage. For example, Reagan's intention to sell AWACS planes to Saudi Arabia was immediately opposed by the strong pro-Israel lobby. On 24 June 1981, before the matter had been officially raised for discussion by the Congress, a group of pro-Israeli senators sent the President a letter recommending the abandonment of this plan. The letter was signed by 54 senators (34 Democrats and 20 Republicans). A resolution prohibiting the transaction was introduced in the House of Representatives and was signed by 224 congressmen from both parties.

The administration had to make concessions: It announced that the most highly classified equipment would not be installed on the planes intended for the Saudis and that military aid to Israel would be increased in fiscal years 1983 and 1984. Executive branch spokesmen were lavish with promises that the planes would be flown by mixed crews and that Saudi Arabia would express its support for U.S. initiatives in the Middle East. But the administration's lobbying campaign was unsuccessful in the House of Representatives: The President's request was denied by a vote of 301 to 111. Only the Senate could save the projected transaction, and here the request was approved by a minimal majority (52 to 48).

From the very beginning, the current administration has been strengthening its lobbying staff. Efforts were also made to heighten the effectiveness of the informal structure of presidential lobbying: The President himself and high-level executive branch officials take an active part in this activity, and the intensive use of the party machinery and "pressure groups" has become a permanent part of administration lobbying tactics. Administration lobbyists have directed considerable effort to the molding of public opinion and have tried to turn the media into an instrument of their pressure on the Capitol.

During the first months of the Reagan Administration, there were no serious disruptions in the mechanism of communications between the White House and the

Congress. The situation changed at the end of 1981, however, and the President has tasted the bitterness of defeat in his "battles" with the Capitol several times since then. The deterioration of relations with the Congress as a result of the failure of "Reaganomics" and the adventuristic foreign policy, compounded by the fragmentation of the legislative body and the Republicans' weaker position in the House of Representatives after the 1982 elections, complicates communications between the two institutions of U.S. authority, despite the technical perfection of the mechanism of this communication. But the executive branch has no means of communication more effective than lobbying: It has become an integral part of the American legislative process, and the U.S. machinery of state can no longer function without it.

Reagan Administration activity confirms the fact that the increase in lobbying forms of interrelations between the executive and legislative branches in recent decades is a stable trend. Considering the present features of U.S. sociopolitical development, this trend can be expected to continue.

FOOTNOTES

1. For a discussion of lobbying in the United States, see N. G. Zyablyuk, "SShA: lobbizm i politika" [United States: Lobbying and Policymaking], Moscow, 1976; N. A. Sakharov, "Predprinimatel'skiye assotsiatsii v politicheskoy zhizni SShA" [Business Associations in U.S. Politics], Moscow, 1980; V. P. Zolotukhin, "Fermery i Vashington" [Farmers and Washington], Moscow, 1968; M. I. Lapitskiy, "SShA: rol' profsoyuzov v vnutripoliticheskoy zhizni" [United States: The Role of Labor Unions in Domestic Politics], Moscow, 1973.
2. The term "executive branch lobbying" is used to stress the participation of departments and agencies, as well as the White House, in lobbying. However, these two terms are often used interchangeably.
3. For the functions and activities of this office under J. Carter, see SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, 1978, No 2, pp 124-127.
4. American researchers N. Ornstein and S. Elder mention T. Corcoran, B. Cohen and J. Rowey--F. Roosevelt's chief assistants, whom the President frequently employed for lobbying in the Congress (N. Ornstein and S. Elder, "Interest Groups, Lobbying and Policymaking," Wash., 1978, p 52).
5. A. Holtzman, "Legislative Liaison: Executive Leadership in Congress," Chicago, 1970, p 231.
6. CONGRESSIONAL QUARTERLY WEEKLY REPORT, 23 January 1981, p 174.
7. Ibid., 1 October 1982, p 970.
8. "President Carter. 1978," Wash., 1979, p 9.
9. CONGRESSIONAL QUARTERLY WEEKLY REPORT, 12 September 1981, p 1747.

10. U.S. NEWS AND WORLD REPORT, 20 September 1982, p 21.
11. The increasingly important role of the White House chief of staff in executive branch lobbying has been a steady trend in recent years. Carter's Chief of Staff H. Jordan was particularly active in lobbying in the Congress. He assumed personal responsibility in particularly important cases, as during the discussion of the SALT II treaty in the Senate. All of this aroused the displeasure of other presidential assistants. Counsellor to the President E. Meese viewed the creation of the legislative strategy group at J. Baker's suggestion as an assault on his prerogatives, and this became another source of friction between high-level White House officials (U.S. NEWS AND WORLD REPORT, 13 September 1982, p 51).
12. N. G. Zyablyuk, Op. cit., p 125.
13. CONGRESSIONAL QUARTERLY WEEKLY REPORT, 24 January 1981, p 175.
14. SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, 1982, No 2, p 83.
15. CONGRESSIONAL QUARTERLY WEEKLY REPORT, 23 January 1982, p 123.
16. Ibid., 12 September 1981, p 1741.
17. Ibid.

COPYRIGHT: Izdatel'stvo "Nauka", "SShA--ekonomika, politika, ideologiya", 1984

8588
CSO: 1803/6

REPUBLICAN PARTY MACHINERY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 2, Feb 84 (signed to press 19 Jan 84) pp 120-127

[Article by L. A. Antonova]

[Text] It is not surprising that the structural features of the two leading bourgeois parties in the United States are attracting the attention of researchers, and the media's interest in these matters is equally understandable, particularly as the national elections draw nearer. The party's success or failure at this crucial time will depend largely the efficient operation of party machinery.

The two party structures have many features in common, but there are also some differences, and these will be discussed below.

As for the former--that is, the similar organizational features--the basis of the party machinery of the Democrats and Republicans consists of the group of local and state committees and the national committee (NC). Congressional election committees are an important element of the party structure on the federal level. Although these are independent of the NC, they interact closely with it and with state party organizations.

The distinctive features of the organizational structure of American bourgeois parties consist in the high level of decentralization and the autonomy of state party organizations, which are not actually under the jurisdiction of superior national bodies--the national convention and the NC. Another distinctive feature of party machinery is the absence of strictly regulated organizational forms on any level of the party structure, which is subordinate to specific campaign objectives.¹

These features of the organizational structure are common to both U.S. bourgeois parties. The distinctive features of the party machinery of Democrats and Republicans stem from their balance of power within the two-party system.

The Republican Party, as the minority party in the contemporary two-party system, has traditionally held an organizational and financial advantage and has outstripped the Democratic Party in the use of new campaign methods. The Republican Party leadership relies on the active use of television ads, the computer-aided collection of campaign contributions, etc.

This has been reflected in the activities and internal structure of its national committee.

The Republican NC consists of two representatives from each state² and, in accordance with a resolution passed at an NC session in 1952, the chairmen of party organizations in states where: 1) Republicans won a majority in the presidential election; 2) Republicans prevail in the state's congressional representation; 3) the governor is a Republican. In all, according to figures for recent years, this is an average of 140-160 people.³ According to the rules adopted at the Republican national convention in 1976, all of the members of the NC must meet twice a year.⁴

Officially, the functions of the NC consist in organizing and conducting presidential campaigns, choosing or appointing committee officials, strengthening the party financial base, coordinating some activities by party organizations in the states and organizing and managing national conventions.

Between sessions of the NC, all current business is conducted by an NC executive committee, which is elected at the first organizational meeting of the NC after the national convention. It consists of 15 people: the NC chairman, regional vice-chairmen, a secretary, a treasurer, the chairmen of congressional election committees, the chairman of the Republican Governors' Association, the chairman of the National Conference of Republican Mayors, the heads of some unofficial Republican Party organizations and chairman of NC offices.⁵ In accordance with party rules, the executive committee meets at least four times a year.⁶

The activities of the NC and executive committee are managed by the chairman, who is formally elected by the committee for 2 years. The role of the chairman in the elaboration of party strategy and the party platform is augmented when the party is in the opposition. When the party controls the White House, however, the national party leader is the President, and he actually appoints the NC chairman.

After the Republican Party was defeated in 1976, W. Brock, former senator from Tennessee, was elected NC chairman. He was a compromise between the candidates supported by R. Reagan and G. Ford.⁷ According to party officials, this choice would prevent the further exacerbation of the conflict between ultra-conservative and moderate-conservative Republicans.⁸ These hopes were justified: The "neutral" W. Brock in the office of NC chairman helped to restore unity in the Republican Party on a rightwing-conservative platform.

Soon after the Republican national convention in 1980, Ronald Reagan's supporters launched a vigorous campaign against Brock, and in 1981 he was succeeded by R. Richards, the leader of the Republican Party in Utah and one of the organizers of Reagan's 1980 campaign.⁹ This time the choice was not as fortunate: In 1982 Richards resigned, and it was rumored in party circles that he was "an incompetent administrator."¹⁰

At the end of 1982 a new office was established--the general chairman of the NC, whose functions will consist in overseeing the activities of the NC and

the congressional election committees. Senator P. Laxalt from Nevada, one of the President's closest associates, was elected the first general chairman. In January 1983 the Republican Party leader in Nevada, F. Fahrenkopf, replaced Richards as permanent chairman of the NC. The new system of dual chairmanship was worked out by White House strategists as a better means of preparing for Reagan's 1984 campaign.¹¹

The absence of a party charter stipulating the powers of the NC chairman and the procedure of his nomination gives the party elite extensive maneuvering ability. The chairman's authority is quite extensive within the framework of NC activity. He appoints NC members to various national convention committees (location planning, rules and credentials committees), appoints the heads of NC offices, etc. A permanent staff of 75-150 people, with this number tripling in election years, is under the direct jurisdiction of the chairman.¹²

Prior to World War II these staffs were created a few months before the elections and were then dissolved. Since the end of the 1950's both parties have had a permanent administrative staff, consisting of professional campaign organizers appointed by the chairman. This staff has a budget of millions at its disposal.¹³ In the past three decades the Republican Party has surpassed the Democrats in terms of NC staff figures and budget volumes every year but 1960 and 1962. The gap widened dramatically after 1980. According to NC Deputy Chairman C. Bailey, at the end of 1981 there were 327 people on the Republican NC staff (70 on the Democratic staff), and the NC budget was close to 21 million dollars (6 million for the Democrats).¹⁴

Since party rules do not regulate the internal structure of the NC staff (that is, offices and subdivisions come into being and disappear in line with specific political objectives), it is better to describe it from the functional standpoint.

The most important field of party staff activity consists in securing communications between party leaders and the mass base, and in using social movements and public opinion in the party's interest. When the party is in the opposition, the performance of this function presupposes the organization of propaganda campaigns with the aim of creating a broad voter coalition for an election victory. In this case, the NC's goal consists in planning campaign methods and strategy and determining the best themes and slogans for use in the campaign and subsequent inclusion in the party platform. When the party is in power, the NC's work in this area is confined to the promotion of administration policy.

The organization of mass propaganda campaigns is accomplished through interaction by various NC offices and subdivisions: research, public liaison and planning offices, political communique and speech preparation subdivisions, groups for liaison with specific segments of the voting public and various types of advisory committees.¹⁵

Public opinion polls regularly conducted by the research office are used as the basis in the determination of the most urgent problems. The public liaison office makes active use of the mass media. For example, it has jurisdiction

over several periodicals. The primary one is the monthly FIRST MONDAY, containing interviews with party leaders, reports on NC measures and activities and biographies of party officials.¹⁶ There are several special publications for specific voter groups--senior citizens and black and Hispanic voters. In addition, there is the semimonthly FRONT LINE, in which the speeches of party leaders are published, and the weekly SOURCE, which is sent to the chairmen of Republican Party organizations in the states and members of legislatures. It contains the results of public opinion polls and excerpts from press articles.

The NC makes active use of television and radio advertising in its propaganda campaigns. In 1980 the NC and the Republican election committee in the House of Representatives commissioned a series of national public information television programs under the general title "Vote for Republicans! Vote for Change!." They aired in February, April, June and fall 1980. The programs included discussions of inflation, unemployment and the energy crisis and criticism of the Democrat-controlled Congress. The programs cost the NC and the House election committee 8.8 million dollars.¹⁷

During the preparations for the 1982 midterm elections, Republican strategists prepared TV ads on social security, the most vulnerable point in Reagan's economic program,¹⁸ and several other topics. In spite of the painstaking preparations and the funds invested (around 18 million dollars, according to expert estimates), the TV spots, which aired in summer and fall 1982, did not produce the anticipated results.¹⁹ The main reason was the unpopularity of the program itself.

A speakers' bureau, which organizes campaign speeches by party leaders in the states, is one of the important NC measures to achieve broader communication with the public. During the 1982 campaign, the "Surrogate '82" program was worked out with the active participation of this bureau and the planning and political communique subdivisions. It was supposed to publicize administration activity during the campaign tours of party leaders in summer and fall 1982. The NC was responsible for the detailed preparation of speeches, including the collection of the necessary information (on problems of primary importance in the given state), and the payment of travel expenses.²⁰ A serious drawback of these speeches, the tone of which was set by Vice-President G. Bush when he addressed a convention of Republican college students in July 1982, was the obvious scarcity of arguments in favor of the President's program.

To strengthen party influence among various strata of the voting public, the NC has special advisory councils, liaison groups and subdivisions working with specific voter groups. W. Brock created special groups for liaison with ethnic minorities, but one of the first jobs undertaken by new NC Chairman R. Richards after the start of the Reagan Administration was the reorganization of the NC, as a result of which these groups were dissolved because, as Richards stated, "their performance proved ineffective."²¹ Now NC liaison with organizations of black Americans must be conducted through its political office. It is obvious that the Republican strategists decided to write off black and Hispanic voters in 1982. The discussion of election results in the Republican Party testified that many prominent Republicans, such as Senator R. Packwood from Oregon, had accused the party leadership of ignoring black and Hispanic voters, as had been reflected in the limited NC interaction with leading organizations of ethnic minorities.²²

Attempts by the NC to strengthen its influence among organized labor took other organizational forms. The declining influence of the Republican Party, recorded in the results of polls, turned into a serious problem for the party leadership in 1981. At a meeting of the NC executive committee in June 1982, R. Richards announced the establishment of an advisory committee on labor, including the chairmen of seven labor organizations, to improve party relations with organized workers. The inclusion of several union leaders from Illinois and Michigan, where unions are cooperating with moderate Republican governors, in the NC executive committee was considered. These measures are designed primarily for propaganda purposes: They are supposed to create the illusion of equal participation by various social groups in party administration.

Just before the 1982 elections, Republican youth organizations became particularly active: the National Federation of Young Republicans, the Republican National Committee of College Students and the Junior Republicans. All of them work with the NC. Their function consists in involving young Americans in political activity (for example, the organization of campaigns in support of the President and his policy) and the training of young people in the latest campaign tactics in support of Republican candidates on all levels.

It is not always convenient, however, for party leaders to include representatives of various political forces or groups of voters in the party machinery. In some cases it is more convenient to create a favorable image by demonstrating noncommitment to certain organizations, even if they have an outlook similar to the party's and pursue a similar policy. One vivid example is the NC relationship with rightwing conservative organizations, which gave Republican candidates, including Reagan, considerable financial and organizational assistance in the 1980 campaign. In public statements, W. Brock constantly stressed the party leadership's negative attitude toward the activities and methods of conservative groups. On the local level, however, Republican Party committees cooperated closely with rightwing organizations in the struggle against liberal congressmen in 1978 and 1980.²³ In 1981 R. Richards repeatedly asserted that "the New Right has no real influence on the National Committee."²⁴

Another important area of NC activity consists in the organization and management of campaigns on all levels by means of what is called the integrated method. Its central element is a diversified system for the recruitment and preparation of candidates for elective offices.

The NC research office studies voter behavior during registration and voting in certain electoral districts, collects reports on the voting positions of various officials seeking re-election, etc. Its main source of information is the regular series of public opinion polls conducted by the NC and public opinion experts working with the Republicans--R. Wirthlin, L. Terrence, L. Finkelstein and others. The research office staff includes advisers on various domestic and foreign policy issues. Since July 1982 R. Allen, the President's former national security adviser, has been working for the NC as an expert on foreign policy. The institution, after the 1976 elections, of a unified Republican Party information network, with the NC computer center serving as its basis, gave state party organizations access to research office materials.

On the basis of these materials, the political office singles out electoral districts where Republican candidates have the best chance of victory. It is there that candidates are recruited and resources are concentrated. The selection and preparation of candidates running for the U.S. House of Representatives and for state legislatures are the highest priority. Recruitment groups are less concerned with senatorial candidates because "Senate elections attract well-known and experienced politicians"; the assistance received by the latter from the NC and the Senate election committee is confined to information, advertising and financial support.²⁵

Candidates for the House of Representatives are chosen and nominated in the following way. During the campaign, 100-120 "vulnerable" districts are generally selected. Party committees will support a candidate for the House of Representatives in the primaries if he has secured the support of the state party organizations and has polling data confirming the chance of victory.²⁶ Candidates then attend party courses in campaign techniques (they have been offered by the NC since 1974 and are under the jurisdiction of the NC political education office) and regional seminars organized by the NC special projects office and the House election committee. Topics discussed at these seminars concern modern campaign methods (the study of campaign funding legislation and the use of the mass media; in particular, candidates practice answering questions in 45 seconds on television news programs, etc.). The results of the 1980 congressional elections testified that these efforts were not in vain: 18 of the 35 candidates who attended party courses were elected to the House, and another 11 were supported by at least 45 percent of the voters.

During the 1982 campaign, the House election committee selected 275 candidates, or three times as many as in 1980. By 1982 the operational volume of this committee had grown: It had nine "travelling directors" on its staff, each of whom recruited congressional candidates in 50 districts (in 1980 there were only five such "directors"). Seminars were held twice a month by the committee for congressmen up for re-election in 1982. In all, 100 of the 275 candidates attended seminars and party courses. According to several experts, the results of the 1982 House elections testified that the organizational and financial advantages of the Republicans gave them an additional 8-10 seats.

In the second half of the 1970's and the early 1980's the NC began to participate much more actively in campaigns for state legislatures. In 1977 a special "local election campaign office" was created as part of the NC (for the first time in the history of the U.S. bourgeois parties). In conjunction with state party organizations, this office studied voter attitudes in electoral districts with the aid of public opinion polls, selected and prepared candidates for state legislatures and assisted candidates on the local level. Between 1978 and 1980 the office held 150 seminars on campaign techniques and trained 4,000 candidates and various party officials. In 1980 the NC spent a total of 5 million dollars on elections to state legislatures. The local election campaign office had a staff of 33 during the 1980 campaign.

In 1977 an intermediate link of regional political directors was created for closer NC interaction with state party organizations and congressional election committees. The functions of the 15 political directors, each of whom

coordinates the activities of from two to six state party organizations, consist in drawing up campaign plans, on the basis of which the NC distributes funds and resources.

In addition to training candidates for elective offices, the NC trains professional campaign organizers.

The NC political education office conducts specialist training on two levels: The technical aspects of campaigns are discussed at seminars on the first level; second-level seminars deal with campaign strategy and tactics.

The reinforcement and expansion of the party's financial base are essential to the performance of party machinery. The Republican party machinery does not include a single nationwide body responsible for the collection of party funds and their distribution to party election committees in the Senate and House of Representatives. Prior to 1961, the NC finance committee performed these functions. The NC and the congressional election committees organize the collection of funds independently of one another and then distribute them among programs, candidates and their own staffs.

The national chairman in charge of finances, appointed by the NC chairman with the approval of NC members, manages the collection of funds. There are two principal methods of collecting funds through party channels: small contributions (the "direct mail" method) and donations of more than 500 dollars to the party treasury by the members of party clubs.

The widespread incorporation of the "direct mail" method by the Republicans in the second half of the 1970's contributed a great deal to the party's substantial financial advantages over the Democrats. In the 1982 campaign, for example, contributions collected by Republicans through party channels were seven times as great as the sum collected by Democrats (168.8 million dollars as compared to 23.6 million). Since the "direct mail" method requires large expenditures, the Republicans, with their more substantial financial resources, could institute the new financing method more successfully than the Democrats. For the identification of potential contributors, the NC sends letters to all districts where research and political office forecasts indicate the popularity of Republican candidates. According to the data of party officials, in spring 1981 the NC list of regular contributors included 870,000 names, but in 1982 the figure was 1.5 million. In 1981 and 1982 small contributions accounted for 80 percent of the funds deposited in the Republican treasury.

One method of increasing the number of contributors to the Republican Party during the 1982 campaign was the organization of "shareholders' conventions," to which all Republican Party boosters were invited. The first such convention was convened in California in October 1981, the second was held in Texas in February 1982 and the third was held in Florida in May 1982. Members of the party leadership (G. Bush and R. Richards) addressed the conventions, asking participants to submit the names and addresses of party supporters and to send the party treasury a 30-dollar donation by mail. The Texas convention alone resulted in the collection of the names of 4,000 new contributors. A special "direct response" office of the NC contacts new party boosters by mail and asks them to support Republican candidates on all levels.

The "direct mail" method is an effective means of reinforcing the party's financial base and of stimulating and mobilizing voter support.

Special programs and party clubs--a connecting link between the party leadership and the business community--have been established for people who contribute more than 500 dollars to Republican Party campaign funds. For participants in these programs (private individuals, corporations and political action committees), party contributions give them access to party leadership conferences, meetings with party leaders, etc. People who contribute a thousand dollars annually are eligible for membership in the "Ambassador Club." The "Cabinet Club" was established for those who contribute 2,500 dollars to party campaign funds. Membership in the "Vice-President Club" presupposes a contribution of 1,000 dollars. Finally, the "Republican Eagles" program requires an annual contribution of 10,000 dollars.²⁷

The Republican Senate election committee has a similar financial structure. In addition to contributions from "small donors" (according to the estimates of committee leaders, they represent 50 percent of the total), annual contributions are made by the participants in three donor programs: the "Senate Republican Trust," the "Inner Circle" and the "Business Advisory Board." In contrast to this committee, the House election committee estimates that "small contributions" represent 95 percent of its treasury deposits.²⁸

Information about the current expenditures of the NC and the congressional election committees are incomplete and are based on the data of party officials. Nevertheless, they testify to the constant growth of the NC budget, which totaled 19 million dollars in 1976, 21 million in 1981 and around 30 million in 1982.²⁹ C. Bailey cites data on basic NC expenditure items for the end of 1981: One-fourth (7.75 million dollars) was spent on the organization of the "direct mail" method of soliciting contributions; public opinion polls cost 1 million dollars; the organization of national conventions cost 2.3 million; the sum of 2 million was allocated for White House needs (mainly to finance the national campaign tours of Reagan and Bush); district "reapportionment" cost 1 million; the functioning of the NC staff cost 1.2 million; the support of Republican House and Senate candidates cost 4 million dollars.³⁰

The expenditures of congressional election committees have increased substantially in recent years. Whereas in 1974 the House Republican election committee spent around a million dollars, in 1980 direct contributions to candidates alone amounted to 3 million. The committee approved total expenditures of 37.5 million dollars for 1982. On 13 October 1982 the House election committee reported that it had turned over contributions totaling 3.24 million dollars to House candidates; this was 96 times as great as the total contribution of the Democratic House election committee.³¹ The Republican Senate election committee gave its candidates 6 million dollars in 1980 (the Democratic figure was 1 million). The committee planned to collect an even larger sum for 1982.³²

The Republican Party staff represents a diversified mechanism with considerable financial and organizational potential.

FOOTNOTES

1. See A.S. Manyin, "The Evolution of the Organizational Structure of Bourgeois Parties," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, 1978, No 10, p 42.
2. National Committee members are elected in primaries, at state conventions, by the central committees of state party organizations or by party convention delegates--depending on the state party rules.
3. R. Blank, "Political Parties. An Introduction," N.Y., 1980, p 148.
4. Ibid., p 147.
5. FIRST MONDAY, April 1981, p 2.
6. "Party Renewal in Theory and Practice," edited by G. Pomper, N.Y., 1980, p 105.
7. TIME, 24 January 1977, p 19.
8. THE WASHINGTON POST, 15 January 1977.
9. Ibid., 18 January 1981.
10. THE NEW YORK TIMES, 5 October 1982.
11. Ibid., 29 January 1983.
12. POLITICAL SCIENCE QUARTERLY, Spring 1980, p 4.
13. Ibid., pp 2-5.
14. NATIONAL JOURNAL, 5 September 1981, p 1585.
15. FIRST MONDAY, July-August 1979, p 5.
16. NATIONAL JOURNAL, 5 September 1981, p 1585.
17. Ibid., 27 September 1980, p 1620.
18. THE NEW YORK TIMES, 19 July 1982.
19. Ibid., 16 November 1982.
20. FIRST MONDAY, 10 April 1982.
21. THE WASHINGTON POST, 19 February 1982.
22. THE NEW YORK TIMES, 4 December 1982.
23. NATIONAL JOURNAL, 23 May 1981, p 925.

24. THE WASHINGTON POST, 19 February 1981; 20 June 1981.
25. NATIONAL JOURNAL, 3 October 1981, p 1752. The staff of the National Republican Senate Election Committee consists of 40 people. The committee has its own treasury and a research office with the latest technical equipment and public opinion experts (THE NEW YORK TIMES, 4 December 1982).
26. NATIONAL JOURNAL, 5 January 1980, pp 20-21.
27. FIRST MONDAY, August 1981, p 15.
28. NATIONAL JOURNAL, 23 May 1981, p 923; 9 January 1982, p 69.
29. THE NEW YORK TIMES MAGAZINE, 13 July 1980, p 22; THE NEW YORK TIMES, 2 November 1981.
30. NATIONAL JOURNAL, 5 September 1981, p 1585.
31. THE NEW YORK TIMES, 2 November 1981.
32. NATIONAL JOURNAL, 9 January 1982, p 68.

COPYRIGHT: Izdatel'stvo "Nauka", "SShA--ekonomika, politika, ideologiya", 1984

8588

CSO: 1803/6

- END -