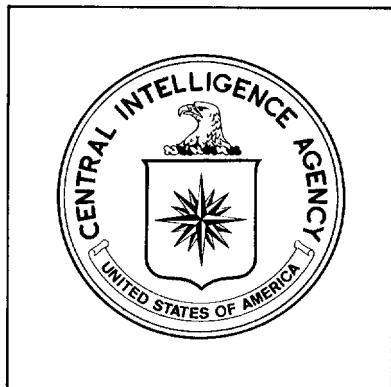


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STAFF NOTES:

Soviet Union Eastern Europe

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140
December 5, 1975
No. 0781/75

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SOVIET UNION - EASTERN EUROPE

This publication is prepared for regional specialists in the Washington community by the USSR - Eastern Europe Division, Office of Current Intelligence, with occasional contributions from other offices within the Directorate of Intelligence. Comments and queries are welcome. They should be directed to the authors of the individual articles.

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Some Political Implications of the
Soviets' Harvest Disaster

The Soviet Union's harvest disaster and related economic problems will complicate the leadership's propaganda efforts before the Party Congress meets in February. Politics could also be affected.

The regime's defensiveness is demonstrated by the attempts to evade reporting harvest results at the Supreme Soviet session this week. Early in his report to the session, planning chief Baybakov turned his attention to the alleged "economic crisis" in the West in order to illustrate Soviet successes. Propagandists will probably be making increasing use of this device in coming months.

The hardships that the poor harvest will mean for the population, however, will seriously undermine the leadership's efforts to clothe itself in the mantle of policy success.

Another reason the leadership is treating economic subjects gingerly is because it realizes the potential for recriminations and policy disputes. By stressing that the weather was the cause of the poor harvest, the regime is trying to block attempts to blame individuals or policies. Ukrainian party boss Shcherbitsky, a protege of Brezhnev, warned this fall that a "correct approach" must be taken in appraising the harvest and that the work of the party in agriculture "must not be belittled."

At the moment, the leadership seems to be sticking with its past policies. Brezhnev's program of heavy investment in agriculture will apparently be maintained. References to Brezhnev's speech at the Central Committee meeting on December 1 suggest that he offered hackneyed prescriptions such as "socialist competition" for economic problems rather than new approaches.

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Pressures may nevertheless build behind the scenes. The economy's poor performance will make for tough choices in deciding on allocations and major programs in the five year plan. Advocates of limited reform measures and schemes to reorganize agricultural and industrial management could find their cause strengthened. In the end, it may be impossible entirely to suppress recriminations and to avoid offering up a scapegoat or two. (UNCLASSIFIED)

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~~SECRET~~European Communist Conference: Ah Wilderness!

As the dust settles from the abortive mid-November editorial meeting to prepare for the European Communist Party Conference, conflicting statements are being made as to when, if ever, the conference will convene.

Among the most optimistic are the Yugoslavs, who claim that if the mid-January meeting is able to wrap up its business successfully, a conference could be held within days. The Danes suggest that the conference could meet in Moscow in late February when everyone is there to attend the Soviet party congress. Others, including the Romanians, say the Soviets will be content to postpone the conference until after their party congress, especially as this could make the conference appear to ratify the decisions of the Soviet congress. Still others speculate that the date for the conference has been agreed on in principle, but that the independent-minded parties have not agreed to the date being announced in order to win more concessions from the Soviets. The Italian communists do not believe the conference will ever take place.

 the Soviets thought that a breakthrough had been made in October and that therefore the conference could be held in December. The continuing dickering of the independent-minded parties after the October session, however, made Moscow realize even before the editorial committee met last month that a conference this year was out of the question. The Soviets hinted to their allies that a post-February date might be a better idea, since there would be more time for "preparation." This suggestion was made concrete at the November meeting, when the Soviets delivered a letter stating that a postponement was necessary because of the press of preparations not only for their own party congress but for those of others as well. Given the scheduling for

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party congresses after the Soviet conclave, this could delay a European Communist conference until late May or early June.

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[redacted] the Soviet explanation is merely an excuse. [redacted] Moscow may be having second thoughts about what the past year of negotiations has wrought. [redacted]

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[redacted] in the November talks, the Soviets tried to restore some of the positions conceded earlier, and were trying to make the document binding on the signatories.

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Furthermore, differences are cropping up over conference procedures. In order to get around their earlier agreement that the proceedings be open to the public, the Soviets, [redacted] are insisting on prior coordination of the speeches that will be made at the conference.

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There is no doubt that the conference project has been fraught with more difficulties than Moscow anticipated, and its opening date, already seven months past its original deadline, is continuing to slip into the future. Moscow is likely to persist, however, if only because it sees its role in the international movement as requiring it. (SECRET NOFORN/NOCONTRACT/ORCON)

[redacted]

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Podgorny To Visit Kabul

Soviet Chief of State Podgorny is scheduled to arrive in Kabul December 9 on what appears to be the annual exchange of visits by leaders of the two countries. The fact that Podgorny is taking time to go to Kabul during a busy period in Moscow demonstrates the importance that the Soviets attach to their ties to Afghanistan and other South Asian countries.

One thing on Podgorny's mind will be Daoud's recent purges of leftist officials in that government. The Soviets have thus far said little about them, but the Afghans have been sensitive to the likelihood of Soviet misgivings and have moved to assure Moscow that the purges do not mean any swing away from the USSR. Thus, Daoud recently decided to permit the long-delayed opening of a Soviet cultural center in Kabul.

Podgorny probably will seek a stronger Afghan endorsement of Moscow's Asian collective security idea. President Daoud gave a very circumscribed endorsement to the idea during his visit to the USSR last June.

Podgorny's visit will probably not culminate in any new large-scale aid agreements because the Afghans have not yet used the \$435 million Moscow extended in January 1975. The two sides may, however, announce plans for specific projects with the money already pledged.

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[REDACTED] The Soviets are helping to modernize the Afghan armed forces with late-model equipment, including aircraft, ground forces equipment, and support material. (SECRET NOFORN/ORCON/NOCONTRACT)

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~~SECRET~~Poles Redistribute Sales of Consumer Goods

In an effort to ensure that stores are well-stocked for the Christmas season, the Polish government on Thursday banned the sale by producers of 30 consumer items to administrative units, cooperatives, and social organizations. The list of products includes carpets, wooden furniture, television sets, refrigerators, meat, and processed meat.

The ban is intended to ensure that consumer goods in high demand actually reach stores for purchase by the general public. Many such items are now channeled into a "private" distribution network including factory commissaries and similar organizations.

Warsaw is, in effect, robbing Peter to pay Paul. The move will please the average Polish consumer who now cannot find certain items or must stand in long lines to purchase them. On the other hand, it will upset those consumers--not an insignificant number--who have had access to the private network.

The ban does, however, contain a loophole which, if widely used, could negate the entire effort. Province governors and town mayors have been instructed to set up special committees to issue permits for the purchase of these items. The committees will undoubtedly come under heavy pressure to circumvent the ban. (UNCLASSIFIED)

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