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DCI
13 Nov 85

DCI TALKING POINTS
MEETING WITH THE PRESIDENT
13 November 1985, 1445 hours

EO 13526 3.3(b)(1)>25Yrs
EO 13526 3.3(b)(6)>25Yrs
EO 13526 3.5(c)

You know Bob Gates, who directs our [] research and assessment staff, which includes [] analysts studying the Soviet Union in its internal and external political, economic, military and social activities. Bob served on the NSC Staff with Kissinger, Scowcroft and Brzezinski. []

Fritz Ermarth is the National Intelligence Officer for the Soviet Union and he has played a large role in developing the many papers prepared for your meeting next week.

[] directed a just-completed [] national estimate which addresses the full range of internal stresses and pressures which bear on Mr. Gorbachev. It addresses the alienation, the alcoholism, the drug abuse, the crime, the decline of confidence in the system and the leadership, the corruption, the economic stagnation, the anti-Russian nationalism, the revival of religion and dissent which the new leader will have to struggle with. This assessment is based on a wealth of details which can exist nowhere else in the world. It does not mean that the Soviet Union is about to collapse. They have a vigorous new leader ready for a long run. But it does provide some measure of why and how badly Gorbachev may need a breathing space to get his act together. He will have to balance that need with his need to return with a show of strength for the Party Congress early next year.

We are pleased to have this opportunity to give you the essence and flavor of this study and discuss its implications with you. To start, Bob Gates will speak to the Soviet economic situation and how we see it bearing on Mr. Gorbachev.

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Additional material
taken by DCI
to mtg on 13 Nov.



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Implications

1. Gorbachev faces severe domestic problems -- economic, social. He needs a respite and western economic cooperation or help. He needs to avoid major unanticipated new defense expenditures.
2. Basic Soviet decisions on economy and defense already made for period 86-90. Likely include relatively low growth for defense (although enormous momentum will mean continued high investment). Contrary to popular view, relationship with US, therefore, one of management rather than basic directions.
3. At times of domestic difficulty or economic stress, Soviets project tough image abroad. Necessary to mask vulnerability. Also, as controversial measures to remedy economy taken, cannot afford new approaches to West which would further divide leadership.
4. Do not believe Gorbachev now is prepared to pay much for breathing space -- likely sees it coming anyway.
 - Can read about US defense cuts, slowing of SDI; likely believes further heavy pressure against US defense modernization once you leave office.
 - Likely optimistic most worisome aspects of SDI can be stopped long before deployment through US media and Congress.
 - Either a warm summit atmosphere (even if no agreement) or a failure that can be blamed on US serves Gorbachev's purpose in making things tough for us in Western Europe and Japan. Will try to increase trade relations with Western Europe and Japan and isolate the US.
 - Simply intends to out wait you.
5. Same way in Third World. Likely believe US support for freedom fighters around world will decline when you leave office. Reenforcement of Soviet position throughout Third World -- Angola, Afghanistan, Ethiopia, Mozambique, Nicaragua. Laying plans for South Africa and the Philippines.
6. We do not believe his plans to get the Soviet economy working will be successful. Therefore, we expect the pressures on Gorbachev to increase steadily and at some point -- perhaps as early as two or three years -- that Soviets must consider real concessions on strategic forces and foreign policy. -- if the US sustains the pressure in the strategic competition and the Third World.

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(Dolan)
November 5, 1985
12:30 p.m. SS

PRESIDENTIAL ADDRESS: TO THE NATION -- GENEVA SUMMIT

My fellow Americans. Good evening. In 48 hours, I will be leaving for Geneva to meet with Mr. Gorbachev, the leader of the Soviet Union. Before departing I felt it my duty to report directly to you on this meeting and its significance.

Now, I don't think it's any mystery why most of us regard summit conferences as a good idea. The danger of thermonuclear war and the havoc it would wreak are, as President Kennedy put it, a modern sword of Damocles dangling over all of us. The awful reality of these weapons is a kind of terrible crescendo to the steady, dehumanizing progress of modern warfare in this century. To a few people here in this office, I recently recalled a hotly debated issue in my own college years -- which by the way also took place in this century. Some of us strenuously argued that in the advent of another world war no civilized person, certainly no American, would ever obey an order to attack purely civilian targets. Humanity, we were certain, would never come to that. Well, World War II and 34 million civilian casualties later we were all sadly, tragically wiser. At least today we can say we have fewer illusions: we know if World War III ever breaks out the destruction would be so devastating civilian casualties could reach 90 percent of the population.

To occupy this office is to live with that reality every day. Whenever I travel I am followed by a military aide who

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carries a small black attache case -- "the football" is its nickname. It is a grim reminder of the narrow line our world walks every day it contains the codes necessary for retaliation to a nuclear attack on the United States.

And this office provides another sobering perspective on our world. The 23 million lives lost since the end of World War II in conventional wars are stark evidence that a nuclear conflict is far from the only danger we face. In recent years, America has had her share of fallen sons; Korea, Vietnam, other military engagements including terrorist attacks have been part of this terrible cost. And many times at this desk I have had to discharge the most difficult duty I have: to try and find words of comfort for grieving mothers and fathers. I don't have to tell you how regularly I fail at that; because there are no such words. Earlier this year when I visited those places in Europe that had seen so much suffering during World War II, a voice could be heard there, a voice from our century and from every century, the same voice I have heard in such sorrow here in this room, the voice of humanity crying out in anguish for peace -- for an end to war.

This is why I go to Geneva. For peace. And in hope -- the hope of never having to face that awful option of nuclear retaliation of never again having to speak from this office to grief-stricken loved ones. We go to Geneva seeking to work with the Soviet Union to reduce and eventually eliminate the danger of nuclear destruction, to resolve regional conflicts that can lead to wider war, to enhance respect for human rights, and to expand

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the peace process by involving more directly the citizens of both our nations. And on this last point, I will mention in a few moments the specifics of a new plan I have in mind.

But there is another reason we go to Geneva. Like the threat of nuclear war, it has to do with a danger unique to this century. Part of our heritage as Americans is our Founding Fathers' warning about history's most terrible but, somehow most easily forgotten lesson; that the abuse of government power poses the most serious and enduring threat to the freedom of man.

In our era, with the development of science and technology and the rise of modern ideology, we have seen a quantum leap in the nature of this danger and the birth of the gravest threat to freedom ever known -- the twentieth century police state, the totalitarian regime.

Now I don't think I have to elaborate on the human suffering caused by such regimes. The concentration camps, ~~the~~ the forced famines, the massacres, the purges. The advent of totalitarian ideology -- an ideology that justifies any affront to the individual done in the name of the state -- has ~~accompanied~~ ^{sparked} the worst assaults in history on the human spirit. On this point, my own views have been plainly stated. Only as a few weeks ago at the United Nations, I spoke of some specific instances: the invasion of Afghanistan that has cost between 750,000 and one million lives and nearly six million refugees, the intervention in the African nations of Angola and Ethiopia, the attempts to

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establish a totalitarian state in Nicaragua. This tragic, unhappy list goes on.

In forthrightly opposing such actions we Americans bear a grave responsibility and carry a special burden. A belief in the dignity and worth of every individual in the sight of God gave birth to this country. It is central to our being. "Our whole experiment is based on the capacity of the people for self-government," said James Madison. And Thomas Jefferson added; "Men were not born to wear saddles on their backs," and: "The God who gave us life, gave us liberty as well." This is our past, it is a part of us, we must never deny nor forsake it. Should the day ever come when the leaders of this Nation remain silent in the face of foreign aggression or stop speaking out about the repression of human rights then truly the cause of America -- the cause of freedom -- has been lost, and the great heart of this country has been broken. We Americans ^(know) ~~can~~ never rest as a people nor say our work as a Nation is done until each man, woman and child on earth knows the blessings of liberty. ?

And this is the second reason I go to Geneva. For freedom. To speak for the right of every people and every nation to choose their own future [✓] for the right of human beings everywhere to determine their own destiny, to live in the dignity God intended for each of his children.

But let me stress here that not only is this candor and realism on behalf of freedom ~~is~~ our responsibility as Americans, it is essential for success in Geneva. Because if history has shown there is any key to dealing successfully with the Soviets

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it is this: the Soviets must realize that their counterparts take them seriously and that we harbor no illusions about their ultimate goals and intentions. The Soviet mind is not the mirror image of the American or the Western mind. The Soviets have a very different view of the world. They believe a great struggle is already underway in the world and true peace can only be attained with the triumph of communist power. The Soviets sincerely believe the march of history is embodied in the Soviet state. So, to them, the mere existence of the democracies is seen as an obstacle to the ultimate triumph of history and that state. From the Soviet perspective, even if the democracies do nothing overt against their interests, just our survival, our continued resistance, is considered by them an act of aggression.

And that is why the Soviets tend to misinterpret well-intentioned public statements obscuring the nature of this struggle or minimizing the crucial moral distinction between totalitarianism and democracy. That is why sudden shifts in our realistic views about the Soviets tend to disrupt the negotiating process. In the past, when such shifts or statements have been made, the Soviets either regarded them as a ruse and reacted with distrust, or looked on them as hopelessly naive and attempted to exploit the illusions on which they rested. In both cases, the peace process and the business of serious negotiations have suffered.

So I must be blunt with you tonight  I go to Geneva for peace and for freedom, but I also go without illusions. The fact of this summit conference does not mean the Soviets have forsaken

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their long-term goals and objectives. President Eisenhower's somber warning in his farewell address unfortunately remain^s true: "we face a hostile ideology -- global in scope, atheistic in character, ruthless in purpose and insidious in method."

I do not mention all this, however, to sound unduly pessimistic or to paint a heedlessly discouraging picture. To the contrary, my mood about this meeting is one of cautious optimism. While it would be foolhardy to think one summit conference can establish a permanent peace, this conference can, I believe, help begin a permanent process toward peace.

But that is why realism is essential. For only by leaving our illusions behind and dealing realistically with the Soviets do we have any chance for true progress in Geneva.

Winston Churchill once said after a long experience of negotiating with the Soviets, "The Soviets will try every door in the home, enter all rooms which are not locked and when they come to a house that is barred, if they are unsuccessful in breaking through it, they will withdraw and invite you to dine genially that same evening."

Our goals next week in Geneva then must be peace and freedom -- and an end to illusions. But if nuclear war is an impossible option and so too is a world under totalitarian rule, how are we to steer between them? ~~And~~ What course are we to chart? ^{And} what cause is their for hope?

My fellow Americans, I believe there is great cause for hope -- hope that peace and freedom will not only survive but triumph, and perhaps sooner than any of us have dared to imagine.

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I also think it possible that history will record a great paradox about our century: that while it gave birth to the awful menaces of nuclear weapons and totalitarian regimes and saw so much bloodshed and suffering it was also the century that in its closing decades fostered the greatest movement in human memory towards free institutions and democratic self-rule, the greatest flowering of mankind's age old aspiration for freedom and human dignity.

Consider, for a moment, that at the start of the twentieth century there were only a handful of democracies in the entire world while today there are more than 50, with one-third of the world's population living in freedom. Here in our own hemisphere more than 90 percent of the people in Latin America are now living under governments that are either democratic or headed in that direction, a dramatic reversal from only a few years ago.

Even the communist world is far from immune to this worldwide movement. In an astonishing turnaround, China has adopted sweeping economic reforms. Eastern European nations are seeking higher standards of living through free-market techniques. Although Polish Solidarity has been momentarily suppressed we know the hunger of the Polish people for freedom can never be completely stilled.

So, even in the communist world, we see the great longing for personal freedom and democratic self-rule, the rising realization that economic progress is directly tied to the operation of a free market, ~~surfacing again and again.~~ In one sense Karl Marx was right when he predicted: the demand for

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economic well-being would bring the masses into conflict with the old political order. Only he was wrong about where this conflict would occur. It is the democracies that are vibrant and growing -- bringing to their people higher standards of living even as freedom grows while the communist world has economies that stagnate, technology that lags and people who are restless and unhappy with their lives.

In the Soviet Union too, economic difficulties have led to reappraisal and reexamination. Mr. Gorbachev himself has spoken to this issue and I intend to engage him further on this matter when we meet. Without being overly optimistic we should recognize that it has happened before in history: a small ruling elite -- when it meets firm resistance to foreign adventurism -- begins to ponder how to lend more legitimacy to itself by allowing people a greater voice in their own destiny.

Now, don't get me wrong; I hardly think we've reached this situation, not by a long shot. But, there is an historic trend toward more openness and democracy in the world and even in communist countries the momentum is building. What's the driving force^{are some of} behind it? ?

To begin with, the health and vigor of the American economy -- with 9 million new jobs -- has led to a reinvigoration of the world economy, and a new appreciation for the pragmatics of freedom.)

Second, the restoration of America's military might has brought a new appreciation by the rest of the world for American power, confidence and resolve.

Third, this item I am about to discuss is actually related to our defense buildup but because I believe it is so vital to the peace process I wanted to treat it separately. As most of you know, the United States and the Soviet Union have for many years used massive nuclear arsenals to hold each other hostage in a kind of mutual nuclear terror -- one side threatening massive retaliation against the other. This has been known as mutual assured destruction; M-A-D or MAD as the arms control experts call it. I think you will agree there has never been a more apt acronym. As most of you know, the United States is now embarked on research and development of a new strategic defense system -- an intricate but workable series of non-nuclear defenses that could provide a survival shield in outer space against incoming nuclear missiles.

Now we have embarked on this program for a single reason: to end the madness of M.A.D., the insanity of mutual nuclear terror. Think what the advent of this new space shield -- a defensive system that would kill weapons not people -- could mean to our lives and the lives of our children. For the first time the great dread of the postwar period would be lifted because we would have some means as a people to protect ourselves from a nuclear attack launched either by design or by mistake.

Fourth, we ~~must~~^{have} continued with a foreign policy that offers a wide range of peace initiatives even as it speaks out vigorously for freedom. Yes, we have been candid about the difference between the Soviets and ourselves and we have been willing to use our military power when our vital interests were threatened. And

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I think we can be pleased with the results: for the first time in many years not a single square inch of real estate has been lost to communist aggression, in fact, Grenada has been rescued from such a fate and in at least four other countries freedom fighters are now opposing the rule of totalitarian leaders. But in addition to these firm foreign policy steps, we have also set in motion a wide series of diplomatic initiatives, perhaps the greatest number of such proposals in our history. They cover a range of areas: strategic nuclear weapons, intermediate nuclear weapons, chemical weapons, mutual troop reductions in Europe. The list goes on.

It is in this last area, the business of negotiation between the Soviet Union and the United States that this Geneva meeting takes on special importance. Too often in the past, the whole burden of Soviet and American relations has rested on one or two arms talks or even arms proposals. But while arms control is essential it can not be the only area of discussion, if this summit is to move the peace process substantially forward.

After careful consultation with our allies, Secretary Shultz flew to Moscow last week and established with the Soviets a four-fold agenda. So, we will be discussing in Geneva arms control, but also human rights; bilateral matters such as trade, scientific and cultural exchanges, but also regional conflicts such as those in Afghanistan, Angola, Cambodia, Ethiopia and Nicaragua.

I think this will be a breakthrough. And I am determined to continue in this direction in Geneva by offering the Soviets a

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series of proposals that make up in their entirety a unique and even revolutionary approach. They are proposals for a more "Open World" that will invite the Soviet Union to participate more fully in the effort to reduce secrecy and distrust between nations.

First, in my United Nations speech of last year I mentioned a proposal for a series of "Umbrella talks" between the Soviets and ourselves. I will once again offer this proposal, suggesting not only regular summit meetings of the two heads of government but meetings at the cabinet and ministerial levels as well.

Second, in the area of arms control, I intend to discuss our proposal for equitable and verifiable cuts of 50 percent in each side's strategic nuclear weapons and I intend to formally take up the issue of our strategic defense initiative. But rather than bargaining away this essential system or spending our time in Geneva bickering over who is building what and which side is destabilizing the other; I will discuss extending to the Soviets an invitation to share in the fruits of our research for deployment of this space shield.

Third, I will be proposing a wide series of people-to-people exchanges. Unlike the exchanges of the past, however, which were limited to a tiny number on both sides, I will be suggesting to Mr. Gorbachev that we exchange on a yearly basis thousands of our citizens from different community, fraternal and cultural groups; students, religious organizations and so forth.

These people-to-people exchanges can do much to bring the people of both our nations together. In this area we are going

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to suggest for example the exchange of at least 5,000 undergraduates each year for two semesters of study, and youth exchange involving at least 5,000 secondary school age youngsters who would live with a host family and attend schools or summer camps. We also look to increase scholarship programs, to improve language studies, to develop and expand sister city relationships, to establish cultural centers and libraries and to increase bi-national athletic exchanges and sporting competitions.

In the areas of science, space and technology we would also seek to inaugurate more joint space flights and establish joint medical research projects and institutes in each of our countries. In the communications area, we would like to see more extensive contact including more appearances by representatives of both our countries in the other's mass media. I've noted that Mr. Gorbachev has shown a lively appreciation for America's free press tradition; I can assure you I will be preaching the virtue of Soviet movement in this direction and will ask again, as I did several years ago in a speech to the British Parliament, for an opportunity to address the Soviet people.

Now I do not think these proposals by themselves will end our differences; but I do believe people-to-people contact can build constituencies for peace and freedom in both our nations.

To summarize then; I will be going to Geneva for peace and for freedom; without illusions; to put forward a whole series of "Open World" proposals that can lead to less distrust in the international climate.

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The conversations Mr. Gorbachev and I will have together can help alleviate whatever suspicions and misunderstandings now exist between our two sides. You can be sure the Soviet Union knows the United States is not an aggressor and will never strike first against a foreign adversary. As Prime Minister Mulroney of Canada put it recently when he was told the United States was an imperialist Nation -- and I'm using the Prime Minister's words -- "What the hell do you mean 'imperialist nation?'. We have a 4,000 mile border with them and for 172 years there hasn't been a shot fired in anger."

? But A great danger in the past has been the failure by our adversaries to remember that while the American people love peace, we love freedom too and always stand ready to sacrifice for it. I want Mr. Gorbachev to know that the only way war can ever break out between our two countries is through this sort of miscalculation. By the way, my first meeting with Mr. Gorbachev will be on the anniversary of the Gettysburg address. You may be certain, he will be reminded that the American people are as determined as ever that "government by the people for the people and of the people shall not perish from the earth."

In conclusion,

My fellow Americans, I ~~hope you will permit me to say~~ ^{wanted to note} tonight that while this summit conference marks the culmination of much of our effort in the foreign policy area it is also, in another way, a milestone in a personal journey. That quotation from James Madison I mentioned earlier was from a speech that marked my entry into political life, more than two decades ago.

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It was a time when many of us anticipated the troubles and difficulties of the years ahead and wondered if America would meet that challenge. She has, of course; and, as I said during the campaign last year, this is not the work of any one man or party. The accomplishment is yours; the credit belongs to you, the American people.

Both Nancy and I are proud and grateful for the chance you have given us to serve this Nation and the trust you have placed in us. And I think you can understand why on the eve of our departure for Geneva my thoughts turn not only to you but to her as well: not just for all the support and love she has given me over the years but also because I know how deep the hope of peace is in her heart, as it is in the heart of every American mother.

Recently, Nancy and I saw together a moving new film, the story of Eleni, a woman caught in the Greek civil war at the end of World War II, a mother who because she smuggled her children out to safety in America was tried, tortured and shot by the Greek communists.

It is also the story of her son, Nicholas Gage, who grew up to become an investigative reporter with the New York Times and who secretly vowed to return to Greece someday to take vengeance on the man who had sent his mother to her death. But at the dramatic end of the story, Nick Gage finds he cannot extract the vengeance he has promised himself. To do so, Mr. Gage writes, would have relieved the pain that had filled him for so many years but it would also have broken the one bridge still connecting him to his mother and the part of him most like her.

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As he tells it: "her final cry, before the bullets of the firing squad tore into her, was not a curse on her killers but an invocation of what she died for, a declaration of love: 'my children.'"

How that cry has echoed down through the centuries, a cry for the children of the world, for peace, for love of fellowman.

Here then is what Geneva is really about; the hope of heeding such words, spoken so often in so many different places -- in a desert journey to a promised land, by a carpenter beside the Sea of Galilee -- words calling all men to be brothers and all nations to be one.

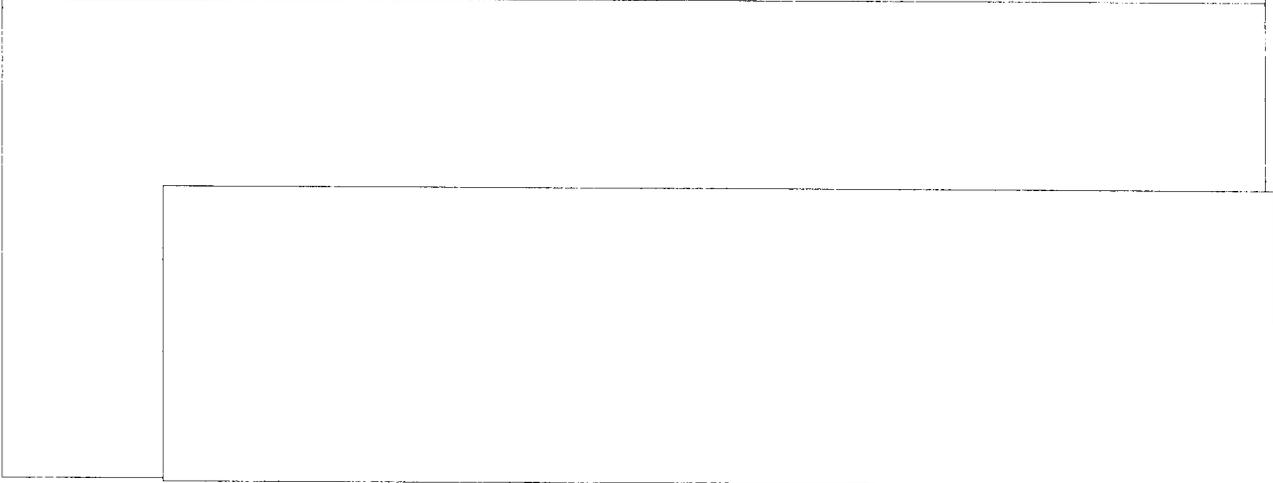
Here is the central truth of our time, of any time; a truth to which I have tried to bear witness in this office. When I first accepted the nomination of my party for the presidency I asked the American people to join with me in prayer for our Nation and for the world. I want to remind you again that in the simple prayers of people like yourselves there is far more power than in the hands of all the great statesmen or armies of the world.

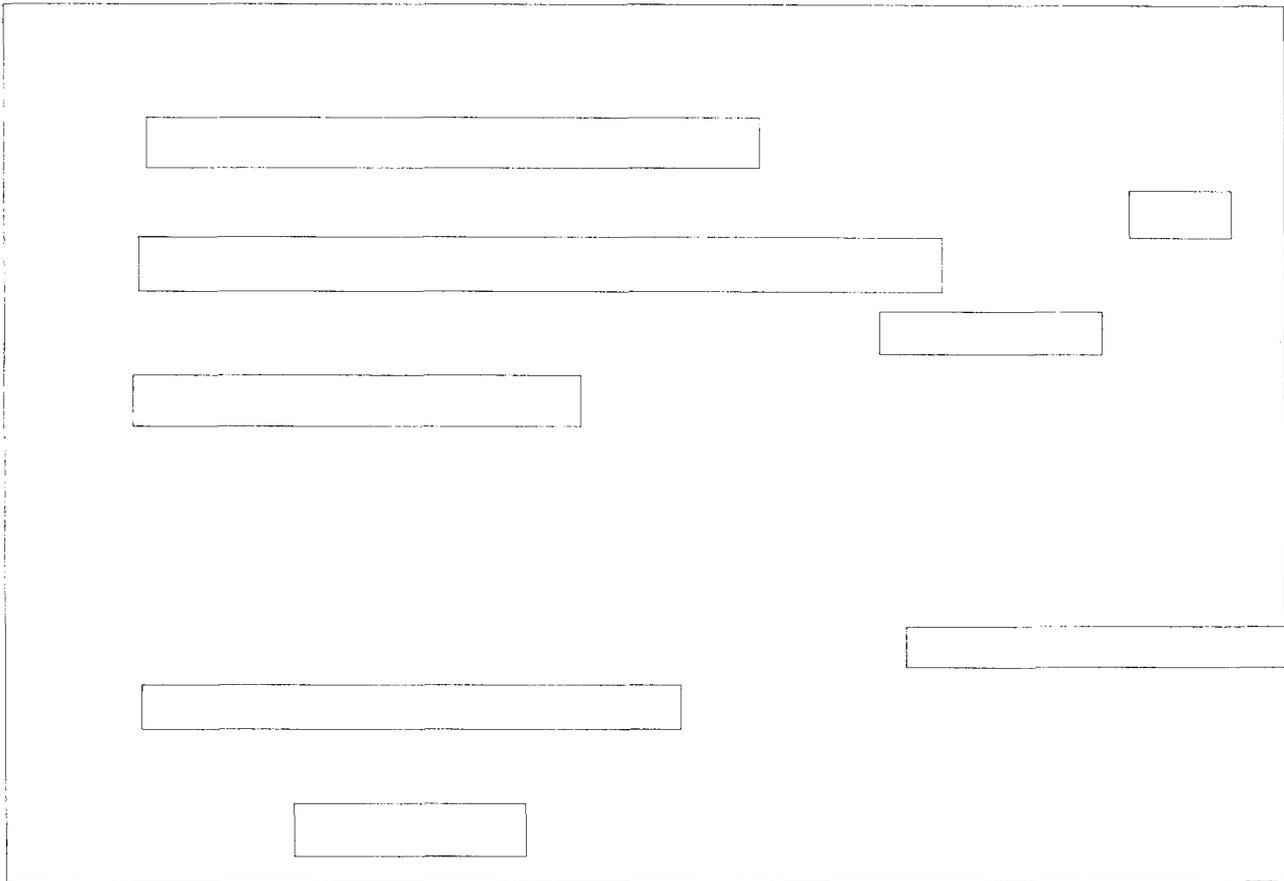
And so, as Thanksgiving approaches, I want to ask each of you to join me again in thanking God for all his blessings to this Nation and ask him to help and guide us as we meet next week in Geneva. ^{together so} Let us work and pray ~~that~~ the cause of peace and freedom will be served and all of humanity ennobled.

God bless you and good night.

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On unmotivated workforce:

A 1983 USSR Academy of Sciences study acknowledged that the "common qualities" of the worker produced by the Soviet system were "low labor and production discipline, an indifferent attitude toward work, low quality of work, social inertia, a well-pronounced consumer mentality, and a low code of morality." [redacted]

[redacted]

Contributing to this problem is the housing situation:

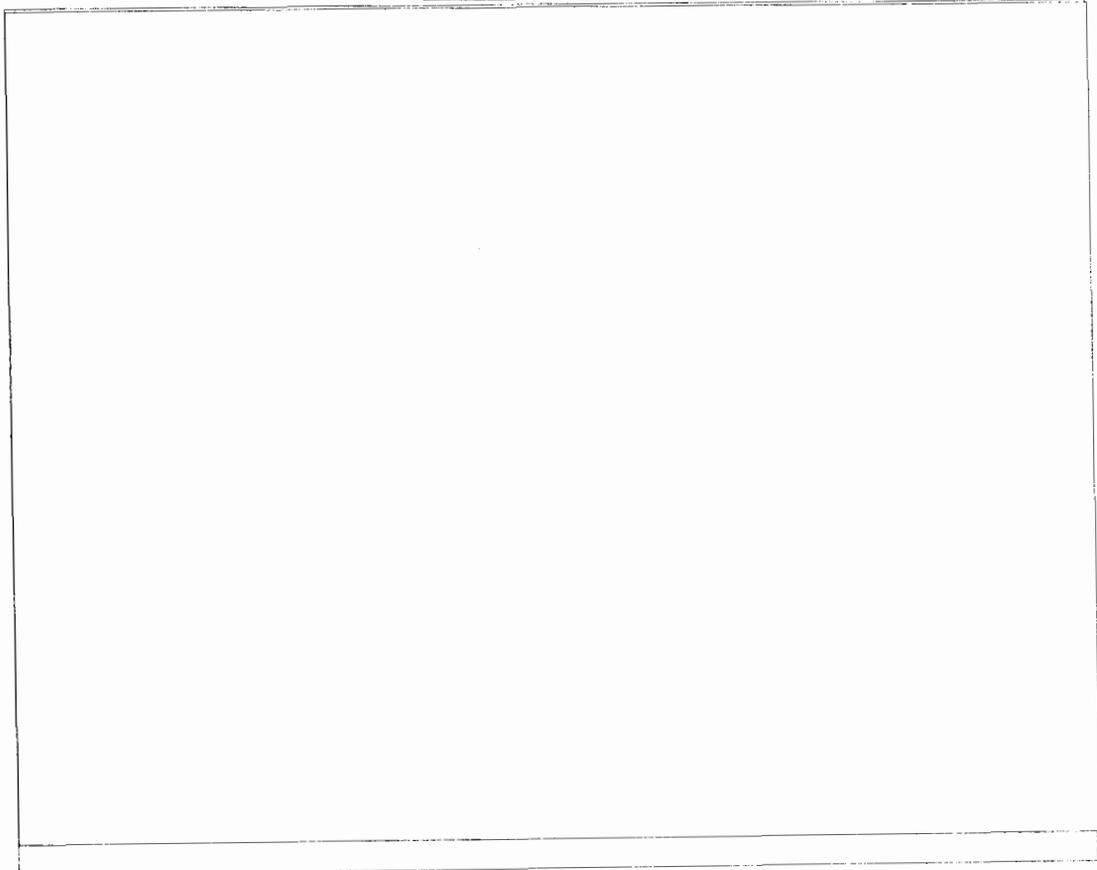
In some Soviet republics the housing space per person is still below the minimum standard for "health and decency" that the Soviets set back in the 1920s. [redacted]

The daily rat race and shopper's gauntlet take their toll on the workforce:

A Soviet newspaper in February 1985 reported that Soviet citizens spend 65 billion manhours shopping each year or the equivalent of full-time employment of 35 million people. Moreover, 80 percent of that time is spent shopping for food. [redacted]

On moribund Political leadership:

USIA interviewing indicates most Soviet elites during Brezhnev's final years saw the top leadership as dominated by a geriatric group out of touch with reality and lacking any long-range vision or strategy for dealing with the accumulated problems.

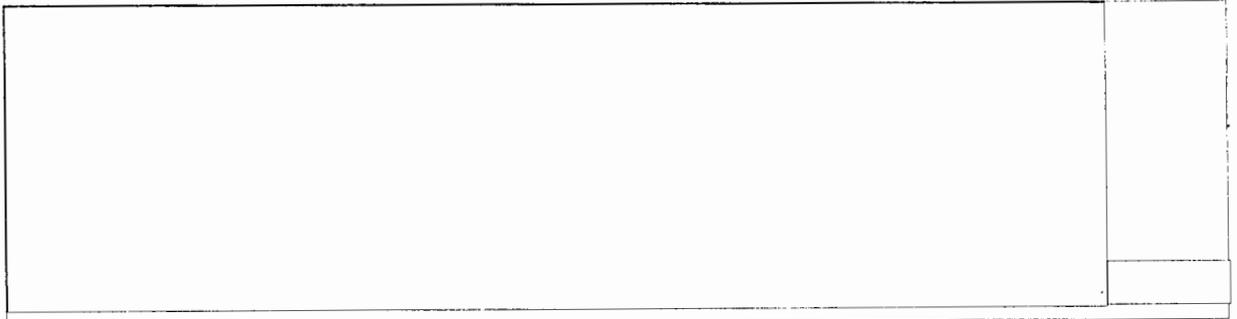


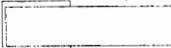
Social pathologies:

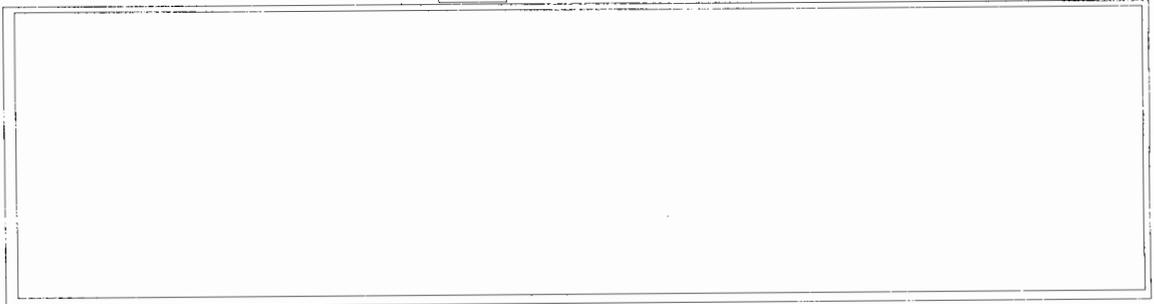
On corruption:



Andropov told the June 1983 Central Committee plenum that corruption is doing "no less than undermining the very essence of our system."  



 commenting on the state of corruption in Soviet society, observed that "life in a socialist state without connections is the same as life in a capitalist state without money." 



On youth alienation:



Politburo member and Foreign Minister Shevardnadze has openly acknowledged, "It is an open secret that there has occurred among the youth a certain reappraisal of our convictions and our values: the soul and consciousness of our youth have been seriously undermined. 

On dissenting attitudes:

[REDACTED]

[REDACTED] in the wake of Poland the KGB was preoccupied with the political reliability, consciousness, and orientation of the Soviet industrial working class and the new generation of youth. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]