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Director of Central Intelligence

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# Proposed CPSU Politburo Lineup ·

Ex officio members	Age	Current Responsibilities
Mikhail Gorbachev b	59	CPSU General Secretary, USSR President
Vladimir Ivashko b	58	CPSU Deputy General Secretary
Mykolas Burokevicius	63	First secretary, Lithuanian Communist Party
Givi Gumbaridze	45	First secretary, Georgian CP
Stanislav Gurenko	54	First secretary, Ukrainian CP
Islam Karimov	52	First secretary, Uzbek CP; president, Uzbek SSR
Petr Luchinskiy	50	First secretary, Moldavian CP
Kakhar Makhkamov	58	First secretary, Tajik CP; chairman, Tajik SSR Supreme Soviet
Absamat Masaliyev	57	First secretary, Kirghiz CP; chairman, Kirghiz SSR Supreme Soviet
Vladimir Movsisyan	56	First secretary, Armenian CP
Ayaz Mutalibov	52	First secretary, Azeri CP; president, Azerbaijan SSR
Nursultan Nazarbayev	50	First secretary, Kazakhstan CP; president, Kazakh SSR
Saparmurad Niyazov	50	First secretary, Turkmen CP; chairman, Turkmen SSR Supreme Soviet
Ivan Polozkov	55	First secretary, Russian CP
Alfred Rubiks	55	First secretary, Latvian CP
Enn-Arno Sillari	46	First secretary, Estonian CP
Efrem Sokolov	64	First secretary, Belorussian CP
Nominees :		
Aleksandr Dzasokhov	56	Chairman, International Affairs Committee, USSR Supreme Soviet
Ivan Frolov	60	Party secretary; editor, Pravda
Yuriy Prokof yev	51	First secretary, Moscow city party committee
Galina Semenova	53	Editor, Krestianka
Yegor Stroyev	53	Party secretary for agriculture
Gennadiy Yanayev	52	Chairman, All-Union Council of Trade Unions

<sup>-</sup> Reflects decisions of CPSU Central Committee plenum on 13 July 1990.

b Member of Politburo before this reorganization.

voting to be announced 14 July 1990.

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USSR:

Party Congress Ends

The conclusion of the 28th CPSU Congress yesterday saw sweeping changes in the party's leadership that disenfranchise the central party and state apparatus and shift power in the Politburo and Central Committee to regional party leaders. The effects of this historic overhaul of party decisionmaking are far from clear.

### New Central Committee

The congress elected a new 412-member Central Committee by secret ballot from a list of nominees selected by regional delegations to the congress rather than from a predetermined list imposed by the party leadership, as in the past. When the initial results were read, Gorbachev fought successfully to overturn the decision of the congress to drop candidates who had received the most negative votes. Those candidates included several prominent reformers and Gorbachev allies such as Presidential Council member Shatalin and Deputy Premier Abalkin. Defense Minister Yazov also received a significant negative vote. Six former Politburo members—Ligachev, Vorotnikov, Zavkov, Yakovley, Slvun'kov, and Medvedey—were not nominated.

Comment: The election of many new members unknown in the West makes the new Central Committee hard to predict. The body will have less representation from the central apparatus and key institutions, such as the military, but a larger number of local and regional party officials. The regional basis of its selection plus the large number of negative votes received by both reformers and some traditionalists indicate a significant polarization that Gorbachev will have a difficult time controlling.

#### New Politburo

After the congress adjourned, Gorbachev announced that the Central Committee would complete its work of selecting a new leadership in several hours, but TASS later announced that the plenum would continue today. According to a press report, two members of the Central Committee say the proposed Politburo membership includes Gorbachev, Deputy General Secretary Ivashko, the 15 republic first secretaries, Moscow party boss Prokofyev, trade union chief Yanayev, Central Committee secretaries Stroyev and Frolov, head of the Supreme Soviet International Affairs Commission Dzasokhov, and editor Galina Semenova.

Comment: The extension of the plenum beyond what Gorbachev had planned suggests the Politburo list is contentious and could still undergo significant changes. If the proposed list holds up, the

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# The Proposed New Politburo

The 15 republic bosses added to the Politburo are products of their constituent republics and hold widely varying views. Several, especially Petr Luchinskiy of Moldavia and Givi Gumbaridze of Georgia, have supported much of the agendas pushed by nationalists in their republics. Others, such as Nursultan Nazarhayev of Kazakhstan, support greater economic autonomy for their regions but want to avoid confrontation with the center. The majority, however, have little sympathy for most nationalist demands. The six remaining new members include:

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- Pravda editor Ivan Frolov, a radical reformer and former Gorbachev aide, is the first journalist to serve concurrently as a party secretary.
- Yegor Stroyev, a proponent of radical agricultural reform, is likely to replace Yegor Ligachev as the country's top agriculturalist.
- Moderate Gennadiy Yanayev, head of the troubled Soviet trade union apparatus.
- Yuriy Prokof'yev, a moderate who currently serves as Moscow city party boss.
- Aleksandr Dzasokhov, another moderate who is chairman of the Supreme Soviet International Affairs Committee.
- Galina Semenova, a reformist editor.

The average age of members of the new Politburo is 54.

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Politburo members who are not regional party bosses should be strong Gorbachev supporters and much less traditionalist than the Central Committee as a whole. But the Politburo's more numerous regional leaders may, together with the body's increased size, make it difficult for the Politburo to reach a consensus on critical issues.

The new Politburo, in any event, will mark a historic shift in control of the party from the central leadership to the periphery. In addition, with the exception of Gorbachev, there evidently will be a clear separation between the party and state leadership, ending the presence in the party leadership of key state leaders like the premier, the KGB chief, and the foreign and defense ministers.

Gorbachev Looks to 1992 for More Change Gorbachev closed the congress by asserting that "the party is alive and will continue making historical contributions to Soviet "ociety and world civilization." He warned, however, that it will be washed up if it does not reform itself. Earlier in the day, Gorbachev announced plans to convene a party conference, or another full-fledged party congress, in 1992 to adopt a new program. The congress elected a 127-member commission of party heavyweights—including Politburo members, secretaries, and republic party bosses—to draft the program in the next six months, using as a basis the "program statement" approved by this congress.

Comment: The decision to defer final adoption of the party program and to convene another major party meeting in less than two years will give Gorbachev another opportunity to reshape the party leadership. As head of the new commission, which includes many allies, Gorbachev will be in position to influence strongly the direction of the new program. He almost certainly will pay close attention to the next delegate selection process to ensure tighter control of the conclave. By calling another major party meeting with powers to make personnel changes, Gorbachev also puts his tenure as General Secretary at risk, although by 1992 he may have already decided to focus full time on the presidency.

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# EC Preparing for German Unification

The EC Commission is accelerating preparations for integrating East Germany into the Community. Although agriculture and antitrust policies are causing problems, an EC-East German customs union is nearly complete to smooth trade relations when formal unification comes. The Commission has scheduled a meeting for late next month to consider the technical implications of unification.

Bonn and the Commission may lock horns over conditions governing the access of East German farm products to the EC market and over the size of increases in the EC grain and dairy production quotas necessitated by their addition. The Germans may push for higher quotas than the Commission would prefer. The EC probably will require cuts in meat and dairy production. East Germany will reduce milk production through herd slaughter and hopes to export surplus beef to the USSR Concern is growing in the Commission that takeovers of their East German counterparts by West German companies may violate EC antitrust laws. EC Competition Commissioner Britan wants a greater role for the Commission in vetting future deals.

The EC agrees that East Germany can fulfill its trading commitments to the USSR and other CEMA members until most expire at yearend, but the Germans must work out arrangements to move future trade to a market basis. East Germany will be eligible for EC regional aid after formal unification, but poorer member states will argue against major grants to keep their grip on the bulk of such aid.

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#### EAST GERMANY:

**Littery Over Economic Protests** 

Warning strikes and farmer protests over the initial effects of German economic and monetary union are making East Berlin nervous that unrest might dampen private investment critical to East German recovery; Bonn's support for rapid market reforms there remains unshaken.

Sporadic protest strikes for wage hikes and job security resumed after more than 120,000 metal and electrical workers walked out last week. Unemployment rose sharply to 1.6 percent last month, and East German workers reportedly fear sudden exposure to West German competition may push unemployment above 20 percent later this year. Several reports claim West German labor unions are exploiting the unrest to expand their influence in the East. East German Economics Minister Pohl recently warned the country's unions that the survival of East German firms depends on keeping wage demands in line with productivity.

Farmers protested in Leipzig and elsewhere this week what they say is a takeover of the domestic food market by West Germans and arc demanding more curbs on imported food. Finance Minister Romberg said in a recent interview that much of the consumer goods industry will collapse if Western goods continue to displace East German output.

Meanwhile, Bonn and East Berlin agreed to limit to \$3 billion liquidity loans to some 5,000 East German enterprises requesting aid to meet payrolls this month—less than a third of what the enterprises claim to need. Officials in Bonn have expressed satisfaction that the initial currency conversions appear to be going smoothly.

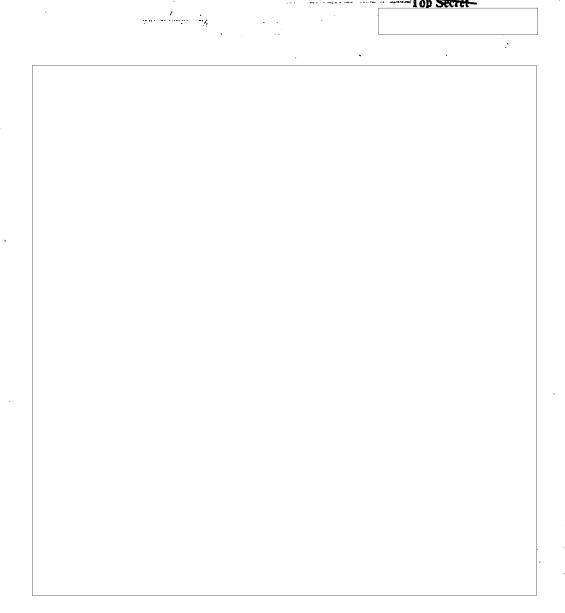
Comment: Both governments expected significant economic dislocation and some unrest as East Germany converts to a market economy and interest groups organize for all-German politics and exercise newly won rights. Some East German officials are increasingly nervous, however, that demagogic appeals of opposition parties and unions for protection from market forces will reduce the public's willingness to endure difficulties during the transition, fuel more strikes and emigration to West Germany, and scare off badly needed private investment. Nevertheless, the limits on loans to East German enterprises indicate that Bonn is not overly concerned about the course of monetary union and that Chancellor Kohl believes voters will see improved economic conditions by the time of the elections in December.

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# **INDIA:** Government Teetering

The resignations yesterday of three cabinet ministers could bring about the collapse of Prime Minister Singh's government, and press reports today have him offering to step down. The Ministers of Commerce, Energy, and Tourism resigned over the reinstitution of Deputy Prime Minister Lal's son as Chief Minister in Haryana state. Two of the ministers—Arum Nehru and Arif Mohammad Khan—were architects of Singh's Janata Dal party.

Comment: Singh's government is increasingly factionalized, but he has previously withdrawn offers to quit his post. The resignations probably were meant to warn him he must stop accommodating Lal, who the ministers believe is threatening their political strength in the party. The ministers probably will return to the cabinet if Singh privately agrees to limit Lal's influence. Concessions by Singh, however, might anger Lal, who has threatened to resign from the cabinet; his resignation probably would bring down the government.



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	In Brief
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	— Some 20,000 Romanians marched in Bucharest yesterday demanding release of student leader detained in crackdown last month government calls lack of incidents positive, probably hopes allowing protest will improve its image.
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	- Lithuania to set up centers to register those refusing to serve in Soviet military probably would do repub! c-legislated alternative service or join volunteer militia cover for those resisting Soviet draft.
	— City of Moscow petitioning Soviet Defense Ministry to assign son a 3,000 local conscripts annually to its police force de factor alternative service if implemented, will spur other officials, activists to press for same.
ast Asia	— Japan's Deputy Foreign Minister visiting China Monday to brief on Houston summit, announce release of \$5.4 billion aid package technical aid talks planned later this month first aid probably to be disbursed by early fall.
	- Chaos in South Korean parliament today as ruling party secured quick passage of four bills denounced by opposition as undemocratic several opposition lawmakers resigned yesterday increasing political strife likely.

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# Special Analysis

USSR:

Gorbachev's Hollow Victory at the Party Congress

All the details of shifts in leadership and policy are not yet in, but it appears that, while Gorbachev achieved most of his objectives at the party congress, his failure to hold the party together or to move it decisively toward democracy will jurther polarize the political situation in the USSR and hasten the decline of the CPSU.

Gorbachev rallied reformers and moderates to his program in the name of unity and decisively defeated the party's Neanderthal wing. Although traditionalists dominated the first week, Gorbachev turned the tide on Wednesday when his handpicked candidate, Vladimir Ivashko, decisively bent Yegor Ligachev for the position of Deputy General Secretary and sent the chief spokesman for party hardliners back to Tomsk to write his memoirs.

The party's program statement probably does not go as far as Gorbachev wants, but it apparently will help democratize the CPSU's internal practices. Gorbachev also engineered the selection of a new Central Committee on a regional basis and a restructured Politburo similarly chosen on a federal basis.

Although Gorbachev got his way on most issues, he was not able to achieve his key objective of preventing a split with the party's democratic reform wing. His concessions to them in revising the party's program and rules—most notably to accommodate their demand for curbing the party's influence in the military—did not satisfy their insistence on ending democratic centralism and on allowing factions in the party.

The rejection of the party by Boris Yel'tsin and the democratically elected mayors of Moscow and Leningrad undermines the value of Gorbachev's symbolic victories over the hardliners. As a result, his successes in moving the congress in a reformist direction are unlikely to reverse the growing isolation of the CPSU and the polarization of political power between the discredited party and the democratically elected state institutions, where democratic reformers increasingly prevail.

Polarization could be accentuated if the new, invigorated party leadership tries to reassert its role in shaping policy at the center or implementing it at the local levels. The Secretariat will be headed by Deputy General Secretary Ivashko and may become a center of power as it runs the party on a day-to-day basis. The danger will grow if Ivashko and Gorbachev, who have differed in the past on economic reform, drift apart and Ivashko—working there full-time—uses the Secretariat to build an independent political base.

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With the party in decline, Gorbachev will face growing incentives to distance himself from it and to try to use the presidency to avoid becoming irrelevant. By retaining the leadership of the party, he has prevented it from being used against him, but it will be of declining use to him as a political base in the increasingly democratic environment. The decisions of close allies Aleksandr Yakovlev and Eduard Shevardnadze to abandon the party leadership in favor of the Presidential Council are one early sign that Gorbachev may veer in this direction.

# Next Steps

Gorbachev's tactical success at the congress has maintained his mastery over the party, but the disputes at the meeting were often irrelevant to what is happening in the country. As popularly elected soviets (councils) become increasingly powerful, they are likely to threaten party power and privileges more aggressively and to press Gorbachev to make good on his commitment to transfer real political power to the state institutions. These clashes are likely to make Gorbachev's retention of both the presidency and the post of the party General Secretary increasingly untenable.

Now that the congress is over, Gorbachev will need to return to addressing the country's growing political and economic crises. The divisions in the country will make solutions dependent on an attempt to form a coalition with Yel'tsin and other independent democratic forces. Gorbachev indicated his willingness to consider a coalition in his closing remarks, but it is not clear how far he is willing to go. The steps he could take now to free himself from the party and to build such a coalition include:

- Using his presidency to side more decisively with the new state institutions by helping them strip the CPSU of its powers and its financial and media organizations.
- Moving toward conciliation with Yel'tsin and other democratic reformers by working out joint approaches to economic reform, renewal of the union, and other issues.
- Establishing a government of national unity that includes genuine leaders of key constituencies.

If Gorbachev fails to move in this direction and continues to temporize, be it from personal convictions or tactical considerations, he will be increasingly irrelevant, and the country's travails are likely to get worse.

# Soviets Lay Groundwork for a United Germany in NATO

Gorbachev and Shevardnadze defended their German policy against sharp criticism at the party congress, and both have praised the London declaration in terms that set the stage for accepting a united Germany in NATO. Other Soviet officials and commentators have argued that NATO membership for a united Germany would pose no threat to the USSR's security.

Gorbachev lauded the London declaration as a "significant step in the right direction" and vowed to keep his current foreign policy on track.

— Gorbachev: "I completely reject attempts to bring our policies into doubt as being fully unacceptable. . . . [Our economic difficulty] is not a reason for not seeing and for closing one's eyes to what the foreign policy is and what it has given the country as a whole."

Shevardnadze noted that Moscow regards the London declaration as "a serious and important political act."

— Shevardnadze: "The army of the future 'greater Germany' will be smaller than today's West German army. What is best for us? To deal with the 500,000-strong Bundeswehr or, say, an army half that size in a united Germany?"

Soviet media commentators have called for acceptance of German membership in NATO and provided Gorbachev with arguments that he is protecting Soviet security interests in Europe.

- Aleksandr Bovin on Moscow radio: "To begin with, the prospect is absolutely certain. Germany will be a member of NATO, and attempts to prevent it are illusory.... We should calmly accept the inevitable future.... I am convinced that our security will suffer no harm from it."
- —And in Izvestiya: "Soviet strategic potential possesses such a safety margin that 'transferring' East Germany from one bloc to another will not have an appreciable effect on the level of USSR security."
- Gladkov in Moscow News: "We may insist that we reject a united Germany as a member of NATO, but the reality is such that this is going to happen willy-nilly.... Any talk about NATO being a threat to the Soviet Union can't be serious: there are no reasons—economical, political, or ideological—for it."

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# Special Analysis

### USSR-WEST CERMANY:

#### Kohl Heads to Moscow

Gorbachev may hint at readiness to accommodate German membership in NATO during his talks with Chancellor Kohl tomorrow and Monday, but he will try to exploit Kohl's desire for a fall agreement to gain further commitments from NATO and more German economic aid. Bonn is confident the NATO issue will be resolved by fall, but Kohl intends to go forward with an all-German vate in December even if the external aspects of unity remain unresolved.

Kohl's visit starting today follows Moscow's favorable reception of the NATO summit declaration, which the Soviets had said would be crucial for their position on Germany in NATO. Moreover, Moscow has already secured agreements in principle on keeping Soviet troops in eastern Germany for a period after unification, on German recognition of postwar borders, and on devising a new security system for Europe based on CSCE. Gorbachev and his supporters probably believe an agreed package of security and economic provisions is within reach that would let them present a settlement leaving Germany in NATO as adequately guarding the USSR's security and in its interests.

### Moving Toward a Deal

The Soviets regard ceilings on German national forces as key to an agreement and will expect Kohl to build on Bonn's recently reported willingness to set manpower limits at the negotiations on conventional forces in Europe (CFE). Moscow will press for a ceiling between the 390,000 Bonn has floated and the 250,000 Foreign Minister Shevardnadze recently proposed; Bonn may go as low as 350,000. Kohl might endorse Soviet proposals for a joint declaration by the alliances on their changing relations.

Security provisions are paramount for the Soviets, although Gorbachev views economic benefits as essential to defending an agreement against his increasingly vocal critics at home. He will angle for assistance in addition to the credits and financing of Soviet forces offered so far. Bonn is trying to meet Soviet concerns by proposing to increase energy imports from the USSR. Further private West German credits are in the works, and Kohl will hold out—and probably exaggerate—the prospects for economic cooperation after unification.

Moscow has called for the external aspects of unification to be resolved by September, indicating it recognizes that the momentum of the process has made stalling useless and possibly

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counterproductive. Over the next few months, Gorbachev will intensify efforts to strike the best deal possible and to build domestic acceptance of a settlement. Statements by Gorbachev and Shevardnadze at the party congress and recent media commentary suggest Moscow has already begun to prepare the public for acceptance of Germany in NATO.

# If Moscow Hangs Tough

Although prospects for a two-plus-four agreement are improving, Soviet domestic politics or the USSR's insistence on continued Four-Power rights in Germany for a transitional period might complicate a settlement. Bonn will face painful choices if Moscow has not moved on outstanding security issues by fall. Kohl's unification timetable envisions a two-plus-four agreement by October, a CSCE "blessing" of German unity in November, and all-German elections in early December.

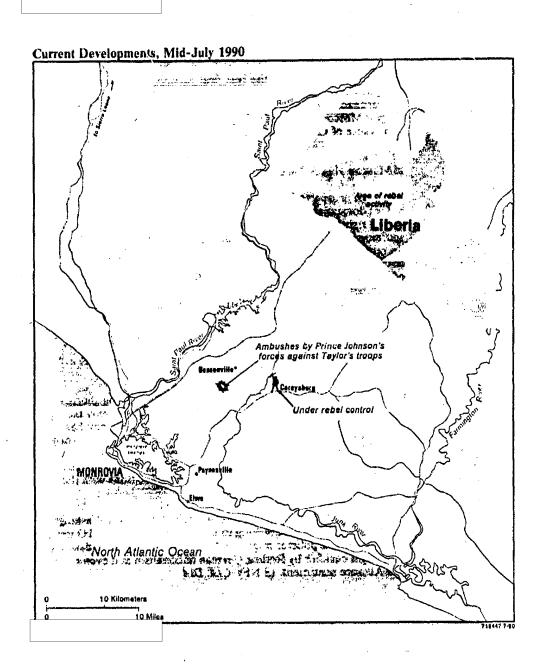
Kohl has rejected Soviet proposals to delink external and internal aspects of unification because they would maintain Four-Power rights over a united Germany. He might reluctantly accept this course, however, to permit the all-German vote, which he expects to win.

The West Germans probably will press for early talks on short-range nuclear forces and may assure Moscow they will not deploy tactical air-to-surface missiles even if pressed by Washington. Bonn has virtually no incentive to leave NATO's military command. Strong majorities of voters and elites favor German membership in NATO,

West German leaders realize

hints of leaving NATO would cause a crisis in relations with the US and the European Allies.

Bonn's position probably would soften only if it thought Washington,—Paris, and London were willing to compromise on the NATO issue. Hardline Soviet policies might lead Bonn to seek accommodation but also might backfire by feeding German nationalism and even stronger pro-Alliance sentiment.



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# Special Analysis

#### LIBERIA:

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### Rebels Still Showing Caution

The insurgents are likely to continue their strategy of advancing slowly and may spend another week or more trying to wear down Doe's army before attacking the center of Monrovia.

The rebels have made significant headway since they took Careysburg several weeks ago. They have moved within 16 kilometers of the capital, cut two of three entrances to the city, blockaded the port, and engaged the army on several fronts.

Insurgent leader Taylor probably would like to make good his boast that he would begin taking Monrovia this weekend, but he has told reporters the rebels are finding the going tougher as they approach the capital. Command and logistic problems probably will force the rebels to spend time regrouping before trying to move forward. When they resume their advance, heavy fighting is likely in Paynesville, Elwa, and other areas where the army probably will continue offering resistance.

In addition to battle fatigue and logistic problems, the insurgents have accountered ambushes near Bensonville on the outskirts of the capital by forces of rival rebel leader Prince Johnson. Taylor apparently decided to face Johnson's soldiers—probably numbering between 200 and 500—before attacking President Doe's army again. Reports of food and ammunition shortages among Taylor's troops suggest he may need more time to get supplies to the front lines.

Monrovia probably will yet become a battleground: neither side seems prepared to compromise in the peace talks in Sierra Leone. The rebels insist they will not negotiate a cease-fire until Doe resigns. Doe has some 1,600 fairly reliable troops in Monrovia and appears determined to fight to the end; he has said he would destroy the capital rather than let Taylor take over. Remaining loyalist units, especially at Doe's Executive Mansion, are showing no sign of breaking ranks despite the flight of some senior commanders.

Poor tactical communications and indiscipline among new recruits will impair the rebel leadership's ability to control operations as the insurgents enter the capital, particularly if they have to fight their way to the Executive Mansion. Rebels probably will engage in atrocities against Doe's fellow Krahns and their Mandingo allies as well as random killing and looting.