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REPORT

drawn up on behalf of the Political Affairs Committee
 on political relations between the European Community and
 the Soviet Union

Rapporteur : Mr K. HÄNSCH

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Resolution adopted at the Sitting of 15 September 1988 annexed.

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- A Series: Reports - B series: Motions for Resolutions, Oral Questions, Written Declarations, etc. - C Series: Documents received from other Institutions (e.g. Consultations)*
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|-----|---|------|--|
| * | = Consultation procedure requiring a single reading | **II | = Cooperation procedure (second reading) which requires the votes of the majority of the Members of Parliament |
| **I | = Cooperation procedure (first reading) | *** | = Parliamentary assent which requires the votes of the majority of the current Members of Parliament |

By letter of 8 May 1985, the Political Affairs Committee requested permission to submit a report on the political relations between the European Community and the Soviet Union.

By letter of 26 June 1985, the committee was authorised to submit a report on this issue.

At the sittings indicated below, the European Parliament referred to the Political Affairs Committee as the committee responsible, pursuant to Rule 63 of the Rules of Procedure, the following motions for resolutions:

- on 10 July 1985, the motion for a resolution tabled by Mr MATTINA on relations between the European Community and the Soviet Union (Doc. B 2-558/85) (also asked for an opinion: the Committee on External Economic Relations),
- on 11 November 1985, the motion for a resolution tabled by Mrs BOOT and others, on behalf of the Group of the European People's Party (Christian-Democratic Group), on the situation of the Jews in the Soviet Union (Doc. B 2-1041/85),
- on 13 January 1986, the motion for a resolution tabled by Mr PORDEA and others, on Romanian territories annexed by the Soviet Union (Doc. B 2-1198/85).

On 19 November 1985, the committee appointed Mr B. FRIEDRICH rapporteur.

On the latter's death, the committee appointed Mr HANSCH rapporteur on 4 November 1987.

The committee considered the draft report at its meetings of 26 November 1987, 26 January, 25 February, 24 March, 25 and 26 April and 25 May 1988. On 12 July 1988, it adopted the motion for a resolution as a whole unopposed with 8 abstentions.

The following took part in the vote: Mr Ercini, Chairman; Mr Planas and Sir Peter Vanneck, Vice-Chairmen; Mr Hansch, rapporteur; Mr van Aerssen (deputizing for Mr Penders), Mr Baillot (deputizing for Mr Piquet), Lord Bethell, Mr Beyer de Ryke (deputizing for Mr Gawronski), Mr Boesmans (deputizing for Mrs van den Heuvel), Mr De Gucht, Mr Delorozoy (deputizing for Mr Santana Lopez), Mr Ephremidis, Mr Estgen, Mr Falconer (deputizing for Mrs Charzat), Mr Ford, Mr Graziani (deputizing for Mr Galluzzi), Mr Habsburg, Mr Hindley (deputizing for Mr Zagari), Mr van der Lek, Mr McMahon (deputizing for Mr Glinne), Mr Maceratini, Mr D. Martin (deputizing for Mr Lomas), Mr Medeiros Ferreira (deputizing for Mr Amadei), Mr Mertens (deputizing for Mr Klepsch), Mr Miranda da Silva (deputizing for Mrs Trupia), Mr Nord (deputizing for Mr Bettiza), Mr Perez Royo, Mr Perinat Elio, Mr Pflimlin, Mr Pirkl (deputizing for Mr Blumenfeld), Mr Plaskovitis, Mr Pons Grau (deputizing for Mr Moran Lopez), Mr Prag (deputizing for Mr Fraga Iribarne), Mr Rothley (deputizing for Mr Newens), Mr Saby, Sir James Scott-Hopkins (deputizing for Lord Douro), Mr Seefeld, Mr Sierra Bardaji (deputizing for Mr Verde I Aldea), Mr Toksvig, Mr Topmann (deputizing for Mr Walter), Mr Tzounis, Mr von Uexküll, Mr Welsh and Mr Wohlfahrt.

The Committee on External Economic Relations decided not to deliver an opinion.

The report was tabled on 15 July 1988.

The deadline for tabling amendments to this report will appear on the draft agenda for the part-session at which it is to be considered.

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The Political Affairs Committee hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement:

A

MOTION FOR A RESOLUTION

on political relations between the European Community and the Soviet Union

The European Parliament,

- having regard to the following motions for resolutions:
 - motion for a resolution tabled by Mr MATTINA on relations between the European Community and the Soviet Union (Doc. B 2-558/85),
 - motion for a resolution tabled by Mrs BOOT and others on the situation of the Jews in the Soviet Union (Doc. B 2-1041/85),
 - motion for a resolution tabled by Mr PORDEA and others on Romanian territories annexed by the Soviet Union (Doc. B 2-1198/85),
 - having regard to its resolution on relations between the European Community and the countries of Central and Eastern Europe (OJ No. C 343, 31.12.1985, p.92),
 - having regard to its resolution on relations between the European Community and the Council for Mutual Economic Assistance (CMEA) and the Eastern European member states of the CMEA (OJ No. C 46, 23.2.1987, p. 71),
 - having regard to its resolutions on human and civil rights violations in the Soviet Union and, in particular, to its resolution on human rights in the world in 1985/86 and on Community human rights policy (OJ No. C 99, 13.4.1987, p. 157),
 - having regard to its resolution on the consequences for the European Community of the Conference on Security and Cooperation in Europe and the Conference on Confidence and Security-Building Measures and Disarmament in Europe (OJ No. C 190, 20.7.1987, p. 64),
 - having regard to its resolution on the implementation of the Helsinki Agreement and the role of the European Parliament in the CSCE process (OJ No. C 190, 20.7.1987, p. 67),
 - having regard to the report of its Political Affairs Committee (Doc. A2-155/88),
- A. aware of the major importance of the Soviet Union in the shaping of the future of Europe, because:
- as a European power (in part), events within that country may, despite its enormous size, also affect the Community directly, as the nuclear accident that occurred at Chernobyl in April 1986 demonstrated, since the effects of modern technology have made the world seem smaller,

- as a protagonist in European history, it made a decisive contribution to the destruction of national socialism and fascism in Europe in the Second World War, which the Nazi regime in Germany had forced on its European neighbours to the east and west, fighting alongside the Allies and making an enormous sacrifice in terms of human life and property, and as one of the four signatory states to the four-power agreement of 3 September 1971, it has rights and responsibilities in respect of Berlin and consequently also within the area in which the Community treaties apply, in Berlin (West),
 - as one of the centres of an ideology which is part of the political and cultural history of Europe, but which degenerated during the Stalin era into a regime of despotism and terror and is rejected in a free vote by an overwhelming majority of the nations of Europe and North America, it has contributed in its power politics to the division of Europe and is seen by the nations of the Community as a threat and a reason for adopting a defensive attitude,
 - as the leading power in the Warsaw pact, it denies its allies freedom and self-determination and continues to treat them according to the principle it laid down of 'limited sovereignty', whereby the limits of sovereignty are not determined freely but imposed by the Soviet Union,
 - as the ideological and military rival of Western Europe's ally, the United States of America, it is not only an adversary but also a negotiating partner and contracting party with the USA in the concept of global mutual nuclear deterrence, so that the success or failure of efforts to achieve disarmament and détente and to promote development in the world depends on its attitude,
 - as a power which had no scruples in claiming to incorporate formerly independent states, it continues to occupy Estonia, Latvia and Lithuania,
 - as a European superpower, it has influence and security interests on the European continent which exist independently of the social system in the Soviet Union and which must be taken into consideration,
- B. having regard to the Preambles of the original treaties and of the Single European Act, according to which the Communities were created as 'the basis for a broader and deeper community among peoples long divided by bloody conflicts' (ECSC Treaty), to 'lay the foundations of an ever closer union among the peoples of Europe' (EEC Treaty) and 'together make their own contribution to the preservation of international peace and security' (SEA),
- C. convinced that the Community therefore has a duty to activate, extend and consolidate relations with the Soviet Union in all sectors,
- D. regretting that, more than thirty years after the founding of the Community, there are still no official relations between the Community and the Soviet Union because, for a long period, on ideological and political grounds, the Soviet Union was not prepared to recognize the Community either as an economic or as a political reality,

- E. whereas initial attempts to improve relations between the Community and the Soviet Union were hampered by violations of human and civil rights in the Soviet Union and by its military intervention in Central and Eastern Europe and the Third World, as evidenced most recently in 1968 in Czechoslovakia and in 1979 in Afghanistan,
- F. hoping that the Soviet Union will give effect to General Secretary Gorbachev's intimation to the then President-in-Office of the Council, Mr Craxi, that the Soviet Union is ready to seek a dialogue with the Community on practical international issues;
- G. resolved to establish normal relations with the Soviet Union through its own constructive policy and to use every opportunity for cooperation to further mutual interests, promote self-determination for the peoples of Europe, establish human rights and thereby secure peace in Europe,

I. As regards the political background to the normalization of relations

1. Notes that the basis for the normalization of relations between the Community and the Soviet Union has improved:
- (a) firstly, because of changes in the international climate, especially as a result of:
- the fact that, in view of the development of armaments in the nuclear age, war in Europe would mean the end of European civilization as we know it,
 - the increasing clout of regional powers and new groupings of states and the inherent likelihood of regional conflicts, which are reducing the significance of the polarization in East-West relations of recent decades,
 - the innovation brought about by modern technologies which rapidly change economic and social structures in the industrialized nations, have positive and negative implications and increase the interdependence of nations and of Europe in particular,
- (b) secondly, because of incipient political reforms in the Soviet Union, thus enabling the Soviet Union to attempt to match the economic performance of the Western nations, which aim:
- internally:
- to create the conditions required for greater efficiency and competitiveness in the Soviet economy and to overcome stagnation in the economy and society by new management methods, including market-oriented features and the stepping up of scientific and technological progress, and
 - at the same time, to overcome the ossification of the system by opening up society, promoting private initiatives and individual responsibility, greater democratic participation in the appointment of leaders in the party and the production process and greater transparency and openness in public life and greater scope for freedom of opinion,

externally:

- to adapt Soviet policy to new realities (Gorbachev) and to regard security in Europe as common and indivisible, in accordance with the resolutions adopted by the 27th Soviet Communist Party Congress;
- 2. Pays tribute to the efforts of the Soviet leadership to implement its programme of economic and political reform but will not base its policy on any naive belief that rapid and fundamental changes will take place;
- 3. Is aware, in particular, that the Soviet leadership does not intend to diverge from or dilute Marxist-Leninist ideology but that its objectives and principles are to remain valid;
- 4. Is aware also of the internal problems encountered in the implementation of the reform programmes, especially the cumbersome nature of the Soviet political system, the stiff resistance in the Soviet Communist Party based on fear that the system will collapse and personal advantages be jeopardized, and the lack of practice of most Soviet citizens in dealing with the risks and opportunities of freedom;
- 5. Notes that a number of improvements have been made in the field of human and civil rights but nevertheless takes the view that the Soviet Government in no way fully respects these rights;
- 6. Calls on the Soviet Union to adopt the legislation required by its constitution to guarantee the human rights specified in the CSCE Final Act as well as the human rights listed in the United Nations Convention;
- 7. Appeals to the Soviet authorities to release all political prisoners and to allow those citizens who have expressed such a wish to leave the country;
- 8. Believes that there is a need in the context of the CSCE process to set up a mechanism for considering and resolving specific cases of human rights and assumes that the Soviet Union will make a constructive contribution towards putting this proposal into practice;
- 9. Notes that thoroughgoing legal reforms are being prepared in the Soviet Union as part of perestroika, the declared aim of which is to bring Soviet legislation into line with and up to the standard of international law, in particular to provide stronger guarantees of Soviet citizens' rights under the law, to facilitate entering and leaving the country considerably and to restrict the imposition of the death penalty;
- 10. Will assess further developments in the Soviet Union on the basis of the concrete progress made to secure peace for all the nations in Europe, irrespective of their social system, of respect for basic human and civil rights, as enshrined in the CSCE Final Act, and of the increase in freedom for the Central and Eastern European allies of the Soviet Union which actually results from the Soviet reform policy;

11. Considers that the presence of the Soviet troops in Czechoslovakia is the result of the military intervention in August 1968 against the movement of reforms going in the same direction as the present reform of Gorbachev in the USSR today and therefore asks the USSR to reassess its 1968 position and to withdraw its troops from Czechoslovakia;
12. Recognizes from certain features of the reform, covered by the terms 'Glasnost' and 'Perestroika', that dynamic forces have been set in motion which allow long suppressed and taboo issues to be addressed and also increase freedom of action for non-governmental groups and individuals;
13. Realizes that the process of reform in the Soviet Union has only just begun and that it will not be possible to make a definitive political assessment of it for some time to come; recognizes therein, nevertheless, a number of positive elements in the willingness to improve relations with the Community on a broad basis, to overcome the self-imposed isolation of the Soviet Union from the world economy and make it less unattractive as a trading partner and to cooperate with the Community and the countries of the Western Alliance in tackling security and humanitarian issues;
14. Is convinced therefore that the gradual changes set in train by the Soviet Leadership may also be in the interests of the Community and its Member States if they actually result in an opening up of the Soviet system internally and externally;
15. Calls on the Community and its Member States to take every opportunity resulting from the Soviet reform policy to secure peace and improve relations with a view to achieving closer cooperation and greater mutual confidence;
16. Is convinced that, in the nuclear age, East and West bear joint responsibility for preventing the outbreak of war and that, in the long term, peace in Europe is based on the premise that all nations may exercise their right to self-determination and thus, albeit with different social systems, live in security;
17. Emphasizes, in this connection, that security is not merely based on a military balance between states and alliances but also on the stability of social relationships within those states, and that there can be no stability where freedom is oppressed internally and the balance between nations constantly procured afresh with another round in the arms race;
18. Recalls, in this context, the undertakings entered into both by the Soviet Union and the Community and its Member States in the CSCE Final Act;

19. Recalls the decision on the achievement of Political Union and on the political dimensions of a European security strategy, whereby European security policy must be based simultaneously on defence and détente, i.e.:

on the one hand, on further disarmament, including asymmetric reduction of conventional forces, the elimination of chemical weapons and the balanced reduction of nuclear arsenals, whereby the objective is for each side to maintain a defensive strength no greater than that required to act as a deterrent,

and, on the other hand, on the development of broadly-based cooperation in the fields of economics, science and technology, environmental protection and culture in order to create a network of mutual dependencies which supports security through the interdependence of mutual interests and makes it reliable;

20. Takes as an encouraging sign of readiness to reach agreement on the central issues of security and co-existence of the nations of Europe the statements made at the 27th Soviet Communist Party Congress that, in view of modern technology, European security is 'indivisible';
21. Considers that, to this end, use should be made of both bilateral cooperation between the Soviet Union and the Community and its Member States and cooperation under multilateral agreements and conventions and all other fora in which both sides participate;

II. As regards the improvement of relations

in the field of trade, technology and environmental protection:

22. Advocates the conclusion of a comprehensive cooperation and trade agreement between the Community and the Soviet Union and points out that it would regard such an agreement as a significant international agreement within the meaning of Rule 34 of the Rules of Procedure and hence wish to participate in the negotiations on its conclusion;
23. Stresses that the Community should also conclude comprehensive trade and cooperation agreements with other European states apart from the Soviet Union belonging to the Council for Mutual Economic Assistance (COMECON);
24. Is aware that the export of certain goods from the Community is subject to restrictions, endorses as wide as possible a trade in the field of advanced technology and supports export restrictions only on goods of real strategic importance;
25. Welcomes the decisions taken in Paris in January 1988 to cut the COCOM list and calls on the Commission and the governments of the Member States to use their influence to ensure that COCOM lists are further shortened and, in conjunction with this, that there is greater transparency for companies and more effective verification of compliance with the restrictions;

26. Points out that, to date, trade with the Soviet Union has also been hampered by that country's poor range of competitive manufactured goods and by certain foreign trade structures which originate in the Soviet economic and social system;
27. Recognizes, in the economic reforms introduced so far, signs of greater flexibility, decentralized decision-making and technological innovations but considers that more far-reaching measures are necessary to facilitate international trade, e.g. the convertibility of the rouble;
28. Hopes for cooperation in all areas of joint interest which fall within the Community's sphere of activities and urges that, once official relations have been established, a comprehensive list should be drawn up of possible areas of cooperation and specific problems, such as the financing of East-West commercial transactions, and mutual information on the potential for and limits of economic cooperation thereby extended;
29. Stresses above all the Community's great interest in improvements in environmental protection measures in the Soviet Union, since it is affected by many instances of environmental pollution, regards closer cooperation in the field of advanced environmental protection technology as essential and calls on the Soviet Union, on the basis of the existing Convention on long-range transboundary air pollution (ECE Geneva) and the Convention on the Protection of the Ozone Layer (Vienna) to step up its cooperation with the Community and its Member States on environmental issues, for example in maintaining the ecological balance in the Baltic;
30. Welcomes the Soviet Union's readiness, after the nuclear accident in Chernobyl, to increase the exchange of information and cooperation in the peaceful use of atomic energy, recognizes in the IAEA Convention on rapid information and assistance in the case of nuclear accidents initial examples of specific cooperation which must still be considerably expanded;
31. Recognizes the enormous potential for the Community and its Member States on the one hand and the Soviet Union on the other to cooperate in research and welcomes the cooperation initiated in the development of a nuclear fusion reactor for electricity generation (ITER) under the auspices of the IAEA as an important step forward;

In the field of security:

32. Points out that, since 1973, the Community and European Political Cooperation have contributed to the CSCE process and recalls its explicit support for that process;
33. Considers negotiations on more far-reaching confidence-building and security-promoting measures in Europe to be just as urgent and important as negotiations between the USA and the USSR on the reduction of strategic nuclear weapons systems and expects the European countries to be more heavily involved therein;
34. Welcomes the INF Agreement signed on 6 December 1987 by the USA and the USSR as the first commitment to achieve the abolition, with on-the-spot verification, of an entire class of weapons which were principally designed for use on European territory;

35. Recalls, however, its repeated demands for further disarmament measures in Europe, in particular,
- an agreement on short-range nuclear weapons, combined with the abolition of the imbalance in conventional weapons and the achievement of a balance at the lowest possible level of armament,
 - a ban on and the destruction of chemical and biological weapons;
36. Regards the offer made by the Political Consultative Committee of the Warsaw Pact in May 1987 on the mutual clarification and adaptation of the military doctrines of the two alliances as encouraging and believes that its seriousness should be tested by a corresponding Western proposal;
37. Calls on the Community and its Member States within the Western alliance not to reject outright or react defensively to the many security and disarmament policy options put forward by the Soviet leadership but to test the seriousness of their intentions by presenting practical counter proposals;

III. As regards cooperation on international issues and with the Third World

38. Is pleased to note that the Soviet Union has finally begun to withdraw its intervention troops from Afghanistan in accordance with the timetable agreed under the Geneva Accord of April 1988;
39. Welcomes the clearly increased interest of the Soviet Union in taking part in multilateral cooperation to solve world trade problems, in supporting an active role for the United Nations, in making a contribution to the campaign against hunger and underdevelopment in the world and in cooperating with the West in the settlement of regional conflicts, such as the war between Iran and Iraq and in southern Africa;
40. Welcomes the willingness of the Soviet Union, which has hitherto provided hardly any aid, to cooperate in drafting guidelines for making available for development projects in the Third World the resources released as a result of disarmament, recalls its positive opinions on a policy of that nature and calls on the Member States and on European Political Cooperation to give similar support; is aware, however, that fewer weapons may mean just as much devastation and more money does not automatically mean improved development potential;
41. Stresses the great importance it attaches to the development of normal relations as equal partners between the European Community and the Soviet Union;
42. Takes the view that the basic conditions for the establishment of diplomatic relations between the Soviet Union and the Community exist;
43. Assumes that the Soviet Union now unconditionally recognizes the reality of the Community, and that this includes the application of Community law to Berlin (West);

44. Calls on the Foreign Ministers of the Community Member States meeting in European Political Cooperation (EPC) to establish as part of their foreign policy a regular and wide-ranging political dialogue with the Soviet Union on the development of relations and maintaining peace in Europe; considers it appropriate for this dialogue to be held within the same framework as contacts with other important third countries and groups of states and calls on the Soviet Union to take up the dialogue at a high political level;
45. Confirms its resolution of January 1987 to the effect that, once official relations are established between the Community and the Soviet Union, it will establish independent relations with the Supreme Soviet and takes the invitation issued to its President to pay a visit to the Supreme Soviet as a sign that the latter, too, is interested in such relations;
46. Welcomes the Soviet Union's willingness to hold a detailed exchange of views with the European Parliament on humanitarian and other issues, in particular in connection with and in preparation for discussion of human rights issues at the CSCE Conference, and calls on its Bureau to make arrangements for such a dialogue once official relations have been established with the Supreme Soviet;
47. Instructs its President to forward this resolution to the Commission, the Council, the Foreign Ministers of the Member States meeting in European Political Cooperation and the Presidium of the Supreme Soviet in the Soviet Union.

B

Explanatory Statement

The rapporteur undertook a fact-finding mission in Moscow from 3 to 13 May 1988. While there, he met the following for political talks:

State and Party:

M. Gorbachev *	General Secretary of the CPSU (Communist Party of the Soviet Union)
A. Dobrynin*	Member of the Politburo of the CPSU Head of the International Department of the Central Committee of the CPSU
L. Tolkunov	Chairman of the Union Soviet
W. Sagladin*	Deputy Head of the International Department of the Central Committee of the CPSU
S. Achromeyev*	Marshal of the Soviet Union, Head of the General Staff of the Soviet Armed Forces
I. Ivanov	Deputy Chairman of the State Committee for International Economic Relations in the Presidium of the Council of Ministers
A. Kovalev*	First Deputy Foreign Minister
Y. Busyken	Special Ambassador in the Secretariat of the Foreign Minister, responsible for negotiations on the establishment of diplomatic relations between the European Community and the USSR
G. Petrov	Deputy Head of the Section for Trade and Economic Relations with the developed capitalist countries
S. Zotov	Deputy Head of the CSCE Section in the Foreign Ministry
W. Sajkin*	Chairman of the Executive Committee of the Moscow Soviet
J. Silin	Deputy Chairman of the Soviet Committee for European Security and Cooperation

Political and scientific institutes

Institute for the Economy of the Socialist World System at the USSR Academy of Sciences: Professor O.F. Bogomolov, Director; Professor W.J. Dashichev.

International Institute for World Economy and International Relations (IMEMO)
at the USSR Academy of Sciences: Professor I.E. Guriev, Deputy Director;
Professor W. Lashichev; Professor V. Pankov; Dr V. Zuev; Dr W. Baranovski;

Institute for State and Law at the USSR Academy of Sciences:
Professor V.S. Vereshchetin, Deputy Director; Dr A. Larin;
Professor Kartashkin; Dr I. Krylova; Professor Lukashuk; Dr I. Baturin;

Europa Institute at the USSR Academy of Sciences: Professor V.N. Shenayev,
Deputy Director; Dr A.V. Tsimailo.

Other eminent figures

Metropolitan Filaret*, Metropolitan of Kiev, Member of the Holy Synod of the
Russian Orthodox Church; E. Grigoriyev, Deputy Editor-in-Chief of Pravda; V.A.
Korotish, Editor-in-Chief of the weekly magazine 'Organyuk'; L. Timofyev,
Editor of the dissident periodical 'Referendum';

also: Mayer-Landruth, Ambassador of the Federal Republic of Germany,
representing the Council Presidency.

* Talks held in the company of the leader of the German Social Democratic
Party (SPD), Hans-Joachim Vogel.

I. RELATIONS BETWEEN THE EUROPEAN COMMUNITY AND THE SOVIET UNION IN THE PAST

This is the first report drawn up by the European Parliament on relations between the Community and the Soviet Union - more than 30 years after the establishment of the European Community and almost 10 years after the first direct elections to the European Parliament. It marks the end of a paradoxical situation where the world power on the European continent and the world's major trading power officially ignored each other and yet had to take account of each other in their daily lives; thus it was that Soviet Communist territorial aspirations in Europe boosted the unification of Western Europe over many years, while the success of the Community demonstrated the fallacy of the Soviet doctrine that competitive anarchy between national economies in the advanced stage of capitalism would lead to their mutual destruction.

Simply because of its political and military power, the Soviet Union influences and defines relations between the states throughout Europe. The Community, as 'the basis for a broader and deeper community among peoples long divided by bloody conflicts' (Preamble to the ECSC Treaty) has as its task to 'lay the foundations of an ever closer union among the peoples of Europe' (Preamble to the EEC Treaty) and 'together make their own contribution to the preservation of international peace and security' (Preamble to the SEA). The policy of the Soviet Union and the events in that country were always important for the Community, its Member States and its citizens. Events in Western Europe, domestic and foreign policy developments in the Member States and the process of integration in the Community were always of special importance to the leadership and the citizens of the Soviet Union.

The USSR is, in part, a European power. Its enormous size does not prevent internal events, such as the nuclear catastrophe at Chernobyl in April 1986, from directly affecting the Community. The effects of modern technology have made the world seem smaller. The Soviet Union has become a neighbour of the Community, even though there is no common frontier between them.

The USSR is part of European history. It made a decisive contribution to the destruction of fascism in Europe in the Second World War, which the Nazi regime in Germany had forced on its European neighbours to the east and to the west, fighting alongside the Allies and making an enormous sacrifice in terms of human life and property. It emerged as one of the four victorious powers which, under the four-power agreement of 3 September 1971, has direct rights and obligations in Berlin, including West Berlin, part of the territory of the Community.

The USSR is one of the centres of an ideology which is part of the political and cultural history of Europe but which was freely rejected by the nations of Western Europe and North America. Its power politics, which are the practical expression of that ideology, contributed substantially to the division of Europe. They are regarded by the broad majority in the nations of the Community as a threat and grounds for adopting a defensive attitude.

The USSR is the leading power in the Warsaw Pact in which it continues to treat its allies according to the principle it laid down of 'limited sovereignty', whereby the limits of sovereignty are not determined freely but are imposed by the Soviet Union.

The USSR is the ideological and military rival of Western Europe's ally, the United States of America, and, as such, it is not only an adversary but also a partner of the USA in the concept of mutual deterrence from any violent attempt to change their spheres of power and influence by the use of military might. The success or failure of efforts to achieve disarmament and détente and in the campaign against hunger and under-development in the world depend on its attitude. The USSR is a European superpower with influence and security interests on the European continent which exist independently of its social system. The peaceful, well-ordered co-existence of European nations, in which the problems of modern industrial societies are mastered, is only possible and permanent by working with the Soviet Union, and not against it.

Seen against this background, it is not the mutual recognition, the establishment of diplomatic relations and the reorganization of cooperation which is remarkable but the fact that there was none of this in the past. The formalization, expansion and extension of cooperation between the Community and the USSR will in fact only bring about a situation which, in the interests of both parties, ought to have been achieved a long time ago.

Initially, the Soviet Union totally rejected the idea of European integration. On ideological and political grounds, it was, for a long time, not prepared to recognize the Community as a political reality. It rejected it as a 'temporary phenomenon' and claimed it was simply an 'economic appendix to American imperialism'. Subsequently, it tried to ignore the existence of the Community, opposed its participation, for example, in specialist conferences and in specialized agencies of the UN and hampered its participation in multilateral treaty negotiations. In the mid-1970s, by means of negotiations between the Council for Mutual Economic Assistance (CMEA) and the Community on the establishment of official relations between both organizations, it tried to recognize the Community only on conditions which would not really have respected the economic and legal reality of the Community but undermine it.

Where opportunities of improving relations arose, they were repeatedly hampered and destroyed by continuing violations of human and civil rights in the Soviet Union and by its policy in Central and Eastern Europe and in the Third World, in particular the military invasions of Czechoslovakia in 1968 and of Afghanistan in 1979. In so doing, the Soviet Union clearly breached the international obligations it had accepted when it signed the UN Charter and the CSCE Final Act, to which the Community is committed.

For a long time, the Community, too, was not prepared to seek and develop normal relations with the Soviet Union. That resulted largely from the gradual process of its own internal integration and the development of its foreign relations. Originally, the Community possessed neither powers and responsibilities nor the necessary instruments for the basis of any foreign policy activity, i.e. for security policy. However, it is security policy in Europe which was and remains the major, dominant issue in relations with the Soviet Union.

Previous relations between the Community and the Soviet Union offer a diffuse outline without contours or overall design. A number of contacts, on a bilateral basis and, above all, in multilateral fora, have developed and, over the years, has grown considerably stronger in an unplanned fashion. But they remained hampered by reservations and uncertainties and were not harnessed into an overall political framework. The security policy prospects were left blank, as was the normality of diplomatic recognition.

The CSCE process has, to date, been the most important forum for political contacts. In that process, the Soviet Union accepted the Community as an international partner for the first time. However, even there, the dispute with the USA, not with the European countries, held centre stage for the Soviet Union.

Bilateral trade is more important to the Soviet Union than to the Community. Although in 1988 it accounted for only 6.6% of total foreign trade for the Community, in the Soviet Union, where it counts for almost 20%, it is of considerable size. In the past, the Soviet Union had a trade surplus with the Community almost every year.

However, trade relations are not based on any formal agreement. Unlike the other European COMECON countries, the Soviet Union has not yet concluded even sectoral agreements with the Community. Furthermore, since 1984, trade has declined. That is the result of deteriorating terms of trade for the Soviet Union and of its increasing indebtedness. The constraints of COCOM also hamper many business relationships, in particular uncertainty as to how it will be applied.

Since 1979, multilateral cooperation has resulted in the Soviet Union and the Community nonetheless becoming negotiating and treaty partners in 24 agreements or conventions. This development did not arise from the political concept of cooperation but from the increasing powers and responsibilities attributed to the Community in the fields of trade, economic law, raw materials agreements and food aid, as well as fisheries, environmental protection, nuclear research and safety. Until 1985, cooperation in a multilateral framework was still affected by the reservation regularly expressed by the Soviet Union that such cooperation in no way altered its negative attitude to the Community.

The signing of the Joint Declaration on the establishment of official relations between the EEC and COMECON on 24 June 1988, which Parliament endorsed unopposed, opens the way for the establishment of bilateral official relations between the Community and the individual member states of COMECON without further delay. The Soviet Union has begun corresponding negotiations. Diplomatic relations may well be established before the end of this year.

II. NEW ELEMENTS FOR THE NORMALIZATION AND EXTENSION OF RELATIONS

The Soviet Union and the Community are demonstrating a new interest in the normalization of relations. The prerequisites for the success of these efforts, with the objective of at least partially improved cooperation, have improved enormously: the international framework conditions, within which both parties are acting, have changed, the Community's capacity to act in foreign and security policy has been extended and its political clout increased, the 'new thinking' in the USSR, leading to the policy of Perestroika, has opened up points of contact for better mutual understanding.

Changes in the international framework conditions

The new interdependencies

Technological developments have led to a situation where the use of modern weapons would damage the stronger just as much as the weaker party. A nuclear war in Europe would lead to the destruction of European civilization as a whole.

There would be no victor. Even in a conventional war on the European continent, where in the Community alone there are 121 and in the USSR 50 nuclear reactors as well as an unknown number of highly endangered and, therefore, highly dangerous technical plants and chemical substances, the effects of the powers of destruction of the military would be uncontrollable and, therefore, unlimited. No country and no alliance in Europe can let loose its military might without causing the destruction of its own country. That makes the limitation and reduction of the destructive potential stored in Europe the central task of security policy. It also changes its substance: in the nuclear age, especially in the narrow European theatre, ideological differences may no longer define foreign and security policy actions. That does not remove the contradiction between social systems but relegates it to a lower level and forces East and West to find other means of dispute and new forms of cooperation. Security in Europe can no longer be achieved by each party going up against each other but only by working with each other. Either security is indivisible, or there is not security.

In its decisions on the political aspects of a European security strategy(1), Parliament expressed its conviction that European security policy must be based simultaneously on a policy of defence and détente. It supported, controlled and balanced disarmament with a view to achieving a defensive strength no greater than that required to act as a deterrent and the development of broader and deeper cooperation in the fields of economics, science and technology, environmental culture, in order to create a network of mutual dependencies which supports security through the interdependence of mutual interests and which makes it reliable. The Single European Act conferred on the Community a series of powers and responsibilities for the implementation of such a policy. It thereby became a valid and obligatory partner of the Soviet Union.

The decline in the significance of the East - West conflict

The conflict which has characterized East - West relations for more than 40 years is losing its significance as new problems common to both sides emerge which the Soviet Union and the Community can no more avoid than the other developed industrialized nations. The interdependence of the nations of the world, and in particular of Europe, is growing to the extent that the enormous innovations in research and technology are confronting societies in East and West, North and South with similar opportunities and similar dangers. They change the economic and social structures on both sides of the dividing line, and the opportunities and dangers are often situated inseparably next to each other. Modern means of communication, the use of nuclear energy, genetic engineering, further developments in medicine, new materials and the development of new chemical compounds result in changes in work and life forms as well as environmental destruction and manipulation. They affect human beings irrespective of national boundaries and differing social systems and therefore, can only be mastered jointly.

Faced by these challenges, East and West must work together. This has nothing to do with a policy of convergence and harmonization of systems. That is neither intended nor necessarily connected with it. Cooperation in the light of increasing interdependence may leave ideological contradictions just as untouched and open as cooperation to secure peace must do. Cooperation to solve certain problems faced equally by both sides is not only necessary but also feasible. The powers and responsibilities attributed to the Community must lead it to seek new ways to achieve cooperation with the Soviet Union and, for its part, make the Community into a partner which the Soviet Union can no longer ignore.

(1) Resolution of 14 October 1987, OJ No. C 305, 16.11.1987, p. 81

Changes in the Soviet Union

The economic and political reforms drawn up and introduced since Mr Gorbachev took over as General Secretary of the CPSU in March 1985 do not justify the normalization of relations but they do improve the basic conditions. The Soviet Union is going through a period of change which, on its own assessment, is to be revolutionary. That creates new opportunities but also new uncertainties. Cooperation between the Community and the USSR must take account of both aspects.

Acknowledgement of realities

The intention of the Soviet leadership to face up to realities in its own country and in the world, to reassess them and to base its political activity on those realities leads to a situation where, in some important issues, the Community may reach agreement with the Soviet Union in its assessment thereof.

Today, the Soviet Union assumes that security in Europe is 'indivisible' and can only be achieved and maintained 'jointly'. For the first time, it therefore recognizes the security interests of the West as legitimate and sees them as indivisibly linked with its own interests in survival. Not only does this fact differentiate Gorbachev's policy from Khrushchev's 'policy of peaceful co-existence', it also diverges from the twin-pronged détente policy of Brezhnev which, in some fields, was prepared to accept economic and political cooperation but, at the same time, disregarded Western European security interests in a provocative manner by working on the principle that the Soviet Union's security increased to the extent that Western Europe's security decreased. And, finally, it even departs from the previous ideological foundation of Soviet security policy according to which capitalist countries are only capable of remaining peaceful for short periods, but not as a general rule, while socialist states by definition cannot pose security problems for other countries.

Today, the Soviet Union is becoming aware of its inevitable involvement in international economic events. This has been the reality for a long time now, even if the USSR does not participate in important international fora such as GATT, IMF, the International Textile Agreement or attend world economic summits. Since 1984, because of the fall in oil prices and the devaluation of the dollar, the terms of trade have been deteriorating steadily for the Soviet economy. Consequently, the USSR wants to overcome its largely self-imposed isolation and attract capital and know-how into the country through international cooperation. This is not another case of trying to make up the enormous leeway vis-à-vis the West in several areas of the economy, technology and consumer foods. What it involved is not letting the leeway become any greater and protecting the Soviet Union from a severe economic crisis which, in its own words, would reduce it 'to the status of a developing country'.

The weaknesses and mistakes of the past are increasingly damaging the image of the Soviet Union as a model and pacemaker for economic progress in the countries of the Third World. The overall acceleration in the USSR, which was partially very successful in recent decades, has completely lost its impetus. In the last few years, the Soviet Union has been unable to increase its political influence in Southern Africa, in Central America, on its Asiatic flanks or in the Gulf.

On the contrary, its attempts to interfere in Angola, Mozambique and Yemen, but above all, its military invasion of Afghanistan, have now proved to have been serious mistakes in every respect. Apart from military aid to a few key countries, its practical aid to underdeveloped nations remained marginal and brought no political advantage. The Third World only expect economic aid and technical progress from the capitalist countries or from the People's Republic of China. Politically and ideologically, it goes its own way. The Soviet Union has isolated itself increasingly from world developments not only in economic terms but also in political and ideological terms. Its influence has continued to wane, and its role as a world power is increasingly based solely on its military potential.

The reformers in the USSR are among the sharpest critics of the mistakes and inadequacies of the Soviet system. The new leadership has not hesitated on numerous occasions to spell out the problems which need to be solved:

- The Soviet economy is stagnating. For 15 years now, growth rates have been nominally decreasing. In the 11th Five-Year Plan (1980-1985), virtually zero growth was recorded. In an address to the Central Committee of the CPSU in February 1988, Mr Gorbachev said that, if in the calculation of national income, certain distorting factors such as revenue from crude oil exports on the basis of increasing prices on the world market and revenue from alcohol sales on the Soviet market were ignored, Soviet national income had registered no increase in real terms over four Five-Year Plans. Since the beginning of the 1980s, it had actually decreased. When the policy of Perestroika was introduced, the Soviet Union was faced by a serious economic crisis characterized by inadequate supplies of consumer goods, outmoded equipment, ossified organizational and leadership structures and the irresponsible waste of resources.
- The supply of goods to the population, even to satisfy basic material needs, is inadequate, and the quality of everyday goods very poor. In 1985, according to a Soviet assessment, it only corresponded to 29% of international requirements.
- Soviet undertakings engage in economic activity on an extensive basis. That leads to wasteful exploitation of the country's natural resources. In addition, they work on the assumption of an 'inexhaustible' reservoir of labour. However, in view of demographic developments, that is no longer available.
- The means of production and infrastructures are outmoded. For example, in the central sector of the foodstuffs industry, a large number of undertakings date from before the Revolution. For many decades, investment was channelled into expensive and frequently uneconomical new enterprises instead of into the modernization of existing undertakings. As a general rule, only 2 - 3% of old machinery is renewed, although Soviet experts reckon that a renewal rate of 6% is required. Losses in economic values caused by inadequate infrastructures such as transport and storage are officially calculated at up to 30%.
- Worker discipline and social morale have fallen, and the vicious circle of inadequacies is closed by 'laziness, ossified management structures and bureaucracy' (Gorbachev).

Not only is the Soviet Union lagging behind the West in all branches of growth - from communications technology to services - it has no dynamic economic branch which might serve as the motor for a development impetus. Although its military high technology is among the best in the world, it cannot act as a motor for the economy because the military sphere is strictly isolated from the rest of the economy.

Perestroika - restructuring of the economy and society

The new Party programme of 1 March 1986 adopted at the 27th Congress of the CPSU - the first Congress under Perestroika - highlights the speeding up of socio-economic development as the major theme. An increase in the standard of living and quality of life is one of its basic objectives. Perestroika is opposed to strengthen the efficiency of the Soviet economic system and modernize it. It has four major basic principles:

1. Changeover from an economy directed by a central administration to a largely autonomous economy

According to the decisions taken at the Central Committee plenary session of June 1987, what is basically involved is the following:

The powers and responsibilities of Gosplan, the State Planning Committee, which previously administered some 24 million articles, will be reduced to the establishment of macroeconomic framework conditions, and production planning will be transferred to individual undertakings. This should lead to the economy being less subject to bureaucratic interference. In addition, wholesale trade will be freed from a central allocation of the means of production and the banking system restructured in an attempt at decentralization and division of activities.

In future, individual undertakings will play a central role. The law on state undertakings and associations, which entered into force on 1 January 1988, defines the new key concepts of economic policy: the merit principle, individual initiative and individual responsibility. That includes financial autonomy for undertakings. They will have to keep a profit and loss account relating to the undertaking, take their own decisions on wage increases and investment and, the reverse of the coin, run the risk of having to close if they are unprofitable. Undertakings are no longer to produce 'products' allocated from a central bureaucracy but 'goods' which have to sell on a market. The efficiency of undertakings is also to be strengthened by the introduction of aspects of an internal democratization. The staff will have the right to elect their own directors and foremen. This new constitution for undertakings is regarded as the driving force behind Perestroika.

The pricing system will be reformed at all levels with the objective of eliminating state subsidies and endeavouring to achieve market balance by the skimming-off of surplus purchasing power. Similar attempts at reform in other Eastern European countries demonstrate that this is the politically most dangerous restructuring project under Perestroika. It requires immediate material sacrifices from the population, although the promised improvements in the overall economic situation can only be achieved in the long term.

A few figures from the previous subsidy policy in the Soviet Union demonstrate the explosiveness of the necessary price reform: in the Soviet Union, foodstuffs are generally sold at a price equivalent to half the production cost. For example, a Soviet housewife pays about two roubles for one kilo of meat for which the State has paid three roubles in subsidies. Subsidies for milk, meat and bread alone amount to 90 billion dollars per year. That is almost one fifth of total State expenditure. Prices for fuel are 33% lower than the world market price and for other raw materials 67% lower. One tonne of coal costs 18 roubles, but it is sold to domestic consumers for 12 roubles and to agricultural holdings for 9 roubles. This has led to a reckless waste of raw materials which can only be halved by a more realistic relationship between price and production costs and by an extensive abolition of State subsidies.

2. Increasing the efficiency of economic production and social performance with the aid of economic and technical progress

So that it does not lag even further behind the development of Western economies, the USSR is attempting to participate in the enormous innovatory leaps in modern micro-electronics. The accumulated need of the Soviet Union in all areas is great. Not only has the USSR lost the race with the West, it is falling further and further behind the emergent countries in East Asia. One indicator is the progress of mechanization. For example, in the foodstuffs industry, of a total of 4 million employees, 1.5 million are still employed on purely manual work. Manual labour in the industry is to be drastically reduced by the year 2000. The capacity of the Soviet telephone network corresponds to the USA's network in 1930: the ratio between American and Soviet urban calls is 25 to 1, for intercontinental calls 150 to 1. According to Western estimates, there are, at present, in the USSR about 50 000 personal computers, compared with about 30 million in the USA.

3. Reform of foreign trade structures

The reform of foreign trade is, probably, one of the most revolutionary elements of Perestroika. The structures of the foreign trade organization set up in 1918 survived to 1986 almost unchanged. From that date, for the first time in the history of the Soviet Union, foreign trade is to become a part of the independent activities of undertakings. This will also have direct implications for the development of economic and trade relations between the Community and the Soviet Union.

The reforms introduced largely surpass earlier efforts made under Khrushchev and Brezhnev. They provide not only for a new order at the top of the organization but also for the Soviet domestic market, for a decentralization of foreign trade operations in selected economic areas, in line with the new law on undertakings. Every undertaking is to be given the right to establish direct foreign trade relations. By the end of 1987, 26 specialist Ministries and 75 major undertakings and producer associations and scientific and technical complexes have been given the right to engage in foreign trade. They account for more than 20% of the Soviet Union's import and export operations.

The undertakings themselves must earn the requisite foreign exchange for their operations. A foreign currency credit market has been developing since the beginning of 1988 on which undertakings which have a foreign currency account may loan foreign currency to other undertakings at a profit. In May 1988, the law on cooperatives was passed which enables the approximately 14 000 market and profit oriented private cooperatives, with some 150 000 employees, to have access to foreign trade in full competition with State undertakings. Finally, since January 1987, the law on joint undertakings permitted the creation of joint ventures with Western or even COMECON undertakings. This will make it easier for Soviet undertakings to use the urgently required Western capital and know-how. According to official figures, by the end of 1987 there were 20 joint ventures with Western firms and another 200 were being discussed. One year after this new form of economic cooperation was permitted, this is no small number, although agreements between undertakings of very varied importance in economic and technological terms are included in that figure.

Unlike earlier attempts at reform, these new departures are not primarily concerned with new target figures but with new mechanisms for the economy. Above all, the 'human factor' is ascribed a more important role i.e. the economic entity working on its own responsibility and at its own risk.

4. Glasnost - the new transparency in political and economic processes

Attempts had been made at economic reforms in the past. The reform known as Perestroika differs from all earlier ones in so far as it regards the political opening up of the system internally as an imperative precondition for success. Khrushchev tried to impose reforms from above, Gorbachev is trying to base them on cooperation.

Glasnost is a scintillating concept. It describes both steps towards democratic participation in the nomination of party officials and managers of undertakings as well as, and above all, more freedom of speech and thought, opportunities for criticism and counter criticism, in the press and academic circles, in art and entertainment. Glasnost is designed to make Perestroika attractive. Its job is to motivate and provide an impetus for Soviet society and release its creative forces. According to Gorbachev it is an effective form of controlling the activities of all and indeed without exception all government bodies: it is a mighty lever with which mistakes can be corrected.

In assessing Glasnost, two errors must be avoided: an overstatement of what is intended and an underassessment of what may well be released. It is said that Glasnost contradicts Marxist-Leninist theory less than did its Stalinist practice over more than sixty years. Glasnost leads to a destalinization of thought - with all the imponderables which are connected with a freeing of the spirit. The call to everybody to add their contribution to the same total of ideas will necessarily unmask the stereotypes and cyphers which have been in power for generations and call into question the claims and the acceptance of the CPSU as the infallible judge of all matters concerning political and social life.

Prospects for the reform policy

As Gorbachev himself said to the Central Committee of the CPSU in June 1987, the reform process will be contradictory, complicated and difficult. It may lead to success or to failure. In order to estimate what the Community will have to come to terms with in establishing and developing relations, it is important that the fundamental social conditions in which the reform process is being carried out are clearly recognized.

Perestroika means restructuring to strengthen the system. It is not designed to tone down Marxism-Leninism in the Soviet Union but to strengthen it. Gorbachev and others have repeatedly emphasised that Perestroika is designed to strengthen socialism, to overcome everything standing in the path of its development and hampering its progress, open up its gigantic potential in the interests of the people, bring the enormous advantages of (the Soviet Russian) social system into play and give it the most modern forms. The Soviet leadership will therefore not overstep the bounds laid down by Marxism-Leninism. Ownership of the means of production will remain in principle in the hands of the State. There is no intention of encouraging the development of a pluralistic democracy as the West knows it. Internal disputes in the CPSU are probably more concerned with the scale and speed of reforms rather than the substance and direction of the Soviet social system.

Perestroika is a cumbersome process which is progressing more slowly than the reformers would wish. But, compared with the stagnation in Soviet society over recent decades, the speed is breathtaking. It is slow if it is measured against the needs and intentions of the reformers. Not until the thirteenth Five-Year Plan (1991-1995) will all undertakings be working in accordance with the new economic principles. Until then, there will be a difficult transitional period when numerous aspects of the old system will still be in force, side by side with slowly expanding aspects of the new system. For example, elections to factory management will be introduced gradually. The principle of economic accounting, i.e. financial autonomy and covering costs in accordance with the new law on State undertakings, will be applied to 60% of undertakings in certain sectors such as the engineering industry from 1 January 1988. It is to apply to the entire Soviet Union one year later.

Perestroika aims at a controlled restructuring in the Soviet Union. Success depends, therefore, on the party organization at all levels and local and regional administrations being won over to support the reform. The civil service in the Soviet Union is enormous: according to Gorbachev's own figures, it involves 18 million people: 2.5 million in the organization of various administrations and 15.5 million as administrative staff in undertakings and associations. That means that there is one civil servant for every 6 or 7 Soviet workers. Some of them - and not only them - are taking delaying action. New ideas, which require a different way of thinking, are therefore only slowly being translated into practice. It is calculated that the abolition of central planning will result in 8 million civil servants losing their jobs over the next few years. That strengthens resistance, which is based partly on a personally motivated fear of losing power and privileges and partly on ideologically motivated anxiety at the destruction of the entire ruling system.

There are initial signs that this conservative reactionary movement is having some success. It influenced certain staff policy decisions in the last few months, found expression in the election of delegates to the 19th Union Conference of the CPSU and emerged partially through disputes in the Soviet press. The party conference, convened for 28 June 1988 and which is to be devoted largely to issues of further democratization in the party and society, may well give us a better idea of how broadly based the support for the reform movement in the party and State organizations really is.

Resistance against the implementation of reform comes not only from the party organization and the State administration, the majority of the population, too, seems to be taking a 'wait and see' attitude. Above all, as Gorbachev said, Perestroika requires a restructuring in the mind, practice in dealing with the opportunities and risks of acting on one's own responsibility. In a society such as that in the Soviet Union, that requires a lengthy learning process. The practice employed by factory managers for decades of asking the State for money instead of earning money will not change overnight. There are, as yet, no signs of a dramatic increase in productivity. The soundness of the new economic course has not been proved by any data. Some sectors have improved, but, in 1987, the targets were not reached: in the engineering industry the achievement rate was only 82%, in the chemical engineering and timber industries only 74%. Economic growth in the first nine months of 1987 amounted to 3.6% although, in the same period in 1986, it had amounted to 5.2%. Gosplan, the State Planning Committee, seems to be interfering more rather than less. A time will come when the Soviet people will judge Perestroika on tangible economic improvements as well.

Not all aspects of Perestroika can be accelerated in such a balanced and simultaneous manner that contradictions and friction are avoided. In autumn 1987, strike action was taken in various factories because the State quality control findings had resulted in wage cuts. This new measure, introduced as a disciplinary measure, led to understandable annoyance among the workers because the poor quality recorded was caused not by their poor work performance but by the delays in supplies of materials, for which the State was responsible. Wage cuts based on poor quality work only make sense if the factories themselves are also responsible for supplies of materials.

A further problem is demonstrated by the hesitant taking up of the new opportunities for private economic activity. Since May 1987, 'individual labour', i.e. the establishment of individual undertakings or private cooperatives, has been permitted in certain service sectors. The issuing of trading licences began more slowly than anticipated, although, when seen against the background of a period of several decades when personal initiative was frowned upon, the initial figures do not look so bad: six months after the law entered into force, there were forty private restaurants in Moscow and, in the entire USSR, around 8000 private cooperatives with 80 000 employees. The early difficulties arose partly from the fact that the requirements imposed were too severe, and local authorities responded inflexibly or even negatively. The high rate of taxation on private income earned in cooperatives also plays a role. A survey also disclosed the ambivalent attitude of the people to the new opportunities. 76% of those questioned thought that it was a good idea but only one-tenth of them said that they were ready to take the risk themselves.

Unless there is a broad sector of entrepreneurial operator, Perestorika will not make any breakthrough. This will probably be dramatically demonstrated in two years when the Soviet economy, which will have been completely transformed by Perestroika, needs a large number of the new kind of managers who are capable of taking entrepreneurial decisions. The Soviet leadership is still hesitating to follow the Chinese example of sending young executives to train in the West.

According to Nikolai Ryzhkov, the Chairman of the Soviet Council of Ministers, 13% of all Soviet undertakings operated at a loss in 1986. In 1987, the first bankruptcy in the history of the Soviet Union was recorded. If the principle of economic viability is applied in full, more bankruptcies will follow - with all the commitment social problems so well known in the West.

Such may be anticipated principally as the consequence of the forced technological revolution. According to the activity report of the UN International Labour Organization (ILO) of September 1987, in the next few years, 13 to 19 million people in the Soviet Union will have to give up their current manual jobs. To that figure must be added the prospective 8 million civil servants, the figure quoted by official sources, for whom new jobs will not be found. Those are enormous figures, particularly for the USSR which prides itself on the guarantee of full employment as one of its achievements.

The principle of payment by results and, to some extent, free prices will lead to uncertainties; the employees' basis of existence will become dependent on the economic success of their undertakings and will simultaneously leave them open to the danger of an increase in the cost of living. Undoubtedly, that will give rise to social conflicts. The question to be answered is then whether the Perestroika policy can withstand such stress.

To date, the most successful part of Perestroika is that known as Glasnost. The actual change is not covered by the currently remarkable freedom of information and opinion in the daily and weekly press. Even the toleration of publications by dissident organizations, however important this may be, does not show the extent and depth of the changes that have occurred. Much more durable will probably be the effects of progressive TV youth programmes such as 'Twelfth Floor', which has 100 million viewers according to official sources, of films such as 'Risk' on the development of nuclear weapons and mass destruction, of publications such as 'The children of Arbat' by Anatoly Rebachov or 'Life and faith' by Vassil Grossman concerning war and terror under Stalin.

Glasnost has set in motion a cultural mass movement in which political clubs and spontaneous groups with social, ethnic or cultural interests are sprouting like mushrooms: within one year, some 1200 in Moscow, some 400 in Leningrad and others over the whole country. Many of them have already united to form federations.

The offer of more freedom and candour is being made to a society which is much more receptive to it than was the case when Khrushchev made his attempts at reform. This may result in Glasnost extending further than its originators had thought and would like. Soviet society is in the process of becoming 'political'. Therein lies the explosive power which Glasnost represents, not only for current Soviet policy but for the future of the Soviet social order as a whole.

III. IMPORTANCE OF THE REFORM POLICY TO THE COMMUNITY

Economic and social reform is intended to strengthen the Soviet Union's economic performance, thus underpinning its position as a world power and giving fresh appeal to Marxist-Leninism. Of course, it is by no means clear yet whether Perestroika will be successful in the Soviet Union, and if so, to what extent - and what will be the practical consequences, not all of them intended, for the future position of the Soviet Union in a European and world context. Community policy here should be guided by the recognizable implications of the present phase of Soviet reforms in the fields of security in Europe and human rights in the Soviet Union, and should be directed by the Community's economic and political interests.

Soviet security and alliance policy

Soviet security policy has not only developed in a new direction with regard to Soviet willingness to conclude the INF Treaty, thus putting into reverse plans to rearm with nuclear medium-range missiles targeted on western Europe. The Soviet leadership is in fact in the process of reviewing three fundamental positions which have in the past stood in the way of agreements and stable relations:

1. There is a new willingness to permit on-the-spot inspections during disarmament and arms reduction. As recently as January 1984 the then Foreign Minister Andrei Gromyko rejected verification at the beginning of the CSCE in Stockholm as 'spying on the Soviet Union'. The Soviet attitude changed when he was dismissed, in the summer of 1985, five months after Gorbachev assumed office. The conclusion of the CSCE in September 1986 led to the first agreements on significant confidence-building measures between East and West, including the possibility of carrying out verifications on the spot. To this extent the CSCE was a step in the direction of the INF agreement. In May 1987 the Warsaw Pact confirmed the important principle of reciprocal controls. This shows that the Soviet Union has drawn the practical conclusions from its statement that security is 'indivisible' and can only be attained through cooperation; it recognizes that the 'capitalist' countries also have justifiable security interests.
2. There is also a new readiness to recognize that there are cases of 'asymmetry' in the field of conventional arms in Europe in favour of the Soviet Union. While the USSR admits to superiority in the number of tanks and in artillery, it complains of western superiority in the field of attack bombers and helicopters. A balanced process of disarmament to remove such asymmetries will require long and difficult negotiations. Soviet readiness to negotiate does of course open up the possibility of negotiating the removal of such asymmetries and finding a way out of the impasse which has dogged MBFR negotiations since 1973.
3. There is also a new readiness to review with NATO the military doctrines of the respective alliances and to reformulate defence strategies. The key concept here is 'a reasonable sufficiency of each side's potential'. This does not only imply a willingness to limit arms to the dimensions required just for defence, but also a preparedness to 'regroup Soviet armed forces' (Marshal Achromeyev) in Europe, possibly depriving them of an invasion capability.

There are clear signs of a serious intention to embark on balanced and controlled disarmament in the new positions taken by Soviet security policy. This derives not only from the new definition of 'joint' security and 'sufficiency' of defence forces, but also from the need to reduce the enormous cost to the Soviet economy of its permanently advanced nuclear and conventional arms readiness at the expense of Perestroika.

Whatever motive may prevail, the Community must ensure, withi EPC, that the Western Alliance takes these new aspects of Soviet security policy seriously and tests their viability for balanced arms reductions and confidence-building cooperation by making proposals of its own.

The Community is not the Soviet Union's negotiating partner for the military dimension of security policy. But it does have, through the Single European Act, a duty and an opportunity to contribute to a policy of disarmament and confidence-building in Europe, supporting and extending that policy through economic cooperation.

The declared intention of the Soviet Union and the United States to reduce their strategic nuclear arms by 50% should also be welcomed from the European point of view. At the same time, the European Parliament's repeated demands for further disarmament measures with regard to the nuclear, chemical and conventional weapons in Europe should also be borne in mind. In this regard the Vienna MBFR negotiations, the CSCE follow-up conference in Vienna and the CSCE special conferences remain important fora.

The Community and European Political Cooperation (EPC) have participated in the CSC process from the outset. They have always regarded its various 'baskets' as a single entity, and have treated their special contribution to the fields within their responsibility as also constituting a contribution to security issues. Parliament has always emphatically supported the CSCE process and the Community's role in it, creating through its initiatives on the issues of disarmament and confidence-building in Europe the conditions for the Community's security policy dimension.

Peace in Europe is founded on the premise that all nations, even with differing social systems of their own devising, must be permitted to live in security. That security is founded not only on a balance of military forces between countries and alliances, but also on the stability of social relations within such countries. If the balance is constantly readjusted and internal freedom is suppressed there can be no stability or security.

While the new aspects of Soviet security policy have already become apparent in connection with Perestroika in the field of disarmament and arms control, they are still largely unclear in Soviet policy towards the Eastern European countries. Soviet policy is creating the opportunities for local-based reforms in these countries, though such opportunities may as yet be unclear, and they too will be in the Soviet Union's interest, in view of those countries' current economic and military burdens and their intention to open up external economic relations, even if they do not slavish imitate the Perestroika model. The Yugoslav-Soviet declaration of March 1988, pointing to the Communist Party's right 'to choose their own way to socialism independently' could actually be a first sign that the Brezhnev doctrine of the 'limited sovereignty' (as defined by the USSR) of the Warsaw Pact member states has been superseded. However, at the same time the Soviet leadership is endeavouring not just to maintain cohesion with the Warsaw Pact and the CMEA, but to strengthen it. In any case, neither the Belgrade Declaration nor the withdrawal of troops from Afghanistan should be seen as a clear departure from the Brezhnev doctrine.

As is evident from the extension of the Warsaw Treaty in April 1985 for a further twenty years on Soviet terms, and from pressure for greater involvement of the Eastern Europeans in the distribution of the Alliance's burden, the basic structure of Soviet policy on Eastern Europe is intended to remain intact. There is no contradiction in the fact that the intensification of Warsaw Pact summits could lead not only to greater Soviet influence but also, conversely, to greater participation by the Alliance partners in the decision-making process. The CMEA programme for scientific and technical progress of December 1985 and the recently launched internal CMEA joint ventures reflect persistent endeavours for stronger integration of the Eastern European economies with the Soviet Union. These efforts seek to control and confine the external policy and security policy consequences in Eastern Europe of Soviet reform and to secure Soviet predominance in the long term at a lower political and economic cost.

The new leadership's policy on Eastern Europe therefore seems to be aiming to stabilize the Soviet sphere of influence by reducing the Eastern European countries' susceptibility to crisis, through a limited equation of interests and the concession of greater internal room for manoeuvre. The Community has no need to impede the Soviet leadership in this policy. It is entitled to assume that the scheme is unlikely to succeed.

The respect of human rights in the Soviet Union

In numerous resolutions and its annual reports on human rights in the world, Parliament has repeatedly criticized the violation of basic human and civil rights and pressed for compliance with the Helsinki CSCE Final Act. In the CSCE process the Community has always emphasized the great importance it attaches to progress on human rights issues and it has underlined the connection it sees between progress in the field of human contacts and cooperation, Basket Three of the CSCE Final Act, and the other baskets on security and economic relations.

The reforms in the Soviet Union have so far left unchanged the distinction between individual civil rights and collective social rights whose enforcement is adduced to justify restricting the rights of the individual. It is nevertheless possible to detect a change in attitudes to human rights issues. Such a change can be detected not only in the treatment of a few leading Soviet dissidents, for the benefit of Western public opinion, such as Andrei Sakharov, who was allowed to return to Moscow from exile in November 1986, or Ida Nudel, the 'mother of the refuseniks' and Anatol Sharansky, who were permitted to emigrate to Israel after years of waiting. Many of the large number of less well-known imprisoned or exiled opposition figures have also been released, over 6000 of them in the first ten months of 1987 alone.

The current number of 'political prisoners' cannot be precisely ascertained, since it depends in part on how 'political prisoner' is defined. The Soviet authorities admit to 17 persons detained under Article 70 of the Soviet Penal Code (for 'anti-Soviet propaganda') as being 'political prisoners'. The Russian Orthodox Church quotes between 200 and 300 while dissident groups refer to 400 'political prisoners'. It is possible that there is also a (fairly small) number of opposition figures who are being detained in psychiatric institutions although their state of health in no way warrants their detention. It will remain the duty of the Community to use all its political influence and institutional position to press at every opportunity for the release of political prisoners in the Soviet Union.

The number of Soviet citizens seeking to emigrate, most of whom are Jewish, is often estimated at about 400 000, with the figure for the refuseniks, whose applications have already been turned down, put at about 12 000. The conditions for emigration are to be relaxed following legal reform in the Soviet Union, which has already begun, but they will not be discarded completely.

Relations between the State and the Russian Orthodox Church are also more relaxed. During preparations for celebrating the millennium of Christianity in Russia in June 1988 some of the mistakes made in the past in relation to the Church and its followers were admitted and there were indications of a new approach to relations between Church and State. The Communist Party has announced a bill on freedom of conscience to replace the 1929 law on the Church. However, the Russian Orthodox Church seems rather unlikely to be or become a pillar of the democratic political opposition. Its relationship with other denominations and religions in the Soviet Union remains tense.

The democratic political opposition, which is organized in a number of groups of varying sizes and to varying degrees of flexibility, has more room for manoeuvre today than it did before 1985. The number of its supporters and their influence on public opinion in Soviet society is a matter of conjecture. Although meetings, and the publication and distribution of periodicals, are monitored, they are also tolerated - provided that they do not turn against the principles of 'socialism, Leninism and Gorbachev' (to quote Lev Timofyev, publisher of the dissident magazine 'Referendum'). The formation of an opposition party, which was attempted in early May 1988 and prevented by the authorities, is also a controversial matter among the dissidents themselves. Some consider it to be counter-productive in the present climate - partly because a common political denominator for the opposition groups does not exist.

Although the minor freedoms for political opposition groups are by no means established, but only conceded and can be withdrawn at any time, they are a reality at present. However, groups which attempt to call for ethnic freedom and autonomy in the Soviet Union are continuing to be administratively suppressed. Their demands concern not only the development of political and social order in the Soviet Union but also the unity and continuance of the multinational State itself.

The Soviet Union has recently shown a much greater readiness to listen to Western complaints of violations of human and civil rights and to investigate them, as was noted, for instance, by the delegation from the Political Affairs Committee during its visit to the CSCE follow-up conference in Vienna in 1987(1). There are hopes that the Soviet Union will no longer automatically regard and reject representations on human rights as interference in its internal affairs. Some aspects are today openly discussed, such as conditions in psychiatric clinics.

The reform of the legal system raises the prospect of, or has already led to, changes which are intended to bring Soviet law 'into line with the Soviet Union's international obligations' (meaning mainly the CSCE Final Act and the UN Charter). Gorbachev has lately been talking of creating a 'socialist legal State'. It remains to be seen how far the new laws and legal

(1) Memorandum on the fact-finding mission to the CSCE follow-up Conference in Vienna (21-23 October 1987) for the Political Affairs Committee, PE 118.099 of 30 October 1987

provisions already adopted or in view, such as the law of January 1988 making it an offence to commit healthy persons to psychiatric institutions, the law of November 1987 on the right to appeal against administrative decisions or the revision of Articles 70 and 190 of the Penal Code (on 'anti-Soviet propaganda') will actually improve respect for human rights in the Soviet Union.

The extent of respect for human and civil rights is assessed variously by different opposition spokesmen. Some consider that it is still 'just talk' while others confirm that substantial, if still insufficient, changes have actually taken place. But they appear to agree that the current relaxations and freedoms have only been 'conceded' by the authorities and can be reversed at any time. The path of reform taken by General Secretary Gorbachev is criticized as too hesitant, inconsistent and inadequate, but still as giving cause for hope and it is therefore supported.

For the Community, respect for human and civil rights, and particularly the observance of the CSCE Final Act, must remain a major criterion for the shape of its relationship with the Soviet Union. Parliament must continue to press through the appropriate channels for the release of political prisoners, for freedom of opinion and religion, greater flexibility on emigration and the extension of democratic rights.

IV. THE SHAPE OF FUTURE RELATIONS BETWEEN THE COMMUNITY AND THE SOVIET UNION

Reality and prospects for trade and economic relations

The expansion of trade and economic relations should obviously stand at the centre of plans for the future relationship between the Community and the Soviet Union. Here the Community has a responsibility to play its part. The conditions for a sound partnership, dovetailing the strengths and weaknesses of each side, are favourable. The Community, with its highly-developed technological and economic know-how, needs the Soviet Union as a market for its products, as a supplier of raw materials and energy and as a partner for the development of environmental protection and scientific cooperation. The Soviet Union, with a barely-developed market of 283 million people, possesses enormous supplies of energy, resources and raw materials; as it emerges into a modern consumer and industrial society it is dependent upon cooperation with the Western world.

There is of course a wide gap between the prospects for economic relations and their reality. In the past three years the decline in the dollar exchange rate and low world market prices for oil and gas have drastically worsened the terms of East-West trade. In the first six months of 1987 such trade fell to 3.6% of total world trade, its lowest level since 1970 (4.5%). Trade between the EC and the USSR has also declined since 1984: between 1985 and 1987 imports into the EC from the USSR fell by 38% in value terms, while exports to the USSR fell by 27%. At the same time the Soviet Union's indebtedness rose by 19% in a single year, totalling approximately US \$38 billion at the end of 1987, according to Western estimates (1985 = US\$ 13 bn approx.). This rise in indebtedness derives largely from a recalculation of non-dollar debts in dollar terms, but applies to almost 50% of all Soviet external debts. However, the USSR has always served its debts punctually in the past and continues to be reckoned as a country with an average credit risk, on a par with, say, South Korea or Saudi Arabia.

In 1986 the balance of trade of the CMEA countries with the OECD countries went into deficit for the first time. The Soviet Union alone faced a deficit of US \$4 bn. The fact that these figures in the main reflect changes not in the terms of trade but in economic relations as a result of the substantial fall in value of the dollar, shows how strongly dependent the Soviet economy has become on international economic events. Thus its profits from oil exports diminished by 32% in 1986 and again by 22% in 1987. Over the last few years the Soviet Union has on its own admission lost foreign currency worth about 6 bn roubles as a result of monetary fluctuations.

The Soviet Union itself is responsible for this development. Its exports, 80% of which consist of oil and gas, are unbalanced. Soviet politicians themselves complain that the Soviet Union has become dependent on Western industrialized countries as a supplier of raw materials because its processed goods are not sufficiently competitive on Western markets. Soviet imports are restricted by the lack of foreign currency and the growing debt problem.

Western trade partners face substantial difficulties from the bureaucratic and inflexible organization of Soviet foreign trade, which has remained virtually unchanged since Lenin's time, particularly because of the monopoly on foreign trade and foreign currency in the hands of central government and party bodies. The present round of reforms aimed at decentralizing businesses and increasing their flexibility have not yet taken effect. Again, with the new organizational structures, the move towards greater openness to the outside world and alignment with the requirements of international trade will only succeed if the internal economic reforms are successful as well. This is particularly true of the radical reconstruction of business organization and of price reforms. The convertibility of the rouble as a cornerstone of open trade with the West implies that Soviet goods will also become 'convertible', which means that they will have to withstand competition with Western goods. Soviet reformers do not consider this feasible before 1995.

The range of legal and practical instruments for setting up joint ventures - the most difficult and yet most promising form of international cooperation - is still inadequate, partly because industrial patents are insufficiently protected. The reform of Soviet patent law has not yet been completed. In May 1988 there were only 14 joint ventures with companies from the Community, despite great efforts on both sides.

However, there is also a reluctance to step up East-West trade on the Western side. The export restrictions on products with advanced technologies, as a result of the COCOM lists, are a case in point. Parliament has always acknowledged the need for controls on the transfer of technology in the case of goods with a security risk. Nor is this contested by Soviet politicians. But it has always argued that the limits must be tightly drawn and quickly adapted to account for the dissemination and general accessibility of scientific and technological knowledge.

The COCOM decisions of January 1988 are a step in the right direction. The Commission must do its utmost to ensure that the lists are further reduced and published, and that the control procedures are simplified, so that uncertainty and unnecessary bureaucracy do not further reduce the permitted scope of cooperation.

Today 2 million jobs in Western Europe already depend on trade with the East. At a time when the competition for export markets is tougher than ever, trade in advanced technology must have pride of place. Many highly-developed products require a technologically developed market. It is inconceivable, for instance, to export modern Western televisions to the Soviet Union with its antiquated television network. The expansion of trade and technological progress are mutually dependent. In its own export interest, the Community has no use for a Soviet Union that is technologically backward.

The Community has an interest not only in largely unimpeded trade to the state-trading countries but also in open trade in the field of the most advanced products and procedures. Scientific and technological advance frequently relies today on international cooperation. Here the Soviet Union and Eastern Europe can in many respects rank as equal partners. The transfer of technology through East-West trade need not be a one-way street - at least in the medium term. The trade in high-value advanced technology, for instance in plant design, could lead to far greater economic integration than merely trading processed goods for raw materials. Modern technologies, in industrial production, health care, the control of nuclear power or the confinement of environmental hazards, are just as indispensable for the countries of Eastern Europe as for the European Community. By contributing to this task the Community will be assisting with the protection and care of its own citizens, as well as promoting internal stability and peace in Europe.

To develop the potential for trade between the Soviet Union and the Community and exploit it to the full, trade relations must be placed on a reliable contractual basis. The official Soviet reply to the Community's 1974 proposal is still awaited. Unofficially, the Soviet Union has stated its interest and begun setting out its ideas for discussion. The Community should respond in a constructive way and give a clear signal of its political will to support cooperation.

In doing so it must bear in mind that the legal framework of a traditional trade treaty with state-trading countries such as the Soviet Union will not be enough to stimulate an expansion of trade and economic cooperation. The Community should respond constructively to the Soviet proposal to lay down, in a comprehensive cooperation agreement, the outline conditions for broadly based cooperation, not only in the field of industry but also in research, technology, environmental protection and other areas of mutual interest. Parliament would remind the Council and Commission without more ado that it regards such an agreement with the Soviet Union as constituting a 'significant international agreement' within the terms of the Stuttgart Solemn Declaration (see Rule 34 of the Rules of Procedure), in the preparation of which Parliament wishes to be involved to a greater degree than in the past, as accepted by the Governments of the Member States.

It is not the purpose of this report to go into detail on the content and scope of such an agreement. Nor is the time yet ripe for such detail to be defined. For the moment there needs to be a comprehensive review of the opportunities created by cooperation between the Soviet Union and the Community. In this the Community should provide active assistance, as it has begun to do, for instance, with success in the context of relations with the People's Republic of China.

It is gratifying to note that Soviet politicians have voiced great interest in cooperation going beyond the traditional spheres, and have also done so on behalf of the CMEA. For example, they are proposing cooperation in the fight against modern illnesses such as cancer and AIDS or in the prognosis and assessment of modern research and advanced technologies. The special value of such cooperation lies in the fact that only very considerable scientific and financial effort is likely to produce results in these areas and that such cooperation is evidently in the service of mankind. An awareness of the common element binding Eastern and Western Europe would undoubtedly be more rapidly and lastingly strengthened from the results obtained jointly from such an endeavour than from many other enterprises.

By way of indication, four areas may be mentioned in which practical cooperation between the Community and the Soviet Union has already begun in a multilateral context.

Cooperation on environmental protection

This is not the place to dwell on the mistakes and shortcomings of the Community and its Member States as regards environmental protection. It is enough to call them to mind. But the Community countries are also affected by the gigantic scale of exploitation of the natural environment in the Soviet Union and other CMEA countries. The catastrophe at the Chernobyl nuclear power station is a particularly spectacular example of this, but not the only one. The forced pace of industrialization on the basis of high energy consumption without proper environmental protection is tantamount to legalize destruction of the environment. The long-term climatic changes brought about by changing the course of major Russian rivers must be taken no less seriously, as must the additional air and water pollution which is already discernible today, such as the pollution of a major European waterway, the Baltic.

One of the most promising developments of the 'new thinking' policy is the fact that public awareness of environmental problems in the Soviet Union has increased and the determination to solve them has become apparent, not only in the general public but also at government and party level. Since January 1988 the Soviet Union also has an environmental committee. Its first task is to draw up a comprehensive environmental legislative programme. The Soviet Union's European neighbours should expect this to promote international cooperation on environmental protection.

The Community and the Soviet Union are already involved in two specific agreements on environmental protection, the convention on combating long-range air pollution (1979 and 1984) and the convention on protection of the ozone layer (1985). They are also co-signatories of five multilateral agreements on fisheries and the protection of species in various oceans. There is a need to build on the experience of these first ventures in future and to tackle other joint operations. The Baltic Conference in Helsinki in February 1988 led to a first declaration on limiting discharges of harmful substances into the Baltic, measures to prevent oil pollution and the protection of Baltic seals. This must be consolidated and translated into binding commitments, as the sudden proliferation of algae in the North Sea and the Baltic has shown. The Community must be prepared to contribute its leading position in advanced environmental protection technology to cooperation in the general interest.

As the CMEA countries have now recognized the urgent need for investment in this area, another market for Community environmental technology has been created. Its extent is estimated at DM 165 billion just for measures to combat air pollution.

Cooperation on reactor safety

In most cases the 50 nuclear reactors in the Soviet Union do not conform to the safety requirements imposed on Western reactors. After the catastrophe of Chernobyl there has been increasing readiness in the Soviet Union to treat nuclear power with greater care. It is now more prepared for international cooperation than before Chernobyl. The conclusion in 1988 of two conventions under the auspices of the IAEA on early notification and assistance in the event of nuclear accidents or radiological emergency, to which the Community has already acceded or is about to accede are important steps forward. The Commission, which has yet fully to exercise its responsibility as the EURATOM authority, has a duty to encourage cooperation with the Soviet Union with the aim of increasing the safety of Soviet reactors in the interest of Community citizens and of taking faster and more efficient safety measures in the event of a disaster than happened with Chernobyl.

Cooperation on research

As regards research a start has already been made on cooperation over nuclear fusion for energy production, in which the Community and the Soviet Union lead the field. Following the agreement in late 1987 between the EC, the Soviet Union, the United States and Japan, in May 1988 ten scientists in each country began to produce a design for a thermonuclear test reactor (ITER). It is intended to show that fusion energy is really suited to the task of solving energy supply problems in an economical and environmentally safe manner.

Nuclear fusion is obviously only one example of possible cooperation in research. The 'complex programme for scientific and technical progress in the CMEA countries to the year 2000', adopted in December 1985, lists a number of other fields in which East and West could cooperate more closely. The Community should examine the outline proposal put forward by the Soviet Union and its allies very carefully.

Cooperation in international policy, particularly in the Third World

In talks with Prime Minister Craxi, Secretary General Gorbachev stressed that the Soviet Union also wanted to 'seek a common voice on specific international issues'. The main obstacle to such a 'common voice' has been the Soviet invasion of Afghanistan in 1979 and its occupation of that country in succeeding years. The Geneva agreement of April 1988 in which the Soviet Union undertook to leave Afghanistan under a specific timetable before the end of the year, clears the way for cooperation in international policy, particularly in the Third World.

With the end of Soviet intervention in Afghanistan the Community should turn its attention to the manifest interests of the Soviet Union, in its policy of 'new thinking', in greater participation and responsibility in international politics, for instance in GATT, the world textile agreement and the Uruguay Round, as well as in the North-South dialogue. It should draw up plans for cooperation with the Soviet Union in a sober and unhurried spirit, but also with determination and without delay.

A realistic view would encompass not only the experience of Soviet policy in the past but also the decisions of the 27th party congress and the central committee plenum of the CPSU in January 1987, the Soviet leadership's numerous statements since then on the 'new thinking', including foreign policy, and the initial reforms of Perestroika. The Soviet Union itself can have no interest in a destabilizing Western currency system or a collapse in the developing countries' debts. It too is involved in the world economy deeply enough to sustain severe damage in such eventualities. The fact that the Soviet leadership is increasingly recognizing this is clear from its recent actions.

The Soviet Union is upgrading the role of the United Nations and its commitment to their activities; in early 1988 it settled its UN debts and declared its willingness, in a departure from its long-standing practice, to give Soviet staff at the UN long-term contracts as international officials in accordance with the UN Charter. It has also made efforts to cooperate with the West in the Security Council. It is providing substantial hunger relief for Ethiopia in the form of 250 000 tonnes of wheat, the largest ever Soviet aid measure to the Third World and a few thousand tonnes higher than United States commitments in this case. It has ratified the important first account of the Common Fund for Commodities signed in December 1987 at the 7th UNCTAD Conference, thereby not only enabling the agreement to enter into force but also committing itself to a share of nearly 6% of contributions totalling \$470 million. Finally, it has declared its intention of paying funds released as a result of controlled disarmament to an 'international solidarity fund' for aid to the Third World, to contribute to fighting poverty, to ecological development and greater self-sufficiency of the developing countries through direct, non-repayable grants.

Compared with Western achievements and endeavours in the North-South conflict, Soviet efforts so far have been limited, but they are significant moves when seen against the background of the previous abstentionist policy. They deserve to be considered seriously as a step in the direction of effective cooperation between East and West in fighting hunger and underdevelopment in the world. At a time when the authorities in the Soviet Union are carrying out what they themselves term a 'revolutionary' and deliberate departure from old dogmas and patterns of behaviour, it would be dishonest and shortsighted for Western attitudes to be guided solely by the old judgments and perceptions. That would deprive the Community of political latitude for its own policy of stability and cooperation in the preservation of Western interests. The Soviet Union's 'new thinking' also represents a challenge to Western policy to think again.

V. CONCLUSIONS

Parliament attaches great importance to normalizing relations between the Soviet Union and the Community and to expanding relations based on partnership.

The normalization of relations should be completed in 1988 with the establishment of diplomatic relations. This will of course mean that the Soviet Union must give the Community unrestricted recognition in its full reality, including the territorial application of the Community in West Berlin and the participation of Berlin Members in the European Parliament. Parliament naturally also expects that the establishment of diplomatic relations will put an end to the reservations which the Soviet Union has

regularly shown in the past with regard to the participation and collaboration of the Community in international agreements, conferences and conventions, opening the way to unrestricted and unreserved cooperation.

The Soviet Union has since 1985 shown signs of a change in the working climate and in its practical contacts with the Community and its institutions. Encounters in international fora have now largely become unpolemical and factual. In particular, the Soviet Union has shown a welcome readiness for dialogue in response to the numerous initiatives of Members and political groups of the European Parliament. This has helped considerably to improve the climate. In its resolution of January 1987 Parliament expressed a wish to take up official contacts of its own with the Supreme Soviet and to develop a comprehensive and lasting dialogue after the establishment of official relations between the Soviet Union and the Community. With the establishment of the Delegation for relations with the Union of Soviet Socialist Republics it has created the conditions for such contacts and is now waiting for it to begin work without delay.

The imponderables of the reform process must not be a reason for a passive, wait-and-see approach to the Soviet Union. The Community must not make its policy dependent upon speculation on the success of the reforms. The arguments in favour of normalizing and expanding relations lose none of their validity as a result of the ambivalence of the reform process. The process of openness and new thinking in the Soviet Union confirms the strength of the basic principles on which the Community itself is founded, even if the Soviet leadership is attempting to put them to use for its own model of society within the limits of the Soviet system.

In Soviet policy there is clearly a new interest in expanding relations with Western Europe. The USSR is not only prepared to take the Community seriously as an economic partner in the prospect of completion of the internal market. It also intends to consider the Community as a political partner 'to the extent that the Community acts as a political entity'. Today it regards the unification of Western Europe as an 'objective process', meaning a development in which there may be setbacks and delays, but which is basically irreversible and cannot be impeded, let alone prevented, from outside. Whether the Soviet Union is banking on the independence of Western Europe with the aim of undermining the unity of the West and separating the Community from the United States, or is not pursuing such an aim, is open to question but immaterial. The crucial issue is not what the Soviet Union intends to do but what are the values and interests holding the Western alliance together. Broader and closer cooperation between the Community and a Soviet Union which is preparing to carry out the most comprehensive changes to its political and economic principles and structures since 1917 conforms with Western values and interests. It is moreover in the interest of all European countries that the Community and its Member States should not exacerbate and reinforce the division of Europe forcibly created by the Soviet Union 40 years ago, by neglecting or even rejecting the possibility of new cooperation between East and West. The new Soviet policy represents an opportunity to reduce and perhaps even overcome the division of Europe through cooperation and confidence-building measures. Whether this is what such a policy really seeks is uncertain. What is certain, however, is that the Community itself must seek such an objective, in the interest of freedom, security and peace in Europe.

MOTION FOR A RESOLUTION tabled by Mr MATTINA pursuant to Rule 47 of the Rules of Procedure, on relations between the European Community and the Soviet Union (doc. B2-558/85)

The European Parliament,

- A. having regard to the ideas on relations between the Soviet Union and Comecon and the European Community expounded by the new General Secretary of the Soviet Communist Party, Mikhail Gorbachev, at his recent meeting with the Italian Prime Minister, Bettino Craxi, President-in-Office of the Council,
- B. whereas it is necessary to sound out the new Soviet leadership's willingness to establish economic relations with the European Community, in order to put an end to the diplomatic silence between the two halves of Europe,
- C. whereas the institution of formal relations between the European Community and Comecon is an essential precondition for consolidating Europe's role in the preservation of world peace, as a pivot of détente between East and West and North and South,
- D. warmly applauding the Italian Presidency for the commitment it has shown to enhancing the Community's image abroad at the very highest levels, by bringing the negotiations on Spanish and Portuguese accession to a successful conclusion and consolidating economic and political relations with third countries,
 1. Expresses keen interest in the possibility of establishing formal relations with Comecon and the Soviet Union;
 2. Welcomes the diplomatic overtures made by the Soviet General Secretary, Mikhail Gorbachev, and the firm pledge by the Italian Prime Minister, Bettino Craxi, to encourage this process of rapprochement;
 3. Calls on the Council of Ministers and the Commission to open a regular and fruitful dialogue with Comecon and the Soviet Union;
 4. Instructs its President to invite, on behalf of Parliament, the General Secretary of the Soviet Communist Party, Mikhail Gorbachev, to Strasbourg for an official visit to the European Parliament;
 5. Instructs its competent committee to draw up a report on the state of the European Community's relations with Comecon and the Soviet Union;
 6. Instructs its President to forward this resolution to the Council and Commission of the European Communities and the Government of the Soviet Union.

MOTION FOR A RESOLUTION tabled by Mrs BOOT and others, on behalf of the Group of the European People's Party (CD Group) pursuant to Rule 47 of the Rules of Procedure, on the situation of the Jews in the Soviet Union (doc. B2-1041/85)

The European Parliament,

- A. having regard to the steadily deteriorating situation of the Jews in the Soviet Union, who are an oppressed cultural minority subject to various displays of more or less avowed anti-semitism,
- B. whereas only 896 Jews were allowed to emigrate in 1984, although more than 350 000 had expressed their desire to leave the Soviet Union without obtaining an exit permit,
- C. drawing attention to the various international conventions signed by the Soviet Union and, in particular, the Final Act of Helsinki,
- D. sharing the views expressed in the report and resolution adopted in September 1985 by the Council of Europe on the situation of the Jews in the Soviet Union,
 1. Appeals to the Soviet Government to abolish the various forms of discrimination affecting Jews in the Soviet Union in all areas of economic, social and cultural activity, in particular, in the exercise of the right to learn and teach Hebrew;
 2. Calls for the release of all Jewish prisoners of conscience;
 3. Calls for all Jews wishing to emigrate to be allowed to do so;
 4. Instructs its President to forward this resolution to the Council, the national governments and parliaments and the government of the Soviet Union.

MOTION FOR A RESOLUTION tabled by Mr PORDEA and others pursuant to Rule 47 of the Rules of Procedure, on Romanian territories annexed by the Soviet Union (doc. B2-1198/85)

- A. whereas the annexations of territory by the Soviet Union at the end of the Second World War, to the detriment of the countries of Eastern Europe, and in particular the annexation of large areas of Romanian national territory constitute one of the most serious problems in Eastern Europe,
- B. whereas Bessarabia (44 000 km², where, formerly, 86.7% of the population were Romanians, according to Russian statistics from the early nineteenth century), a province belonging to the Romanian people since it came into being in Dacia and, since the fourteenth century, forming the eastern part of the Romanian principality of Moldavia, was annexed by the Russians for the first time in 1812; whereas Bukovina (10 440 km², where 78% of the population were Romanian, according to Western estimates at the end of the eighteenth century), a territory which had also belonged to the Romanian people since time immemorial, was annexed by Austria in 1775; whereas, lastly, Hertza, to the north-east of Moldavia where in 1944 98% of the population were Romanians and which had never previously been ceded, was annexed by the USSR in 1947 when that country also reappropriated Bessarabia and Northern Bukovina,
- C. whereas the past colonization by Russia and Austria has altered the ethnic pattern of these regions, the percentage of Romanians in the population having fallen within a century, in favour of the Russians, Ukrainians and, to a lesser extent, the Germans; whereas, nevertheless, the Romanian national resistance movement was able in 1918 to liberate these provinces and to declare their union with Romania, a status approved by treaties concluded with the major powers,
- D. whereas, following a Soviet ultimatum and because no assistance was forthcoming from the West, as provided for by Romania's alliances, Bessarabia and Northern Bukovina were occupied in 1940, liberated in the course of the war with heavy Romanian losses, only to be reoccupied by the Soviet Union and annexed, together with Hertza, in 1947,
- E. whereas, in order to destabilize it more, Bessarabia was then divided, its central part becoming the Soviet Socialist Republic of Moldavia, whilst the north and south of the province were annexed to the Ukraine along with Northern Bukovina and the district of Hertza; whereas a regime of terror was installed there and Romanians were deported to the Ukraine, Kazakhstan, Siberia and the arctic region (about one million Romanians since 1945); whereas the destruction of the national identity of the majority group, described as 'Moldavian', and colonization on a large scale by Russian and Ukrainian people (over one million) have substantially altered the ethnic structure of these regions, which now have about three million Romanians in a total population of five million inhabitants,
1. Notes that on the basis of ethno-demographic criteria, by virtue of the right to national self-determination and in view of regional cultural realities (linguistic unity, customs, traditions and beliefs), Bessarabia, Northern Bukovina and the region of Hertza belong to the Romanian people; notes that the USSR has occupied these territories and annexed them in violation of its international undertakings and of fundamental human rights;
 2. Condemns the Soviet Government and the Ukrainian authorities for their policy intended to destroy the national identity of the Romanians living in these areas, which is tantamount to genocide;
 3. Instructs its President to forward this resolution to the Council and the Commission of the European Communities and the Foreign Ministers meeting in political cooperation.

8. Political relations between the EC and the Soviet Union

— Doc. A2-155/88

RESOLUTION

on political relations between the European Community and the Soviet Union

The European Parliament,

- having regard to the following motions for resolutions:
 - motion for a resolution tabled by Mr Mattina on relations between the European Community and the Soviet Union (Doc. B2-558/85),
 - motion for a resolution tabled by Mrs Boot and others on behalf of the EPP Group, on the situation of the Jews in the Soviet Union (Doc. B2-1041/85),
 - motion for a resolution tabled by Mr Pordea and others on Romanian territories annexed by the Soviet Union (Doc. B2-1198/85),
- having regard to its resolution of 24 October 1985 on relations between the European Community and the countries of Central and Eastern Europe ⁽¹⁾,

⁽¹⁾ OJ No C 343, 31.12.1985, p. 92.

Thursday, 15 September 1988

- having regard to its resolution of 22 January 1987 on relations between the European Community and the Council for Mutual Economic Assistance (CMEA) and the Eastern European member states of the CMEA ⁽¹⁾,
 - having regard to its resolutions on human and civil rights violations in the Soviet Union and, in particular, to its resolution of 12 March 1987 on human rights in the world in 1985/86 and on Community human rights policy ⁽²⁾,
 - having regard to its resolution of 17 June 1987 on the consequences for the European Community of the Conference on Security and Cooperation in Europe and the Conference on Confidence and Security-Building Measures and Disarmament in Europe ⁽³⁾,
 - having regard to its resolution of 17 June 1987 on the implementation of the Helsinki Agreement and the role of the European Parliament in the CSCE process ⁽⁴⁾,
 - having regard to the report of its Political Affairs Committee (Doc. A2-155/88);
- A. aware of the major importance of the Soviet Union in the shaping of the future of Europe, because:
- as a European power (in part), events within that country may, despite its enormous size, also affect the Community directly, as the nuclear accident that occurred at Chernobyl in April 1986 demonstrated, since the effects of modern technology have made the world seem smaller,
 - as a protagonist in European history, it made a decisive contribution to the destruction of national socialism and fascism in Europe in the Second World War, which the Nazi regime in Germany had forced on its European neighbours to the east and west, after the Nazi invasion of the Soviet Union had ended the cooperation carried on under the Molotov-Tibbentrop Pact, fighting alongside the Allies and making an enormous sacrifice in terms of human life and property, and as one of the four signatory states to the four-power agreement of 3 September 1971, it has rights and responsibilities in respect of Berlin and consequently also within the area in which the Community treaties apply, in West Berlin,
 - as one of the centres of an ideology which is part of the political and cultural history of Europe, but which degenerated during the Stalin era into a regime of despotism and terror and is rejected in a free vote by an overwhelming majority of the nations of Europe and North America, it has contributed in its power politics to the diversion of Europe and is seen by the nations of the Community as a threat and a reason for adopting a defensive attitude,
 - as the leading power in the Warsaw pact, it denies its allies freedom and self-determination and continues to treat them according to the principle it laid down of 'limited sovereignty', whereby the limits of sovereignty are not determined freely but imposed by the Soviet Union,
 - as the ideological and military rival of Western Europe's ally, the United States of America, it is not only an adversary but also a negotiating partner and contracting party with the USA in the concept of global mutual nuclear deterrence, so that the success or failure of efforts to achieve disarmament and détente and to combat hunger and promote development in the world depends on its attitude,
 - as a power which continues to refuse to comply with the conditions laid down in the 1975 Helsinki agreement, particularly as regards respect for human rights, an agreement which it has nonetheless formally signed,

⁽¹⁾ OJ No C 46, 23.2.1987, p. 71.

⁽²⁾ OJ No C 99, 13.4.1987, p. 157.

⁽³⁾ OJ No C 190, 20.7.1987, p. 64.

⁽⁴⁾ OJ No C 190, 20.7.1987, p. 67.

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- as a power which had no scruples in claiming to incorporate formerly independent states, it continues to occupy Estonia, Latvia and Lithuania,
 - as a European superpower, it has influence and security interests on the European continent which exist independently of the social system in the Soviet Union and which must be taken into consideration,
- B. having regard to the Preambles of the original treaties and of the Single European Act, according to which the Communities were created as 'the basis for a broader and deeper community among peoples long divided by bloody conflicts' (ECSC Treaty), to 'lay the foundations of an ever closer union among the peoples of Europe' (EEC Treaty) and 'together make their own contribution to the preservation of international peace and security' (SEA),
- C. convinced that the Community therefore has a duty to activate, extend and consolidate relations with the Soviet Union in all sectors,
- D. regretting that, more than 30 years after the founding of the Community, there are still no official relations between the Community and the Soviet Union because, for a long period, on ideological and political grounds, the Soviet Union was not prepared to recognize the Community either as an economic or as a political reality,
- E. whereas initial attempts to improve relations between the Community and the Soviet Union were hampered by violations of human and civil rights in the Soviet Union and by its military intervention in Central and Eastern Europe and the Third World, as evidenced most recently in 1968 in Czechoslovakia and in 1979 in Afghanistan,
- F. hoping that the Soviet Union will give effect to General Secretary Gorbachev's intimation to the then President-in-Office of the Council, Mr Craxi, that the Soviet Union is ready to seek a dialogue with the Community on practical international issues;
- G. resolved to establish normal relations with the Soviet Union through its own constructive policy and to use every opportunity for cooperation to further mutual interests, promote self-determination for the peoples of Europe, establish human rights and thereby secure peace in Europe,

I. As regards the political background to the normalization of relations

1. Notes that the basis for the normalization of relations between the Community and the Soviet Union has improved:
- (a) firstly, because of changes in the international climate, especially as a result of:
- the fact that, in view of the development of armaments in the nuclear age, war in Europe would mean the end of European civilization as we know it,
 - the increasing clout of regional powers and new groupings of states and the inherent likelihood of regional conflicts, which are reducing the significance of the polarization in East-West relations of recent decades,
 - the innovation brought about by modern technologies which rapidly change economic and social structures in the industrialized nations, have positive and negative implications and increase the interdependence of nations and of Europe in particular,
- (b) secondly, because of incipient economic and political reforms in the Soviet Union, thus enabling the Soviet Union to attempt to match the economic performance of the Western nations, which aim:

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internally:

- to create the conditions required for greater efficiency and competitiveness in the Soviet economy and to overcome stagnation in the economy and society by new management methods, including market-oriented features and the stepping up of scientific and technological progress, and
- at the same time, to overcome the ossification of the system by opening up society, promoting private initiatives and individual responsibility, greater democratic participation in the appointment of leaders in the party and the production process and greater transparency and openness in public life and greater scope for freedom of opinion,

externally:

- to adapt Soviet policy to new realities (Gorbachev) and to regard security in Europe as common and indivisible, in accordance with the resolutions adopted by the 27th Soviet Community Party Congress;
2. Pays tribute to the efforts of the Soviet leadership to implement its programme of economic and political reform but will not base its policy on any naive belief that rapid and fundamental changes will take place;
 3. Is aware, in particular, that the Soviet leadership does not intend to diverge from or dilute Marxist-Leninist ideology, whose objectives and principles are to remain valid, and wishes to retain the leading role of the Communist Party in public life;
 4. Is aware also of the internal problems encountered in the implementation of the reform programmes, especially the cumbersome nature of the Soviet political system, the stiff resistance in the Soviet Communist Party based on fear that the system will collapse and personal advantages be jeopardized, and the lack of practice of most Soviet citizens in dealing with the risks and opportunities of freedom;
 5. Notes that a number of improvements have been made in the field of human and civil rights but nevertheless takes the view that the Soviet Government in no way fully respects these rights;
 6. Calls on the Soviet Union to adopt the legislation required by its constitution to guarantee the human rights specified in the CSCE Final Act as well as the human rights listed in the United Nations Convention;
 7. Calls on the Soviet Union, in the CSCE process and elsewhere to improve the facilities available for human contact among European peoples by easing the bureaucratic barriers to tourism and private travel into and out of the Soviet Union;
 8. Appeals to the Soviet authorities to release all political prisoners and to allow those citizens who have expressed such a wish to leave the country;
 9. While welcoming the recent release of several hundred political prisoners in the Soviet Union, regrets the fact that some of these unjustly convicted prisoners of conscience are still subject to administrative sanctions, for instance in employment and in restrictions on where they may live;
 10. Asks the Soviet government to repeal those laws which inhibit religious practice and education;
 11. Believes that there is a need in the context of the CSCE process to set up a mechanism for considering and resolving specific cases of human rights and calls on the Soviet Union to make a constructive contribution towards putting this proposal into practice;

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12. Notes that thoroughgoing legal reforms are being prepared in the Soviet Union as part of perestroika, the declared aim of which is to bring Soviet legislation into line with and up to the standard of international law, in particular to provide stronger guarantees of Soviet citizens' rights under the law, to facilitate entering and leaving the country considerably and to restrict the imposition of the death penalty;
13. Will assess further developments in the Soviet Union on the basis of the concrete progress made to secure peace for all the nations in Europe, irrespective of their social system, of respect for basic human and civil rights, as enshrined in the CSCE Final Act, and of the increase in freedom for the Central and Eastern European allies of the Soviet Union which actually results from the Soviet reform policy;
14. Considers that the presence of the Soviet troops in Czechoslovakia is the result of the military intervention in August 1968 against the movement of reforms going in the same direction as the present reform of Gorbachev in the USSR today and therefore asks the USSR to reassess its 1968 position and to withdraw its troops from Czechoslovakia;
15. Recognizes from certain features of the reform, covered by the terms 'Glasnost' and 'Perestroika', that dynamic forces have been set in motion which allow long suppressed and taboo issues to be addressed and also increase freedom of action for non-governmental groups and individuals, which makes it difficult to assess the progress and extent of the process of change in the Soviet Union;
16. Recognizes the growing importance of the demands within the Soviet Union for a reorganization and extension of the rights of nationalities and ethnic minorities there and calls on the Soviet leadership to resolve this problem having regard to the legitimate interests of all concerned;
17. Realizes that the process of reform in the Soviet Union has only just begun and that it will not be possible to make a definitive political assessment of it for some time to come; recognizes therein, nevertheless, a number of positive elements in the willingness to improve relations with the Community on a broad basis, to overcome the self-imposed isolation of the Soviet Union from the world economy and make it less unattractive as a trading partner and to cooperate with the Community and the countries of the Western Alliance in tackling security and humanitarian issues;
18. Is convinced therefore that the gradual changes set in train by the Soviet leadership may also be in the interests of the Community and its Member States if they actually result in an opening up of the Soviet system internally and externally;
19. Calls on the Community and its Member States to take every opportunity resulting from the Soviet reform policy to secure peace and improve relations with a view to achieving closer cooperation and greater mutual confidence;
20. Is convinced that, in the nuclear age, East and West bear joint responsibility for preventing the outbreak of war and that, in the long term, peace in Europe is based on the premise that all nations may exercise their right to self-determination and thus, albeit with different social systems, live in security;
21. Emphasizes, in this connection, that security is not merely based on a military balance between states and alliances but also on the stability of social relationships within those states, and that there can be no stability where freedom is oppressed internally and the balance between nations constantly procured afresh with another round in the arms race;
22. Recalls, in this context, the undertakings entered into both by the Soviet Union and the Community and its Member States in the CSCE Final Act;

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23. Recalls its decision on the achievement of Political Union and on the political dimensions of a European security strategy, whereby European security policy must be based simultaneously on defence and détente, i.e.:

- on the one hand, on further controlled and balanced disarmament, including asymmetric reduction of conventional forces, the elimination of chemical weapons and the balanced reduction of nuclear arsenals, whereby the objective is for each side to maintain a defensive strength no greater than that required to act as a deterrent,
- and, on the other hand, on the development of broadly-based cooperation in the fields of economics, science and technology, environmental protection and culture in order to create a network of mutual dependencies which support security through the interdependence of mutual interests and makes it reliable;

24. Takes as an encouraging sign of readiness to reach agreement on the central issue of co-existence of the nations of Europe the statements made at the 27th Soviet Community Party Congress that, in view of modern technology, European security is 'indivisible';

25. Considers that, to this end, use should be made of both bilateral cooperation between the Soviet Union and the Community and its Member States and cooperation under multilateral agreements and conventions and all other fora in which both sides participate;

II. As regards the improvement of relations in the field of trade, technology and environmental protection:

26. Advocates the conclusion of a comprehensive cooperation and trade agreement between the Community and the Soviet Union and points out that it would regard such an agreement as a significant international agreement within the meaning of Rule 34 of the Rules of Procedure and hence wish to participate in the negotiations on its conclusion;

27. Stresses that the Community should also conclude comprehensive trade and cooperation agreements with the other European states apart from the Soviet Union belonging to the Council for Mutual Economic Assistance (CMEA);

28. Is aware that the export of certain goods from the Community is subject to restrictions, endorses as wide as possible a trade in the field of advanced technology and supports export restrictions only on goods of real strategic importance;

29. Welcomes the decisions taken in Paris in January 1988 to cut the COCOM list and calls on the Commission and the governments of the Member States to use their influence to ensure that COCOM lists are further shortened and, in conjunction with this, that there is greater transparency for companies and more effective verification of compliance with the restrictions;

30. Points out that, to date, trade with the Soviet Union has also been hampered by that country's poor range of competitive manufactured goods and by certain foreign trade structures which originate in the Soviet economic and social system;

31. Recognizes, in the economic reforms introduced so far, signs of greater flexibility, decentralized decision-making and technological innovations but considers that more far-reaching measures are necessary to facilitate international trade, e.g. the convertibility of the rouble and fiscal policies favouring direct investment by Community firms;

32. Hopes for cooperation in all areas of joint interest which fall within the Community's sphere of activities and urges that, once official relations have been established, a comprehensive list should be drawn up of possible areas of cooperation and specific problems, such as the financing of East-West commercial transactions, and mutual information on the potential for and limits of economic, scientific and technological cooperation thereby extended;

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33. Stresses above all the Community's great interest in improvements in environmental protection measures in the Soviet Union, since it is affected by many instances of environmental pollution, regards closer cooperation in the field of advanced environmental protection technology as essential and calls on the Soviet Union, on the basis of the existing Convention on long-range transboundary air pollution (ECE Geneva) and the Convention on the Protection of the Ozone Layer (Vienna) to step up its cooperation with the Community and its Member States on environmental issues, for example in maintaining the ecological balance in the Baltic;

34. Welcomes the Soviet Union's readiness, after the nuclear accident in Chernobyl, to increase the exchange of information and cooperation in the peaceful use of atomic energy, recognizes in the IAEA Convention on rapid information and assistance in the event of nuclear accidents initial examples of specific cooperation which must still be considerably expanded;

35. Recognizes the enormous potential for the Community and its Member States on the one hand and the Soviet Union on the other to cooperate in research and welcomes the cooperation initiated in the development of a nuclear fusion reactor for electricity generation (ITER) under the auspices of the IAEA as an important step forward;

— *In the field of security:*

36. Points out that, since 1973, the Community and European Political Cooperation have contributed to the CSCE process and recalls its explicit support for that process;

37. Considers negotiations on more far-reaching confidence-building and security-promoting measures in Europe to be just as urgent and important as negotiations between the USA and the USSR on the reduction of strategic nuclear weapons systems and expects the European countries to be more heavily involved therein;

38. Welcomes the INF Agreement signed on 6 December 1987 by the USA and the USSR as the first commitment to achieve the abolition, with on-the-spot verification, of an entire class of weapons which were principally designed for use on European territory;

39. Recalls, however, its repeated demands for further disarmament measures in Europe, in particular,

— an agreement on short-range nuclear weapons, combined with the abolition of the imbalance in conventional weapons and the achievement of a balance at the lowest possible level of armament,

— a ban on and the destruction of chemical and biological weapons;

40. Regards the offer made by the Political Consultative Committee of the Warsaw Pact in May 1987 on the mutual clarification and adaptation of the military doctrines of the two alliances as encouraging and believes that its seriousness should be tested by a corresponding Western proposal;

41. Calls on the Community and its Member States within the Western alliance not to reject outright or reach defensively to the many security and disarmament policy options put forward by the Soviet leadership but to test the seriousness of their intentions by presenting practical counter proposals;

— *In the field of cooperation on international issues and with the Third World:*

42. Is pleased to note that the Soviet Union has finally begun to withdraw its intervention troops from Afghanistan in accordance with the timetable agreed under the Geneva Accord of April 1988;

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43. Welcomes the clearly increased interest of the Soviet Union in taking part in multilateral cooperation to solve world trade problems, in supporting an active role for the United Nations, in making a contribution to the campaign against hunger and underdevelopment in the world and in cooperating with the West in the settlement of regional conflicts, such as the war between Iran and Iraq and in southern Africa;

44. Welcomes the willingness of the Soviet Union, which has hitherto provided hardly any aid, to cooperate in drafting guidelines for making available for development projects in the Third World the resources released as a result of disarmament, recalls its positive opinions on a policy of that nature and calls on the Member States and on European Political Cooperation to give similar support;

III. As regards the organization of relations

45. Stresses the great importance it attaches to the development of normal and constructive relations as equal partners between the European Community and the Soviet Union;

46. Takes the view that the basic conditions for the establishment of diplomatic relations between the Soviet Union and the Community exist;

47. Assumes that the Soviet Union now unconditionally recognizes the reality of the Community, and that this includes the application of Community law to West Berlin;

48. Calls on the Foreign Ministers of the Community Member States meeting in European Political Cooperation (EPC) to establish as part of their foreign policy a regular and wide-ranging political dialogue with the Soviet Union on the development of relations and maintaining peace in Europe; considers it appropriate for this dialogue to be held within the same framework as contacts with other important third countries and groups of states and calls on the Soviet Union to take up the dialogue at a high political level;

49. Confirms its decision of January 1987 to the effect that, once official relations are established between the Community and the Soviet Union, it will establish independent relations with the Supreme Soviet and takes the invitation issued to its President to pay a visit to the Supreme Soviet as a sign that the latter, too, is interested in such relations;

50. Welcomes the Soviet Union's willingness to hold a detailed exchange of views with the European Parliament on humanitarian and other issues, in particular in connection with and in preparation for discussion of human rights issues at the CSCE Conference, and calls on its Bureau to make arrangements for such a dialogue once official relations have been established with the Supreme Soviet;

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* * *

51. Instructs its President to forward this resolution to the Commission, the Council, the Foreign Ministers of the Member States meeting in European Political Cooperation and the Presidium of the Supreme Soviet in the Soviet Union.
