In a recent interview with Time magazine, Soviet premier Mikhail Gorbachev said:

You asked me what is the primary thing that defines Soviet-American relations. I think it is the immutable fact that whether we like each other or not, only together can we survive or perish.

Indeed, Soviet-American relations are such that the world's survival is dependent upon a harmonious interaction between these two countries. For this and other reasons, the Soviet Union is and will long remain a prime concern for U.S. foreign policy. In projecting future directions for U.S. policy, it is important to keep in mind domestic trends and developments in the Soviet Union that may affect the formulation of that policy. These domestic concerns include economics, politics, and ideology and culture.

**Soviet Economy**

Western scholars agree that the Soviet economy faces some formidable problems. Foremost is the slowdown in economic growth. Annual Soviet GNP growth has dropped from 5.5

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percent in 1955 to 3.7 percent in 1975, and, finally, to 2.7 percent in 1980. It has not increased significantly in the last five years. The labor force also continues to diminish due to declining birth rates and increasing retirement. The situation is further exacerbated by military demands for manpower, extracting a considerable number of eligible workers from the labor force. The Soviets are also unsuccessful in effectively substituting labor with capital; capital is not increased or modernized at a rate sufficient to compensate for the decrease in the labor force. Moreover, many Soviets prefer employment at white-collar jobs, and steer their children in that direction, hence lessening available resources for more labor-intensive occupations. Accordingly, agriculture suffers most from the labor shortage. This is aggravated by increasing rural-urban migration, leading to a projected 1.5 percent annual decrease in the agricultural labor force until the year 1995.

The decline in the size of the labor force results in low productivity and prompts the government to subsidize agricultural and other consumer goods. Annually, the government spends 40 billion rubles on milk and meat subsidies and 6.5 billion rubles on housing subsidies. Nonetheless, shortages exist and consumers remain discontented.

Besides a declining labor force, Soviet agriculture is fraught with other challenges. The Soviets continue to heavily import grain from the West. Between 1984-85 alone, they imported 43 million tons of grain from the West. Development in infrastructure, capital equipment, and material inputs also lag. Bad roads make it very difficult to transfer produce from one center to another, and poor packaging materials and practices increase product losses. Although 33 percent of total investment is absorbed by agriculture, mechanization, nevertheless, remains a problem.
The Soviets continue to produce machinery impressive in quantity but poor in quality. Finally, planning and coordination in industry often do not coincide. One sector may produce enough fertilizer but other sectors fail to produce bags or machines to pack and spread the fertilizer.

Oil is another major economic concern, particularly with the recent decline in oil prices. In 1985, oil production in the Soviet Union was 226 million barrels below target. This lag threatens the modernization of the Soviet economy as well as the trade advantages they have over Eastern-bloc nations. With less oil to export, there will be less hard currency, and the Soviet Union will be unable to import badly needed grain and technology. The Soviets might therefore tighten domestic energy consumption in order to save energy for export. This could heighten the discontent among the people.

Domestic economic problems further include a very high savings rate (187 billion rubles in 1983--making the total savings increase greater than the retail sales increase of the same year), a growing black market, and labor innovations such as shabashniki. Shabashniki are groups of workers hiring themselves out as carpenters, agricultural workers, or construction workers on collective or state farms. They do regular work that needs to be finished by specific deadlines and they do it quickly and efficiently. Often, they have to travel great distances to find work, but they are paid three to four times as much as the normal worker. The success of the shabashniki reaffirms a growing consumer mentality in the Soviet Union and the important role that initiative and incentive play in the accomplishment of tasks. This suggests a need for reform in the economic system--a reform that will allow both consumers and producers to move more freely.
Economic reform in the Soviet Union will involve multiple strategies. To increase their labor force, they will have to either decrease the size of the army or find ways to fuse military training with economic production. Decreasing the military force can be feasible only when the Soviets see less threatening and less taut relations with the United States. Once the labor force is increased, efforts to improve the quality of production must follow. This may be done through better use of improved equipment which may be procured from the West. With products of higher quality, Soviet consumers will most likely spend more and save less, thus allowing for greater investment in the economy.

In the agricultural sector, reforms for higher production have been decreed (a total of 150 decrees in the last few years), but with no concrete results. Unless more tangible results are seen, the legitimacy of the Soviet government will be questioned; for people continue to have rising expectations and want their government to deliver the goods it promises. Much can be done through cooperation with the West; however, it is doubtful that the Soviet Union would undertake radical changes in its political-economic structure in order to direct the economy more efficiently.

Soviet scholars agree that saving their economy is a workable proposition. The Soviet economy has always had problems and the people are used to hardships. But although they are determined to boost their economy, the Soviets are generally unwilling to take risks that may undermine their military superiority. Their leaders constantly emphasize the state's victories in two world wars, the industrialization of the country, the achievement of military parity with the United States, and the attainment of a higher standard of living. Much has been accomplished in the past, and despite the
slowdown in economic growth, the economy is, nevertheless, growing, and not stagnating. Besides, the Soviet Union is the world's second major economic power. Why, then, should its leaders conclude that the problems they face today are fatal? Because of this relatively hopeful Soviet outlook on their economy, the United States cannot count on the Soviet Union's full dependence on the West in achieving economic recovery. Rather, current developments suggest that avenues in the economic sphere are open for greater U.S.-Soviet cooperation. American exports of foodstuffs and consumer goods in particular will alleviate the long lines that cause absenteeism and low productivity in the Soviet Union. The United States will benefit by increasing its international trade, and the Soviet Union will be able to use money bonuses as a work incentive because the workers would have something to buy. Further, the Soviets will view the United States less as an adversary than as a trade partner—and this, perhaps, will lead to more meaningful efforts at developing friendly U.S.-Soviet relations.

Soviet Politics

Soviet politics is another area of concern for U.S. foreign policy. The CPSU (Communist Party of the Soviet Union) and its political body, the Politburo, preside over the Soviet political system. The core of the Politburo and of the Central Committee of the Communist Party is made up of older men who came into power in the 1930s, have a low level of education, and generally come from peasant families. Despite this background, Soviet political leaders nevertheless form an elite group, unwilling to yield substantial political power to the workers. Although they comprise 61 percent of the population and 43 percent of the party, workers make up only 6 percent of the Party Central
Due to these facts, some scholars concede that there is no pluralism in Soviet government. However, substantial evidence suggests otherwise. From the Khrushchev and Brezhnev eras, some decentralization and a movement toward a stabilized oligarchy has taken place in the Soviet Union. Although strong leadership exists, Stalin's one-man rule is no longer prevalent because there is competition within the Party apparatus. In fact, once a leader is chosen, his first major challenge is to consolidate his power by gaining the confidence of the other members of the political elite. His innovativeness and effectiveness will be directly proportional to his ability to dissolve competing elements in the political hierarchy and to consolidate the decision-making authority.

It can be further asserted that decision-making in the USSR has developed a more institutionalized and consensual nature. Government is no longer by dictatorship but by "commission and rule through alliance and factions," particularly during the Brezhnev regime. Thus, for U.S.-Soviet foreign policy,

... it would be a grievous error to accept claims and pretense as reality, and to neglect the evidence of a multitude of tensions, functional and jurisdictional disputes, role conflicts, special groups, lobbies, vested interests, intellectual and perceptual differences, regional and ethnic rivalries, power struggles, technical disputes and various other antagonisms [in Soviet government].

The current Soviet leadership is of particular interest. Mikhail Gorbachev, a relatively young leader, is at the helm. He will be only 69 in the year 2000, and thus assumes the responsibility of formulating long-run policies
in the Soviet Union. So far, he has performed very satisfactorily, consolidating power by removing his major rivals in the Politburo and replacing them with men who will most likely support his programs for industrial growth and change in social policy. He has shown himself an able diplomat in meetings with English prime minister Thatcher and in the more recent summit meeting with President Reagan. He has visited France and Germany and will most likely pursue improved relations with both Japan and China. He sees economic reform as his main task, and views the current period of economic slowdown as one conducive to policy innovation. Gorbachev realizes that he cannot successfully carry out his reforms if American military expenditures increase and if relations with Japan and China worsen. Accordingly, to facilitate his reforms, he would most probably opt for renewed detente, but with more precise "rules of the game." Some scholars disagree and claim that so far Gorbachev has not pursued detente, but has only strengthened the bureaucracy and centralization in the Soviet Union. Still others conclude that as a young leader with no war memory, Gorbachev may be inclined to be more adventurous and expansionist, especially if the domestic situation looks bleak. However, the consensus is that the current Soviet leadership is unlikely to go to extremes.

Gorbachev perceives that harmonious relations with the United States can lead to decreased Soviet military spending and therefore increased domestic economic investment plus easier access to badly needed technology from the West. The United States, in turn, can receive trade benefits and greater political leverage over the Soviet Union by cooperating with a leadership disposed to augmented cooperation with the United States. However, it would be naive to assume that the United States will be able to dictate policies to the Soviet Union; and if ever any
political leverage is gained in the future, it will have to be used in very discrete and diplomatic ways. The Soviet economic and political system will not collapse without aid from the West since alternatives for economic cooperation may be found. For example, the Soviet Union imported 12 million tons of grain from Argentina in 1980-82, after the United States declared a grain embargo. New avenues may be opened for increased freedom and human rights for Soviet citizens if the United States learns to properly use political and economic leverage in its foreign policy towards the Soviet Union.

Soviet Ideology and Culture

In the United States, the belief persists that the Soviet Union is, above and beyond other considerations, a messianic state adhering to what its people believe is superior ideology. They may not have conquered the world, but the victory of communism has no timetable and the Soviet government believes that communism will ultimately triumph. Robert Osgood has succinctly expressed this idea by stating that many believe the Soviet Union is a revolutionary and expansionist state intent on conquering the world, not "because of geopolitical insecurity, but because of an inner compulsion that arises from an ideological fixation, the totalitarian nature of the regime, and its search for domestic legitimacy."

The preceding interpretation of Soviet ideology may be popular but not entirely accurate. True, the Soviet Union remains the bastion of communist ideology, but this ideology is used more as a legitimizing principle than as a strict basis for internal and external policies. The Soviet Union, like other countries, is affected by external realities and actions, including world opinion. Its leaders want to
maximize power and use ideology to shape the political and economic perceptions and expectations that may vary from one leadership to another. Domestic concerns also continue to grow in complexity, and awareness of this complexity influences Soviet interpretation of ideology. For example, the growing discontent of the people because of their leaders' inability to make their words and deeds coincide renders it increasingly difficult to move the people in the name of ideology. Moreover, the government no longer has total control over the agents of political socialization. Legally or otherwise, information from the outside world continues to flow into the country, diversifying the people's perception and interpretation of ideology. Finally, the Soviet people realize that the major expectations stemming from their ideology (e.g., the expansion of communism, the downfall of the capitalist world, and extensive Third World gravitation to the Soviet camp) have not been realized; the Soviets are not so naive as to overlook all the facts. They are willing to learn from experience.

Domestic concerns rather than ideology, then, will play the major role in Soviet foreign affairs. If that is the case, future U.S. foreign policy must be geared towards mutually beneficial cooperation with the Soviet Union. Trade-offs may be negotiated in a way that will ensure maximal satisfaction for both sides. The United States, as well as the Soviet Union, must emphasize abstract ideology less, in favor of more tangible and beneficial points of cooperation between the two countries.

Russian nationalism is another issue to explore. It remains the "strongest element in Russian political culture"—a product of Russia's religious and political history. It is the cohesive force within the political elite and between the elite and the masses. It is a nationalism which respects power, from the days of Peter the
Great, to Stalin, to the current regime. It provides legitimacy (or at least an emotional base) for authoritarianism and promotes a disapproval of dissidents who threaten the national unity. It gives people the necessary strength to endure what their government demands and to tolerate and even support the deceptions propagated by their society—such as government slogans declaring the "dictatorship of the proletariat" and that "the Party and the people are one." Solzhenitsyn, perhaps the Soviet Union's most famous dissident, provides insight into Russian nationalism:

Communism will become less popular only if proven incompatible with Russian nationalism. The ideology is no longer believed by many and ultimately, disastrous expansionism will be relegated to a lesser position after "demands of internal growth."

Thus, although the Soviet Union may be more disposed towards cooperation, future U.S. foreign policy must nevertheless remember that a transfer of loyalty from the Soviet Union to the United States is unlikely to transpire among the majority of the Russian people. Concessions from the Soviet people and government, then, must be expected in the context of Russian nationalism and self-respect which the people have earned and will undoubtedly want to keep.

In domestic economics, politics, and ideology, it appears that the most beneficial direction the Soviet Union can take is that of greater cooperation with the United States. However, it is dubious that this cooperation will completely obliterate the very fundamental and seemingly irreconcilable differences between the two countries. But much can be done to mitigate existing hostilities and tensions. United States foreign policy has a crucial role to play. It is in
the best interest of the United States to take advantage of opportunities for cooperation with the Soviet Union. In so doing, perhaps only a minimal amount of material benefits will accrue to the United States. Notwithstanding, other more significant and valuable benefits may be received, such as greater human rights and lesser regimentation of action and thought for the Soviet people. These are reforms that the U.S. government continually pressures the Soviet Union to carry out. Cooperation, not big power aggression, may be the catalyst in the realization of these reforms. As Allman has so aptly expressed in his article "Nice Guys Finish First," "When dealing with your neighbor, a business rival, or the Soviet Union, the way to get ahead is to get along." He formulated this conclusion based on a game called "Prisoner's Dilemma," where the more two people cooperate, the better off they are.39 Finally, Schevchenko, the highest Soviet official to defect to the United States, says: "The USSR cannot be erased from the earth or removed from its position at the center of power in the modern world. The survival of mankind may depend upon temperate relations between the Soviet Union and the U.S."40 Indeed, in the year 2000 and subsequently, U.S. foreign policy must continue to find ways to increase cooperation, lessen hostilities, and build trust with the Soviet Union.
ENDNOTES

1 "Mikhail Gorbachev Replies to Time Magazine," _International Affairs_ no. 10 (1985), p. 4.


10 Cracraft, _Soviet Union Today_, p. 178.


Cracraft, Soviet Union Today, p. 176.


Cracraft, Soviet Union Today, pp. 178-79.


Cracraft, Soviet Union Today, p. 179.

Keeble, Soviet State, p. 120.

Staar, USSR Foreign Policies, pp. 21, 33-35.


Cracraft, Soviet Union Today, pp. 49-50.

Ibid., p. 62.


28 Bialer, Domestic Context, pp. 170-71.

29 Keeble, Soviet State, pp. 102-104.

30 Staar, USSR Foreign Policies, pp. xxi-xxii.


32 Bialer, Domestic Context, pp. 416-22.

33 Cracraft, Soviet Union Today, pp. 57-62.


35 Cracraft, Soviet Union Today, pp. 54-55.

36 Bialer, Domestic Context, pp. 4-6, 425-26, 180-81.


38 Bialer, Domestic Context, pp. 13-14.


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