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WITHDRAWAL SHEET

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
1. meeting file (cover sheet)	re: IG on NSSD 2-86 (1p)	9/23/86	P-1
2. request for appointments	(1p, partial)	9/23/86	P-1
3. memo	from Poindexter to the President re: NSSD on soviet initiatives in international economic affairs (6pp)	9/13/86	P-1
4. vax	from Am. Embassy Rome to Sec. of State re: update on Halion-Soviet trade (8pp)	9/17/86	P-1
5. talking points	re: NSSD on Soviet IEP (6pp)	n.d.	P-1
6. talking points	same as item # 5, with notes (6pp)	n.d.	P-1
7. request for appointments	(1p, partial)	9/23/86	P-1
8. NSC cover sheet	re: NSSD 2-86 (1p)	n.d.	P-1
9. memo	from Rodney McDaniel to Nicholas Platt et al. re: NSSD on Soviet initiatives in international economic affairs (4pp)	6/16/86	P-1
10. memo	from Poindexter to the President re: NSSD on Soviet initiatives in international economic affairs (1p)	9/13/86	P-1
11. memo	from Danzansky to Poindexter re: NSSD on Soviet initiatives in interantional economic affairs (1p)	9/8/86	P-1
12. vax	from Am. embassy Tokyo to Sec. of State re: Soviet Deputy Premier Garchuk indicates joint venture law to go into effect by January 1987 (1p)	9/16/86	P-1
COLLECTION: DANZANSKY, STEPHEN I.: Files			db
FILE FOLDER: Soviet Union (Economic Initiatives) ^(9 of 9) [6 of 6] RAC Box 12 Box 91819			11/10/94

RESTRICTION CODES

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- P-1 National security classified information [(a)(1) of the PRA].
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- P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA].
- P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA].

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- F-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA].
- F-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA].
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WITHDRAWAL SHEET

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
13. vax	re: implications of harsh penalties for Soviet bankers implicated in the Wozchad scandal (2pp)	9/13/86	P-1
14. PROFS note	from S. Danzansky to T. Cobb et al. re: shakeup in Soviet banks (1p)	9/16/86	P-1
15. vax	re: briefing paper for the Japanese Ministry of International Trade and Industry on the Soviet request to participate in the New Trade Round of the General Agreement on Tariffs and Trade (1p)	9/12/86	P-1
16. vax	from Sec of State to all OECD capitals et al. re: USSR interest in new round participation (2pp)	9/9/86	P-1
17. vax	from US Mission US UN to Sec. of State re: resolution on international economic security (1p)	9/5/86	P-1
18. e-mail	from Danzansky to Scott Sullivan re: disinvestment in the USSR (1p)	n.d.	P-1
COLLECTION: DANZANSKY, STEPHEN I.: Files			db
FILE FOLDER: Soviet Union (Economic Initiatives) [6 of 6] Box 91819 <i>(9 of 9) RAC Box 12</i>			11/10/94

RESTRICTION CODES

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REQUEST FOR APPOINTMENTS

To: Officer-in-charge
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Please admit the following appointments on Tuesday, September 23, 1986

for Stephen I. Danzansky of NSC :
(NAME OF PERSON TO BE VISITED) (AGENCY)

State

DOB

Allen Wallis
Robert Clarke
Nicholas Burakow

11/5/12
4/27/42
10/11/49

Treasury

James Griffin

12/25/26

Defense

William George

6/27/27

Commerce

Louis Laun
Susanne Lotarski

5/19/20
9/23/42

CIA

[REDACTED]

[REDACTED]

USTR

Michael Smith

(passholder)

MEETING LOCATION

Building White House

Requested by Patricia Battenfield

Room No. Situation Room

Room No. 365 Telephone 4985

Time of Meeting 2:30 p.m.

Date of request September 23, 1986

Additions and/or changes made by telephone should be limited to three (3) names or less.

APPOINTMENTS CENTER: SIG/OEOB - 395-6046 or WHITE HOUSE - 456-6742

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Outline

I. General -- Today -- EC/CEMA Talks

A. Recent initiatives

-- Reorganization of Ministry of Foreign Affairs (MFA) -- Ivan Ivanoff -- Admin. for International Economic Relations

-- Application -- GATT

-- IMF/IBRD

-- Eurobond syndication

-- Increased volume financial market transactions

-- EC/CEMA

-- joint venture interest

B. Ed Hewitt -- Ivanoff -- Soviets are superpower, military power -- political not economic

C. Basic issues

1. What is happening?

2. Why?

3. National Security Implications

4. U.S. response

D. Important Reagan/Gorbachev

II. Today's Business

A. Talk through the Terms of Reference -- clarify and amend

B. Assignments

C. Set calendar

1. October 1 -- Stage I

2. October 6 meeting re analysis -- Stage II

3. Completion of analysis -- October 13

4. Final Oct. 15

D. Somewhat flexible on time as each Summit week passes

III. Stage I -- Scope

- o MFA -- reorganization -- State/CIA
 - Ivan Ivanoff -- Admin. for International Economic Relations
- o GATT -- past history -- contrast East bloc, PRC -- USTR/State
- o IMF/IBRD -- serious -- net donor? -- Treasury/State
- o Eurobonds -- settlement of Czarist-British debt -- hard currency needs -- Treasury/State
- o International financial markets -- separation of Uneshtorgbank (VKB) -- (foreign trade) from Gosbank (Central bank) -- flexibility -- Treasury/State
- o Soviet International Economic Security -- initiative, stocks due to commodity -- price movements -- debt State/CIA/(Treasury?)
- o EC/CEMA -- history, purpose, plan -- State (USTR)
- o Joint Ventures -- Commerce/DOD (State)

soviet union (FI)
6086
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REQUEST FOR APPOINTMENTS

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for Stephen I. Danzansky of NSC
(NAME OF PERSON TO BE VISITED) (AGENCY)

<u>State</u>	<u>DOB</u>
Allen Wallis	11/5/12
Robert Clarke	4/27/42
Nicholas Burakow	10/11/49

<u>Treasury</u>	<u>DOB</u>
James Griffin	12/25/26

<u>Defense</u>	<u>DOB</u>
William George	6/27/27

<u>Commerce</u>	<u>DOB</u>
Louis Laun	5/19/20
Susanne Lotarski	9/23/42

<u>CIA</u>	<u>DOB</u>
[REDACTED]	[REDACTED]

<u>USTR</u>	<u>DOB</u>
Michael Smith	(passholder)

MEETING LOCATION

Building <u>White House</u>	Requested by <u>Patricia Battenfield</u>
Room No. <u>Situation Room</u>	Room No. <u>365</u> Telephone <u>4985</u>
Time of Meeting <u>2:30 p.m.</u>	Date of request <u>September 23, 1986</u>

Additions and/or changes made by telephone should be limited to three (3) names or less.

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GATT Bid: Soviet Acquiescence?

By KATHLEEN A. CHARLES

WASHINGTON — Suspicion between the world's two major superpowers seems to be on the rise with tensions mounting over contentious arms control negotiations and a new resolve by the Gorbachev regime to join the Geneva-based General Agreements on Tariffs and Trade.

Timing of this request is ideal for the Soviet Union, striving for greater visibility and credibility in the world. Timing of the stern negative U.S. reaction could not be worse, given the conciliatory gestures of the other superpower at the arms negotiating table.

Application for GATT membership by the Gorbachev regime implies acquiescence to the principles of free trade stipulated by the organization and a radical switch from the intransigence of the "old Soviet Guard" that has consistently refused to submit to any liberalization of trade measures.

Whether this effort by the Soviets to join GATT will be successful is

Kathleen Charles is a Washington-based writer who frequently contributes to The Journal of Commerce on areas of world trade.

Application by the Gorbachev regime implies acquiescence to the principles of free trade stipulated by the organization and a radical switch from the intransigence of the "old Soviet Guard"

questionable, according to one high U.S. official who did not wish to be identified. "Their economic system is diametrically opposed to the free trade guidelines of the GATT and acceptance is based on two-thirds consensus by contracting parties."

Accession to this organization is a lengthy process. Each nation must agree to make specific trade concessions before an application is considered by the 92 members.

China, seeking membership for the last five years, is still gearing up for official accession procedures.

China's economic liberalization measures undertaken in the last several years help garner support for the Chinese, although communist bloc members of GATT, Romania, Hungary and Czechoslovakia, still experience resistance from other GATT members to their pricing and tariff structures.

At a time when U.S. policy-makers are obsessed with the future of

this organization, which has never been able to enforce rules of trade conduct upon contracting parties, their overreaction to the Soviet Union's statement of intent is unwarranted.

The new avant-garde Gorbachev government is playing the right sort of diplomatic game, considering the economic plight and severe industrial stagnation at home. Lack of industrial competitiveness with Western countries forced the new leadership to consider new commercial alternatives that can be explored on a bilateral basis.

Entry to the GATT club of trading nations could enable the Soviet Union to wield even greater influence throughout the Western world and the newly industrialized countries.

This opportunity would allow the Soviet Union to accomplish several objectives: to acquire products and expertise for a depressed economy

and to exert subtle influence upon how capitalist nations operate.

Once the United States is aware of the duplicity involved, a more pragmatic approach could be taken.

Acquiescence to the GATT club of nations forces each country to accept certain basic obligations and to engage in trade negotiations on a quid pro quo basis — barring all political differences. Therefore, if the Soviets are accepted, they must play by the rules.

It remains to be seen whether other GATT members with differing political and economic regimes will take the request seriously.

Handwritten notes in blue ink: "A", "K. V. i", "N", "2", "(2-1)"

Financial Times Friday September 12 1986

Moscow bank chief outlines trade strategy

THE SOVIET UNION is looking to put its trade relations with the West on a new footing and seeks co-operation in a wide range of business, according to the chairman of the Soviet state bank, Reuter reports from Moscow.

The official news agency Tass yesterday quoted comments by Viktor Dementsev made in talks with West German business leaders which opened on Wednesday in the southern Soviet city of Baku.

Tass said that Mr Dementsev had reviewed guidelines for the expansion of Soviet business ties in the context of a restructuring of Moscow's foreign economic relations.

"What I'm speaking about is the development of new forms of economic co-operation, including scientific and technical co-operation and co-production arrangements," Tass quoted the bank chairman as saying.

The Soviet Union agreed last June to study the prospect for joint ventures between Western and Soviet enterprises.

This departure from long-standing policy followed a steep fall in Soviet foreign exchange earnings, caused mainly by the collapse in oil prices, which made direct purchase of Western equipment more expensive for Moscow.

"The Soviet Union is interested in the further development of co-operation with Western partners on a long-term, stable and balanced basis, all of which fully apply to economic relations with West Germany," Tass quoted Mr Dementsev as saying.

Trade with West Germany, the Soviet Union's leading Western trading partner, had grown 70-fold over the past 30 years and West Germany now provided 25 per cent of Soviet imports of Western machinery and equipment.

Mr F. Wilhelm Christians, joint management board spokesman of West Germany's Deutsche Bank, is co-chairing the session in Baku of an expert group on banking and finance of the Soviet-West German commission for economic, scientific and technological co-operation. Tass said.

It quoted Mr Christians as saying that West German banks and companies hoped to participate in large-scale joint projects with the Soviet Union. Economic re-structuring

would allow more efficient use of Soviet natural resources, he added.

Deutsche Bank officials in Moscow were not immediately available for comment.

Mr Christians met Mr Mikhail Gorbachev, the Soviet leader, in April last year for talks on bilateral economic relations. Their meeting followed West German-Soviet negotiations in January 1985 on extending credits in Moscow.

Moscow Easing Laws Governing Foreign Trade

Firms From Abroad Would Be Allowed Participation In Soviet Joint Ventures

By FREDERICK KEMPE

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — Soviet officials have told American business executives that Moscow soon will allow capitalist companies the opportunity to participate in joint ventures within the Soviet Union.

James Giffen, president of the U.S.-U.S.S.R. Trade and Economic Council, said senior Soviet officials have told him that "business and trade motivations" have prompted Moscow to draw up new foreign trade laws that will take effect in "the coming months." Other U.S. business sources said they understand the new laws will take effect Jan. 1.

U.S. executives are both enthusiastic and skeptical about the situation. While they recognize the potential for profits, they wonder if Moscow's rules will be attractive enough. Mr. Giffen plans to go to Moscow next week for more details.

American executives and Soviet experts expect the Kremlin to introduce the laws with great caution to avoid ideological resistance within the Soviet Union and to avoid giving too great a role for capitalist companies in their state-run economy. They are concerned that rules regarding the repatriation of profits, corporate decision-making authority and other matters might damp enthusiasm among Western businesses.

It Won't Be 'Radical'

"When you actually look into the law and begin to unfold it in practice, it won't be nearly as radical as it sounds," predicted Edward Hewett, an expert on the Soviet economy at the Brookings Institution.

Moreover, West European and Japanese businesses, which have long had contacts with the Soviets, probably will benefit the most from any joint ventures. American companies and their Moscow counterparts will be cautious, especially given the fragility of current U.S.-Soviet political ties.

Mr. Giffen said the new Soviet rules will ensure direct links between Soviet industrial ministries and foreign companies, removing foreign trade organizations as middlemen. Western executives often complain that bureaucratic and politically motivated foreign trade organizations, which until now have handled all such transactions, make dealings unnecessarily cumbersome.

* Mr. Hewett of Brookings said the Soviets are likely to give ministries more autonomy in exporting products than in importing them, which would be most attractive to foreign sellers. "They won't give up power over the balance of payments," he said. "Not even the Hungarians have done that."

No Official Word

A senior U.S. official said Moscow hasn't officially informed Washington about its plans for joint ventures, although he said American companies have been working with the Soviets in preparing the legislation. The Soviet decision "won't have any effect on U.S. restrictions on technology transfers" to Moscow, he added.

The joint-venture plan follows the Soviet Union's unsuccessful request to gain observer status at the round of trade talks that begin Monday in Punta del Este, Uruguay. The U.S. has blocked the request, saying the Soviet system is incompatible with the free-market principles of the General Agreement on Tariffs and Trade.

The Soviet Union, Mr. Giffen said, intends to keep pressing its GATT initiative as part of a long-term effort to gain a bigger role in world trade. So far Moscow has largely relied on exports of raw materials. The country's interest in GATT and joint ventures has been stimulated by the drop in its oil-export earnings, which has made it more difficult to buy equipment and manufacturing plants directly from the West. Moscow hopes joint ventures will assure it access to Western technology and expertise in areas in which the country is particularly weak.

Mr. Hewett said he doesn't think the Soviets are clear yet on the plan's details. "Suddenly out of the blue they are going to parachute in this new law," he said. Moscow isn't likely to open broad options for joint ventures, but will concentrate instead on several traditional and trusted international traders, he added.

U.S. business executives said two of the first companies to get involved are likely to be Archer-Daniels-Midland Co., of Decatur, Ill., and Armand Hammer's Occidental Petroleum Corp. of Los Angeles.

Mr. Giffen is hopeful about some U.S. participation despite Moscow's current preference for the Europeans and Japanese. He said that many companies among America's 50 largest corporations already are exploring possible arrangements with the Soviets, and that it is up to Moscow to decide whether its joint-venture rules will be liberal enough to attract them.

"If they really allow American companies to make a fair profit on a long-term basis to penetrate the Soviet market and have a continuing interest, then the potential for U.S.-Soviet cooperation could be great," Mr. Giffen said.

One U.S. official said Moscow is particularly interested in attracting American businesses because these companies someday could form a powerful lobby for Soviet economic interests in Washington and lay the groundwork for Moscow's long-term goal of gaining Most Favored Nation trading status with the U.S. and admission in some form of GATT.

THE JOURNAL OF COMMERCE, Friday, September 12, 1986

Views on Trade Vary in Canada

By HELEN ERICSON

Journal of Commerce Staff

WASHINGTON — Former Canadian Finance Minister Donald Macdonald minimized what seems to be growing opposition on both sides of the border to freer trade between the United States and Canada.

"I'm not dismayed at all" about Canadian polls that show Canadians think a new trade treaty would jeopardize their cultural and political sovereignty, he said in testimony before a House banking subcommittee.

Mr. Macdonald, who served in several top Canadian government jobs during the 1970s, said part of the reason for a drop in support for the talks in his country may be that Prime Minister Brian Mulroney is "ambivalent" regarding the talks and has not actively promoted them.

But Rep. John J. LaFalce, D-N.Y., expressed concern that nationalism on both sides could "torpedo" the trade negotiations, which began in June this year. Strong attacks on the pending trade talks were delivered by Mel Hurtig, chairman of the Council of Canadians, a public interest group comprising political, busi-

Part of the reason for a drop in support for the talks may be that Prime Minister Mulroney is 'ambivalent.'

— Donald Macdonald, Ex-Minister, Canadian Finance

ness and trade union leaders.

Mr. Hurtig said Canadians already feel Canada is too economically dependent on the United States and that they will lose more ground if trade liberalization occurs.

"We do not need these negotiations," he said.

A representative of Canadian small businesses, John F. Bulloch, told the subcommittee that "Mr. Hurtig does not speak for the Canadian business community."

Mr. Bulloch, president of the Canadian Federation of Independent Business, said his 76,000 members strongly support the goal of freer trade because they believe it will allow greater efficiency and productivity.

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Forum

FOLLOWING CHINA'S EXAMPLE?

Gorbachev Finds an Ally in Capitalism

By MARSHALL I. GOLDMAN

PARTLY stymied in his straight-forward attempts to reform and modernize the Soviet economy, Mikhail Gorbachev has recently begun to unveil a backdoor strategy. While still in its earliest stages, the plan seems to involve exposing Soviet enterprises to the international economy through joint ventures with Western companies and through greater Soviet participation in the international economic establishment. By exposing Soviet industry to the ways of the capitalist world, Mr. Gorbachev hopes to stimulate productivity growth and the speedier mastery of world technology.

The new policy marks an abrupt break with the past. For years, Soviet authorities have attacked such institutions as the General Agreement on Tariffs and Trade, the International Monetary Fund and the World Bank as instruments of imperialist and American domination. Now, they have come around to acknowledging the occasional merit of these organizations and hinted that it might be nice if the Soviet Union were allowed to join. Specifically, the Russians have asked for observer status at the GATT meetings, which convene Sept. 15 at Punta del Este, Uruguay.

The Kremlin's sudden interest in GATT and the other global institutions suggests how serious some Soviet officials are about reforming the Soviet economy. Nor is this all. At about the same time that they were seeking to attend GATT, Soviet trade officials agreed to reduce petroleum exports to Western Europe by 100,000 barrels a day.

The cutback is a concession the Russians have always refused to make to OPEC. And because the Soviet Union has so often been a destabilizing force in the spot oil market, the gesture itself has helped push up oil prices, even though it represents less than 10 percent of the country's normal exports to Western Europe. Evidently come to appreciate that, under some circumstances, less may actually mean more — particularly if by showing restraint, the increase in



oil prices more than compensates for the reduction in crude exports.

Equally intriguing is the Kremlin's decision of Aug. 14 to authorize the creation of joint ventures. There are reports that the Soviet Union has already created such operations with the Bulgarians. In a speech in Vladivostok on July 28, Mr. Gorbachev extended the invitation to the Japanese. The Finns have also been approached, and even some American corporations are considering opening up some jointly run food-processing operations.

Mr. Gorbachev has also indicated a willingness to open up the city of Vladivostok, long closed to foreigners because it is also the site of one of the Soviet Union's most sensitive military bases. Now he hints that it may become a "major international center ... a seat of trade and culture ... an open window to the East." He did not specifically mention "special trade zones," such as those established by the Chinese, but his vision certainly suggests something similar.

These new initiatives apparently were undertaken after Mr. Gorbachev encountered severe opposition to his domestic campaign for economic reform. That effort has run head-on into bureaucratically bound planners, ministers, party officials and industrial functionaries who are doing their best to resist change. In a fit of frustration, Mr. Gorbachev complained recently that he was hav-

ing problems with those who "want to dim our eyes and obstruct our progress." There are "among us," he went on, "people who have difficulty grasping the word restructuring and sometimes they have difficulty even pronouncing it."

BY working through the international sector, Mr. Gorbachev will outflank the several dozen industrial ministers and ministries that command various aspects of domestic economic affairs and will face only the Ministry of Foreign Trade. Right now that ministry is not up to its usual fighting form. It has suffered a major turnover of personnel, and those who have not been retired, fired, jailed or subjected to audit for possible corruption are probably intimidated enough to stand aside for reforms that in a different era would have been opposed with vigor.

Thus, the push for more international contact will encounter relatively little entrenched opposition. Under Mr. Gorbachev's prodding, the Russians have decided to institutionalize the effort and have created a new International Economic Department in the Ministry of Foreign Affairs. To head the department, Mr. Gorbachev has picked an unusually imaginative and sophisticated economist with the unlikely name of Ivan Ivanov.

Until recently the deputy director of the Institute for World Economics

and International Relations, Mr. Ivanov has made frequent visits to the West and has always impressed those who have met him with his knowledge and understanding of both the Soviet and American economic systems. He also has a keen sense of what Soviet leaders must do if they are to resolve their economic difficulties. What is striking is how much of what is happening now is what he has advocated previously.

As far as I can tell, Mr. Ivanov was one of the first Soviet scholars to argue that the Soviet Union should join GATT. He did that two years ago at a meeting that surprised his Soviet colleagues even more than it did the American participants. He has also suggested that the Soviet Union should join the International Monetary Fund and the World Bank (which might also be a way for the Soviet Union to gain most favored nation status, since membership in the two organizations normally brings with it that trade privilege). He has even given thought to making the Soviet ruble convertible.

However, Mr. Ivanov's success in transforming his theoretical musings into concrete action is far from assured. Opposition will rise in direct proportion to the degree of economic interaction, as Soviet industries feel pressured to modernize their operations and as foreigners gain more freedom of movement within the Soviet Union.

Naturally, the Soviet Union cannot act unilaterally on these matters. It is far from clear whether the United States or other Western nations would allow it into our Western clubs. There are sure to be strongly voiced concerns that, in pointed contrast to the United Nations, organizations such as GATT, the International Monetary Fund and the World Bank have functioned as well as they have only because of Moscow's absence.

However far the Russians decide to go, and however much we decide to encourage them, these new initiatives are nonetheless remarkable for their daring and the willingness of Soviet leaders to re-examine past dogmas. The odds are that opposition within the Soviet Union and resistance in the West will prevent the Soviet Union from achieving all that someone like Mr. Ivanov would prefer. Nevertheless, the process of proposing and implementing this historic policy shift will be fascinating to follow.

Marshall I. Goldman, professor of economics at Wellesley College, is author of the forthcoming "Gorbachev's Challenge: Economic Reform in the Age of High Technology."

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TAGS: ECON, EFIN, IT, SU

SUBJ: BANK OF NAPLES PROVIDES 50 MILLION DOLLAR LOAN TO SOVIET BANK

1. ON AUGUST 28 IN MOSCOW THE PRESIDENT OF THE BANK OF NAPLES (BN), LUIGI COCCIOLI, AND THE PRESIDENT OF THE SOVIET TRADE BANK (VNESHORBANK) SIGNED AN AGREEMENT FOR THE BN TO EXTEND TO THE SOVIETS A DOLLARS 50 MILLION MEDIUM-TERM LOAN. THE LOAN WILL CARRY A .25 PERCENT SPREAD, VIS-A-VIS THE LIBOR (LONDON INTERBANK OFFERED RATE). THE LIFE OF THE LOAN WILL BE FIVE YEARS AND IS DOUBLE THE PREVIOUS THREE-YEAR LOAN OF DOLLARS 25 MILLION.

2. ACCORDING TO THE MANAGING DIRECTOR OF THE FOREIGN LOANS SECTION AT THE BANK'S HEADQUARTERS IN NAPLES, MR. TEDESCO, THE BN FIRST ESTABLISHED A LINE OF CREDIT TO SOVIET BANKS SOME TEN YEARS AGO. THIS LOAN IS MEANT TO STIMULATE ITALIAN EXPORTS TO THE SOVIET UNION. THE MANAGING DIRECTOR DOWNPLAYED THE POLITICAL IMPORT OF THE LOAN, STATING THAT IT IS DESIGNED TO ADDRESS THE GROWING TRADE IMBALANCE BETWEEN THE SOVIET UNION AND ITALY. TEDESCO ALSO STATED THAT THE DOLLARS 50 MILLION LOAN WAS RUOTE IN ADDITION TO THE NORMAL LINES OF CREDIT THE BN MAINTAINS WITH SOVIET BANKS UNQUOTE, ALTHOUGH HE DECLINED TO COMMENT ON THESE OTHER LINES OF CREDIT.
GOELZ
BT

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