

**Anatoly Chernyaev**  
**Notes from the Politburo Session**

*October 30, 1986*

GORBACHEV: We have already choked long time ago. We are just thinking that we govern. We are just imagining it. Reagan once asked me in a conversation: is it true that General Secretary in your country has nothing better to do than to try to find where to get logs to build a shack in Karaganda, or to build a store in a little village ...

If we retreat, if we get swayed, the outcome will be the same as with the reform of 1956. ... The special feature of this five-year plan is that we have to combine both “guns and butter.” It is hard, very hard.

The finances are in the most difficult situation. In the last two five-year plans we appropriated 150 billion rubles more than we planned for economic development. And where did that money come from?

1. From sources not associated with production: from sales of oil and precious stones and metals. Decision was made to exploit the existing situation. And the situation changed, and we ran aground. That was the policy not oriented toward technological progress in our own country.
2. From vodka. We pushed the people to drink, and thus destroyed the basis of the productivity of labor, destroyed the morals, destroyed the order in the country. And we did not get either quality or quantity in return.
3. From price increases on the so-called luxury items: furs, rugs. In the XI five-year plan we received 50 billion rubles from the price increases.

All this disrupted the system. As a result, we started to borrow from the population and rely on emissions [of paper money]. Salaries became unlinked from the productivity of labor. We got more money than goods. And now the situation holds us by our throat.

The people stopped working. Indeed, if you cannot buy anything with the money you have earned, why would you work? This is a very serious thing.

And what do we have? 25% of enterprises cannot fulfill their plan. 13% are losing money. 80 billion rubles of valuables are [added] above the norm. What can be done? We must strictly abide by the plan during the entire five-year plan. No new projects. No pay raises. Some people demand that prices should be raised. We cannot do that now. The people have not got anything from perestroika yet. They do not feel its benefits materially. So if we raise prices, you can imagine the political consequences: we would discredit perestroika.

[We should] be very careful in the question of assistance to other countries. No promises, to nobody, no matter how they ask.

Make harsh demands in the financial sphere. We need a strict financial plan.

**About directives for the USSR delegation for START negotiations in Geneva.**

*Zaikov is reporting.*

GORBACHEV: The main idea is not to allow Americans to [deploy] in space within 10 years, and then we can talk as equals.

They want to destroy the ABM (regime) in two years, because it might be harder to do so under another president.

So far, we do not plan to open all our cards regarding testing in the “laboratories...” Our new positions are the following: [testing] is allowed in the air, on the test sites [on the ground], but not in space. Do not open these [positions] yet.

SHEVARDNADZE: If we see that Shultz is in a serious mood, then we should open [our position] on what we mean by “laboratories.”

GORBACHEV: I think the schedule should be as follows:

---meeting between Shevardnadze and Shultz in Vienna.

---if we agree on the framework, Shultz will go to Washington to get the approval.

---then he comes to Moscow.

---and we together issue directives for Geneva.

GROMYKO: Anything that would weaken our position does not suit us now. If we expand the notion of “laboratory,” where would the boundary be? It is a slippery position. They (the Americans) saw our weakness and now they are applying pressure along that line, tearing new concessions out of us.

If we abolish nuclear weapons, we will be left without [weapons] that we have been creating for 25 years, and then what? Are we going to rely on the honesty of the Americans? Where are the guarantees that they would not overtake us in the space race? The situation is not like if we make further concessions, the Americans would agree with us. No, the United States will not accept an equitable agreement.

GORBACHEV: Then what should we do, break the negotiations?

GROMYKO: No, we should reach partial agreements, prolong the negotiations.

DOBRYNIN: And what would that mean? Turning the negotiations into a smokescreen again, bluffing, indulging in demagoguery? I disagree with Andrei Andreevich. In my opinion, the directives fully correspond to our Reykjavik position. And the schedule presupposes that we would act taking Shultz’s behavior into account.

There is only one question [remaining]: should we reveal now or later what we mean by “laboratory”?

GORBACHEV: Nothing will be achieved in the negotiations in Geneva. This is garbage. And now it is garbage with mothballs.

Shevardnadze should feel out the U.S. positions in Vienna. What does America want after all? They are perverting and revising Reykjavik, retreating from it. They are engaging in provocations again, they are spoiling the atmosphere. I am having more and more doubts whether we can achieve anything at all with this administration.

I told Shluter (Prime Minister of Denmark): we need to internationalize the negotiations. It was my demagoguery in the struggle against the class opponent. But it is in the interest of the American people, and not only in our interest. So that we [don't talk] behind closed doors. However, one-on-one we should tell Shultz: what did Comrade Shultz come here with?! And at that moment everything will become clear. It is unlikely that he would bring anything new. He and Reagan have their hands and feet tied by the military-industrial complex. However, if something lights up, we could invite Shultz to Moscow. [Let's tell him] that we are comparing what you said in Reykjavik, and what [you said] afterwards, and what you sent to Geneva. We see that every time it is worse than the one before. We need to find out what is it that they themselves mean by "laboratory." Let them start this conversation. But we should not reveal our understanding. Hold it in reserve. I am not afraid to say, contrary to Andrei Andreevich that if we agree to everything, they will overtake us through space. They will not go very far without space, and [they] are still very far from [deployment] in space. But so far we are increasing the potential of trust, we agreed to big concessions, we are not touching Britain and France. We took American security interests into account.

Therefore, no need for haste, the time is working for us. We should not show them that we are more interested in disarmament because of our economic difficulties, so that they don't get an impression that "the Russians will come back running anyway!" Let us preserve the harshness that was present in my statements! The package strengthens our position. Therefore, no unlinking for now. With the help of the package, we pull Europe

to our side against the SDI through the INF issue, and tie up the Americans through the strategic weapons.

Let us conduct talks with Shultz firmly. Let him answer to all our questions! [Tell him] that we preserved everything from Reykjavik. And you retreated from everything, confused everything. And [let us] give a leak to the press: that nothing is clear in the administration's positions. The risk is justified by the fact that we discovered all their genuine positions, as well as the positions of West Europeans. The voice of criticism regarding the Americans' behavior in Reykjavik and afterwards sounds sharper and sharper. Look what they write in Italy—even sharper than I spoke. This administration will not meet us halfway. Have you seen the latest GRU [Main Directorate of Intelligence] telegram? The population—yes, they want negotiations. Therefore, we should put emphasis on the people's mood, on the public. In Western Europe the attitude toward the U.S.-Soviet negotiations is beginning to change in parts. Therefore, we should now exploit our strong, post-Reykjavik, positions.

And our people will support such an approach.

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