

## Transcript

Meeting of the Chairman of the Supreme Soviet of the Russian Federation

R.I. Khasbulatov with Mr. Woerner

**Oval Hall**

**14.30.**

**February 25, 1992**

**R.I. Khasbulatov.** We are considering with great satisfaction the tone that is present in the negotiations, in the conversations with the leaders of the NATO countries that are taking place now. The Russian parliament supports it, and also welcomes your visit to the Russian Federation.

**M. Woerner.** Mr. Chairman it is a great honor for me to appear before the Russian parliament. I myself was a member of parliament for 33 years. Your parliament is taking on increasing importance in maintaining democracy. I still have photographs that show that important period in your history when men and women defended democracy.

Your parliament also has a special emotional significance for me. You yourself said that our countries are getting closer together. Today, the Cold War is already behind us and the time has come for cooperation. This, really, is the purpose of my visit to Russia: to establish and solidify connections with the political leadership of your country, members of parliament, and also with the military of the Russian Federation. This is the main point of the negotiations that I am conducting with you.

**R.I. Khasbulatov.** Yes, a noble trip. Of course, in this respect, this is obviously the first visit, which, one could say, is aimed at solidifying the positive changes in the military-political life for both Europe and modern civilization.

Of course, we have lots of problems in relations with our former republics. You, probably, know about it. But I would not make a tragedy out of these problems, because the movement towards the commonwealth -- this is a very serious step in itself. There are many problems, but it is important that such a commonwealth has been founded, and of course, through this commonwealth, we intend to remove possible threats that could face the world from various parts of the former Soviet Union. Of course, this has to do with nuclear weapons as well.

So, as you can see, we inherited a lot of problems, internal problems, problems within the former republics of the Soviet Union. But this does not mean that Russia with its young democracy will not pursue a peaceful foreign policy; among other things we are ready to cooperate. The Russian parliament is already very actively cooperating with the parliaments of modern democratic countries, effectively supporting peace initiatives.

I want to reaffirm again the commitments given by the Soviet Union. So here in parliament we have no differences in this regard.

**M. Woerner.** Mr. Chairman, we have one very strong, very powerful, common interest between Russia and the North Atlantic Treaty Alliance, more precisely a few common interests. I believe that we have a solid base for building relations with your country.

We are currently conducting both formal and private negotiations at the same time here. I am speaking with you in all sincerity and once again want to repeat, yes, we want to accomplish all

of this in our relations. It is in our common interest to have stability in Russia, because super stability in Russia -- this is very good for Europe. A democratic Russia is very good for Europe and for the rest of the world, therefore your success in all areas is also our success. This is first.

Secondly, we would like to build new relations in Europe as well, in Europe, where there will be fewer weapons, fewer soldiers, in Europe, where a lasting future will be secured. I think that this also suits our common interests. The members of our Alliance are interested in achieving this goal.

Thirdly. We are undoubtedly interested in and we seek to ensure that Russia flourishes, because in a country where there is no work, there is always instability. Therefore, we are interested in Russia flourishing. And this is also a solid foundation for the future of the country. We want to see close cooperation between states in a Europe composed of sovereign democratic states. How can this be achieved. We want to build a Europe that will inhabit a new security environment from [the Urals] to the Atlantic. It will be a unified Euro-Atlantic community built on three pillars. The first pillar is the Helsinki process, the second -- the European Community, which will create the basis for a solid political future for our community, and the third pillar is NATO.

It is for these exact purposes that we have established the Council for Cooperation under NATO, in order to conduct close consultations, establish cooperation, and create interlocking institutions with our former adversaries, and now partners. This is our vision for the future.

We would like Russia and all other members of the Commonwealth of Independent States to join the Council for Cooperation. From what I hear,- and you yourself talked about this- that some people still doubt our intentions. I would like to state here very clearly that we need stability, or a some kind of stabilizing element for peace. We are not going to interfere in Russia's internal affairs, as well as the internal affairs of other sovereign member states of the CIS. We would like to establish most friendly relations with all the former Soviet republics. This will suit our common interests and as such we will be able to provide more lasting stability. We will all be better off as a result. We hope that all levels of both the political and military life of your countries will join this cooperation. We would like to establish links with parliaments, with members of parliaments. As you know, the NATO [Parliamentary] Assembly has already established certain ties with members of the Russian parliament, these ties are now being developed. They need to be strengthened, we will only welcome this.

And now I would like to turn to the general, who is sitting on your right, who has a very good reputation in our countries. We are very interested in establishing closer ties between the soldiers, and not just contacts between politicians. We have greatest respect for the soldiers of the former Soviet Union, and now the CIS. We know about the hardships that you are going through right now. We are just as interested as you are in alleviating those hardships. Today we see you not as enemies or adversaries, but as our partners, and therefore we invite you and your soldiers to come and visit our countries. We will provide them with full information on questions that interest them. As you know, delegations of the CIS Armed Forces have already visited NATO. And we are planning to send a delegation to your country to continue these contacts.

With your permission, I must say that General Kobets already visited us last year. He visited as part of a Russian parliamentary delegation. I would now like to address some of the issues that have been raised.

We would like to have a firm assurance that you will strictly adhere to the norms of non-proliferation of nuclear weapons. We also want to take measures to prevent the proliferation of either weapons or nuclear specialists.

Now, about the Treaty on the limitation of conventional arms in Europe [CFE]. We would like for this treaty to be ratified and thus put into effect. We have already begun to cooperate on this issue with special groups under NATO that focus on this issue. We hope that the work will go very successfully. I must say that the prospects in this regard are very, very fruitful. And here I would like to ask one question.

**R.I. Khasbulatov.** I apologize, but it seems to me that we need to move from a lecture to some kind of dialogue, especially since you said so well that we do not need to engage in propaganda.

Mr. Secretary General, I agree with you on how important stability in Russia is to us. But I would like to say that maybe you need stability in Russia, but for us it is just existential. Therefore, the changes that we are making, we are making in the name of our internal goals, in the interests of our people. It is precisely political stability that enables us to implement our economic reform very decisively. And, frankly speaking, here we have to rely only on our own resources: intellectual, natural, on those resources that we created ourselves -- these are our main resources, relying on which, we expect to implement our economic reform successfully.

Of course, the decrease in defense spending has had a very significant effect on the implementation of our economic reforms. This is precisely the result of the weakening of the military-political rivalry. In this regard, we believe that the North Atlantic Alliance's contribution is very significant, and we also hope that we will continue to pursue the path of reducing nuclear weapons.

I am sorry, you wanted to ask the General a question.

**M. Woerner.** I can ask the General a question later, but you have already partly answered some of the questions. But I'm still interested in one question: what is the Russian parliament going to do and how will it deal with the issues related to the country's economic situation, how do you address these issues, how do you plan to improve the economic conditions in the country, what is the reaction of the people to recent price reforms, what will be the next step on the part of the government, will there be monetary reform, how will its implementation take place?

**R.I. Khasbulatov.** Would you agree that this is far too much, it's a whole program. Of course, I will try to answer your questions very briefly.

The parliament, of course, is carrying out its normal work, which is intrinsic for every democratic parliament -- which is the creation of a legislative foundation for reforms being undertaken by the government, by the President. That is, we are preparing laws, by-laws, we are creating the opportunity to expand some legal field for the President's work.

But in addition to those projects that the government offers us, we carry out our own legislative work. This involves the protection of human rights, cultural issues, these are also political issues. We also raise economic issues very often. Of course, we have our own opinion on each law, we propose changes, we try to coordinate them with the government.

Of course, I have to say frankly that we are very grateful to the experts from Western countries, because we submit a very large number of our legislative documents for a review to international organizations. We also have many foreign experts working for us here. In general, we are trying

to take all the best that Western democracies have to offer. However, we quite often have serious differences with the government experts. I, for example, believe that some Western ideas are more appropriate for us. We focus our efforts to a greater extent on the social sphere in order to somehow prevent social conflicts.

You asked how our people have reacted to the price increase. They reacted to it as one would to a price increase, with great wariness and great anxiety. Therefore, of course, it is necessary to show certain sensitivity, because there is no clear reserve of resilience in the society. Because the majority of our people are low-income, so they cannot count on any sizable savings, as it was in times of economic crises in Western countries. Therefore, we, in the parliament, are trying to restrain some members of the government, who, in our view, do not always know the realities of people's life. Because if there are any major social conflicts, it will make implementation of the reforms impossible.

**M. Woerner.** When I was a 14 year-old boy, price and taxation reforms began. I remember how we had to stand in lines for a very long time to get the 40 marks that were given by the government to every German. Therefore, I understand perfectly well what you are talking about. I am also a supporter of a market-based economy. After the implementation of price reform and monetary reform, private property was introduced, which in turn led to competition. You will likely go the same way. And in this you are absolutely right. You are right that in this situation it is necessary to take into account the interests of the poorest segments of the population.

And now, with your permission, I would like to ask General Kobets a question.

You have the same stars as on Marshal Shaposhnikov's uniform.

**R.I. Khasbulatov.** This, I think, was invented by Brezhnev when he received the rank of General of the Army; he wanted the uniform to look like the uniform of a Marshal. It was a little trick of the aging Brezhnev.

**Woerner.** Mr. General, I spoke yesterday with Marshal Shaposhnikov and with the generals who were present at that conversation, I read your article in the English translation, which was published at the beginning of February this year, and in this connection, I have two questions for you. How do you intend to overcome the social difficulties that arise in your Armed Forces? Yesterday during the conversation, I was told that 292 thousand officers have no housing. This is one question. And the second question: how do you see the future of the CIS Armed Forces? I was told that three member countries of the CIS have decided to create their own armed forces. From what I understand, Russia does not want to create its own armed forces, at least that's how the Russian President explained it to me. What is your opinion, Mr. General, on this issue?

**K.I. Kobets.** On the first question. Yes, the numbers are indeed correct. But these 292 thousand people are in all the armed forces, in all the republics where the military is present. In Russia, this figure ranges from 120 to 125 thousand people.

On the recommendation of the parliament, the President recently signed a decree "On social guarantees for military personnel." This Decree provides for three large packages to address this issue.

The first package is related to the provision of housing. It clearly sets the timetable by which local authorities must provide housing for military personnel on the basis of combined [local and federal] investment.

The second package -- is the construction of housing directly by military personnel as well as civilian organizations. For example, we now have the Main Directorate of Special Construction, which in the former Union dealt with issues of special purpose [defense] construction. Now it has been decided to remove the construction troops from the objects of special construction, to combine those forces, and to use them to build housing. The capacity of such construction force is roughly 90 thousand apartments per year.

**R.I. Khasbulatov.** Actually, it would be possible to remove the acuteness of this problem in just one year, but for this we need to put this industry on a good foundation. Unfortunately, in our army the bureaucracy is even more entrenched than among civilians. This is probably not a secret for you.

**M. Woerner.** I was Minister of Defense in my own country for 16 years, so I know very well what you are talking about.

**R.I. Khasbulatov.** It seems to me that the army bureaucracy is very similar to the former party bureaucracy.

**K.I. Kobets.** I must say that the decisions on the second point were not easy to make. I myself met twice personally with Ruslan Imranovich to discuss these issues. The decision was made to allocate additional financial resources to provide for housing construction. The Supreme Soviet allocated this money. I don't know where they found it, but this money was allocated.

**R.I. Khasbulatov.** A parliamentary secret

**M. Woerner.** The most important thing is that you have the result, and where you found it does not matter.

**K.I. Kobets.** And the third package -- 60% of the military budget is devoted to the social sphere. This made it possible to reduce the taxes on the military personnel by 50% and to increase the financing for rental housing by threefold, which made it possible for the military personnel to get some housing.

**R.I. Khasbulatov.** That is to say, almost 2/3 of all defense spending is spent on the support of personnel, and 1/3 goes toward purchasing of military equipment. And you probably know that traditionally in our country 1/4 of all defense spending was spent on the maintenance of personnel. In other words, we in practice increased the allocation for maintaining personnel by 3.5 times, counting in fixed prices.

**K.I. Kobets.** And yet, we are still optimistic about the future.

**M. Woerner.** Yes, this was essentially the main difference between our defense budget and yours. You used to spend much less on staff maintenance than we did. Now, as far as I understand, this situation is changing slightly.

**R.I. Khasbulatov.** This situation is not changing "slightly," but dramatically.

**M. Woerner.** We now have more than 50 percent going towards personnel, about 20 percent -- for the purchase of military equipment and about 20 percent for the up-keep and maintenance of military equipment. That is to say, you are gradually moving to our proportions.

**R.I. Khasbulatov.** No, not gradually, but very, very rapidly.

**K.I. Kobets.** And on the second issue. We, in the parliament, at various levels, are currently in the process of considering the issue of creation of [our own] army. We want to work out all internal political and economic aspects. And what Ruslan Imranovich said. We want to prepare legislation, to create the legal foundation in order to proceed with the implementation of our military issues. And by the end of March, we will be ready to present our findings and proposals to the parliament.

But so far, we are in no hurry to create the Russian armed forces, because in order to ensure Russia's security in terms of defense, it will take 344 billion rubles in 1988 prices.

**M. Woerner.** Yes, that's a lot.

**K.I. Kobets.** And on the other hand, in order to solve the military issues, the parliament will likely consider creating a Ministry of Defense. But we, of course, believe that it would be better to ensure collective security within the Commonwealth. And there is a second side to this question. We need to quickly ratify those agreements that have already been signed, to begin implementation. If we create our armed forces right now, we will have certain difficulties in implementing the agreements that were signed. That's what is holding us back.

**R.I. Khasbulatov.** In general, there are problems, problems, and problems that we need to solve.

**M. Woerner.** Mr. Chairman, I understand you perfectly and envy you a little. I believe that your country has rich resources and talents, I think that this will help you to overcome the current difficulties that have arisen and to cooperate with each other and with us. For our part, we can help make this task easier. Today we really do not need to spend huge amounts of money on confrontation, so we can allocate these funds to help you.

Thank you again for the interesting conversation we just had. Unfortunately, we have to end it, because I have a press conference now. We wish you well, and wish your people well.

**R.I. Khasbulatov.** I would like to say just two more words. The defense budget is a very sore subject. And now that so much has changed in our relations, I think that parliamentarians from Russia and other CIS countries will cooperate successfully with members of parliaments from the North Atlantic Treaty Alliance on issues related to the coordination of the budgetary work of our parliaments. It seems to me that this is one of the key points.

I thank you for this meeting. My colleagues and I enjoyed it immensely.

Thank you. All the best.

[Translated by Sarah Dunn and Svetlana Savranskaya for the National Security Archive

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