

The New Soviet Challenge: Evaluating Malta and Anticipating The June Summit

By Kim R. Holmes, Ph.D.

The summit held in Malta early last month was extremely important, not so much because of what happened there, but because of what was happening elsewhere – in Europe and the Soviet Union. The march of freedom and democracy in Eastern Europe was a fitting backdrop and cause for the meeting of George Bush and Mikhail Gorbachev. While speaking at The Heritage Foundation a few weeks ago, Richard Perle said that the stormy seas of Malta were an apt metaphor for the rush of events that neither Gorbachev nor Bush could control. This is true. Communist governments were falling in Eastern Europe as Bush and Gorbachev met on the Soviet ship *Gorky*.

But if the Malta Summit decided nothing, it did set the course of U.S.-Soviet relations for the coming year. Another summit is to be held next June. Arms control negotiations are to be accelerated for the purpose of signing agreements at that summit. And Bush made a series of economic concessions to Gorbachev, presumably as payment for his acquiescence to changes in Eastern Europe.

THE MEANING OF MALTA

There emerged from Malta a curious minuet between Mikhail Gorbachev and George Bush – the most curious in the history of post-war U.S.-Soviet relations: On the one hand you have Gorbachev trying to enlist Bush's help to save the Communist Party in the Soviet Union – that is, after all, what Gorbachev means by *perestroika* – and Bush on the other supporting Gorbachev in what he believes are assaults on the system that the Communist Party created. After all, Bush has said that he believes *perestroika* opens up the opportunity for the spread of Western ideas and values into the Soviet Empire.

Now, both cannot be right of course, and the question naturally arises as to who is using whom? Or better yet, whose definition of *perestroika* is correct? Gorbachev's or Bush's.

Two Choices. I believe Bush's definition is correct – or at the very least, more correct – if for no other reason than Gorbachev's definition is untenable. There are only two real choices for the Soviet Union: real reform to multiparty democracy and freer markets, which will mean the demise of the Communist Party and probably the Soviet Union as we know it; or some form of new dictatorship, conceivably led by Gorbachev himself, which preserves the Communist Party in the short run, but which in the long run will be unable to save the Soviet Union from the decay caused by the communist system.

Kim R. Holmes, Ph.D. is Director of Foreign Policy and Defense Studies at The Heritage Foundation.

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Fundamental Contradiction. Either way, *perestroika* as Gorbachev defines it — as a set of reforms leading to a sort of Prague Spring communism with a human face, grounded in such oxymorons as “market socialism” — is doomed to failure because it is based upon a fundamental contradiction: it assumes that the Soviet Union’s economic problems can be solved without depriving the Communist Party of power. I believe they cannot.

Bush on the other hand treats *perestroika* as more of an opportunity than a risk — as a gateway for the influx of Western ideas and practices into the Soviet Union. His support for technical assistance to the Soviet Union, covering such topics as finance, agriculture, statistics, small business development, budgetary and tax policy, stock exchanges and anti-monopoly policy, implies a belief in the “virus” theory of capitalism: the belief that free market ideas can work to undermine the legitimacy of communist systems by providing a more workable alternative to them. So too does his proposal for beginning discussions of a bilateral investment treaty that will provide protection for American businessmen who want to invest in the Soviet Union.

In short, Bush sees *perestroika* more as an instrument that can be used against the communist system than one that can save it, as Gorbachev believes.

Behind this approach is the belief, rarely spoken by the Administration, that Gorbachev may not survive very long, and that it is in the U.S. interest to lock in as many reforms in Eastern Europe as possible before he goes. This is a particular concern of the State Department. The Department of Defense has doubts about Gorbachev’s chances for survival. These skeptical attitudes, oddly enough, can work in favor of support for accelerated timetables for arms control agreements and an eagerness to make deals while the “making is good.”

I think Bush believes that the greatest benefit emerging from Gorbachev’s new policies is the geopolitical revolution of Europe. Bush rightly understands the dissolution of the Soviet Empire in Europe as a major geopolitical coup for the West, and his so-called “support” for *perestroika*, including his preparing the way for granting most-favored-nation trade status to the Soviets, for example, is manifestly a response to what Gorbachev has let happen there.

Moral Credit. Gorbachev gave the green light for the removal of communist hardliners in Eastern Europe, and notwithstanding the fact that the people of Eastern Europe deserve the moral credit for democratic revolutions taking place there, Gorbachev kept his sword sheathed, unlike his predecessors in Hungary in 1956 and Czechoslovakia in 1968. This geopolitical revolution is to be distinguished from the less far-reaching political reforms of *perestroika* and *glasnost* that are taking place inside the Soviet Union.

The problem for Bush at Malta was how to support, or “lock in” if you will, the crumbling of the Soviet Empire in Eastern Europe without jeopardizing U.S. interests elsewhere, such as in Central America, and without appearing to stand in the way of further reform inside the U.S.S.R.

Bush at times appeared not to handle this dilemma very well. By using euphoric language in his support of *perestroika*, saying once, for example, that there is no more enthusiastic supporter of *perestroika* than the President of the United States, he opened himself up to charges of entering into a tacit alliance with Gorbachev to save communism inside the Soviet Union.

Bush's overly effusive rhetorical support for Gorbachev at Malta was unfortunate, but his economic initiatives do not add up to a life support system for the preservation of communism. Bush targeted the 1990 summit for completion of a trade agreement granting most-favored-nation status to the Soviet Union, and he provided U.S. support for observer status of the Soviet Union in the General Agreement on Tariffs and Trade talks. These economic gains by Moscow are in themselves not enough to save the Communist Party's monopoly on power.

No Bailout. The economic decline of the Soviet economy is so comprehensive and profound that none of the concessions made by Bush at Malta will decisively influence the outcome of Soviet reforms. The fate of the Soviet system and its economic development depends primarily on the actions of the Soviet leadership, not the actions of the West. If Moscow clings to its centrally planned system of production, confiscatory tax policy, and arbitrary price controls, no amount of economic cooperation from the West – short of a massive financial bailout on a scale no one is proposing, and which the West cannot afford and is very unlikely to give – will reverse the economic decline of the Soviet Empire.

Most-favored-nation trade status does not entail preferential treatment, as the expression implies, but represents agreement by the U.S. to subject that country to the same tariffs as other trading partners. To be sure, granting MFN status will temporarily ease Soviet shortages of consumer goods. But it will not open the flood gates to trade with Moscow. U.S. trade with the Soviet Union was only worth \$3.417 billion last year, compared with \$44 billion with Mexico and over \$130 billion with West Germany, France, Great Britain, Spain, and Italy, which together are comparable to the Soviet Union in population. This means that the United States trades in one month with Mexico what it trades with the U.S.S.R. in an entire year. Trade with Russia would not go up much even if MFN status were granted, to no more than \$5 billion a year, for example, because of the Soviet inability to take advantage of the lower tariffs on high technology and other imports which MFN trade status favors. The fact is that the Soviets have very little American consumers want to buy. And although Moscow would gain more hard currency from lower U.S. tariffs on Soviet goods as the result of MFN status, the increase would be only marginal.

Small Savings. Another reason MFN status will have only limited value for the Soviets is because of their limited industrial capacity for producing exports. The Soviets will not be able to sell enough to the U.S. to make a killing on hard currency profits from trade with the U.S. Although more U.S. companies may decide to set up shop in the Soviet Union, the difficulty of repatriating profits because of a lack of a convertible currency will prevent a flood of U.S. investment. To be sure, Moscow will save some hard currency as tariffs are reduced and Soviet exports to the West increase, but it will not save much.

The most important next move for Washington is to ensure that official credits supporting trade with Moscow do not result in an enormous increase of loan guarantees to U.S. firms doing business with the Soviets (guarantees, for example, from the Commodity Credit Corporation and the Export-Import Bank). Otherwise the American taxpayer may have to foot the bill if companies trading with the Soviets run into difficulty.

As for granting observer status for the Soviet Union at GATT, I believe the greater Soviet exposure to Western commercial, investment, and banking practices, the better. Moscow must develop a radically new trade, tax, and banking system to spur economic

development and join the international economic community. Soviet observer status in GATT would foster this process. Full membership in GATT should come, however, only when it has met all the standing requirements that any other country would have to meet.

Reasonable Price. All in all, I would say this about Bush's economic concessions to the Soviets at Malta: They were a reasonable price to pay for emergence of democracy and greater freedom and independence in Eastern Europe.

The only thing that will save the Communist Party in the Soviet Union is the Red Army, not granting MFN or GATT observer status to Moscow. Believing this, however, is no reason to make other, harmful economic concessions, such as letting Moscow join the International Monetary Fund or World Bank. Allowing the Soviet Union to tap into resources of these multinational lending institutions would prolong the life of the Communist Party, although I do not believe it would save it in the long run.

At some point Gorbachev will have to decide to call in the army, or to let the party go. When that time comes, we can rest assured that Bush's decisions on MFN and GATT had very little to do with the events leading up to that decision.

This point raises an issue which has been hotly debated here in Washington: whether or not to help Gorbachev. I must admit frustration with this debate, because I find it to be misleading and ultimately fruitless.

We must remember that Gorbachev may have unleashed a tiger that he cannot ride for very long, a force that could end up destroying the Soviet Union. If this is so, we may ask ourselves "which Gorbachev are we helping or not helping?" Gorbachev the clever Leninist manipulating gullible Americans, or Gorbachev the fool of history unwittingly dismantling the Soviet Empire?

Misplaced Credit. I can easily accept the point that Gorbachev personally had a role to play in allowing more freedom for Eastern Europe without saying he should get moral credit for it, or indeed that just because I believe this I must also believe Gorbachev deserves unconditional support for everything he does.

Giving Gorbachev moral credit for democratic revolutions in Eastern Europe, as *Time* magazine does by naming Gorbachev "Man of the Decade," is like thanking an incompetent warden for a prison escape. By the same token, wishing Gorbachev well in some things is not always in his best interest, any more than nodding approval of an enemy's playing Russian Roulette should be construed as sympathy.

It is in the very nature of diplomacy to support some things an adversary does while opposing others. I support *perestroika* when it brings more freedom and independence to Eastern Europe and the Soviet Union, and I oppose it when it denies such things. These are distinctions which policy and diplomacy must make if it is to be more than moral posturing.

If Gorbachev himself becomes an obstacle to further reforms inside the Soviet Union — and there is some evidence that this is already the case — then the U.S. should not support this aspect of his policy. But there is no need to take an all-or-nothing approach to Gorbachev. It is true that the U.S. should never stake its fortunes on the survival of a single politician or a leader of the Soviet Union. By the same token, there are real advantages for the U.S. in supporting those moves Gorbachev has taken to allow democracy to emerge in

Eastern Europe. So too are there advantages to negotiating mutual and verifiable reductions of conventional forces in Europe.

Desired Results. So, unfortunately, both Bush and his domestic critics who engage in the debate of whether or not to “support” Gorbachev are being sidetracked by a false choice. Just as Bush should not say he is an unconditional supporter of Gorbachev and *perestroika*, neither should he say that he is implacable opponent. The simple rule should be that the U.S. will support some aspects of Gorbachev’s reforms so long as they lead to a desired result: which is – and I list them very consciously in order of importance to the U.S. – a scale-back of the Soviet military threat to the U.S., freedom and independence for Eastern Europe, a reduction of the Soviet military presence in the Third World, and the continuation of political and economic reforms inside the Soviet Union.

Just as it cannot be argued that Bush at Malta became a partner in preserving communism in the East bloc, neither is it true that he entirely ignored U.S. security interests in the Third World. Bush did make an issue of Soviet policy in Central America, saying that further improvements in U.S.-Soviet relations will not be forthcoming until Cuba stops sending Soviet arms to Nicaragua and the communist guerrillas in El Salvador. To be sure, he gained no real guarantees that the flow of Soviet and Cuban arms into Central America would stop, but then again I am not sure what such assurances would have meant if they had been given. They have been given before by Gorbachev and Shevardnadze, and the flow of arms continues.

Halting Arms Flows. The real test of Bush’s performance at Malta on Central America will come at the next summit. Bush told Gorbachev that he cannot expect further improvements in U.S.-Soviet relations until Gorbachev stops the influx of Soviet arms into Central America. If this flow continues and further U.S. concessions are forthcoming in the June summit, then Bush’s Central American policy will have failed.

One aspect of Bush’s performance at Malta which was manifestly not a failure was his stance on naval arms control. Bush stonewalled when pressed by Gorbachev to begin a dialogue on limiting naval armaments. Gorbachev apparently delivered a lengthy appeal to begin naval arms control negotiations with the U.S. When Gorbachev said to Bush, “You did not respond,” Bush answered, “You are right, I did not.” And that was that.

That is exactly the kind of response he should have given. So long as the U.S. needs a strong Navy to maintain access to allies overseas, to keep trade routes open, and to preserve the sea-based leg of the nuclear triad, naval arms control is a game which we can only lose.

Deadline Pressure. The most troubling aspect of Bush’s performance at Malta were the initiatives on nuclear arms control. It was very good that Malta did not become an arms control summit like that which took place in Reykjavik in 1986. It was very unfortunate, however, that Bush decided to “accelerate” the arms control process by aiming for agreements on START, chemical weapons and other nuclear treaties by the June summit.

By negotiating under the pressures of a deadline, Bush has put himself in a weak bargaining position. He has essentially not only told Gorbachev that concessions on arms control will be forthcoming – why otherwise does Bush need to “kick” the bureaucracy if not to make U.S. proposals more acceptable to Moscow? – he has dealt himself a weak political hand at home. If a START agreement is not reached by the next summit, Bush

could be blamed for a failed summit. In June the pressures on Bush will be enormous to make the concessions necessary to get a START agreement on time.

It is instructive in this context to remember that the main obstacle to a START agreement favorable to us is not the U.S. bureaucracy which Bush wants to "kick," but the Soviet negotiating position that seeks to hamper the deployment of SDI and American cruise missiles.

Seeking Deeper Arms Reductions. Another point to remember about a START Treaty is that it may be obsolete by the time it is signed and ratified. START promises to reduce roughly 30 percent of U.S. and Soviet strategic forces. But if we are to take Gorbachev's talk of drastic military reductions seriously, we should be asking whether even deeper reductions might not be in order. We should be asking for the complete elimination, for example, of the Soviet SS-18 force, instead of merely cutting it in half, which is our current START proposal.

A START Treaty will not, in any event, substantially improve the strategic balance between the United States and the Soviet Union. Furthermore, to make a START Treaty work will require spending more money on such new strategic weapons as the single-warhead Midgetman ballistic missile. Without Midgetman, it will be very difficult to deploy a survivable land-based missile force under a START Treaty. Given the marginal gains from START, it is at the least questionable why the process to complete an agreement should be accelerated.

Another disturbing outcome of the Malta summit is the attempt by Gorbachev to use Bush's supportive statements as ammunition in his attacks on secessionist movements in the Baltics and elsewhere. Gorbachev stated in a major speech at an emergency meeting of the Central Committee on Christmas Day that, in effect, he believes he has the tacit approval of Western leaders in maintaining the territorial integrity of the Soviet Union — that is, in keeping the Soviet state from breaking up.

This view is likely derived from Bush telling Gorbachev at Malta that he, too, supports "peaceful" change in Eastern Europe, and that the U.S. "has no desire to take unilateral advantage of the situation" in Europe. Bush sent the message that the U.S. will not upset the apple cart, and Gorbachev apparently took this to mean that he and Bush were partners in keeping the cart from turning over, spilling out all the apples, and creating a real mess in Europe.

Unprecedented Statement. Adding to this impression was the statement by Secretary of State James Baker on NBC's "Meet the Press" that the U.S. would support Soviet intervention on the side of the revolutionary forces in Romania, which is an unprecedented statement for an American Secretary of State to make. Baker's statement not only put the U.S. on record for the first time in post-World War II history of endorsing Soviet military intervention outside its own borders, but tacitly implied that Romania was in the sphere of influence of the Soviet Union.

I do not think that Bush or Baker explicitly mean to say that they are partners in preserving the integrity of the Soviet Empire, or indeed that just because the U.S. would not frown on intervention on the side of anti-Ceausescu forces in Romania, that they would welcome such action against Lech Walesa in Poland or Vaclav Havel in Czechoslovakia.

But you can see how Gorbachev could misunderstand Bush's and Baker's words. The underlying dilemma here that is when the U.S. enters into a period of detente or cooperation with the Soviets, the question naturally arises as to what we are cooperating about. Peace? Stability? Yes, these are all fine words, but the trouble begins when you get specific. And trouble begins, too, when you find that by expressing support for Gorbachev's *perestroika* and reforms in Eastern Europe, you find yourself asked for tacit approval of the kind of things that make this all possible — in other words, approval of Gorbachev personally and whatever actions he may take to keep himself in power and the Soviet Union from breaking up.

The question, after all, may be that Gorbachev was willing to let Eastern Europe go its own way so long as the West recognized the necessity of keeping the Soviet Union intact — of trading away, as it were, Eastern Europe for the survival of the Soviet Union itself. This is what Gorbachev means when he says that the West understands the importance of the security and integrity of the Soviet Union not only for future stability in Europe, but for the survival of reform and *perestroika*. Good things can continue to happen in Eastern Europe only, according to Gorbachev's thinking, if the Baltic and other rebellious republics behave and are not supported by the West.

U.S. Dilemma. The U.S. has no choice but to fudge this dilemma. It can support self-determination inside the Soviet Union as a human rights issue without necessarily advocating the breakup of the Soviet Union itself. And it can continue to support the Baltic states' legal claims for independence without aggressively interfering in their affairs, which could backfire in any event and hurt the cause of independence.

Bush can avoid the impression of providing Gorbachev with "tacit understandings" by repeating that the use of force against the Baltic states would irreparably damage U.S.-Soviet relations. He can do this as well by stating clearly and unequivocally that U.S.-Soviet "cooperation" should aim to satisfy specific principles, such as democracy, freedom, and self-determination, and to accomplish specific tasks — such as providing for the complete independence of East European States.

"Cooperation" should not be confused with complicity. Nor "stability" with the status quo. The U.S. should support a stable (meaning non-violent) change of the status quo in Europe toward more democracy, freer markets, and national independence

WHAT IS NEXT?

So that is my assessment of Malta. What about the summit next June? What should we expect then?

The next summit should be very different than Malta. Bush provided Gorbachev payment for good behavior in Europe. Unless drastic improvements are forthcoming coming by June, no further payments are called for. The next summit should be conducted on a strictly quid pro quo basis. If Gorbachev wants any further concessions from the U.S., he will have to work for them.

Bush said, for example, that further improvements in U.S.-Soviet relations cannot come until Moscow gets Cuba and Nicaragua to stop sending Soviet arms to the guerrillas in El Salvador. If all Soviet arms cease to enter Central America, and if Soviet aid to Cuba begins

to decline, then Gorbachev can expect a cooperative attitude from Bush. If these things do not happen, then Bush should offer no new initiatives whatsoever.

The question of Central America brings up a larger problem for Bush: What will be the role of regional conflicts in Bush's diplomacy toward the Soviet Union. The Cold War is not over in places like El Salvador, Afghanistan, Angola, and Cambodia. Soviet arms are involved in every one of these "hot wars." Can Bush long afford to go down Gorbachev's road of claiming the end to the Cold War without running up against a sell-out of U.S. and Western interests in these Third World regional conflicts?

Higher Priority. No, he cannot. At some point Bush will have to give a higher diplomatic priority to Soviet support for regional conflicts. Bush cannot go on ignoring, as he did at Malta, Soviet involvement in such regional conflicts as Afghanistan, Cambodia, and Angola. They will continue to simmer and the Soviet military role in them at the very least casts doubts about Gorbachev's promise to introduce "new thinking" into his foreign policy.

It also casts doubt on the argument that the economic crisis is causing Moscow to cut back on its military involvement overseas. The Soviets spend \$10 billion a year on military assistance to the Third World, and it costs them a total of \$15.5 billion to support their clients there. Now, \$15.5 billion is a lot of money; it could buy a lot of those consumer goods Gorbachev says his people need so desperately. At the very least, this figure is instructive to keep in mind when contemplating the purported need of the Soviet Union for foreign loans to build their economy.

That being the case, Bush should tell Gorbachev at the next summit that the best "peace dividend" for ending the Cold War can be achieved right in his own back yard — by scaling back on the transfer of arms and military equipment to such countries as Cuba, Afghanistan, Nicaragua, Ethiopia, Angola, Mozambique, Vietnam, Syria, Iraq, and Libya.

Strict Preconditions. One thing Bush should not do at the next summit is to make more economic concessions as payments for political reforms inside Eastern Europe. For example, he should strongly oppose Soviet membership in the International Monetary Fund, the World Bank, and the Asian Development Bank unless Moscow meets strict economic preconditions.

These conditions are to: 1) comply with the Helsinki Accords and other international agreements regarding political and economic rights; 2) implement market-oriented reforms such as market pricing and making the ruble convertible; 3) disclose basic financial information required of all other IMF members seeking the benefits of participation in the global economic community, including data on the Soviet state budget, gold holdings, monetary and trade policy; and 4) footing its share of the bill for global economic development by joining the World Bank as a donor, and not as a borrower (which could require a deposit of as much as \$500 million a year in hard currency in these banks).

Unless these preconditions are met, loans from these international lending institutions would do nothing but prop up the old system, delay the day of reckoning, and waste billions of dollars of Western money in the process. Also, unless the Soviets change their adversarial foreign policy toward the West — represented by support for Cuba, Nicaragua, Afghanistan and other anti-Western countries — then their membership in the IMF and

World Bank would likely be used to polarize voting practices and undermine U.S. policy in these institutions, much as they do in the United Nations.

Financial Glasnost. Bush should also make an issue at the next summit of Soviet activities in U.S. and other Western security markets. He says that he wants the Soviets to join the international economy as a full-fledged partner. But to do this Moscow must apply some *glasnost* to their financial and trading activities. The terms of Soviet commercial and official debt to the West are shrouded in secrecy. The U.S.R.R. does not, for example, allow international auditors to review internal financial and production statistics and preferential trade and debt arrangements — a practice routinely accepted by other borrowers. The Soviet Union apparently wants to be accepted as a legitimate partner in the Western financial community without accepting the requisite responsibilities and rules.

Now let me turn to arms control for a moment. Bush said at Malta that he wants to sign a conventional arms control treaty sometime in 1990. I am not sure that all of the technical problems, such as verification, can be resolved in that short span of time. But even if they could be, there is emerging a more complex problem than meeting a deadline for CFE.

Events are moving so quickly in Europe, and the prospects for cuts deeper than envisioned in current conventional arms control proposals so great, that NATO's conventional arms control proposal may be out of date by the time a treaty is signed and ratified. NATO's current proposal, if enacted, would result in a reduction of only 30,000 U.S. troops and about 300,000 Soviet troops. Pentagon planners are now looking at the possibility of eliminating as many as 100,000 U.S. troops from Europe in the second round of conventional arms control talks. This raises the prospects of a 1990 treaty not only locking in force postures that we may want to reduce further later, but legitimizing the presence of Soviet forces in countries like Hungary and Czechoslovakia, which may want them out altogether.

Rights of Sovereign States. This problem could be handled in the following way. Bush should insist that a statement be added to a conventional arms control treaty that agreement on overall numerical limits of forces in Europe should in no way effect the right of sovereign states, such as Hungary and Czechoslovakia, to decide on whether to station foreign forces on their territory. There should also be a statement in the treaty to the effect that all numerical limits on troops, tanks, and other forces are maximum ceilings and in no way should jeopardize the possibility of further reductions.

This way there can be no doubt that the U.S. wants further Soviet force reductions in Europe. The aim, in fact, of the second round of conventional arms control negotiations should not be further marginal reductions of Soviet forces, but their complete removal from Eastern Europe.

Confused and Divided. Finally, a huge question mark at the next summit will be Germany. The issue of German reunification came up at Malta but it was glossed over. It will be difficult to do the same at the June summit. Next to Romania, East Germany is right now the most unstable place in Eastern Europe. That is why Secretary of State Baker went there a few weeks ago. The new East German leadership has no real legitimacy. Huge demonstrations for and against reunification are happening every day. The opposition is confused and divided. And East Germany is arguably the only place in Eastern Europe where social disorder or an attempt to reunify with West Germany could produce a

backlash by the Soviet Union. It is a sobering thought that one of the most unstable places in Eastern Europe — a state of about the size of Ohio — is also host to 19 crack Soviet Army divisions, over 350,000 troops, and hundreds of short-range nuclear missiles.

Competing Interests. To deal with a potentially explosive situation, Bush should make a dramatic proposal at or before the next summit: He should call for a meeting of the Four Allied Powers of World War II — the U.S., the Soviet Union, France, and Great Britain — plus the leaders of the two Germanies, to discuss the future of Germany. This is necessary not only because these Four Allied Powers have residual legal rights in Germany and Berlin from World War II, and therefore bear a special responsibility for ensuring a transition to reunification if it should occur, but because the solution to the German Question is not entirely for Germans alone to decide. Germans have a right to freedom and self-determination, but so too do Germany's neighbors, some of whom, like Poland for example, fear the loss of territory gained from Germany at the end of World War II.

Balancing these competing interests will require that Americans, Europeans, and Soviets get involved. If German reunification can be achieved through a gradual and stable process, starting with negotiations between the Four Allied Powers and the two Germanies, then it is something which all Europeans and Americans can welcome.

CONCLUSION

The Malta Summit was neither a breakthrough nor an impasse — neither a sidebar of history, nor an end to the Cold War.

It was, however, a watershed in the history of the post-war period because of the vast changes going on in Europe and the Soviet Union, and because a leader of the Soviet Union was more or less reduced to accepting U.S. trade concessions and promising to work harder on arms control negotiations as payment for forfeiting the European portion of his empire. In my balance sheet, Gorbachev lost that one.

And make no mistake about it: the collapse of the Soviet Empire in Europe is a major victory for the Western policy of containment, that is, the policy of maintaining our military strength against the Soviet Union until the day Moscow could not hold out any more. That day has come. The strength of the West — NATO's military power, its economic dynamism, its technological prowess, the attraction of its values as a free and open society — it is these things that allied with the aspirations of East Europeans to bring down the Iron Curtain.

Key to Success. This put Bush in a very strong position. He leads a prosperous and stable country, while Gorbachev's Soviet Union is on the brink of chaos and Gorbachev himself is uncertain of his political future. The outcome of Malta should be seen in this context. America is winning the Cold War, not because we are changing, but because the Soviets are changing. And the Soviets are changing because the United States and the NATO Alliance remained strong. Knowing this, ultimately, is the key to the success of future summits.

As Vannevar Bush once said: "If democracy loses its touch, then no great war will be needed to overwhelm it. If it keeps and enhances its strength, no great war need come again."

That should be the lesson of all summits.