PS1 for 12/22/88#PARTS OF GORBY'S SPEECH THAT DIDN'T MAKE HEADLINES

Soviet Party boss Mikhail Gorbachev didn't come to New York to deliver the olive branch of peace and a renunciation of war. He came to the United Nations to give the fawning liberal media some headlines about promised troop reductions while he delivered his salestalk demanding cancellation of the massive debts owed to the West by Third World and Soviet bloc countries.

This was the number-one point of his UN address but, funny thing, it didn't make it onto the front pages of the (BF)New York Times(end BF) or the (BF)Washington Post(end BF). This remarkable message was couched in terms of saying that the U.S.S.R. would cancel the debts other countries owed to it, but it is clear he was challenging America to do likewise; and it is also clear that the United States would be the big loser under such a policy while the Soviet bloc (and the Third World) would be a big winner.

In diplomatic language, Gorbachev said: You American suckers might as well face the music. The Third World and the Soviet bloc are never going to pay back their bank loans to the West, and are not even going to make current interest payments.

Gorbachev put it like this: ""Looking at things realistically, one has to admit that the accumulated debt cannot be repaid or recovered on the original terms.'' He blamed the problem on ""colonialism'' which, of course, disappeared a generation before the debts were incurred.

In the new spirit of perestroika, Gorby offered U.S. bankers several options: (1) ""write off the debt altogether,'' (2) give ""a lengthy moratorium of up to 100 years on debt servicing'' (that means postpone interest payments 100 years and forget the principal altogether), or (3) ""limit their debt servicing payments'' and defer the principal for ""a long period.''

Perhaps those alternatives seem too outrageous because of American sensitivities to the sanctity of financial contracts. If so, Gorbachev offered another option to ease the pain.

Option 4 is ""guaranteeing government support for market arrangements to assist in Third World debt settlement, including the formation of a specialized international agency that would repurchase debts at a discount.'' That means setting up an international revolving-door agency that would buy the debts from the big banks at, perhaps, 50 cents on the dollar.

Of course, it goes without saying that the United States always pays at least a third of the budget of any international agency.

This option would allow the big banks to recover about half their losses out of the pockets of U.S. taxpayers. The big banks would evade paying for their financial mistakes, Communist and Third World countries would get a free ride, and the U.S. taxpayers would foot the bill.

The rest of Gorbachev's speech was a contradictory mish-mash of notions that allow persons with contrary views to hear what they want to hear. Lenin called this tactic using Aesopian language.

Headlines in the liberal U.S. media proclaimed that Gorbachev came out for ""de-ideologizing relations among states.'' His Marxist associates were reassured, however, by the very next sentence in his speech: ""We are not abandoning our convictions or philosophy or traditions.''

Headlines in the liberal U.S. media proclaimed that Gorby may be willing to negotiate away his massive treaty-violating radar system at Krasnoyarsk. In fact, Gorby reassured his Kremlin buddies by saying that his plan is merely to put that radar under the U.S.S.R. Academy of Sciences!

Gorbachev brought up the subject of Afghanistan. It would have

been so easy and clear-cut to say, we're getting out by a certain date. Instead he muttered some mumbo-jumbo about calling ""an international conference on the neutrality and demilitarization of Afghanistan.'' The brave Afghan Freedom Fighters would look upon a Soviet-dominated international force supervising their neutrality and demilitarization as a device for permanent Soviet control of Afghanistan.

Gorbachev announced that ""Soviet democracy will be placed on a solid normative basis.'' Some naive Americans may believe that means he is veering toward our kind of democracy, but his Politburo pals will read that to mean Soviet-style, one-party, totalitarian government by Gorbachev's own appointees will be even more institutionalized.

In a peculiar piece of diplomatic effrontery, Gorbachev invoked the Latin maxim ""pacta sunta servanda,'' which he kindly translated for us: treaties must be observed. Does it strike you as a little discordant that the Soviet boss should be lecturing us on treaty compliance?

Before we cuddle up too close to this new television star from Moscow, let's remember what Gorbachev didn't say. He didn't say he would tear down the Berlin Wall or the Krasnoyarsk radar, or stop propping up Castro and the Sandinistas.