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CENTRAL INTELLIGENCE AGENCY WASHINGTON, D.C. 20505

30 April 1982

APPROVED FOR RELEASE - HISTOR AL COLLECTION DIVISION DATE: 06-18-2012

MEMORANDUM FOR;

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The Director of Central Intelligence

FROM

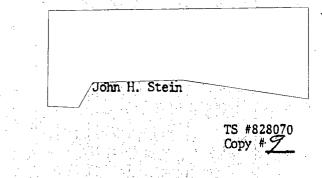
John H. Stein Deputy Director for Operations

SUBJECT

Report

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	Intelligence Information Special Report
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COUNTRY USSR/HUNGARY	
DATE OF	DATE
NFO. 22 March 1982	SUBJECT 30 April 1982

SOURCE Documentary

Summary:

The following report is a translation from Russian of a TOP SECRET memorandum to Marshal Kulikov from his military representative in Hungary, Colonel General Silchenko, regarding the views of Hungarian Minister of Defense Czinege and the issues the latter will discuss with his Soviet counterpart during a forthcoming visit to the USSR. The memorandum contains a list of Soviet-approved weapons to be purchased by the Hungarians from 1982 to 1985 which Czinege feels the Hungarian military was hastily pressured into accepting and which he perceives to include weapons that are too expensive and not modern enough. During his visit Czinege also intends to discuss the possibility of greater Hungarian input in drawing up armed forces development plans, reorganization of the Hungarian troop control structure, increased bilateral contacts between the various Warsaw Pact annies, and a more independent role for Hungary in military assistance cooperation with developing countries. Silchenko claims to have obtained his information confidentially from Hungarian Colonel General Karolyi Csemi.

End of Summary

Comment:

Colonel General Nikolay Kuzmich Silchenko has occupied his present position since May 1980. He previously was Commander of the Ural Military District.

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TO THE COMMANDER-IN-CHIEF OF THE COMBINED ARMED FORCES OF THE WARSAW PACT MEMBER STATES, MARSHAL OF THE SOVIET UNION, Commade V. G. KULIKOV

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I submit:

As learned from confidential sources, the Minister of Defense of the Hungarian People's Republic, General of the Army L. CZINEGE sent a memorandum to the Central Committee of the Hungarian Socialist Workers' Party in which he set forth the items being planned for discussion during his visit to Moscow and during talks with the Minister of Defense of the USSR, Marshal of the Soviet Union, Comrade D. F. USTINOV. The Central Committee of the Hungarian Socialist Workers' Party examined CZINEGE's proposals and approved them. The exact date of the visit, which is planned for the end of April or the beginning of May of this year, has not been established and it will depend on the state of health of CZINEGE, who recently underwent surgery.

During the visit, which is timed to correspond to the twentieth anniversary of the initial use by Hungarian rocket troops of the Soviet firing ranges at Ashuluk and Kapustin Yar, CZINEGE intends to personally attend the anniversary launchings of operational-tactical missiles by Hungarian personnel of the 5th Army Missile Brigade and to present decorations and medals of the Hungarian People's Republic to the Soviet firing range and to its service personnel.

CZINEGE intends to raise the following points in the talks with Comrade D. F. USTINOV:

1. During the preparation of the development plan of the armed forces of the Hungarian People's Republic for 1981-1985 and the formulation of Directive D-00085, the command personnel of the Hungarian People's Army were not kept fully up to date on the most recent models of weapons and combat equipment available to the Soviet Army. As a result, the decision adopted for the purchase of weapons was based, not on a thorough analysis by Hungarian military specialists but on the instructions of the Commander-in-Chief of the Combined Armed Forces of the Warsaw Pact Organization, in which how much and what to purchase were fixed. In the opinion of CZINEGE, in this case the equipment

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included at some points on the list was not the most modern, but rather the most expensive. The lack of necessary information and, supposedly, "actual pressure from the Commander-in-Chief of the Combined Armed Forces" led to the fact that the General Staff of the Hungarian People's Army could not be briefed properly and failed to consider the actual capabilities of the country to finance the weapons purchases and the expediency of them. It was on these grounds that differences arose between the Ministry of Finance, the TEKHNIKA Foreign Trade Association, and the Ministry of Defense of the Hungarian People's Republic.

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General of the Army L. CZINECE intends to raise the matter of a re-examination of the previously approved list of purchases, which includes:

for 1982 -- two batteries of R-17 <u>9K-72</u> operational-tactical missiles, one battalion of LUNA/M [FROG-7] tactical missiles, six battalions of AKATSIYA 152-mm, D-20 [152-mm], and GVOZDIKA 122-mm howitzers, nine batteries of MT-12 100-mm antitank guns, two MALYUTKA-P [antitank missile] batteries, 48 FAGOT antitank guided missile launchers, six KRUG-M [SA-4] surface-to-air missile systems, four KUB [SA-6] surface-to-air missile systems, 95 STREIA-2M [SA-7] launchers, 50 EMP-1 [infantry combat vehicles], 12 SU-22M [fighter aircraft], four MI-2 [helicopters], 12 VOIKHOV S-75M [SA-2] launchers;

for 1983 -- four battalions of D-20 152-mm and GVOZDIKA 122-mm howitzers, 15 batteries of VASILËK 82-mm mortars, 22 STRELA-2M launchers, 50 BMP-1, 10 MI-2, one MI-9 [sic -- MI-8?] VKP [airborne command post helicopter], 18 VOLKHOV S-75M launchers, 12 VEGA S-200 VE [SA-5] launchers, and four SENEZH, ALMAZ-2, and ALMAZ-3 automated control systems;

for 1984-1985 -- 33 batteries of VASILEK 82-mm mortars, 10 STRELA-2M launchers, 70 T-72 tanks (30 in 1984), 76 BMP-1, 20 MI-24 D [helicopters], 10 MI-2, 18 VOLKHOV S-75M launchers, and a VS-11M automatic guidance system.

2. The Minister of Defense of the Hungarian People's Republic considers it advisable to change the overall procedure for determining the main directions of development of the armies of the member states of the Warsaw Pact Organization. In his opinion, the initiative must come from below and not from above. Thus, CZINEGE considers as most acceptable for Hungary a variant whereby the General Staff of the Hungarian People's Army and the Ministry of Defense of the Hungarian People's Republic would draw up an armed forces development plan themselves, submit it to the government and to the Central Committee of the Hungarian Socialist Workers' Party, and after approval by those authorities they would inform the Political Consultative Committee of it through the Committee of Defense Ministers. After approval by the Political

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Consultative Committee of the Warsaw Pact Organization and coordination with the development plans of the other national armies, these plans would be returned to the armies of the member states in the form of directives of the Staff of the Combined Armed Forces. Only in this way can the national interests of each member state of the Warsaw Pact Organization be fully adhered to.

In addition to the introduction of possible changes in the weapons purchase plan, we are also not ruling out the possibility of a re-examination of Directive D-00085 itself, particularly regarding the matter of the advisability of a return to the corps and brigade organization of the Hungarian People's Army. Facing CZINEGE are serious problems -- how to bring about the further development of the army given the significant rise in the cost of combat equipment and increase in the expenditures for personnel pay and allowances without that development having a negative effect on the level of prosperity of Hungary and without lowering the living standards of the Hungarian population. The situation is also complicated by the fact that the economic and financial capabilities of the country are becoming worse every year; in addition, the prestige of a career as an officer is dropping, employment in the high-paying private sector is more attractive to young people, the annual selection of the required number of candidates for the officer schools is not successful, and those accepted do not always meet the requirements imposed on future officers. At present the strength level of line officer personnel does not exceed 62-65 percent on the average for the armed forces of the country.

3. The Minister of Defense of the Hungarian People's Republic is now preparing a new presentation to the Central Committee of the Hungarian Socialist Workers' Party and the government concerning a reorganization of the troop control structure, with a view to simplifying it, and he would like to consult on this matter. In particular, the following are being contemplated: elimination of two Military Council member positions; introduction of the new position of Deputy Minister of Defense for Armament; conversion of the 1st Air Defense Army to the [1st Air Defense] Corps; establishment of an army aviation brigade; disbandment of the Inspectorate of the Air and Air Defense Forces; and modernization of the tactical rear services.

4. CZINEGE believes that while giving priority and preference to all-union undertakings at the Combined Armed Forces level, the role and importance of bilateral contacts between the national armies of the Warsaw Pact Organization should not be reduced. The Hungarian People's Army intends henceforth to broaden such contacts, since they frequently yield an important effect and return. In the opinion of the Minister, there are sometimes too many elements

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of formalism, oversimplification, and window-dressing in the all-union undertakings. All of this has a negative effect on the combat effectiveness and true combat readiness of units and subunits. There are not enough confidential contacts and exchanges of views among the military-political leadership of the allied armies.

5. CZINEGE intends to raise the matter of the immutability of the jointly coordinated combat training plans of the allied armies. At the next meeting of the Committee of Defense Ministers he intends to raise the matter of the inadmissability of introducing important changes to these plans without advance consultations with the interested parties (this concerns the last meeting of the Committee of Defense Ministers when the Hungarian People's Army was in effect presented with the <u>fait accompli</u> of the requirement to substantially increase the forces and means allocated for Combined Armed Forces exercises, which resulted in significant additional expenditures for the Hungarian People's Army).

6. In the opinion of the Ministry of Defense of the Hungarian People's Republic, the current principles in effect within the framework of the Combined Armed Forces of the Warsaw Pact Organization concerning the coordination of the actions of the member states of the Warsaw Pact Organization during implementation of military-technical cooperation with developing countries, arms deliveries, training of cadres, etc., have exhausted their positive role, and at present substantial revision and additions are needed for the purpose of granting the member states greater independence in resolving these matters (evidently, the reference here is to the negative reaction of the USSR to Hungary's delivery of over 100 S-60 antiaircraft guns to Iraq in 1981). The Minister intends to raise the issue about granting greater independence at the next meeting of the Committee of Defense Ministers. In addition, he believes it useful to set up a regular exchange of information about the results of the \forall trips of military delegations to different countries and to receive such delegations himself. The Minister of Defense believes it advisable to develop military-related contacts with states which are not a part of the Warsaw Pact Organization and which are unable to have a negative effect on the Combined Armed Forces of the Warsaw Pact Organization. In utilizing such contacts it is possible to render the requisite military-technical assistance and, in so doing, influence certain governments in the direction that we desire. In our opinion, the purpose of all these initiatives is, in the first place, to protect the national interests of Hungary and to obtain an additional amount of hard currency, of which the country is experiencing a severe shortage. CZINEGE intends to explain this position of the Hungarian side in a tactful way so that the Soviet Union could address such a position with complete understanding.

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6 [7]. In addition to the items listed above the Minister intends to brief Comrade D. F. USTINOV about the initial results of reducing the compulsory term of service of conscript personnel to 18 months in 1981, about the changeover of the Hungarian People's Army to a five-day workweek as of March of this year, and also about Hungary's internal and external development problems. CZINEGE expressed a desire that, in order to achieve the best results on the trip, several meetings be set up with Comrade D. F. USTINOV alone, which would permit him to present his point of view more candidly.

This information was obtained in a confidential discussion with the State Secretary of the Ministry of Defense of the Hungarian People's Republic, Colonel General K. CSEMI, who cautioned that an extremely limited circle of people know about the above intentions of CZINEGE.

> REPRESENTATIVE OF THE COMMANDER-IN-CHIEF OF THE COMBINED ARMED FORCES OF THE WARSAW PACT ORGANIZATION TO THE HUNGARIAN PEOPLE'S ARMY, COLONEL GENERAL

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22 March 1982

N. SILCHENKO

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