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8 January 1969

MEMORANDUM FOR THE RECORD

SUBJECT: Briefing of DoD Officials on Soviet
Military Expenditures

1. On 7 January 1969, I presented a briefing on Soviet military expenditures to the following DoD officials:

John S. Foster, Jr., Director, Defense Research and Engineering

Robert C. Moot, Asst. Secy. Def. (Comptroller)

Charles L. Poor, Dep. Asst. Secy. of Army (R&D)

and several members of their staffs.

The briefing was arranged at the request of Clifford Cummings, Spec. Asst. (Threat Assessment), DDR&E, who had been present for a similar briefing of the DCI's Strategic Intelligence Panel last October. Today's briefing was relatively informal and lasted about an hour and a quarter.

- 2. I reviewed in general some economic data on the USSR, described CIA's methods of costing Soviet military programs, the historical trends and projections of expenditures by various missions and elements, and discussed the current outlook. The aim of the briefing was to provide background and perspective on Soviet military programs as reflected in economic data. The material covered was consistent with current NIE's, the NIPP and OSR publications. I was accompanied by Chief, Military-Economic Planning Branch.
- 3. There were questions and discussion throughout, and the briefing seemed well received. Many



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of the questions involved the relation of Soviet to US counterpart programs, and as is usually the case, they were particularly struck by the continuing size of the Soviet defensive effort and of the earlier programs for peripheral offense such as medium bombers, and MRBM-IRBMs. They showed a good deal of interest in the methods by which we construct our costing estimates and I reviewed the way in which this information is used in projections such as the ABM. We discussed the problems of measuring the Soviet effort on RDTE & Space, and the related data limitations. They understood these from experience.

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