AN INTELLIGENCE APPRAISAL OF CURRENT SOVIET POLICY National War College April 30, 1954

- (1) No pipeline into Kremlin. Problem of getting intelligence from behind Iron Curtain.
- (2) No detailed blueprint of policy -- Soviet improvises on details just as every gov't does; also have uncalculated reverses: -- They did not plan break with Tito nor foresee our reaction to North Korea or the defeat of the Tudeh in Iran.
 - (3) These considerations basic to Soviet conduct: --
 - (a) Don't really believe in "co-existence"
 though preach it when convenient. Hence useless
 for us to plan any over-all settlement as long as
 Revolutionary characteristics of movement endure.
 Each Soviet move calculated to weaken non-communist world with view to its eventual destruction.

Hence policy one of perpetual probing to find weak spot in non-communist world -- when they find stiff opposition, they engage in tactical retreats.

tempered by their view that they not yet ready to take on USA and allies in general war -Still fearful of our industrial and nuclear striking power; also unwilling risk any adventure which would risk their own control over gov't apparatus. Even Russian victory which destroyed basis of power of Soviet ruling caste unacceptable.

Will this be true in 5 - 10 years when atomic "enoughness"?

(4) Details of policy within this framework influenced by the policy makers and the home base -- their policy making and policy executing machinery.

- (a) Stalin demise and decline of Stalin cult -- the new collective leadership:

 Malenkov -- Krushev -- (describe K) -- the new role of the army (?) Zhukov Konev, etc.
- (b) Beria The decline and reorganization of MVD "keep off grass".
 - (c) Molotov -- Control of foreign policy.
- (5) The internal policy base
- (a) The new look economic policy:

 Modification of emphasis on heavy industry

 toward better balance -- Production more

 consumers goods -- use of gold for foreign

 purchases. -- In their policy cannot wholly

 disregard the "people".

- (6) Agricultural policy:
- (a) Diversion of manpower from industry to agriculture and agricultural machinery.
- (b) Partial failure of "collective farm" system -- Food supply seems problem. Have stopped certain massive projects reforestation, irrigation, canals.
- (7) Military program -- Soviet "new look" (?).

 Budget shows decrease from 110 to 100 Billion rubles

 but "national economy" up from 192 to 216.

Atomic program -- (August tests)

Guided missiles

Long-range bombers

Submarines

But still have ground forces sufficient dominate Europe & through China Theater SEA.

- (8) On this gov't domestic and military base, build foreign policy, which has these features:
 - I. Divide Western World.
 - (a) Relax tensions -- sweetness and light (but query whether tough Berlin tactics, particularly toward Austria, and break with Australia indicates some change.)
 - (b) Use atomic blackmail -- Our allies forced deter us from any use atomic weapons.

Following from Mikoyan's speech April 28:

"Therefore, the latest type of weapons, the atom and hydrogen bombs, which in the hands of the aggressors constitute the means for unleashing war, in our hands, are reliable means for defending peace, since they are tying the hands of those who would want to fight."

(c) Foster neutralist sentiment England, France, Italy, India, etc.

Portray U.S.A. as seeking a war that will first destroy Europe.

- (d) Propaganda weapon -- B.W. campaign -- U.S. as warmonger.
- II. Hold all acquired positions.

No communized territory abandoned (a bit of Korea).

No relaxation of hold on Satellites
(attitude re East Germany and Austria.)

III. The policy of partition.

Divide countries artificially and then subvert (Germany -- Korea -- maybe Indo-China).

IV. <u>Use of Communist parties</u> -- Trade unions and front organizations.

(From Comintern to Cominform, to Front organizations).

Seek shield Kremlin from direct participation.

Force us use blue chips while they use white.

V. <u>Develop Asia nationalism through grand</u>
alliance with China.

(Discuss "uneasy" control of Chinese ally -apprehension China may go too far). Chou's demand
"all foreign military bases in Asia be removed."

Effect of Nationalism issue in Indo-China, etc.

VI. Block German and Jap rearmament.

VII. Apply all these pressures -- up to but not beyond point where real risk of war -- until Soviet industrial potential and nuclear stockpile adequate -- gambling in meantime on Western depression, disintegration or division and on real successes in cold war.

- (9) Weaknesses in Soviet policy structure.
- (a) Total lack of confidence among top Soviet leadership.
- (b) Western Satellites held down by

 force -- uncertain allies in any military

 adventure. Growing evidence of disillusionment

 with communism.
 - (c) China - an ally difficult to control.
- (d) Industrial base still inadequate for major war adventures.

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- (e) Shortage of trained manpower to carry out their grandiose political schemes.
 - (f) Defections.
- (g) Soviet gov't plagued with relatively inefficient bureaucracy.

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CONCLUSION.

The success of policy depends on a variety of factors. Obviously policy must be realistic and it must be backed with adequate force. But one of the prime requisites is initiative. If you can force the opponent to frame his policy to meet yours, you have a vast advantage. If your policy is merely an answer to moves of the opponent's own choosing, you are sure to come off second best.

This is exactly the dilemma we are faced with in Southeast Asia today. What the Soviet and Communist China will dare to do there depends upon the strength and cohesion of the non-communist group. (Unfortunately can't call it coalition today.) Each side has power -- who will seize the initiative?

The answer to this question will be fraught with important consequences for the future of American policy in the contest with the expansionist move of the Kremlin.

Quotes from Krushev's speech of 27 April 1954.

I. Bureaucracy.

"It is essential to reduce correspondence and inflated reporting, eliminate mercilessly bureaucratism and state machinery and carry out better work . . . with a smaller number of people."

"We are still spending too much on inflated staffs in various departments. Is it not obvious such a disgusting state of affairs ought to end?"

II. Overstaffing

"It is sufficient to say that in the USSR Ministry of Agriculture, there are 422 administrations, departments, and sections. The reorganization has been carried out in such a way that there is one chief for every two officials of the Ministry.

(Animation in the Hall)."

III. Tax Collecting.

"Is it not indeed a crying shame that in a number of rayons of the Karelo-Finnish SSR, after reductions in the tax collecting system, there are still so many agents that their salaries are more than the amount of taxes collected in the rayons?

(Animation in the Hall)

"For instance, in Kalevala Rayon, the total amount of a year's salaries of tax collection agents amounts to 56,000 rubles while the total of taxes collected by these agents in the rayon amounts only to 55,000 rubles. (Laughter)

"In Sudyarsky Rayon, the total amount of a year's salaries of tax collection agents is over 26,000 rubles while the taxes collected by them amount to 20,000 rubles. (Laughter)

"We are still spending too much on inflated staffs in various departments and institutions.

Is it not obvious that such a disgusting state of

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IV. Filling out of Forms.

"Scores of various forms of assessment of competition have been laid down at Kharkov bicycle plant. According to but one of these forms, concerning the introduction of advanced labor methods, every workshop must submit a monthly report in which it is necessary to reply to 1,000 questions (Laughter in the Hall) Scores of workers are sweating over the compilation and propagation of these reports, being taken away from useful work. This is a most harmful bureaucratic undertaking. It is essential to decisively liquidate such red tape and such a generally stereotyped attitude toward the organization of competition."