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Let's Make a Deal

For Once, We Have a Summit When Both Sides Badly Need Arms Cuts

By Jerry F. Hough

FOR THE FIRST TIME since arms-control negotiations began, political, economic and strategic cycles in both the United States and the Soviet Union have simultaneously swung in a direction that should favor productive negotiations. The question is — will both sides' leaders recognize that the timing is perfect?

On the Soviet side, the immediate change affecting arms-control prospects has been the selection of a vigorous, younger general secretary — Mikhail Gorbachev. For the past 10 years, no Soviet Union leader has had an incentive to take risks for long-range gains, because none had any reason to think he would be around long enough to see the results. Gorbachev will only be 69 in the year 2000. A man with such a time perspective must have very different priorities than the previous leaders.

Gorbachov's most important problem is Soviet technological backwardness. Russia and Japan began industrialization at the same time. Japan's capacity to produce was ravaged just as much as Russia's in World War II. (An article in Pravda in August reminded Soviet readers that 3 million Japanese died and 10 million lost their homes in the war.) In 30 years, the Japanese economy has been transformed. For that matter in the last 15 years the same has been happening in Taiwan and South Korea. But the Soviet Union did not make the same transition, and that is having disastrous consequences.

First, technological backwardness undercuts Soviet foreign policy. The ineffectiveness of the Soviet economic model means that industrializing Third World countries must turn to Western development models. And it means that neighboring regions that logically should be in the Soviet orbit — such as the Middle East — rely on Japan and the West for their technology, instead.

It also undercuts Soviet military power. The Soviet defense industry has been able to produce high-technology items when it concentrated its efforts (e.g., guidance systems for nuclear warheads), but its overall record is poor. It was 20 years behind the United States in producing a solid-fuel intercontinental rocket, in developing the ability to catch film ejected from a satellite, and in placing satellites in high orbit. Soviet nuclear submarines are extremely noisy and easy to detect and the real computerization of the armed forces has hardly begun compared to the West.

For these reasons, technological backwardness weakens the Soviet Union's political stability. It undercuts the Communist Party's ideological claims about the superiority of socialism to capitalism. It also hampers the long-term party effort to tie itself in the eyes of the population to the accomplishment of Russia's national goals (for example, victory in World War II). If Russians get the idea that the Soviet Union is doomed to become the last Third World country, this would be highly destabilizing.

Addressing this problem will not be inexpensive for Gorbachev, however. A technological reconstruction of the Soviet economy requires major investment in computers, communications and advanced machinery.

In addition, for political reasons, the production of consumer goods needs to be increased. Revitalizing the Soviet Union's economic structure could easily require steps similar to the ones China is approaching, such as legalizing the black market or modifying the disastrous policies of collectivized agriculture. Such measures could be disruptive because people who are winners under the current system could become losers under a more rationalized one. Spreading consumer goods around could ease that strain.

To achieve these goals, the country really does need the 4.7 percent annual growth that Gorbachov promised in a speech last week. Such very high growth in what has been up until now a very sluggish economy will be extremely difficult. It is totally preposterous if Gorbachov is looking for a big increase in military spending as well.

The most expensive part of a military establishment is troops, but there are savings that can be made in the strategic realm. A number of Soviet strategic programs are about to be deployed: the large SS-24 missile (the Soviet equivalent of the MX), the SS-25 (a single-warhead, mobile missile), a new nuclear submarine (the Typhoon) and a new cruise missile system.

Marshal Nikolai Ogarkov has already said of the American nuclear force, "One does not have to be a military man or a scholar to know that a further increase of strategic nuclear forces is already becoming senseless." The same applies to the Soviet Union, which could save a lot of money by declaring that it already has more than enough.

The large Soviet missiles that have been so frightening to Americans who see them as potential first-strike weapons are themselves vulnerable to an American first strike because they are land-based and stationary. Thus the Soviet Union wants to replace (or at least supplement) them with missiles that are less vulnerable. A gradual program of deploying the mobile SS-25 over 10 years would be the inexpensive way of meeting the problem. This could be done even as a unilateral step, although a rapid dismantling of the big multiwarhead rockets might require a more rapid and more expensive deployment of SS-25s.

Nevertheless, an arms-control agreement would have advantages. It would not be crushingly expensive for the Soviets to counter America's Strategic Defense Initiative ("Star Wars"). One of the things they could do is simply retain old missiles while building new ones to overwhelm it. However, Gorbachov doubtless would be happy to forego that expense.

And for internal political reasons Gorbachev will have to negotiate in good faith with the United States. Former foreign minister Andrei Gromyko has always proclaimed that relations with America should be the centerpiece of Soviet foreign policy. Many signs indicate Gorbachev would rather concentrate on improving relations with Europe and Japan at the expense of the United States. But the opinions of Gromyko, now president of the Soviet Union, still command respect because he is the only man on the Politburo with foreign policy experience.

In order to prove Gromyko's ideas wrong, Gorbachev will have to prove that such negotiations with America are genuinely futile. Of course if, to his surprise, Gorbachev does get an agreement, it would strengthen his authority enormously within the party. For him, negotiating seriously with America is a no-lose situation.

The obstacles to major arms control have been many, but none has been greater than the pervasive Soviet secrecy — especially because of its psychological impact in the West. Soviet secrecy shows the Soviet leaders have something to hide, and a prudent person assumes that that something is probably dangerous. So long as

the secrecy remains, rightly or wrongly, the Soviet Union will never be trusted.

In actuality, the real reason for the great secrecy has almost surely been a desire to hide weakness. The Brezhnev-Gromyko generation based much of their legitimacy with the Russian people on their claim of having achieved superpower status and military equality with the West. In large part, it was a hollow claim.

The Brezhnev generation did develop enough missiles and nuclear weapons to match or exceed U.S. arsenals at least numerically. They accumulated enough conventional weapons to give NATO commanders sleepless nights.

Yet, in the nuclear age, national power has come to rest increasingly on economic power, and here the Soviet leadership has been unsuccessful. It was able to raise living standards (the Brezhnev era was one of mass acquisition of appliances), but it did not solve the problem of matching the First World. The Brezhnev solution to the problem — large-scale importation of Western technology — did not work.

The leadership's solution to its failure to create equality was to pretend to do so. The early American exaggerations of Soviet strength such as the bomber gap, the missile gap and the ABM gap were substantially the result of deliberate Soviet disinformation. In the Brezhnev era, the leadership simply used secrecy to hide the end of the growth in military procurement that William Casey's CIA says occurred from 1977 through 1982.

The more the United States exaggerated the Soviet threat — remember the "window of vulnerability"? — the more the Soviet leadership could persuade the Soviet population that it had at least achieved equality with the West, thereby preserving the stability of the Soviet system.

The real indication of Soviet motivation came when the CIA lowered its estimate of the growth in Soviet military spending in 1982. Although this would seem to be grist for Soviet propaganda, the Soviet news agencies never reported this development to the Soviet reader. The leaders did not want the Soviet reader to know that they were not meeting the Western buildup.

Brezhnev and his ailing successors had no reason to worry if their secrecy stimulated a Western defense program. They knew that they would not live long enough for it to harm them. As with the plight of their economy, doing nothing was the path of least resistance. Gorbachev, however, is in a very different position. He has to worry about the Western military posture 15 years from now. If he wants to curb Western military spending, he needs to reduce the Western sense of the Soviet Union as a threat. A sharp reduction in secrecy is necessary for that.

Other considerations also lead Gorbachev towards an acceptance of a new information policy. First, the attack on technological backwardness is not possible without subjecting Soviet manufacturers to foreign competition. That will require far more contact with the outside world.

Second, full-scale computerization is going to have to be accompanied by accurate information, lest the most famous law of cybernetics — "Garbage In, Garbage Out" — render the modernization meaningless. Word processors will also make easier the distribution of unorthodox ideas. The regime is going to be forced to take a more relaxed attitude toward both these developments.

Finally, meaningful economic reform will be politically very difficult because of the entrenched interests it will jar. The sacrifice it entails need to be justified, and the needs of national defense are the logical appeal. That requires more openness about the problems that Brezhnev left the country.

In the United States, too, the political-economic cycles should be extremely favorable to an arms-control agreement.

First, Ronald Reagna always said that he was arming in order to disarm. The Soviet Union was a threat in the way it handled its military buildup in the 1970s. The Western response accomplished its purpose and demonstrated to the Soviet Union the hopelessness of any drive for military superiority.

If, as a consequence, the Soviet Union is now willing to put a cap on its military spending, restrict its strategic forces, reduce its secrecy and accept more verification, the United States can say that it has really accomplished something with its expensive defense program.

Second, the $200 billion annual deficit is being directly and indirectly financed by foreign borrowing of some $110 billion a year, $50 billion to $60 billion of it from Japan. Even at 9 percent interest rates, that means the country is paying foreigners $10 billion a year cumulatively for each year we carry such a deficit.

To create a balance in its foreign payments, the United States has to sell enough extra to foreigners to cover the interest payments. That is impossible without a major and continuing decline in the value of the dollar. With such a decline will come inflation and a rise in interest rates, for foreigners are not going to keep loaning us money if the decline in the value of the dollar eats up profits from interest rates.

As a result, President Reagan faces a dilemma. He could bring the deficit under control by repudiating his tax cut. He could be content to go down in history as the Calvin Coolidge or Herbert Hoover of the 1980s — the man who complacently presided over the happy prelude to economic disaster. Or he could use the victory his arms buildup has created to cut military expenditures in a substantial way. It is obvious what the intelligent answer to the dilemma is.

Third, the president has played the arms-control issue in brilliant bargaining fashion if he is, indeed, seeking an agreement. By his seemingly implacable commitment to SDI testing, he has stimulated a forthcoming Soviet response. By testing antisatellite weapons, he has silenced right-wing critics who say that we were behind in that area. By creating doubts about the interpretation of the ABM treaty, he has created the need and possibility for limits on testing through an agreement on the precise definition of the terms of the ABM treaty.

The president has maneuvered himself into a position where he can accept limits on SDI testing that could not be reached technologically anyway during his administration. He can thereby ensure a new relationship with the Soviet Union while creating conditions for a solid prosperity. It could go down as one of the truly great diplomatic and political performances.

And, yet, as one follows the course of developments in Soviet-American relations, the thought keeps arising that if President Reagan is planning to compromise on SDI, he *really* is a first-class actor — better than he was ever given credit for in Hollywood. He does create the strong impression that, in the words of his biographer, Lou Cannon, he thinks SDI is the Second Coming.

The disturbing thing if, in fact, an historic opportunity for meaningful arms control is at hand, is that the administration's approach to defense spending and arms control is so inconsistent, and the president's mastery of the subject is so apparently lacking.

When the president announced his determination not to bargain on SDI, he argued that it was far too important to trade off for "a different number of nuclear missiles when there are already more than enough to blow both countries out of the world." It is a defensible point. Even a 50-percent reduction will leave both sides with overkill.

But why then is the United States wasting money on a new MX *and* a new B-1 bomber *and* a Stealth bomber *and* a new Trident submarine missile *and* several new cruise missile programs *and* a forthcoming Midgetman missile *and* an expansion in nuclear warheads to go with them? It doesn't make sense.

In arms control, the same inconsistences abound. A congressional delegation headed by Democratic Reps. Edward Markey of Massachusetts and Robert Mrazec of New York was recently in Moscow. In one interview it was asked by a top Soviet scientist, Evgeny Velikhov, to explain why the president favors space defense stations but opposes a treaty banning antisatellite missiles that could destroy the space stations.

It is a good question. Does the president understand that the natural and inexpensive response of the Soviets to orbiting defense stations is to blow them up?

Similarly, the space stations under consideration only destroy missiles in outer space. They cannot deal with low-flying cruise missiles in the atmosphere. Yet, the United States is not trying to restrict cruise mis-

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siles. Does the president know that space stations cannot hit cruise missiles?

The one explanation that makes sense of the almost mindless quality of the American buildup is a belief that the Soviet Union will be forced to respond to all our measures and will strain its economy. Unfortunately, Gorbachev does not have to play the game. He can cut military expenditures without an agreement, if needed. He can do this while using SDI to spur economic growth, saying the entire Soviet Union must computerize in order to match the American threat.

And unless the United States raises taxes to pay for its program, it will be the one spent into bankruptcy, not the Soviets.

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